



MEDIA RELEASE



Agreement Reached That Will See Uploading of Services From Municipalities to the Province

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Welland — Ontario municipalities can expect to see a financial savings over the next ten years as a result of an Agreement between the Association of Municipalities of Ontario, the City of Toronto, and the Province of Ontario, according to a release issued by the Ministry of Municipal Affairs and Housing today. The agreement will see the uploading of services that are currently funded, in whole or part, by the property tax payer uploaded to the Province.

Councillor Paul Grenier, who sits as a member of the Board of Directors of the Association of Municipalities of Ontario and was invited to the official announcement this morning at Queen's Park, sees this Agreement as the launch of a new era in the relationship between the Province and its municipalities.

“This Agreement focuses on collaboration between the parties to the Agreement rather than confrontation. The principle here is that the Province understands that the financial responsibility for the services that are being uploaded to the Province should not be the burden of the local property tax payer, but rather come from province income taxes”, states Grenier. “Property taxes are intended to be used to fund local needs and services available to members of the local municipality.”

With the uploading of social services to the Province, municipalities will hopefully see a shift in spending priorities at the Regional level to address infrastructure needs throughout the Region.

In addition to the uploading of social and human services, the Review outlines important infrastructure needs and the fiscal relationships between all three levels of government for other services such as affordable housing, poverty reduction, EI, and public transit. A complete copy of the Provincial-Municipal Fiscal and Service Delivery Review is available on-line at:

<http://www.mah.gov.on.ca/AssetFactory.aspx?did=6050>.

The agreement accomplishes the following:

- *The Report announces the upload of Ontario Works benefits and court security costs.*
- *Early outcomes of the Review process include the upload of Ontario Drug Benefits, completed in 2008, and the Ontario Disability Support Program, beginning in 2009.*
- *By 2018, when all these uploads are completed, the Review will result in a net annual benefit to municipalities of more than \$1.5 billion compared to 2007.*
- *By 2018, total annual ongoing support to municipalities, including other provincial initiatives, is projected to reach \$3.8 billion – an increase of about \$2.7 billion or 250 per cent over 2003.*
- *The upload of Ontario Works benefits will reduce municipal costs by more than \$400 million annually, by 2018.*
- *The cost of court security will also be uploaded to the province, starting in 2012 to a maximum of \$125 million a year by 2018.*

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