

Provincial-Municipal Fiscal and Service Delivery Review

August 10, 2007 - Consultation Session

List of Associations that Attended

	Participant	Organization
1	Linda Stewart, Executive Director	Association of Local Public Health Agencies
2	Paula Tenuta, Director, Municipal Government Relations	Building Industry and Land Development Association
3	Kris Barnier, Provincial Affairs Specialist	Canadian Automobile Association
4	Judith Andrew, Vice President, Ontario	Canadian Federation of Independent Business
5	Paul Clipsham, Director of Policy	Canadian Manufacturers & Exporters
6	Shelly Gordon, Researcher	Canadian Union of Public Employees
7	Ita Waghray, Project Officer	Canadian Urban Institute
8	Christopher Norris, Director of Technical Services	Canadian Urban Transit Association
9	John Campey, Executive Director	Community Social Planning Council of Toronto (Social Planning Network of Ontario)
10	Mario Lefebvre, Director, Metropolitan Outlook Service	Conference Board of Canada
11	Bonnie Fox, Policy and Planning Specialist	Conservation Ontario
12	Harvey Cooper, Manager of Government Relations	Co-operative Housing Federation of Canada
13	Cindy Symons-Milroy, Secretary Treasurer	Economic Developers Council of Ontario
14	John Howe, Executive Lead	Greater Toronto Transportation Authority
15	Mary E. Marrone, Director of Advocacy & Legal Service	Income Security Advocacy Centre
16	Enid Slack, Director	Munk Centre for International Studies, Institute on Municipal Finance & Governance
17	Nicola Cernik, Member Relations Coordinator	Ontario Association of Food Banks
18	Sheldon Wolfson, Board Chair	Ontario Association of Non-Profit Housing and Services for Seniors
19	Stuart Johnston, Vice President Policy & Government Relations	Ontario Chamber of Commerce
20	Elizabeth Ablett, Executive Director	Ontario Coalition for Better Child Care
21	Amy Casipullai, Policy & Public Education Coordinator	Ontario Council of Agencies Serving Immigrants
22	Pam Frache, Director of Education	Ontario Federation of Labour
23	Joe Vaccaro, Director, Public Affairs	Ontario Home Builders' Association

	Participant	Organization
24	Steven Christianson, Manager, Government Relations & Advocacy	Ontario March of Dimes
25	Cheryl Brownlee, Manager, Stakeholder Relations	Ontario Mining Association
26	Sharad Kerur, Executive Director	Ontario Non-Profit Housing Association
27	Connie Uetrecht, Executive Director	Ontario Public Health Association
28	Rob Evans, President	Ontario Restaurant Hotel & Motel Association
29	Tom Prout, Chair	Ontario Rural Council, The
30	Cherise Burda, Policy Director	Pembina Institute
31	Roger Maloney, Vice-Chair	Social Housing Services Corporation
32	John Kiru, Executive Director	Toronto Association of Business Improvement Areas*
33	Carol Wilding, President	Toronto Board of Trade
34	Julia Deans, Executive Director	Toronto City Summit Alliance
35	Kathleen Gallagher-Ross, Director of Public Policy	United Way of Greater Toronto
36	Jeff Short, Program Manager	Ontario Public Transit Association

The Provincial-Municipal Fiscal and Service Delivery Review held a round table consultation session with 36 invited organizations on August 10, 2007. The Review Partners are pleased to post the names of participating organizations, the background material provided to stimulate discussion, the four consultation questions posed at the session, and the notes recorded at the roundtable discussions for each of the questions.

The notes generally represent the words and opinions of the participants. They do not necessarily reflect the views of the Review Partners.



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Consultation Session Presentation

Notes of the Discussion

Question 1 - How do current provincial-municipal arrangements affect your organization or your members' ability to deliver on their mandate?

