

Key Considerations in Developing the Proposal

CITIZENS. Citizens are key to realizing a new deal for their city. The extensive public consultation process through the fall yielded 4 directional themes: (1) something has to change - the status quo is not working; (2) there is merit to tax shifting if it adheres to sound principles; (3) the three levels of government must work together to address the infrastructure deficit; and, (4) the City must look internally to find efficiencies, improve operations and reduce costs.

THE CAPACITY OF THE OTHER LEVELS OF GOVERNMENT. Analysis by The Conference Board of Canada indicates that the Federal government has financial capacity. The Conference Board's analysis also recognizes that Provincial governments have significant fiscal pressures relative to rising health care and education costs.

PROSPERITY. A prosperous Manitoba requires a prosperous Winnipeg. Prosperous cities are also critical to Canada's prosperity. Linking City revenues to economic activity gives the City a vested interest in the economy and encourages strategic community investments by City Council.

INFRASTRUCTURE. The infrastructure deficit is significant. If it is not addressed, there will be a tremendous burden on future generations.

PROGRESSIVE TAXATION. Taxes are progressive when the tax rate increases as income increases. The City's current mix of revenue tools (property taxes and user fees) is regressive; i.e. citizens with lower incomes pay a relatively high percentage of their income in these taxes/fees. A more progressive set of tools is required; tools that support the social, environmental and economic sustainability of the community.

EFFICIENCIES. The City has a responsibility to drive efficiencies, to demonstrate accountability and transparency and to fully utilize the revenue tools under current authority.

WE ARE NOT ALONE. A new deal for Winnipeg can support the interests of municipalities across Manitoba and cities across the country.

LEADERSHIP. The Province of Manitoba and the City of Winnipeg have a tradition of leadership in provincial-municipal relations including Unicity, the Provincial Municipal Tax Sharing grant and the City Charter. The Government of Canada, the Province of Manitoba and the City of Winnipeg have also demonstrated leadership through unique tri-level agreements including the Core Area Initiative and the Winnipeg Development Agreement. Once again there is an opportunity for the Government of Canada, the Province of Manitoba and the City of Winnipeg to demonstrate national leadership by developing a model for cities across the country.