

**Subject:** [Fwd: [Bulletin] Local Government Bulletin No. 44, February 2004]]

**Date:** Wed, 25 Feb 2004 21:08:31 -0800

**From:** Corrie Kost <corrie@kost.ca>

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**CC:** council@dnv.org, corrie@kost.ca

FYI... notice that the money is targetted to "municipalities".

Corrie Kost

----- Original Message -----

**Subject:** [Fwd: [Bulletin] Local Government Bulletin No. 44, February 2004]

**Date:** Wed, 25 Feb 2004 19:14:58 -0800

**From:** Corrie Kost <corrie@kost.ca>

**To:** corrie@kost.ca

## Local Government Bulletin No.44, February 2004

The purpose of this bulletin is to focus debate on the need to increase local self-government in Canada and to help local communities achieve more autonomy. The local self-government website is: <http://www.localgovernment.ca>

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### 1. Ottawa Promises

Now that the Public Works/Quebec/Sponsorship/Government Agencies scandal has broken out in Ottawa, it seems as though the Speech from the Throne happened a million years ago, but in fact it was only last February 2 that the Governor General delivered promises for municipalities. The next day the Prime Minister re-emphasized his intentions, and the Opposition parties waded into the fray.

For the record, here is what each said.

Governor General Adrienne Clarkson, excerpts from the Speech from Throne, February 2, 2004.

"Our communities, our towns, our cities are key to our social goals and our economic competitiveness. Large and small, rural and urban, Canada's communities are facing new challenges, often without sufficient resources or the tools they need. Canada depends on communities that can attract the best talent and compete for investment as vibrant centres of commerce, learning, and culture. We want communities that provide affordable housing, good transit, quality health care, excellent schools, safe neighbourhoods, and abundant green spaces.

"To this end, the Government of Canada is committed to a new deal for Canada's municipalities. A new deal that targets the infrastructure needed to support quality of life and sustainable growth. A new deal that helps our communities become more dynamic, more culturally rich, more cohesive, and partners in strengthening Canada's social foundations. A new deal that delivers reliable, predictable and long-term funding.

"Therefore, the Government will work with provinces to share with municipalities a portion of gas tax revenues or to determine other fiscal mechanisms which achieve the same goals. This will take time and the agreement of other governments. But the Government of Canada is prepared now, as a down payment, to act in its own jurisdiction by providing all municipalities with full relief from the portion of the Goods and Services Tax they now pay.

"Over the next decade, this will provide Canada's municipalities with approximately \$7 billion of stable new funding to help meet critical priorities. The Government will also move to quickly commit funds within our existing infrastructure programs, so that our partners can plan properly. Together, these are real and ongoing investments in urban transit, affordable housing, clean water, and good roads. Canada's municipalities asked for this. The Government has acted.

“Canada’s municipalities can play a crucial role in helping the Government meet its national priorities - for the integration of immigrants, for opportunities for Aboriginal Canadians living in urban centres, for tackling homelessness, and for emergency preparedness and response. The new deal means that city hall has a real seat at the table of national change.”

Excerpts from Prime Minister Paul Martin’s response on February 3 to the Speech from the Throne:

“It is in our communities that we truly experience Canada. It is in neighbourhoods that we develop our personal values and commitments and come to understand our larger responsibilities to our country and to the world. Here, newcomers learn about their new home. Here, we develop and express our citizenship daily.

“Canada’s municipal governments, big and small, urban and rural, are responsible for creating the conditions for communities to thrive. And they are cash strapped.

“They are working from out-moded financial foundations — they need stable, reliable and predictable funding. Many lack the resources to deliver affordable housing, modern transit, green spaces, clean air and water — the prerequisites to healthy and safe communities. They carry much of the responsibility, often without adequate resources, for integrating recent immigrants and serving the increasing number of urban Aboriginals.

“As a country, we cannot permit this to continue. We all want our municipalities to be great places to live; to be able to compete for talent and investment, and to play a role in strengthening our regional economies. We want our small towns to be able to share in our prosperity. We want our large cities to be international, and internationally competitive; to be centres of commerce and culture. And we want them all to provide safe and healthy homes for our families.

“That is why we have made a new deal for Canada’s municipalities one of our highest priorities. That is why we created a new Secretariat. We want the voice of our municipalities to be heard nationally. That is why we asked former Premier Mike Harcourt to head an advisory committee to help shape our policy thinking, while respecting the jurisdiction of the provinces.

“Recently, some have questioned the depth of our commitment — wondered whether we would match rhetoric with results. Well, we have answered those questions. The New Deal is a real deal. We are committed to providing a portion of the gas tax if, eventually, that’s what works best for municipalities.

“Yesterday’s Throne Speech announced a significant down payment. A 100 percent GST rebate for municipalities. They will now get back every penny of the tax spent in providing municipal services and community infrastructure. Furthermore, we will act now — not in a year, or even in a month. I am pleased to announce that as of two days ago, February 1st, the GST rebates for all our municipalities began to accumulate. This will mean \$7 billion over 10 years for housing, transit, clean air and water, roads — in communities right across Canada.

“But this new deal is not just about money. It is about engaging municipalities as partners.”

In Reply to the Speech from the Throne, Opposition members said little that is helpful in defining their positions on city issues. Their attention was focused on criticizing the government, as is their function. Off Parliament Hill the reactions varied, as one might expect - the promises were either not enough; or welcome; or signalled a good beginning. Obviously, time will tell.