- Need clarity and delineation of provincial and municipal roles and recognition where shared responsibilities are crucial because there is confusion about who does what
- Loss of programs (e.g. affordable housing, supportive housing)
- “The Province needs to be there with us”
- Should municipalities pay for things of broader geographic interest (e.g. court security)
- Property tax inhibits new business growth
- Property tax should pay for services to property only
- Need transportation infrastructure investment (roads/bridges/transit/etc.)
- Social services funded by property taxes are unsustainable/inappropriate because the social safety net is property tax supported rather than income supported
- Social assistance funding should be a provincial responsibility
 - Municipalities should deliver and have a role to play in policy making
- Social service funding needs long-term commitment, driven by a consistent policy framework
 - Taxation source should be consistent with service provided
 - Need intergovernmental commitment
- Cost sharing arrangements have unintended consequences (80/20 in child care, etc.)
- Outcome-based planning – incorporating flexibility/transparency needs
- The interplay of multi-level government accountability reports can be challenging for service providers and creates competing imperatives
- Top-down prescriptive program design without local involvement challenges local service providers in its implementation and does not always meet local needs

- Local involvement in program design and outcome-based programs are successful because they meet local needs flexibly
- Downloading to the municipal level – burden to the municipalities because service re-alignment at local level was not accompanied with adequate resources (financial, human resource capacity, etc.)
- Municipal Fiscal and Service Delivery framework should address financial and other capacity issues to ensure long-term, sustainable resources that address outcomes and ensures local engagement and flexibility in program design
- Downloading/re-aligning services at local level was not accompanied/implemented with adequate resources and has resulted in the property tax being used to fund inappropriate services (e.g. property taxes, funding higher order transit and income redistribution)
- Program design of social assistance programs has an impact on poverty
- Lack of communication between the province and municipalities e.g. Move Ontario announcement - The list of Move Ontario 2020 projects are not necessarily ones that municipalities want
- Transit – there's capital funding for new projects but nothing for operating costs
- Transit expansion does not always match patterns of growth
- Cutbacks and downloading means municipalities are falling further behind in certain services (e.g. ministry funding for immigrant settlement)
- Lack of coordination within the provincial government
- The province needs to reorganize its priorities – not just patchwork funding to fill gaps
- If people can access services without barriers, this can reduce the burden of service providers. This means reducing barriers within government. Changes in provincial policy can help reduce barriers (e.g. access to health care by immigrants)
- Services need to be easily accessible, particularly for those in need (e.g. one window service delivery)
- The province has strict rules concerning Ontario Works – agencies spend a lot of time “policing” rather than providing support

- NGOs also spend a lot of money on helping people get into programs to which they are entitled
- Business doesn't understand the application of property tax (inconsistent application affects local economic development, deteriorating infrastructure)
- The volunteer base is dwindling because of increased reliance on the community and decreased funding
- Over dependence on the voluntary sector for funding because of lack of provincial support (re: social planning bodies)
- Complicated ministry structure/bureaucracy makes it hard to do useful community planning - don't know where to go
- No clear formulas for funding – no commitment for a sustainable social infrastructure
- Downloading means constant fiscal incapacity, resulting in labour challenges (contracts/differential salaries)
- Demands on programs/services far exceeds ability to pay
- Fiscal consequences for low investment in physical infrastructure (e.g. transit)
- Provincial-municipal split funding allows for local flexibility
- Federal > download > Province > download > Municipalities > downloading to the community sector means instability in the system - lack of stability in funding
- Local levy allows for some local discretion in prioritizing services
- Local level sets standards > provide the tools to meet the standards
- It is a waste of resources to have everyone scramble for the same limited private sector investments
- Resources needed to write effective grant proposals is a problem
- Communities are ok for paying for services – as long as they are delivered, as advertised
- All municipalities should get gas tax money
- Infrastructure for roads is time sensitive

