

Cities, province make up

Queen's Park agrees to stop forcibly downloading services to municipal tax rolls

By **JONATHAN JENKINS**, QUEEN'S PARK BUREAU

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An historic accord announced yesterday will mean the average taxpayer can now pay the province from his left pocket what he used to pay the city from his right.

With much fanfare, the province, City of Toronto and the Association of Municipalities of Ontario said on Halloween they will finally bury the ghost of former premier Mike Harris and end the forced downloading of provincial services on to municipal tax rolls.

"This is extraordinary. It couldn't be more significant, particularly given the financial challenges the provincial treasury is facing at this moment," Toronto Mayor David Miller said.

The big number is \$1.5 billion -- the amount the province says it will eventually be paying -- and the cities won't, when the uploading is completed.

YEARS AWAY

The fine print is the process won't even start until 2010 and won't finish until 2018 -- that'll be 15 years after the Liberal government of Premier Dalton McGuinty first won election, partly on a promise to end downloading.

"The announcements today in the long run will significantly contribute to the city's long-term sustainability," Miller said.

"Are we fully there yet? No."

Miller estimated the deal's impact would save about \$500 million a year for the city by 2018. The cash is nice, Miller said, but the real change is that now the two levels of government are working together.

"When you have governments that are fighting, when you have downloading, you have these structural problems. You don't solve the real problems that real people face everyday in our cities," he said. "That's what it's about and it couldn't be more important."

Municipal Affairs Minister Jim Watson said the announcement was his proudest day ever as an MPP.

"We have turned the page on the years of downloading and contempt shown the municipal sector in our province by previous governments," Watson said.

'SUBSTANTIAL'

And while the average taxpayer may not care which cadre of bureaucrats cashes their cheque, AMO president Peter Hume said it will make a difference.

"It matters to the average homeowner in a substantial way because now municipalities are going to have the revenues that they need to invest in things that make their communities better places to live -- parks, playgrounds, community centres, roads and bridges," Hume said.

The province had already announced it was re-assuming responsibility for the Ontario Drug Plan, Ontario Disability Support Program and land ambulance costs.

It was also no secret it was prepared to pay for court security and welfare as well, but the slow pace of the cost swap was a shock to some.

"It's all post-dated cheques to 2018," Progressive Conservative MPP John O'Toole said.

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