

Key Messages

AMO Position

- Local governments turn policy into everyday results — building neighbourhoods, running transit, keeping parks safe, and delivering the services that help communities thrive.
- AMO amplifies municipal voices so perspectives of cities, towns and rural communities inform provincial and federal decision-making on the issues that matter most to them.
- Municipalities are stepping up — investing in communities, completing major capital projects and responding to local needs with quality services — but we need the province to start paying its fair share of capital and operating expenses.
- AMO is calling for provincial action on municipal priorities that impact communities in every corner of Ontario:
 1. Long-term infrastructure funding for housing and the economy
 2. Fully fund health and social services that are provincial responsibilities and,
 3. Work with municipal and federal partners to address the homelessness crisis.

Key Messages for Policy Priorities

Municipal Fiscal Sustainability

Soundbite: Municipalities are being asked to do more with less. We need the province to close the funding gaps to protect the vital local services and infrastructure that residents rely on every day.

- The funding system isn't working. Municipalities are being asked to do more with less.
- Municipalities need predictable, substantial, multi-year funding and better tools to pay for services and growth.
- Three provincial actions would significantly address these needs:
 1. Long-term infrastructure funding for housing and the economy
 2. Fully fund health and social services that are provincial responsibilities and,
 3. Work with municipal and federal partners to address the homelessness crisis.
- A modernized fiscal framework lets municipalities plan, invest and support communities without shifting costs onto property taxpayers.

Infrastructure

Soundbite: We need long-term, substantial and predictable provincial and federal funding — not one-off pots of money — so communities can renew and grow.

- Municipalities will need to invest hundreds of billions over the next decade to keep communities working and growing.

- Right now, municipalities pay 80% of local infrastructure costs, and our share continues to grow. We can't continue to absorb these costs without help.
- We need long-term, substantial and predictable provincial and federal funding — not one-off, underfunded pots of money.
- Changes to development charges and other provincial policies must be paired with replacement funding so local taxpayers aren't left holding the bill.

Homelessness

Soundbite: We need \$11 billion over the coming decade to end chronic homelessness and stop people falling through the cracks.

- Homelessness is getting worse and municipalities are on the front line.
- Municipalities don't have the tools or the money to solve this on our own.
- Governments must invest in deeply affordable, supportive and transitional housing now, funding both the buildings and the wrap-around supports needed to make us successful.
- Preventing homelessness means better income supports and more mental-health and addiction services.
- Investing in community housing pays off: it reduces downstream system costs and creates jobs and economic benefits.

Local Government

Soundbite: Bill 9 is a major step forward for local democracy. But appointing regional chairs with strong powers takes us backward by weakening voter accountability.

- Local democracy matters. People must be able to hold their local leaders to account.
- Appointing regional chairs with strong powers removes local accountability and is the wrong direction.
- Successful governance changes are made in collaboration with municipalities and preserve local decision-making and representation. Reforms should strengthen transparency and effectiveness, not centralize authority and weaken voter accountability.
- The passage of Bill 9, the *Municipal Accountability Act*, is a major step forward for local democracy. Now we need the province to work with us to put the new Ontario municipal Code of Conduct in place before new councils are formed this fall.
- Municipalities understand their communities best and need a strong provincial partner that respects local decision-making and works collaboratively to address shared challenges.

Tariffs and Trade

Soundbite: Municipalities are using their purchasing power to buy local where possible and support Canadian and Ontario businesses and jobs

- Continued provincial and federal governments' economic and international relations leadership is needed while trade disruption and uncertainty continue.
- Municipalities help strengthen the economy by leveraging their buying power, attracting new investment and supporting local businesses to sustain and grow.
- As a key partner in Ontario's economic strategy, municipalities are helping build the energy infrastructure needed to support new housing, create jobs, and stay competitive.

AMO's Indigenous Reconciliation Action Plan

Soundbite: AMO is strengthening municipal-Indigenous relationships and amplifying Indigenous voices in its advocacy.

- AMO is committed to practical reconciliation: building respectful, long-term relationships with Indigenous partners and taking measurable action.
- With about 88% of Indigenous peoples living in municipalities, municipalities must uphold Indigenous rights and work with Indigenous residents and neighbours to improve outcomes.
- AMO will support members with tools, training and resources to help municipalities meet reconciliation responsibilities and improve services for Indigenous people.
- This work is partnership-based: AMO will continue deep engagement with Indigenous organisations and leaders, amplifying Indigenous voices to ensure our actions are collaborative and accountable.

Healthy Democracy Project

Soundbite: Healthy local democracy depends on respectful civic engagement, strong institutions and support that let councils and staff do their job.

- Incivility and harassment are undermining local governance and turning people away from considering running for and voting in local elections. Municipalities need tools and resources to support our elected officials, staff and community members.
- AMO's Health Democracy Project provides resources — training, toolkits and best practices — to strengthen respectful public engagement.
- Municipalities adopting clear codes of conduct, effective complaint processes and supports for staff wellbeing will maintain public trust.
- AMO is working with municipalities to share proven approaches, build local capacity and promote long-term, community-based solutions that reinforce democratic norms.

OMERS Governance Reform

Soundbite: Recent changes diminish municipal representation and could increase pension costs, putting additional pressure on municipal budgets, taxpayers, and local services.

- Municipalities are major OMERS partners, representing almost 40% of active members and funding half of employer contributions. Decisions about rates, benefits and funding risk directly affect municipal budgets and taxpayers.
- Municipalities have been concerned about provincial legislation passed in November that risks weakening the municipal voice in plan decisions. Meaningful oversight from sponsors like municipalities is essential to protect long-term affordability.
- There are a lot of unanswered questions about how OMERS governance will work in practice. While there has been some positive progress, there is also a lot of change and uncertainty, with key government regulations still outstanding.
- Stable, transparent governance helps keep pension costs predictable, supports workforce planning and avoids sudden changes that can impact municipal bottom lines.