- *\$4 billion from province for gas tax and licensing and registration fees*
 - *\$1.7 billion directly to Ontario highways*
 - *\$2 billion from Ontario to the federal government for gas tax*
 - *\$600 million on GST paid for gas*
 - *Take in \$10 billion in gas taxes from Ontario and return \$2 billion over 5 years under new deal*
- } Data Source Unknown
- Municipalities are responsible for 90% of roads
 - Transparency issues – i.e., it should be evident what is taken in from the federal and provincial governments and what is being put back
 - Municipal accountability and transparency are also important issues
 - Development charges cannot be the only answer to funding issues
 - Investing in infrastructure is key – operations/maintenance cost funding is lacking
 - Public safety needs should be taken into account when setting infrastructure priorities
 - Less than 1¢ of the provincial gas tax goes to the environment and natural resources – municipalities pick up the tab
 - Lack of provincial investment in environmental protection
 - Social housing
 - Legislation is extremely cumbersome
 - Regulatory changes are made without consultation
 - Rent scales are unfair to the municipal sector
 - Province controls who gets housed first
 - Lack of new housing stock to meet needs/address housing waiting lists
 - No partnership
 - Need to identify gaps/overlap in the system
 - Provincial capital investment vs. who runs a service at the municipal level
 - Private sector participation
 - Municipal constraints/creative tools, that is, development charges
 - Governments working in silos (e.g. food security, trans fats)

- Arrangements mean costs
- Liveability/quality of life comes down to the municipal level
- Property tax vs. household tax
- No measures for household tax
- There should be flexibility in service funding
- Focus on “outcomes” of service delivery
- Provincial standards vs. local autonomy/discretion
- A “level playing field” makes it easier to deliver organizational mandates (e.g. smoking ban across the province)
- Need to create funding so that municipalities can deliver on broader mandates
- Provincial standards in Quebec were not effective (e.g. fire services)
- Rural areas are different
- Need to understand private sector concerns re: centralization/standards (e.g. food industry)
- Establishment of service standards can be incompatible with municipal ability to deliver
- Overall legislation requires more \$ incentives/fiscal tools to promote sustainability
- Study the tools currently available for developing brownfields rather than greenfields
- Cost of doing business has increased
- Transportation problems reduce competitiveness
- Ability of municipalities to invest is crippled
- Lost opportunities for investment because of lack of infrastructure services
- Provincial-municipal arrangements must consider competitiveness and increased costs
- Provincial downloading of transit has had negative impacts on transit systems
- Infrastructure development must enhance both large and small communities
- Public health should be funded by income rather than property
- Downloading has decreased funding for public health
- 100% provincial funding has some down sides

- Inconsistent governance models across the province
- Per capita funding does not address specific community needs and circumstances
- Taxation
 - VAT is preferred method of taxation for manufacturing and industrial sectors
 - Capping has an affect on municipalities' ability to attract investment
- Property assessment affects competitiveness - needs review
- Multiple levels of government make accessing government difficult

Question 2 - From your experience, what lessons can be learned from best practices in other jurisdictions? Are there funding and service delivery approaches used by others that you think the Review should examine?

- No other jurisdiction uses property tax to pay for social assistance
- No “shining star” but **British Columbia** model has some merit
- Community Social Services Program (CSSP) under former provincial administration allows for core funds to infrastructure
- **Britain** – exclusive reliance on P3's – hospitals, subways, disasters
- Provincial sales tax on municipalities does not make sense - it should be a basic principal not to tax tax
- Need to keep moving towards full information access to public (**London** allows the public to see property tax details online)
- Correct the current tax system before municipalities go out with their own source revenue taxes
- Winners and losers are inevitable in differential tax rate systems – this is not good for economic development (e.g. migration outside taxed areas)
 - Tax area will suffer from the ability to fund itself (e.g. **Detroit** was essentially vacated and everyone left for the suburbs)

