

AMO's 2022 Provincial Election Strategy



**Advancing
Ontario's
Prosperity**

AMO Association of
Municipalities Ontario

Advancing Ontario's Prosperity

As the 2022 provincial election approaches, municipal governments in Ontario have a strong and clear message for all political parties: our success is foundational to the success of Ontario.

Municipalities in Ontario work tirelessly and effectively to safeguard the people of Ontario and the social, cultural and economic life of our province – and never more so than during this time on the frontlines of the global pandemic.

Municipalities have shown that when governments work together, as taxpayers expect them to, we can overcome serious obstacles and accomplish positive change. Looking ahead, we are eager to work in partnership with a provincial government that is committed to creating opportunity across every part of Ontario.

AMO's election strategy provides the foundation for the next four years of provincial-municipal cooperation and accountability. It is objectively non-partisan, broadly focused, attainable within the provincial sphere of influence, and reflects sector-wide priorities.

The strategy sets out an eight-point plan and asks all Ontario political parties to commit to fulfilling all eight commitments and to share in AMO's vision for economic recovery, prosperity, and increased opportunity:

1. Commit to a **provincial-municipal fiscal framework** that is stable, sustainable and affordable for property taxpayers.
2. Acknowledge and support municipal governments as key partners in Ontario's **economic recovery and future prosperity**.
3. Commit to a comprehensive and integrated response to the environmental, social and economic impacts of **climate change**.
4. Make **social infrastructure, infrastructure and transit investments** that build sustainable and competitive communities and support broader participation in the economy.
5. Invest in **broadband and connectivity** to expand opportunity, access and economic participation in every part of Ontario.
6. Adequately fund the municipally delivered provincial **health and human services** that underpin the social and economic wellbeing of Ontarians.
7. Implement an integrated response to **mental health and addictions**.
8. Work with municipalities on innovative approaches to increase the supply of **affordable housing**.

ON FINANCE

1

Commit to a provincial-municipal fiscal framework that is stable, sustainable and affordable for property taxpayers.

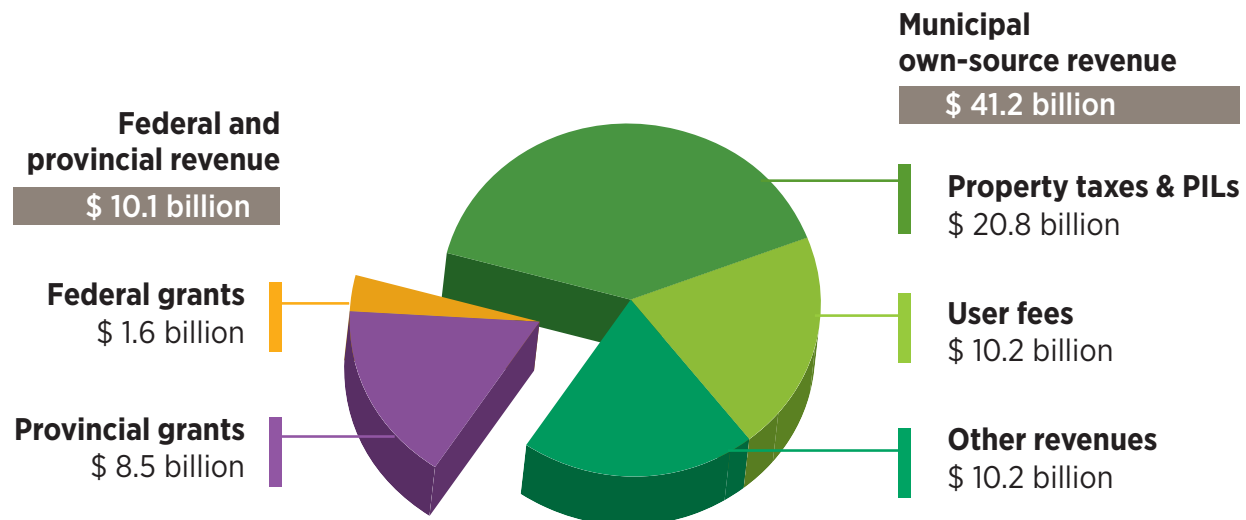
Municipal governments provide the services that people and businesses rely on most, accounting for more than \$50 billion a year in direct investment in Ontario's economy.

Municipal councils participate in Ontario's economy as an accountable order of government. We are the only part of the broader public sector that relies primarily on own-source revenue – more than \$41 billion a year. That investment comes mainly from commercial, industrial, and residential property taxes and user fees for municipal services.

Municipalities in Ontario also receive about \$10 billion per year from the federal and provincial governments to deliver an array of cost-shared provincial health and human services, and to offset regional economic disparity.

The last formal review of provincial-municipal fiscal framework was AMO's Provincial Municipal Fiscal and Service Delivery Review (PMFSDR), completed in 2008. As a result, municipalities save about \$2 billion a year, which is reinvested in municipal infrastructure.

Municipal governments rely primarily on own-source revenue



Source: MMAH 2017 Financial Information Returns

ON ECONOMY

2

Acknowledge and support municipal governments as key partners in Ontario's economic recovery and future prosperity.

COVID-19 has demonstrated what can be accomplished when the Province works with municipal governments to serve the people of Ontario.

Over the next four years, a sustained provincial-municipal partnership can drive economic recovery, and renewed prosperity and opportunity across Ontario.

Local economies are the foundation of the Ontario economy. Municipalities guide local economic development, invest in services and develop policies that support prosperity. This includes the infrastructure and services essential to a well-functioning and competitive economy.

Municipalities are committed to expanding opportunity to people who have had limited access to Ontario's prosperity. We want to work with a provincial government that shares this commitment.

