

COMMITTEE OF THE WHOLE – JANUARY 17, 2012

FEDERAL PRE-BUDGET CONSULTATION

Recommendation

The City Manager recommends that staff be directed to provide a formal response to the Federal Government's invitation for pre-budget consultation.

Contribution to Sustainability

N/A

Economic Impact

N/A

Communications Plan

A formal response to the invitations for pre-budget consultation will be provided.

Purpose

The purpose of this report is to update the Mayor and Members of Council with regards to the Federal Pre-Budget Consultation.

Background - Analysis and Options

A federal pre-budget consultation was set up by the office of Honourable Julian Fantino, P.C., M.P. Vaughan, Associate Minister of National Defence and took place on Thursday, January 5, 2012. The City had also received a written request for a submission from the Honourable Peter Kent, P.C., M.P. Thornhill, Minister of the Environment.

At last year's pre-budget consultation, the City stressed the importance of a long term commitment by the federal government to infrastructure funding. We were very pleased to see that the federal government recently enshrined in legislation (Bill C -13) gas tax as a permanent annual source of infrastructure funding for Canada's municipalities and we appreciate the support of the Minister and his colleagues on this issue.

The Minister in his opening comments stated that the federal government has two (2) key priorities:

1. The Canadian economy and the interdependencies with the global economy;
2. Job creation

Any requests coming forward would be analyzed from this perspective.

A list of topics was distributed by staff to the Mayor and Members of Council prior to the meeting and was the basis for discussion with the Honourable Minister. The list was based on prior years pre-consultation and areas of federal jurisdiction as it relates to Council's priorities.

The following topics were discussed at the pre-consultation:

1. Federal Funding for Higher Order Transit

The City of Vaughan is committed to the development of a transit oriented community and communicated the urgency of moving forward with such projects as the development of

the Yonge Street Subway extension. Federal funding and support is also required for other forms of transit including (but not limited to) additional GO Train lines.

To compete globally and get businesses to locate in Vaughan and create employment, labour costs are becoming an increasing challenge for GTA employers. Higher order transit can make transportation for employees more affordable and connects employees with their labour pool in a very cost effective manner.

Higher order transit can also reduce grid lock which in turn reduces delivery times and costs for goods and services.

2. A Federal Office in Vaughan to Create a Greater Presence in York Region

The City of Vaughan is a rapidly growing and is increasingly becoming a culturally diverse community. Vaughan is a major destination for many of the new immigrants to the GTA and York Region. Offices providing federal services are lacking in Vaughan. Federal services (such as Passport, Citizenship and Immigration, and Service Canada offices), are needed to meet the needs of Vaughan's 300,000 residents and the 1.1 million residents of York Region.

3. Flexibility with Respect to Infrastructure Funding to Municipalities

Infrastructure Stimulus Funding (ISF) to create jobs and fund critical infrastructure is always welcome. Although this type of funding is always appreciated and was recently very successful in creating job opportunities in Vaughan, the programs are not always conducive to developing long term infrastructure plans and maximizing the program benefits. For future programs the City believes the programs should provide for more flexibility by eliminating the "shovel ready" requirement and other restrictive aspects of the program to provide for flexibility.

Staff have offered to participate in a debriefing session with the federal government in order to discuss what worked well and where there are opportunities to improve programs such as the Stimulus Funding Program.

4. Pierre Berton Museum Funding

The City created a Task Force in 2011 to develop a plan for the operation and funding of the museum. The museum ties into the City's Economic Development Strategy for Kleinburg and will serve as a major Canadian attraction along with the well known McMichael Canadian Art Gallery. Federal funding for a museum to house the artifacts as well as recognize and celebrate the contributions of this prominent Canadian is requested.

5. Integrate EI Training Programs with on the Job Experience

There are many Canadians who currently receive EI benefits that would benefit from skills training. At the same time, there are employers who are finding it difficult to accommodate current wage expectations. The federal Government should investigate ways to integrate EI training with an employers job opportunities so that EI benefits could allow an employer to effectively have their wage cost subsidized as long as training is offered by the employer. There would be no increased cost to EI, the employer has subsidized workers during the training period and the worker would receive an "employment" wage while receiving training that may lead to permanent employment.

Relationship to Vaughan Vision 2020/Strategic Plan

This report is consistent with the priorities previously set by Council and the necessary resources have been allocated and approved.

Regional Implications

N/A

Conclusion

The budget pre-consultation is a useful exercise. It provides an opportunity to discuss first hand issues at the local municipal level and where the federal government can be of assistance. It also is an opportunity for the federal government to convey its plans and priorities. The City will be following up with a formal submission.

Attachments

None.

Report prepared by:

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Respectfully submitted,

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City Manager