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NEWS RELEASE

FOR IMMEDIATE RELEASE



Drummond Commission Offers Opportunities To Solve Shared Fiscal Challenges

Toronto, Ontario, February 15, 2012 -- Ontario's municipal governments will work with the Government of Ontario as it considers the advice of Don Drummond's Commission on the Reform of Ontario's Public Service, and as it charts a fiscally sustainable course for our province.

"All of Ontario's governments, provincial and municipal, face very real fiscal challenges and we all have a comprehensive report to consider," said AMO President Gary McNamara. "We all have a shared interest in changes that achieve better value for taxpayers, reduce duplication, improve services and control costs."

The Commission acknowledges that the 'provincial-municipal relationship' is complex and intertwined. Several dozen of the Commission's recommendations touch on services and responsibilities that are of interest to municipalities. There is merit to exploring the Report's recommendations in areas such as:

- · Social programs and housing (e.g. consolidating delivery of the Ontario Disability Support Program (ODSP) with Ontario Works at the municipal level);
- Health care (e.g., uploading cost of public health and delivery through Local Health Integration Networks (LHINS));
- Infrastructure, real estate and electricity (e.g. consolidating Local Distribution Companies (LDCs), and full-cost pricing and full-cost recovery of water and wastewater treatment services);
- Justice system (e.g. alternatives for policing in non-core areas and improvements to Provincial Offenses Act (POA) fine collection); and,
- Labour relations (e.g. improving transparency and accountability within the arbitration system).

AMO is anxious about the potential for altering the upload agreement and the Ontario Municipal Partnership Fund. The Commission is recommending to delay planned uploads of provincial costs from the municipal property tax base by two years. Premier Dalton McGuinty has made it clear previously that his government would honour its commitment to upload \$1.5 billion in Provincial costs from the municipal property tax base by 2018. In addition, he previously assured municipalities that his government would not download new costs onto the shoulders of municipalities. The Commission acknowledges that the uploads are in the public's best interest, and that municipal governments are struggling with their own fiscal pressures.

"AMO looks forward to having productive discussions with the Ontario Government prior to preparation of the 2012 Provincial Budget," said McNamara.

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.

-30 -

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