

COMMITTEE OF THE WHOLE - JANUARY 21, 2008

RESOLUTION FROM THE CITY OF WATERLOO

Councillor Sandra Yeung Racco recommends:

1. That the resolution from the City of Waterloo regarding in which they request the Province of Ontario to fully exempt all Ontario municipalities from paying Provincial Sales Tax, with the understanding that the savings realized be mandated to fund existing infrastructure renewal in local municipalities be adopted by Council.

Economic Impact

N/A

Communications Plan

N/A

Purpose

To support the efforts of the many Ontario municipalities with existing infrastructure renewal funding needs.

Background - Analysis and Options

The Government of Canada has seen fit to exempt all municipalities in Canada from paying the Goods and Services Tax (GST).

Towns and cities are where the people of Canada work and live and their long term sustainability is at risk without an adequate infrastructure. Provincial and National economic prosperity is inextricably linked to the well being and prosperity of towns and cities. Public ownership of infrastructure has shifted over the past 50 years away from the federal and provincial governments to become an increasing responsibility for municipal governments such as the City of Vaughan.

Relationship to Vaughan Vision 2020

Strengthen relationships with other government authorities and agencies

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

By adopting the resolution from the City of Waterloo, the City of Vaughan will have expressed support for the efforts of the City of Waterloo in which they call on the Provincial and Federal Governments to re-examine how municipalities are funded in regards to infrastructure and work together with a view to providing long term and sustainable infrastructure funding programs to assist the City of Vaughan and all municipalities in addressing their infrastructure roles and responsibilities.

Attachments

Resolutions from the City of Waterloo.

Respectfully submitted,

Sandra Yeung Racco
Councillor, Ward 4



CU01-08

RESOLUTION OF THE COUNCIL OF THE CORPORATION OF THE CITY OF WATERLOO
December 17, 2007

RE: Provincial Sales Tax Exemption for Municipalities

"WHEREAS the City of Waterloo is one of many Ontario municipalities with existing infrastructure renewal funding needs, currently estimated at over \$156 million for the City of Waterloo;

AND WHEREAS the Government of Canada has seen fit to exempt all municipalities in Canada from paying the Goods and Services Tax ("GST") resulting in a \$1.2 million per year benefit to the City of Waterloo;

AND WHEREAS the City of Waterloo pays approximately \$700,000.00 per year in Provincial Sales Tax ("PST").

THEREFORE BE IT RESOLVED THAT:

1) the Council of The Corporation of the City of Waterloo request the Province of Ontario to fully exempt all Ontario municipalities from paying PST, with the understanding that the savings realized be mandated to fund existing infrastructure renewal in local municipalities;

2) that this resolution be forwarded to:

the Prime Minister of Canada, Minister of Finance, Minister of National Revenue, Minister of Transport, Infrastructure & Communities, Minister of Public Works & Government Services and Minister of Public Safety

the Premier of Ontario, Minister of Public Infrastructure Renewal, Minister of Finance, Minister of Revenue, Minister of Transportation and Minister of Municipal Affairs & Housing

Association of Municipalities of Ontario,
Federation of Canadian Municipalities,
all Members of Provincial Parliament,
all Members of Parliament,
all local municipalities including the Region of Waterloo

all municipalities in Ontario with a request that those municipalities endorse the City of Waterloo's resolution and forward their endorsement to the Prime Minister of Canada, Minister of National Revenue, Minister of Transport, Infrastructure and Communities, Minister of Public Works and Government Services and Minister of Public Safety and the Premier of Ontario, Minister of Public Infrastructure Renewal, Minister of Finance, Minister of Revenue, Minister of Transportation and Minister of Municipal Affairs and Housing."

CARRIED UNANIMOUSLY

For further information, please contact
Susan Greaire, City Clerk
The Corporation of the City of Waterloo
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RESOLUTION OF THE COUNCIL OF THE CORPORATION OF THE CITY OF WATERLOO
December 17, 2007

RE: Infrastructure Funding

"WHEREAS towns and cities are where the people of Canada work and live and their long term sustainability is at risk without an adequate infrastructure;

AND WHEREAS provincial and national economic prosperity is inextricably linked to the well being and prosperity of towns and cities;

AND WHEREAS public ownership of infrastructure has shifted over the past 50 years away from the federal and provincial governments to become an increasing responsibility for municipal governments such as the City of Waterloo;

AND WHEREAS the City of Waterloo requires revenues that grow with the economy in order to contribute to the sustainability of its infrastructure;

AND WHEREAS the Council of the City of Waterloo has introduced a number of initiatives such as ten-year capital planning, continuous improvement, public private partnerships and a proposed capital investment contribution as the City's efforts to address the infrastructure deficit;

AND WHEREAS the City of Waterloo has determined that its municipal infrastructure deficit is approximately \$160 million over the next ten years;

AND WHEREAS the City of Waterloo's infrastructure deficit would require a one time municipal tax increase of 40% to be fully funded;

AND WHEREAS property taxes, for the most part, is a very regressive tax not based on economic growth, income or ability to pay;

AND WHEREAS there is just a single taxpayer paying taxes to the different levels of government;

AND WHEREAS, on average, municipalities collect eight cents of every dollar of total government collected taxes for the services they provide;

AND WHEREAS there are federal and provincial surpluses projected over the next number of years;

THEREFORE BE IT RESOLVED THAT:

- 1) the Council of The Corporation of the City of Waterloo calls upon the Provincial and Federal governments to re-examine how municipalities are funded in regards to infrastructure and work together with a view to providing long term and sustainable infrastructure funding programs to assist the City of Waterloo and all upper, lower and single tier municipalities in addressing their infrastructure roles and responsibilities;
- 2) copies of this resolution be forwarded to the Prime Minister of Canada, the Premier of Ontario, Federal and Provincial Ministers of Finance, Provincial Minister of Public Infrastructure Renewal, Federal Minister of Transportation, all Members of Parliament, all Members of Provincial Parliament, the Association of Municipalities of Ontario (AMO), the Federation of Canadian Municipalities (FCM) and the Big Cities Mayors' Caucus of FCM;
- 3) all municipalities be encouraged to pass motions supporting this resolution and forward to their relevant federal and provincial representatives."

CARRIED UNANIMOUSLY

For further information, please contact
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