

Manitoba Federation of Labour

Presentation to

Winnipeg City Council

2013 Capital and Operating Budgets

January 29, 2013

Good Morning:

The Manitoba Federation of Labour is the largest central body in the province, representing more than 95 thousand members. The majority of these working families reside in the City of Winnipeg and are directly affected by the budgetary decisions made by City Council as residents and tax payers.

CUPE Local 500 is one of our major affiliates and it reports to us that it has serious concerns about the potential impact that the budget plan now being considered by City Council will have on the people of Winnipeg.

We are concerned about the declining state of our infrastructure, including roads, sewer and water systems, important recreational facilities, and the recreational programs delivered through them.

It attributes a large part of the decline to fourteen years of frozen property taxes and a business community that is not carrying its fair share of the cost of providing important services to the people of Winnipeg.

Another of our member Unions is the Amalgamated Transit Union. In spite of the fact that violence against bus drivers and other workers who routinely have face to face dealings with the public is well documented, there is not a single reference to this issue, nor is there a single penny devoted to addressing it even though it has reached the critical stage. Instead, nearly three-quarters of a million dollars will be spent on the mayor's office's ability to grease the communication wheels leading up to the next city election. Shame!

CUPE 500 draws our attention to the City's Vacancy Management program and the budget commitment to the Alternate Service Delivery review and implementation process.

It identifies the Vacancy Management program as a major factor in the decline of the City's ability, and even commitment, to providing quality public services to the residents of Winnipeg. Cutting staff and leaving vacant positions empty is hardly a blueprint for delivering the services and programs that we pay for through our taxes. It is, however, an excellent bit of groundwork for privatizing even more public services as envisioned by the Alternate Service Delivery program. The fact that this budget devotes another \$300 thousand to the privatization process indicates to us that more services are on the chopping block, in anticipation of savings of \$2 million a year. (more secret deals with no public accountability. Where are these "savings" if you can assign a number to the "savings" shouldn't the citizens and tax payers know what you're selling off and or no longer being accountable for?) How do you save this amount by privatizing services? By cutting city workers, by hiring a private sector company to try to do the job with fewer workers, by paying them less – a lot less. This takes fairly paid jobs out of our community and replaces them with fewer, near-minimum wage jobs. This in turn dampens the city economy and the financial health of our other employers.

A mantra of those opposed to public services and programs is "starve the beast" in order to force governments to withdraw from citizens lives. Intended or not, that is the embodiment of Winnipeg's revenue strategy for more than a decade – freeze taxes and continuously reduce business taxes. The predictable has occurred – roads and sidewalks go unrepaired, recreational facilities crumble, and support for important anti-poverty programs are in decline.

To make matters worse, now the citizens of Winnipeg are funding private sector profit-margins and share-holder dividends through privatized services formerly delivered by city employees. We've entered into contracts with a private sector company to provide water management services, and with another company to cart

away solid waste and recycling. The result is fewer fairly paid workers employed to do these jobs, public tax money being diverted to profit margins and shareholder dividends and less public oversight by accountable individuals on how these services are delivered. But there is no budgetary reference to monitoring or auditing these privatized services to ensure that they meet the needs of Winnipeg residents, or that we are getting good value for the money we are pouring into them.

It is clear to me, and apparently many others, that City Council needs to take a long, hard look at how it is governing our community, particularly when it comes to establishing a fair and balanced revenue policy and how it supports those community based programs that may provide some answers on reducing and eliminating the unacceptable level of crushing poverty in Winnipeg.

I conclude by saying the city budget consultation process has been non-existent this year and that lack of respect of public interest and accountability is shameful. I for one tire of the secret deals and closed door attitude of our city hall, perhaps if those processes don't change, the public will send new representatives next year.