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Councillor Hands Over Pay Hike - Toronto Taxpayers Face Enough Hardship, Peter Milczyn says

By Don Peat, Sun Media

Toronto taxpayers get your thank-you cards ready, you're getting a donation from Coun. Peter Milczyn.

The Etobicoke-Lakeshore councillor's donation of his \$2,348 salary increase comes after city council failed to debate a motion freezing their salaries in the wake of the economic downturn.

"Toronto taxpayers are being asked to pay increased property taxes, new taxes and new garbage collection fees this year, all while experiencing declining employment rates, job losses and salary freezes in the private sector," Milczyn said. "You can't be a little bit pregnant so either you're in favour of doing it and you're going to do it, or you're just talking about it."

He admits turning down the increase is symbolic but says it's important as the city negotiates with CUPE and as he fights to stop the performance pay bonus system for senior city staff.

Since Jan. 1, councillors have been earning \$99,153.60 - up from last year's \$96,805.02 due to an automatic 2.42% cost-of-living salary adjustment.

A motion to city council last week to freeze councillors' salaries failed to garner enough support to avoid being sent to executive committee in April.

After the vote, Milczyn and Coun. Michael Walker both signed forms to donate their cost of living adjustment back to the city, effectively freezing their salaries.

The councillors have something in common with Mayor David Miller, who said in December he'd freeze his \$163,040 salary and his office budget this year. His salary was set to increase to \$166,985.

But Coun. Karen Stintz, who supports the freeze, said individual councillors or the mayor opting out of the increase doesn't help. "We let the mayor off the hook in taking a leadership role," Stintz said. "We need to set a direction of restraint."

The Ward 16 councillor said if the whole organization took a pay freeze, just for this year, taxpayers could save \$150 million and go a long way towards easing the city's budget troubles.

Richard Powers, assistant dean and executive director, MBA Programs at U of T's Joseph L. Rotman School of Management, said freezing a cost of living increase is a moot point.

"It's hard to reward yourself a pay increase when people are losing their jobs. However, in city hall's example, which is heavily unionized, all the workers got their increases," Powers said. "I have yet to see a union accept a rollback or a freeze, so why shouldn't their bosses get (an increase)?"

Councillors in favour of accepting the increase pointed to their council cousins who rake in comparable or larger salaries for steering smaller municipal governments.

In 2008, Mississauga councillors earned a base salary of \$79,237, plus a yearly car allowance of \$17,300 and an additional \$47,083 for those sitting on Peel Region council. Mayor Hazel McCallion and councillors received a 3% cost of living increase last April. McCallion earned \$132,661 last year along with the \$47,083 for Peel council, for a total salary of \$179,744.

In Vaughan, councillors approved an annual wage of \$68,071 in 2007, \$70,113 in 2008 and \$72,216 starting Jan. 1, .

The same bylaw ensures embattled Mayor Linda Jackson's pay jumped around \$3,000 this year to \$115,763 plus the \$46,105 a year she and some other councillors receive sitting on the York Region council.