



# Corporate Report

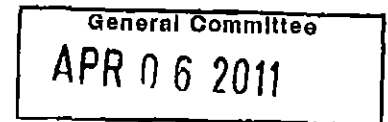
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**DATE:** March 31, 2011

**TO:** Mayor and Members of General Committee  
Meeting Date: April 6, 2011



**FROM:** Janice M. Baker, CA  
City Manager and Chief Administrative Officer

**SUBJECT:** 2011 Federal Election: Priority Issues of the City of Mississauga

**RECOMMENDATION:** That Council endorse the issues for the 2011 federal election, as outlined in the report entitled "2011 Federal Election: Priority Issues of the City of Mississauga" dated March 31, 2011 from the City Manager and Chief Administrative Officer.

**BACKGROUND:** The City of Mississauga has undertaken to outline important municipal issues during past federal elections to understand the policies, positions and promises of the political parties and to work toward positively influencing the parties and individual candidates on the City's priorities.

During the 2008 federal election, the City of Mississauga outlined a number of issues that the federal government needed to act upon in order to maintain a good quality of life. The issues were:

- Eliminate the National Municipal Infrastructure Deficit
- A National Transit Strategy
- A National Housing Strategy

Some progress on these three issues has been realized in the past few years but not enough. The City continues to advocate for federal involvement on these issues and supports the Region of Peel in its increased attention to the rising housing issues in Peel region.

15a)

**COMMENTS:**

A federal election has been called for May 2, 2011. Municipalities and organizations across Canada will be focussing on key issues that require action at the federal level and will be looking for commitments on these actions during the election.

Municipalities usually have a closer relationship to their provincial governments than to the federal government, for support, partnership and funding. However, when an issue affects all municipalities across Canada it requires federal government action. The City of Mississauga is the sixth largest city in Canada and, along with the other large cities across this nation, need the federal government to come to the table on issues of national municipal importance.

In Ontario only 9 cents of every dollar (9.4%) that residents pay in taxes goes to support municipal services. The largest recipient of local tax dollars is the federal government (55.3%), followed by the provincial government (35.3%). (Source: Fraser Institute's Canadian Tax Simulator, 2010)

Our property tax system is regressive in nature in that it imposes a greater burden on the poor than the rich; property taxes take up a higher percentage of an individual's budget that has a low income than it does for an individual with a higher income. Considering the scope of services that the City and Region provide, it is clear that municipalities are required to fund an extensive list of programs with a very small portion of the overall tax dollar. It is essential that the political party that forms the next Government of Canada understands the very limited fiscal capacity within the municipal property tax system.

The City of Mississauga's two priority issues for the federal parties and candidates are outlined below:

a) Municipal Infrastructure Deficit:

In 2008, the Federation of Canadian Municipalities (FCM) undertook a nation-wide study on the growing infrastructure deficit. The result was a declaration that Canada's national infrastructure deficit was estimated at \$124 billion. Mississauga also undertook its own analysis which pegged Mississauga's infrastructure deficit at \$1.5 billion, and based on historical costs, an annual injection of \$77 million is required

to close Mississauga's infrastructure funding gap.

The City of Mississauga also developed a public campaign entitled "Cities NOW!" which described the situation, gained support from multiple stakeholders and requested the federal government provide long-term, sustainable infrastructure funding to municipalities. Further, the City resolved to add a special infrastructure levy to the annual tax bill to help stem the tide on the growing infrastructure deficit.

In 2009, the worldwide economic downturn resulted in all three orders of government joining forces to stimulate the economy and put people back to work. For Mississauga this was a positive event. The Infrastructure Stimulus Fund (ISF) and the Recreation Infrastructure Canada Fund (RInC) provided \$104 million to the City of Mississauga from the provincial and federal governments (with an additional \$65 million the City provided) which supported the construction of 138 projects.

