



January 23, 2004

Mayors to Federal and Provincial Governments: Fulfill Commitment to Canada's Cities Now

TORONTO – Developing solutions for the financial and legislative challenges facing Canada's economic hub cities was the goal of the Mayors' Summit chaired by Toronto Mayor David Miller today.

Mayors and representatives of Canada's major hub cities agreed on a set of recommendations for immediate action and for stronger partnerships with the federal and provincial governments. The final communiqué from the meeting calls for specific items to be included in the 2004 throne speech and federal budget, and also lays out the makings of a "new deal."

In the 2004 federal throne speech and budget:

1. Rebating 100% of the GST paid by municipalities and their agencies;
2. Accelerating the \$2 billion investment in urban infrastructure through existing programs;

And, by the end of 2004, a new deal through partnership agreements:

3. Provide cities with a new net revenue source, based on the user-pay principle, of five cents per litre from the existing federal fuel excise tax;
4. Allow cities to address their priorities and invest in economic growth by retaining a share of locally-generated tax revenues that grow with the economy, such as income tax and/or federal and provincial sales tax revenue;
5. Match or exceed the average level of US and Western European governments' investment in municipal transit and transportation infrastructure;
6. Involve major hub cities as partners in federal and provincial policy, program and budget deliberations on issues that have a direct impact on major urban centres;
7. Introduce flexibility and improve the delivery and supply of existing affordable housing programs to focus on serving the needs of Canadians;
8. Make regulatory changes to support cities – for example, amending the income tax act to make employer-provided transit passes a tax-exempt benefit, or converting the Commercial Heritage Properties Incentive Fund to a tax credit program.

The full communiqué is available in both official languages at www.newswire.ca.

Mayor Miller called the meeting to discuss the shared concerns of Canada's hub cities, and to develop a collective approach to federal and provincial governments.

"The success of our cities is a barometer of Canada's quality of life," said Mayor Miller. "We all agree that action is needed now to ensure that we have the money and the tools necessary to keep cities strong. The country's economic competitiveness depends on it," stated Mayor Miller.

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Mayors and representatives at the meeting were:

Councillor Jim Green – Vancouver
Mayor Bill Smith – Edmonton
Mayor Pat Fiacco – Regina
Mayor Glen Murray – Winnipeg
Mayor David Miller – Toronto

Mayor Bob Chiarelli – Ottawa
Mayor Gérald Tremblay - Montréal
Councillor Jacques Jobin – Quebec City
Mayor Peter Kelly – Halifax

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The mayors have agreed to continue working together. They will participate in a new National Forum on Economic Growth to be held in Montréal in spring 2004, which the FCM Big City Mayors will participate in and to which the federal and provincial governments will be invited. They will also meet again in Toronto in the fall of 2004.

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