- If the province is going to mandate services, then it must fund them properly or give tools to municipalities to fund from sources other than the property tax base
- Avoid blanket solutions – need local flexibility for community responses to issues
- Ontario Disability Support Program – municipalities have no control - must be uploaded
- Sustainability – don't tweak the system – fix it
- Municipalities have a role to play in community quality of life – need fiscal capacity to manage programs
- Dilemma because of what must be done vs. what ought to be done
- Municipalities are perceived as the most effective delivery mechanisms
- Provincial gas tax – transit money is designated for this – limits many municipalities from participating
- **New Toronto Act** – give other municipalities the same tools
- Federal and provincial governments should be audited more frequently - municipalities are more effective and already have checks and balances in place
- Accountability – focus on outcomes – then audit to ensure they are reached
- Look back to other times when municipalities were funded to deliver their responsibilities – pre-downloads in early 1990's
- Caution against 100% provincial/federal dollars – do not want municipalities to become transfer payment agents
- Core funding is required - better employment insurance program so that people are not pushed into welfare
- Taxpayers need to know where the funding comes from – yet in reality, there is only one taxpayer
- **United States** federal government takes an active role in transit by providing flexibility in design and operational and capital funding
- **Great Lakes** programs are a good model:
 - Municipal role in action plans
 - Coordination amongst all parties for full cost efficiency and value for money
 - All levels of government contribute

- Builders recommend public/private partnership for home building (cost and design)
- **Britain** – connections between housing and general economy
- **United States** inclusionary zoning - distributes social housing throughout the community
- Senior governments are involved in social housing in much of the world – essential for success
- Income integration – mixed housing
- Transportation and congestion
 - Some jurisdictions use “indexing”
 - Tolls are not the answer
 - Jurisdictional differences
 - Users should pay (as in the case of gas taxes)
- Reward for environmentally conscious vehicles
- Need more money for transit and proper distribution of gas tax – key to infrastructure planning
- Political leadership counts – municipal leadership needed for efficiency and accountability
- Municipalities will have to pick up costs as the federal government moves away from social housing
- Service delivery – there needs to be ownership after legislations in passed
- Programs for which municipalities have no control should be funded by the province
- There needs to be an examination of funding splits on a case by case/program by program basis (federal/provincial/municipal)
- Provincial-federal-municipal interests equal level of funding
- A high percentage of revenue is generated from property tax – we need to look at new funding mechanisms (e.g. **Winnipeg** - increasing revenue)
- Demographic trends and population shifts, including de-population issues (e.g. Toronto vs. the 905 region – question of liveability) - there is a need to address increasing expenditure where population is decreasing

- Match revenue sources with expenditures
- **Sweden** has no property tax – it uses central funding
- Solutions are context specific
- Financial constraints force municipalities to look for other financial tools that may not be legislated
- Development driven by grants leaves some municipalities behind
- **Development Charges Act** constrains municipalities
- Counter action can undermine legislation (e.g. *Places to Grow Act*)
- Provide incentives for “good” development
- Federal new deal for cities is a good model
- Charge for true costs and support the right kind of development
- Factor in all costs (e.g. pollution, congestion)
- Incentive and disincentive structure
- Regional transit authorities example
- Availability of industrial land affects the industrial sector
- Infrastructure, regulation, and international competition are important for investment decisions – they should be considered in the fiscal review
 - Capital tax is a disincentive to investment
- Municipalities should have greater latitude for user fees – they need flexibility to grow their economies, including bonusing
- Local governance for public health should be retained
- Funding should be protected for treatment services
- Need greater protection for public health
- Public health should not be integrated with Local Health Integration Networks (LHINs)
- Provincial guidelines for public health are required (e.g. **British Columbia**)
- Uploading 100% funding leads to problems
- More investment in border infrastructure is necessary to support exports
- Ontario needs more money to reduce gridlock
- Consider other modes of transport including rail and shipping

