

## **MAYORS URGE OTTAWA TO MAKE CITIES PARTNERS IN PROSPERITY Cities ask the federal government to share the equivalent of one cent of the GST**

TORONTO, May 3, 2007 -- The Big City Mayors' Caucus today released the final component of its proposal to restore fiscal balance to Canadian municipalities. The mayors are calling on the federal government to share the equivalent of one cent of the GST with cities so they can invest in the future prosperity of their communities.

"The equivalent of one cent of GST would yield approximately \$2-billion per year for BCMC member cities or \$5-billion for all municipalities in Canada" said Mayor Susan Fennell, Co-Chair of the BCMC Working Group on Revenue Sharing. "This investment -- combined with a national transit strategy and existing federal spending in cities -- would place us on sound financial footing to keep up with urban growth and to engage in city building."

The mayors are advocating for a new partnership that recognizes the role cities play in generating wealth across Canada.

"Cities play an integral role in terms of generating wealth and growth. However, for this growth to occur municipalities also require significant investments for infrastructure and to ensure they can offer first-rate services," said Maire Gérald Tremblay of Montreal. "In order for cities to continue enjoying future successes and participate in economic growth, they must receive their fair share of all accompanying fiscal revenues."

This new federal investment will allow cities to invest in the infrastructure and quality of life features that attract skilled workers and investment.

"Municipal governments have limited financial tools at their disposal" said Mayor Dave Bronconnier Co-chair of the Working Group on Revenue Sharing. "Our current tools are not meeting the needs of growing cities. Providing the equivalent of one cent of the GST will ensure that Canada's cities remain competitive and further generate wealth to share with all Canadians."

The release of today's revenue-sharing proposal supports the BCMC report entitled "Our Cities, Our Future." This document, released in Montreal in June 2006, made a series of recommendations to address the fiscal imbalance between cities and the federal and provincial governments. Those recommendations include the creation of a national transit strategy, the realignment of financial roles and responsibilities between governments and the sharing of revenues that grow with the economy. The BCMC is actively pursuing the adoption of all of these recommendations.

“Investment in the quality of life and competitiveness of cities is a priority that Canadians fully understand,” said Toronto Mayor David Miller. “That’s why, in addition to submitting our proposal to the federal government today, we are taking it to the residents of all our cities in order to solicit their support for this very important initiative.”

The Big City Mayors’ Caucus is comprised of the mayors of the 22 largest cities in Canada and represents approximately 40 per cent of the Canadian population.

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