

**EXECUTIVE BOARD REPORT
TO THE
TORONTO & YORK REGION
GENERAL MEMBERSHIP MEETING
THURSDAY, SEPTEMBER 6, 2007**



“YOU CAN’T HAVE A GREAT CITY FOR SIX CENTS ON THE DOLLAR”

A strong, new coalition of community, environmental, labour and social justice groups has been formed summer to fight for a fair deal for Toronto and its residents. Under the banner “ A Fair Deal For Our City”, the coalition will be active in the October election demanding the provincial politicians commit to a fair deal for Toronto and other Ontario cities.

Each year, billions in taxes go from Toronto to Queen's Park and Ottawa, yet to deliver all its services, the City only gets six cents of every tax dollar Torontonians pay. Police, fire and emergency medical services, transit, housing, recreation and parks, roads, water and sewage, garbage and recycling, social services libraries, childcare, public health, homes for the aged... all of this must come from just six cents on the dollar.

The provincial government has still not restored fair funding for public transit, and continues to download social service costs onto property taxpayers. In fact, Ontario is the only province in Canada where property taxes pay for social programs. In August, Premier McGuinty announced that Queen’s Park would finally start to pay for some of the costs of its Ontario Disability programs – but phased in over four years.

For Toronto, that will mean only \$38 million in year one, compared to \$729 million the City estimates it now pays for provincially mandated programs. In other cities, mayors welcomed the move but were quick to point out that it answers only a small part of the problem.

Between now and October 10th, the coalition will be demanding that every candidate for provincial election commit to immediately resolving this unjust situation. An ambitious plan of action has been developed to take this issue to the public – and the politicians.

But even if we succeed in forcing the new provincial government to seriously address this issue, the City of Toronto still needs more money to play a leadership role around the environment, community services, social justice and economic development. Its sources of income – property taxes and user fees - are clearly inadequate, and we support the need to have new revenues that grow with the economy.

A determined lobby by real estate brokers and the right wing on City Council deferred the introduction of a new land transfer tax and vehicle registration fees, creating massive pressure on the City budget. The cuts in services that are now being implemented because of that pressure will impact on both city workers and neighbourhoods across Toronto. We disagree with those cuts, but also recognize the reality that the city has been forced to use up all its reserves to balance previous budgets.

On October 22nd, City Council will face a choice of supporting the new revenue tools or imposing huge property tax increases starting in 2008. The amount we pay for all publicly delivered municipal services is in fact a bargain compared to what we pay private companies in annual costs of home heating, or home and car insurance, but that doesn't help low-wage families or those on fixed income. At least the land transfer tax would take effect only when the actual value of the property is being realized. We would prefer that option, as long as first-time home buyers are exempt.

While the debate over downloading, taxes, and transit costs might be hot and messy, it is one that has to happen. In the last municipal election, voters chose to give David Miller and City Council a mandate based on a progressive vision of a city – with sustainability, equity, and a strong economy as its key features. That is the kind of city the labour movement and community activists have worked to build, and it is the kind of city worth investing in.

Conservatives will attempt their usual smear against the public sector, and that needs to be vigorously countered by people from all walks of life. The reality is that we can't have a great city for only six cents of every tax dollar. We need every politician to commit to being part of the solution instead of perpetuating broken financial formulas that are the living legacy of Mike Harris' Common Sense Revolution.

The Executive Board recommends that the:

- 1) Labour Council and its affiliates work with front-line municipal unions and community organizations to build the Fair Deal for Our City campaign into a powerful movement that will raise the issue of a fair deal in key ridings in Toronto, through door-to-door canvassing, rallies, leafleting, phoning members, newsletters and electronic messaging.
2. Labour Council meet with candidates to demand they commit to a clear timeline for uploading all social service costs and restoring fair transit funding, instead of waiting for a 2008 "task force" report which may or may not ever be fully implemented.
3. Labour Council call on City Councillors to forcefully advocate for a Fair Deal during the provincial elections, and support the proposed new revenue tools at the October City Council.
4. Labour Council continue working with the coalition after October 10th to pressure MPP's and the new provincial government to act quickly, so that the needed financial measures are in place for both the provincial and City 2008 budgets.