- Municipal airports are important for local economies
- Review should consider how the province and municipalities can incorporate P3s into their own infrastructure programs
- Communities tender for a pot of money – **Ireland** - competitive tender process to federal government for community projects
- **United Kingdom/New Zealand** have benchmarks regarding key performance areas
- **United Kingdom** municipalities compete to manage provincial services in other jurisdictions
- More focus on outcomes rather than regulating process
- Consider different ways of structuring cross-government /intergovernmental relations such as increasing use of tri-partite or two-order government agreements
- **Greater Vancouver Region District**
 - GVRD Transportation Authority has a long-term plan and access to funding (gas tax and some property tax)
 - GVRD integrates municipal, provincial and unincorporated areas – local buy in and long-term predictability
- Flexibility and regular review to accommodate changing environment and demographics needs should be built in to long-term planning (e.g. **Quebec** child care model)
- Political commitment is key to driving change
- **European Community** economic development model incorporates infrastructure and flexibility and addresses local needs
- Negotiated partnerships involving shared accountability work best to focus on outcomes and flexibility
- Policy framework need to be tailored to Ontario imperatives and context
- Vision for provincial-municipal services is key to developing commitment and workable and beneficial outcomes
- Leadership is needed to articulate vision

- Fiscal competition between governments and levels of governments exacerbates existing challenges – cooperation is in the public interest and will facilitate better service delivery
- Shared goals and outcomes need to be articulated and pursued with a political commitment to develop shared tools, policies and programs that all governments can work towards
- Leadership and long-term commitment will help to attain an Ontario vision that works for everyone (social inclusion)
- **City of Toronto** – building relationships with community organizations
- Relationship building between community organizations and municipalities depend on leadership
- Housing in **Montreal, Quebec**, has 3 partners - a separate body (NGO) funded by municipalities and both levels of government in providing social housing. They work together to ensure a coordinated process. Each has a different role:
 - Municipalities inspect and answer questions
 - The province settles disputes
 - The NGO also inspects and is a bridge between government and the people being served
- In **Quebec** and **Newfoundland** poverty reduction strategies bring together the different levels of government (local and province)
- **New Zealand** brings together various aspects of social programs (housing, income support) with specific targets
- Outcome based programs
 - Who sets the outcomes?
 - Consultation with the various partners – a dialogue is needed to set the outcomes together
 - NGO, grassroots and different levels of government come together
- Funding – federal, provincial, municipal
- Delivery – local
- First step should be agreement in principle - a framework where everyone participates with consensus, each having its own role

Question 3 - What changes can be made to promote a fiscally sustainable provincial-municipal relationship, while ensuring access to quality services across the Province?

- Look at reducing burden on municipal tax base
- For housing – upload co-ops – it would relieve pressure on municipal sector
- Gas tax for transit and municipal roads
- Commitment to sustainable infrastructure
- Vital assessment of infrastructure overall to understand the final bill and future costs
- Funding relationship needs to look ahead 20-30 years
- Put money aside for ongoing maintenance
- Preventative maintenance will save money and costs
- Look at possibility of exempting municipalities from paying provincial sales tax
- Municipalities delivering services need to be accountable – even when getting funds from the province
- Municipalities applying for funding need to show accountability (how it's spent, efficiencies, targets met, etc.) – including performance measures
- Shared funding formula – tight criteria for how it's spent
- Uploading a share of program funding does not mean uploading program delivery – municipalities are better equipped for local services
- Need a publicly available cost-benefit analysis
- Need justifications for cost
- Building in incentives – rewards for efficiencies
- Rationalize why funds are being used in specific areas
- Balance between policy and service delivery needs cost-benefit analysis to ensure good policy moves going forward
- Fair tax system to match right type of taxation to right programs
 - Tax type or revenues (i.e., user fees, income, property or development charges)

