

# Mayors vow to push for new deal [CA] <sup>[1]</sup>

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## AVAILABILITY

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## EXCERPTS

The mayors of Canada's 22 largest cities vowed yesterday to ensure that no federal party can get elected without first agreeing to properly fund cities and give them more political power.

Part of what they want is a larger share of the gasoline tax than the portion expected to be announced today by Prime Minister Paul Martin, who is planning to phase in 5 cents a litre for cities over the next five years.

Toronto's David Miller and the other mayors, who represent 40 per cent of Canada's population, want 5 cents of the federal gas tax -- a portion worth about \$2 billion annually -- by the end of this year.

While the mayors were hashing out that date and other demands yesterday at a closed meeting in the Alberta capital, the Prime Minister's Office called several mayors repeatedly, trying to persuade them to soften their stance on the 2004 date, Toronto Councillor Howard Moscoe said. He was present at the meeting and is a delegate at the Federation of Canadian Municipalities annual conference.

The Prime Minister's Office also tried to get the mayors to remove the 2005 deadline from their demand that the next federal government sign deals with cities to give them additional revenue sources that grow with the economy, such as a portion of existing sales tax, he said.

"What we want, is when your candidates come knocking on your door, that you ask... 'What is your party's position with respect to the new deal for Canada's cities?'" said Regina Mayor Pat Fiacco.

Miller said he thinks people will take up the crusade for a new deal because it affects things close to home.

"The new deal is about making sure that in every neighbourhood there is a soccer field, that in every neighbourhood parents know they'll have access to affordable high-quality child care and a transit system that meets their needs," Miller said.

Right now, cities, which rely on property taxes to raise money, don't have the funds to get those things done or the other responsibilities, which have been downloaded to cities.

"The property tax base was never intended to cover social services, health or education," Mississauga Mayor Hazel McCallion said.

To help push it in the right direction, the Federation of Canadian Municipalities has prepared a document, "Election 2004, Toward a New Deal" that clearly outlines what promises for change its members want to hear from federal leaders.

Among them are two big dollar figures:

\$2.5 billion per year for at least 10 years in revenue sharing, such as a portion of gas or sales tax, primarily to pay for transportation and transit.

That works out to about 5 cents per litre of the federal government's current gas tax.

\$700 million per year for affordable housing, community and children's recreation and cultural facilities, security, emergency preparedness and public health, and downtown revitalization.

Right now, only 8 cents of every tax dollar collected in Canada goes to municipal governments. Provinces get 42 cents and Ottawa 50 cents.

From 1999 to 2003, municipal revenues, which are dependent on property tax, only increased by 4 per cent.

Costs, though, have risen much more than that, leading to cuts to social and community programs, user fees and under funded transportation and transit systems.

The infrastructure deficit is currently \$60 billion and it grows by \$2 billion a year, says the federation.

- reprinted from the Toronto Star

**Tags:** election <sup>[2]</sup>  
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