ON CLIMATE CHANGE

3

Commit to a comprehensive and integrated response to the environmental, social and economic impacts of climate change.

The impacts of climate change, including severe weather, threaten our economies, our infrastructure, and the socio-economic fabric of our communities. Addressing and adapting to rapidly escalating climate challenges requires global, national, provincial and local action.

Ontario's social and geographical landscape ranges from vulnerable permafrost and productive agricultural lands to small towns and big cities threatened by flooding and other weather conditions. Our infrastructure, ranging from energy distribution and safe drinking water to transportation and transit, is at risk. These perils are interconnected with economic risk and have a disproportionate effect on marginalized communities.

The fundamental shift in understanding the impact of climate change also brings opportunity. Few jurisdictions have the capacity of Ontario to capitalize on the opportunity. Ontario is prosperous, highly educated, innovative, and resourceful, and has demonstrated success in multi-lateral collaboration in the face of adversity. Capitalizing on these opportunities means leveraging municipal know-how and local innovation.

Municipalities understand the magnitude of the challenge and their responsibilities on the frontline of climate change, delivering innovative and sustainable services that our businesses and residents depend upon most. Responding effectively to climate change will require a committed partnership and resources, including financial support from Ontario to deliver the meaningful change our communities need.

ON INFRASTRUCTURE

4

Invest in social infrastructure, infrastructure and transit that build sustainable and competitive communities and support broader participation in the economy.

Social infrastructure refers to the resources and services in the community that help residents participate in the economy, provide the foundations for education and learning, and support the effective use of healthcare resources, so people can thrive. It includes an array of municipal services including childcare, long-term care, public health and paramedicine, all of which are co-funded by municipalities and the Province.

Physical infrastructure includes services to property such as roads and bridges and water and wastewater systems, as well as transit and many other tangible assets.

In Ontario, municipal governments own and operate infrastructure assets worth nearly half a trillion dollars – requiring regular maintenance, modernization and reinvestment.

Investing in infrastructure and transit is a major source of economic stimulus in the short-term with long-lasting financial benefits by improving productivity, reducing gridlock and attracting businesses. It is an investment that pays major dividends for the province and communities alike.

ON BROADBAND

5

Invest in broadband and connectivity to expand opportunity, access and economic participation in every part of Ontario.

Economic prosperity and access to economic opportunity depend on access to broadband internet and cellular connectivity. Canada and Ontario are responding with major investment intended to expand coverage to all parts of Ontario. Municipalities have been key partners in securing much needed investment and implementing expanded services.

The pandemic has demonstrated that high-speed internet access is an essential service, as a platform for healthcare, education, commerce, culture, entrepreneurship, innovation and many other aspects of daily life.

Equitable access expands opportunity to remote and rural communities, and to people excluded from economic participation because of social, economic and other barriers.

Just as it is an essential service, it is an essential component of Ontario's future prosperity.

ON HEALTH AND HUMAN SERVICES

6

Adequately fund the municipally delivered provincial health and human services that underpin the social and economic wellbeing of Ontarians.

Municipalities in Ontario deliver and cost-share a broad array of provincial health and human services. These include public health, childcare, social assistance, paramedic services, long-term care, social housing and services for people who are homeless. Under current provincial-municipal cost sharing arrangements, the net costs to municipalities of delivering these services is about \$3 billion a year. Any reductions in provincial funding for these services, or increased costs of the services, will be shouldered by property taxpayers.

Where municipalities contribute financially to provincial services, a corresponding role in planning, coordinating, and governing those services is an essential element of accountability and success.

Social Determinants of Health

Social determinants of health are those factors in life that contribute to (determine) people's physical and mental health. They include education, access to recreation, healthy food, and preventative medicine and many other socio-economic factors.

Almost all the services provided by municipalities in Ontario fit that definition. In fact, of the more than \$50 billion a year that municipalities invest in the communities across Ontario, more than \$40 billion is invested in the social determinants of health. Municipalities are making important proactive investments that reduce pressure on the provincial healthcare system.

ON MENTAL HEALTH

7

Implement an integrated response to mental health and addictions.

Issues of mental health and addiction consistently top the list of concerns expressed by AMO members – in particular, the lack of an integrated and comprehensive response to mental health in terms of services, supports, prevention and equitable access.

Municipal councils deal with the affects of community mental health and addictions in the context of the services they provide and as employers. Addressing mental health is essential to the social and economic development of our communities.

Mental health and addictions have a significant impact on municipal health and human services such as paramedicine, public health and housing services. They also have a unique impact on our police and fire services.

AMO consistently advocates for a “whole of government” response to mental health, and a comprehensive and integrated provincial response to mental health and addictions in all our communities, regardless of location.

ON AFFORDABLE HOUSING

8

Work with municipalities on innovative approaches to increase the supply of affordable housing.

Lack of affordable housing is a national crisis, and it is a problem in every part of Ontario. Housing is in short supply. Home ownership is out of reach for many. Rents are too high relative to incomes. In addition to its human costs, endemic homelessness results in astronomical costs to our health care and emergency services systems.

All three orders of government and our partners in the private, non-profit, and co-operative housing sectors have the capacity, ingenuity and resources needed to undertake a comprehensive response to affordable housing and homelessness. AMO is looking to the Government of Ontario to lead, champion and support this critically important work.

Municipal governments are a key partner to the Government of Ontario, investing more than \$50 billion in the Ontario economy. Municipal services and infrastructure are essential to the social, cultural and economic well-being of the province. AMO seeks to work collaboratively with provincial government partners to create opportunity across every part of Ontario. We are asking all political parties to sign on to AMO's eight-point plan to advance Ontario's prosperity and to share in AMO's vision for economic recovery, prosperity, and increased opportunity.