While the City was grateful for these funds, this was one-time funding. To truly maintain our infrastructure in a state of good repair, permanent sustainable funding is required. In Mississauga, this equates to approximately the same amount that was received through ISF every year. It should be noted that the ten year capital forecast does not provide for \$432 million in capital projects and lifecycle replacement costs, which remain unfunded. Clearly, one-time funding will not meet the needs of municipalities in reducing the overwhelming municipal infrastructure deficit.

Across Canada there has been much discussion and analysis on the state of municipal infrastructure including advocacy by FCM and the inaugural National Infrastructure Summit held in January, 2011, hosted by the City of Regina. The request to the federal government was clear, that there must be a commitment to develop a new, long-term, infrastructure investment strategy that will renew the Building Canada Plan which is due to expire in 2014.

The question that candidates should answer is:

**Will your party commit to developing a new, long-term, sustainable infrastructure investment plan to replace the Building Canada Plan when it expires in 2014?**

b) Transit:

The City of Mississauga endorsed a new Strategic Plan in spring of 2009. It was based on five strategic pillars for change of which one was the MOVE pillar 'Developing a Transit-oriented City'. The public engagement process for the Strategic Plan connected with 100,000 people and public transit was the number one expressed priority. The need for reliable, efficient public transit continues to be of the highest priority. For Mississauga this does not only mean a great bus system for the residents to move within the City, but also a higher-order transit systems (light rail transit, bus rapid transit, etc.) on inter-regional corridors, linking riders between municipalities on a multi-modal transportation system in the Greater Toronto Area and beyond. Systems such as these can truly transform communities, but come with a very significant capital investment.

Mississauga's goal is to double the transit ridership from 11% to 22% over the next four decades. To meet this, work is underway on designing higher-order systems and mobility hubs, improving travel times, developing parking strategies that support transit, directing growth to support public transit, etc. The City's 2011 capital budget shows transit as 42% of the total capital budget (\$98.8 m) but also with a number of important transit projects unfunded (\$66 m).

The City of Mississauga is not alone on their desire for a safe, reliable, efficient, inter-regional system. The provincial government, the Canadian Urban Transit Association (CUTA), the Federation of Canadian Municipalities (FCM), the Association of Municipalities of Ontario (AMO) and almost all urban areas within Canada are working toward the same thing.

In September 2010, CUTA stated:

*'Over the last decade, Canada's federal, provincial and municipal governments have greatly increased capital funding to expand and renew transit systems. Even greater investments lie ahead – but the country still lacks a coordinated framework of policies and programs to guide those investments and ensure that Canadians receive the greatest possible value from them. To this end, there is a federal and provincial consensus on the need for a Canadian policy framework to guide the success of public transit. This consensus recognizes the value of*

*predictable long-term funding for transit and a range of supportive programs.'*

The Canadian Chamber of Commerce adds: *'Canada continues to be the only OECD and G8 nation without a long-term federal transit plan.....that will help bolster the economy, better serve transit users and provide the investment confidence required to attract private sector investors.'* (CUTA issue paper 37, Sept. 2010)

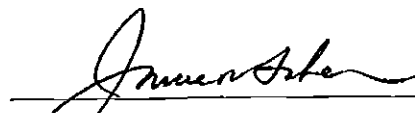
Solid public transit systems are a municipal, provincial and national priority for our economy, our environment, and social fabric.

The question that candidates should answer is:  
**Will your party commit to the creation of a comprehensive national transit policy framework and investment strategy including the indexation of the gas tax for municipalities?**

**FINANCIAL IMPACT:** Not applicable

**CONCLUSION:**

A federal election is an important opportunity for municipalities to engage political parties and local candidates on the top municipal issues. In 2011, the City of Mississauga has two priority issues are the municipal infrastructure deficit and transit. Both of these issues will assist in reducing commute times and cutting down on gridlock.



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Janice M. Baker, CA  
City Manager and Chief Administrative Officer

*Prepared By: Gary Kent: Director, Corporate Strategy and Innovation*