- Each government should raise its own money for its own priorities
- “on the basis of data, not rhetoric”
- Why are all three levels of government working on the same issues?
- Either spend tax revenue on earmarked services or send it back to the jurisdiction where the taxes were raised
- Align taxes with appropriate services
 - Services to property funded by property taxes
 - Income redistribution funded by income taxes
- Funding of services should be established according to interest and expertise/capacity to deliver
 - Coordination between all three levels of government
 - Tax efficiency and reductions vs. operational efficacy
 - Productivity affected by taxes
 - Does taxation system make rational sense?
- Public engagement is lacking in taxation/policy-making matters
- Province tends to set standards without funding
- Pay for say! Coupled with local flexibility to meet local needs
- Share infrastructure investments because it reflects broad public interest
- Provincial standards to ensure consistency in service quality
- Tax and funding availability needs to reflect fairness
- Federal interest needs to be defined in local/provincial infrastructure
- Upload social services to province
- Housing should be a provincial responsibility
- Accountability vs. responsibility - which level of government decides on service levels?
- Is there an integrative benefit to sharing responsibility?
- Equity between tax rates – industrial/commercial – will ensure sustainability
- Keep jobs close to where people live by:
 - Decreasing commuting
 - Increasing environmental sustainability

- Per capita funding is not equitable across regions
- Property tax component for social services should be capped
- Local delivery should be accessible and equitable
- Concern over those vulnerable to increases in property tax
- Sustainability affects the vulnerable
- Sustainability across three levels of government addresses the issue of distribution
- Transfer federal surplus to governments in need
- Need to deal with tax reduction mentality, that is, increase tax or accept lower level of service
- Responsible tax raising at rate of inflation
- Political appeal of tax cuts?
- Effectiveness of GST cut?
 - Re-distribution vs. net loss
- Look at overall revenue available to municipalities
- What is fiscal sustainability?
 - Related to matching three levels of government
- Political will to implement tax?
- Sustainability goes beyond fiscal - it is long-term/balance of power
- Accountability framework across three levels of government
- Planning for economic downturns
 - Who does it? Example, **Calgary**, good times, no \$ problems
- Share the good times
- Share sales tax with municipalities
- Involve the federal government in contractual relationships across three levels of government
- Sustainable funds for municipalities
 - Offer percentage of GST
 - Relief from PST

- Federal government has demonstrated financial flexibility (i.e., lower GST by 1% and plan to again)
- Rental units pay property tax in higher proportion than property owners
- Reduced overlap and duplication = efficiencies in delivery
- Even if not “pay” may want “say” because of delivery component and inevitable direct impact on community
- Alignment of provincial and municipal funding cycles (fiscal vs. calendar)
 - Delay in programs/services until community agencies can be sure they have the funds
- Get away from mentality that if the municipality or agency does not spend grant monies then they lose it - allow for carry-forward between funding years
- Distorted project funding/delays causes inefficiencies
- No cookie cutter approach across regions
- Similar programs may have very different populations that they serve – i.e., literacy for seniors vs. psychiatric seniors - can't assume they are all the same
- Core funding to be able to provide infrastructure (e.g. governance and administration) to projects - allows for stability/growth
- Hard to get governments to think beyond 5 year terms - outcomes agreed upon up front would force longer-term thinking
- Demand on system exceeds ability to provide services
- User fees – not intrinsically good or bad
 - May be okay for some services
 - Not a good social policy deliver [sic] (e.g. garbage collection)
 - Increased consumption can be absorbed at higher income level but it penalizes those with low income
- Partnership/shared jurisdiction will minimize tendency towards political interference
- Need some strings attached re: funds to ensure common standards/delivery
- Mandated programs can totally crowd out other municipal programs (e.g. court security)
- Don't completely separate provincial and municipal roles

Question 4 - How can Ontario's fiscal relationship and accountability arrangements be improved to promote Ontario's competitiveness in a global economy?

