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NEWS RELEASE

FOR IMMEDIATE RELEASE

MEDIA

Austere Provincial Budget Maintains Upload of Provincial Costs

Toronto, Ontario, March 28, 2011 – The Association of Municipalities of Ontario (AMO) is pleased that the 2011 Ontario Budget respects the 2008 Provincial-Municipal Fiscal and Service Delivery Review Agreement to upload \$947 million in provincial costs from the municipal property tax base this year.

“Communities can take comfort in this budget’s firm commitment to keep uploading provincial costs from the municipal property tax base,” President Peter Hume. “These uploads are needed to ensure that municipalities have the capacity they need to deliver core municipal programs and services.”

The 2008 Review committed the Ontario government to upload \$1.5 billion in annual costs related to provincial social services, court security, and road and bridge maintenance by 2018.

“Overall the budget stays the course on past commitments to municipalities and others in the public sector, takes steps to protect jobs, and aims to reduce the cost of delivering provincial programs and services.”

The budget allocated funding for infrastructure investment and AMO estimates that the municipal share is likely to be at least \$300 million in 2011. Previously, the province has committed to developing a 10-year Infrastructure Plan for Ontario. AMO will pursue details about this plan during the coming months, as sustainable infrastructure planning and investment is a top municipal priority.

Other initiatives of interest to municipalities include:

- \$30 million in additional funding for water conservation projects will be provided over three years to assist projects that demonstrate innovative water and wastewater technologies in municipalities and First Nations communities.
- \$6.5 million in new additional funding will be provided to support Ontario's tourism regions with marketing and festival support.
- \$10 million has been added to the Northern Ontario Heritage Fund, bringing the total 2011-12 investment to \$100 million.
- Moderate *Insurance Act* reforms are proposed to help protect municipal transit systems from fraudulent insurance claims – and a general review of the Insurance Act will be undertaken to promote further harmonization with other Canadian jurisdictions. These changes will not address concerns about sky-rocketing municipal insurance rates, the need to harmonize the Negligence Act to achieve the cost savings that other jurisdictions enjoy through reforms to joint and several liability.
- Rural economy will benefit from a new Risk Management Program for cattle, hog, sheep and veal farmers, and a Self-Directed Risk Management Program for the edible horticultural sector.

AMO is a non-profit organization representing almost all of Ontario’s 444 municipal governments. AMO supports strong and effective municipal government in Ontario and promotes the value of municipal government as a vital and essential component of Ontario and Canada’s political system.

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