

Canadian Taxpayers Federation
Candidates Survey 2014

Candidate: Kevin Nichols
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Questions

- 1) Yes. I believe in a leader that sets the example. This brings to mind the time Federal finance minister Paul Martin stood up and said "Canadians need to pay their fair share of taxes". It was found out that he had a shipping line registered off-shore to save paying taxes. So yes I believe all should be disclosed.
- 2) Yes. There should be a review process of Freedom of Information releases. I am not sure why information isn't released. I am very familiar with FIPPA and PHIA and honestly don't know why information cant be released. Information regarding contracts and such should be released, the information requested is not for specifics about what an individual is paid but rather the company as a whole. The taxpayers should know what they are getting for their money.
- 3) Yes. While I agree with a cap, I am in favour of changing the system all together. Proposing a model of a municipal income tax coupled with a property tax reduction. The current system of relying on property tax is not working and needs to be changed.
- 4) Yes. We use the word "sustainable" but the use of this word has lost its meaning. Sustainable growth means we are able to maintain what we have while growing, but we have failed to maintain what we have. Older neighbourhoods are decaying, infrastructure is crumbling, all in the name of "sustainable development". I believe we should take a hard look at our "wants" and our "needs" and make sure that our "needs" come before our "wants".
- 5) No. While it is true that some employees are able to retire in their 50's, many don't. The pension plan is not as lucrative as it may seem and having people retire helps to promote a workforce turnover. Right now it is hard for younger people to find work due to the fact that people work longer because they cant afford to retire. This results in younger people either moving away, or perhaps turning to assistance to live in Winnipeg.
Having people work longer also increases the risk of injury, causing compensation costs to rise, resulting in increased costs to the taxpayer. Having a healthy retiree spending their money is better than an injured employee drawing on the system.
The final point I have on this is matter is this. The pension system needs to be changed. I cant find the law or act which allows the City

to draw out excess money from the pension plan but there is one. I lived through it. Back before interest rates took a dive the City had a windfall of around \$30 million. Shortly after that, the interest rates went down and the employees were asked to increase contributions to compensate, this also resulted in increased contributions by the City. If this law/act was changed and the money allowed to be put aside to compensate for market fluctuations, the City wouldn't have to make any contributions at all and it would be self sufficient without burdening the taxpayer. Instead this money "vanished". Changing this would enable the City to support not only the workers but the retirees and provide no cost to taxpayers. As stated, I cant prove the above but I did live through it.

- 6) Yes. Managed competition is a good process and currently is active in Public Works. Healthy competition helps obtain the best work at a fair price. The problem that is currently being experienced is incomplete contracts. A more thorough game plan in any bid must be looked into so that a contractor or anyone who bids on a contract can better estimate the cost. This will help prevent the City being stuck with a surprise bill due to cost overruns. I had my house built and no matter who you talk to, the cost overrun is typically 10%. With regards to the new police station, someone should have asked at the \$10 million dollar mark, why the overrun?

Part 2 Gainsharing. Yes

In my experience working for the City for 28 years I have seen my share of both good and bad ideas, successes and failures.

Many years ago, Transit had an employee suggestion program where the employee would get 10% of the savings the suggestion saved the company for one year. That program was cancelled shortly after some employees received a cheque for \$15,000. They saved the City \$150,000 a year. I believe the program was cancelled because the people that should have thought of the suggestion, didn't. I look at it as, "even though it is your job to think of these things, not everyone can think of everything all the time". Now there is no incentive to come up with ideas to make the City better. To me, if someone said "give me a cheque for \$15K and I will give you one for \$150K every year" my cheque book would be out.

It is my understanding that Public Works had a similar program, the ACES program, which was cancelled.

Now many would argue that a public employee should not get extra money for this, however, many successful private companies have a profit sharing program and that helps to promote employee input. The question should be, does the City want employees that go to work and just work or does the City want employees that have meaningful input. The City of Ajax Ontario still has their program to the best of my

knowledge and it works. When employees actually feel like they have meaningful engagement with what they do, they do it better. Making a difference makes people feel good about what they do. Part of my platform is to bring back these programs to promote working together to making a better City.

Thank you
Kevin Nichols
Candidate for Charleswood Tuxedo Whyte Ridge