- More spending on infrastructure
- Have a “predictable investment environment”
- Give taxpayers an accurate picture of costs
- One government should take a lead role in ensuring enough affordable housing
- Need predictable funding relationships because “without predictability there is no planning”
- Coordination of fiscal relationships re: potential investors
- Fear-mongering re: taxes are a turnoff for investors
- We need to compensate for not having a regional economic development strategy for Ontario
- Increase cross-sectoral alliances to build on our strengths
- Forensic audit of spending
- Cost-benefit analysis key in this relationship
 - Take into account global economy
 - Address problems up front (to be preventative and to make sure money is available when needed)
- “One taxpayer” – need to identify where real needs are
- Tackling problem of “aged” infrastructure – gas tax revenue for infrastructure will help – even municipalities without transit
- Upload “regional roads” to the province
- Optimizing mobility – tackling problems like congestion on roads will help overall economy
- Local improvement levels – would allow municipalities to access more funds beyond province and federal governments
- Need to look at incentives to get people to go to and stay in areas outside of Toronto – rural population development

- Municipalities need to engage industry
 - Have affordable housing where the jobs are
- Do a population and demographic scan of the province to see where populations are smaller than need and vice versa
- Make rural communities more viable through universities, etc.
- Make sure social services make local economies stronger
- Provincial/municipal economic development plans must analyze Ontario's competitiveness vis-à-vis other jurisdictions
- Public services can learn from manufacturing processes to increase efficiency
- Review needs to measure competitiveness in terms of current arrangements vs. alternate arrangements
- Make sure taxes target the "right things" to increase competitiveness
- Include quality of life considerations in competitiveness discussion
- Would uploads increase Ontario's competitiveness? Depends – any increased fiscal capacity must be used to enhance infrastructure, increase quality of life, and equalize property tax rates.
- Any uploads must not result in decreased service levels
- Income redistribution services should be paid by income/sales taxes
- Three levels of government required for a sustainable system
- Federal government: vacate or pay!
- Need to increase revenue for competitiveness
- Poverty and education are aspects of economic competitiveness
- Need a system to ensure competitiveness, that is, make the right investments for the future
- Cities compete against cities
 - Labour, transit, quality of life, infrastructure, parts
- Province should help cities compete in the global arena
- Province needs to raise taxes
- Province needs to develop a plan that is strategic and timely

- Need to measure physical and social infrastructure gap
- Quality of life is synonymous with economic development and investment
- Vision should lead strategy
- Inconsistency between jurisdictions hurts investment by encouraging competition
- Democratic structure affects vision
- Taxation system should address economic competitiveness/quality of life in an international context
- Province has a role to play to ensure a level field for municipalities so they can work together
- Municipalities are good at providing universal services that are used by most people that are aligned to revenues
- Defined federal role in national priorities
- Regional coordination should be brought to bear on regional problems!
- User fees should be explored so that services are aligned with funding – pay for use (e.g. transit by distance - would allow appropriate growth)
- Consistency across levels of taxation and across jurisdictions – impact on regional development and economic development
- Same “systems” but not same approach to tax (re: distribution) - cannot tax rural/urban at the same rate unless there are broader provincial mitigation policies/programs
- Rebates are expensive to administer
- Guard against creating inequities across municipalities (e.g. Toronto land transfer tax may make it a less desirable place)
- Increase research
- Accountability to taxpayers as to where we source products – some mechanisms to support use of public funds to support local communities (e.g. make streetcars in Beijing vs. Toronto - (create jobs here)
- Provincial focus on “world class” doesn’t always lend itself to “Ontario first”
- Need to define Ontario’s competitive advantages (e.g. leverage Canada’s volunteer industry)

- Social programs (early childhood/youth/education) are always the first impacts on ability to be competitive - public investment in these areas pays off.
- Not looking to decrease taxes – want to recognize the relationship and ensure it is spent appropriately
- Need to maintain culture/service industry
- Healthy competitive communities with necessary infrastructure and regard for the environment = a competitive province
- Need an effective, educated workforce
- Disconnect between initiatives - need more consolidation
 - For example, windmills/turbines in rural areas are eliminated because of insufficient power lines (infrastructure) to transmit the power generated
 - impacts landowners
 - impacts the environment
- Offer choice to business to find their niche and thrive - because of tax decisions, don't drive them into an area where it may not be a good fit