

Alert

To the immediate attention of the Clerk and Council

June 8, 2004 – Alert 04/027

IMPORTANCE OF MUNICIPAL GOVERNMENT FURTHER ACKNOWLEDGED

Province Introduces Legislation to Enshrine Memorandum of Understanding with AMO

Issue: Municipal Affairs and Housing Minister John Gerretsen today introduced a bill in the Provincial Legislature to amend the *Municipal Act* to guarantee consultation with municipalities on matters that affect municipal governments.

Background:

On December 19, 2001, AMO and the Government of Ontario signed a Memorandum of Understanding (MOU), which committed the Provincial Government to consulting with municipalities on matters that could affect municipal budgets. That MOU is to expire at the end of this year.

Provincial Ministers have met periodically with AMO representatives under the auspices of the MOU agreement. The MOU meetings are predicated on the need for frank exchanges of information and are intended to ensure that government policy ideas and decisions are informed by first-hand knowledge of Ontario's municipal governments. The MOU provides AMO the opportunity to bring policy and program ideas to the table as well.

The Liberal government has not only embraced the process of the MOU, but the proposed amendments to the *Municipal Act* introduced today in the legislature would make an MOU a requirement for any future governments. Today's action by the government also provides a strong foundation for discussions about ensuring that municipalities have a place at the table of federal/provincial discussions that will affect our communities. "This historic bill would enshrine in legislation the principle of meaningful and informed consultation between the Province and Ontario's municipal governments," said Ann Mulvale, AMO President. "This would help minimize or prevent unintended consequences to the one taxpayer. This legislation is good news for the public and is a significant illustration of how government should work together."

The proposed amendment to the *Municipal Act* reads as follows:

The Province of Ontario endorses the principle of ongoing consultation between the Province and municipalities in relation to matters of mutual interest and, consistent with this principle, the Province shall consult with municipalities in accordance with a Memorandum of Understanding entered into between the Province and the Association of Municipalities of Ontario.

“This is the right way to treat another level of government,” Hon. John Gerretsen said. “The government is committed to working with municipalities – not against them – to build stronger, more self-reliant communities that offer Ontarians a higher quality of life. This legislation would be the cornerstone of a new partnership between the Province and municipalities.” The Minister also remarked, “Ontarians depend on municipalities to play a key role in building strong, safe and livable communities. The Memorandum of Understanding gives municipalities a say on provincial plans that would affect their ability to get the job done.”

Action:

The passage of this legislation will begin the process of negotiating a new, strengthened MOU. The commitment to enshrine the MOU in legislation was included in the government’s “Strong Communities” election platform.