



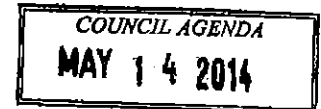
# Corporate Report

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**DATE:** May 5, 2014



**TO:** Mayor and Members of Council  
Meeting Date: May 14, 2014

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

**SUBJECT:** **Provincial Election 2014: Summary of Priority Issues and  
Engagement Tactics**

- RECOMMENDATION:**
1. That the report entitled "Provincial Election 2014: Summary of Priority Issues and Engagement Tactics" dated May 5, 2014 from the City Manager and Chief Administrative Officer, be endorsed as the City of Mississauga's priority issues pertaining to the June 12<sup>th</sup>, 2014 Ontario general election.
  2. That the engagement tactics recommended in the report entitled "Provincial Election 2014: Summary of Priority Issues and Engagement Tactics" dated May 5, 2014 from the City Manager and Chief Administrative Officer, be approved for implementation.

**REPORT  
HIGHLIGHTS:**

- The Province of Ontario government was dissolved on May 2, 2014 and a general provincial election will be held on June 12, 2014.
- A provincial election affords the City of Mississauga the opportunity to engage with the political parties and candidates on key issues of importance to the City.

- The Province of Ontario is an important partner in ensuring the City of Mississauga meets its vision and city-building aspirations, specifically through its legislative authority and funding mechanisms.
- While there are many issues of importance between the City of Mississauga and the provincial government, due to the very short election timeframe, the three priority issues that are recommended to focus on in the 2014 election are public transit, sustainable infrastructure and interest arbitration.
- The engagement tactics that can be employed effectively in a four week timeframe include: website development (based on the past websites for the 2011 and 2007 elections); posing questions to the party leaders and posting their answers; using various communication avenues to educate the local community on these key issues before election day.

**BACKGROUND:**

The Province of Ontario government was dissolved on May 2, 2014 and a general election will be held on June 12<sup>th</sup>, 2014. The election was triggered earlier than the legislated election date, due to the lack of support by the opposition parties for the provincial budget that was tabled on May 1<sup>st</sup>, 2014.

In both the provincial elections of 2007 and 2011, the City of Mississauga developed and implemented a number of tactics to bring key municipal issues to the attention of the provincial candidates and leaders, with the intention of favourably influencing the candidates and political parties on matters of importance to the City of Mississauga.

The City Council also has taken steps during past elections to inform the local community on the key issues that the municipality faces in regard to the provincial government. Letting the residents and business community know about these priority issues, and what each party is pledging, allows them to directly engage with local candidates in an informed manner.

The purpose of this report is to summarize the priority municipal issues and how best to engage key stakeholders, candidates and

provincial parties during the 2014 provincial election.

**COMMENTS:****PRIORITY ISSUES:**

The June 12, 2014 election is over a full year ahead of the legislated date for the next provincial election. With only a six week window, there is limited time to engage the leaders and candidates on multiple issues and on various fronts to the extent that the City of Mississauga has done in the past. In this regard, only the top three priority issues are outlined in this report, which are:

- Public Transit
- Sustainable Infrastructure
- Interest Arbitration

During the 2011 provincial election, there was substantive evidence presented to Council indicating the need for the provincial (and federal) government to partner with the City of Mississauga to develop public transit systems and a long-term, sustainable infrastructure strategy, which is worth repeating. The information is summarized below with some updated information.

**Public Transit:**

The City of Mississauga has a strategic vision that is only achievable if reliable, sustainable public transit systems are built. The City's Strategic Plan outlines this vision. For many years the City has worked alongside its partners to build ridership and maintain a clean, green and safe bus fleet and facilities.

During both the 2007 and 2011 provincial elections the issue of developing better public transit was identified as a top issue for the City. The provincial government has made some progress including creating Metrolinx and committing to \$1.6 billion in provincial gas tax funding to municipalities. While these gains are welcomed by municipalities, many issues still remain.

Mississauga's objective to significantly increase transit ridership means there must be higher-order systems and mobility hubs, improved travel times and parking strategies that support transit. The

City's 2014 capital budget shows Mississauga Transit Services as 21% (\$36.7 million) of the total capital budget (\$178 million).

At this time the priority public transit project in Mississauga is the Hurontario-Main Light Rail Transit (HMLRT) Project. It involves the operation of a high frequency Light Rail Transit (LRT) service on the Hurontario-Main Street corridor from the Port Credit GO Station in Mississauga to the Go Station in Downtown Brampton. The LRT line is proposed to have 26 stops on the 23 km corridor. This is a public transit system of regional importance.

The LRT project began in earnest in 2008 and the Master Plan Study was completed in 2011; the study concluded that light rail transit is the preferred form of rapid transit along the Hurontario-Main Corridor. This project is also one of Metrolinx's 'The Big Move' priority projects and it is rated one of the strongest performing LRT corridors in the GTHA, outside of Toronto. Now in 2014, with multiple studies completed or near completion, the project is in a state of readiness for funding and implementation. The estimated capital cost for the LRT infrastructure is approximately \$1.5 Billion, with an additional estimate of \$200 Million identified for project implementation and contingencies. (Oct. 2013 cost estimate)

In May 2013, the Metrolinx Investment Strategy was adopted by the Metrolinx Board of Directors. It seeks to raise approximately \$2 Billion per annum to fund the 'Next Wave' of regional transportation improvements, currently estimated to cost \$34 Billion. Mississauga's LRT project is one of the priority projects included in the 'Next Wave'.

The Investment Strategy outlined 24 recommendations covering the areas of policy, operational and financial tools. Of deep concern to the City of Mississauga was the inclusion of property tax and transit fare increases as potential revenue tools. Property tax is the primary revenue source for municipalities and as such should remain within the complete control of local councils. Dedicating any portion to transportation exclusively may limit the City's long-term fiscal ability to raise and allocate revenue to fund general municipal operating and capital budgets going forward. Regarding transit fare increases, Mississauga already has a very limited ability to raise fares

in order to meet existing needs. Transit fare increases are essential to funding local transit operations; it would present major challenges to the City if this revenue source was allocated to capital projects.

The LRT is an essential component of the City of Mississauga's city-building efforts and neither property tax nor transit fares should be considered viable avenues to support the construction of this inter-jurisdictional public transit system. Further, the LRT system is a critical element of the City's transportation infrastructure needed to support future growth in the Urban Growth Centre as defined in the Province's 'Places to Grow' urban growth plan.

**The questions that provincial political parties should answer are:**

- **Will your party explicitly commit to fund 100% of the cost of the Mississauga LRT?**
- **What revenue tools does your party support to ensure priority public transit systems are built in Mississauga and across the GTHA?**

**Sustainable Infrastructure:**

The quality of life of Canadians depends on basic infrastructure systems such as roads, highways, bridges, water supply systems, sewers, telecommunications facilities and transit systems being in a state of good repair. In 2014, the City of Mississauga has an estimated \$8 Billion worth of infrastructure assets.

Over the past decade there has been significant focus on the growing municipal infrastructure deficit including the Ontario Provincial-Municipal Fiscal Service Delivery Review, the Association of Municipalities of Ontario (AMO) and the Federation of Canadian Municipalities (FCM), all working to estimate the deficit, understand the challenges and find solutions. AMO estimates that Ontario faces a municipal infrastructure deficit of \$60 billion; nationally the current infrastructure deficit is estimated at \$123 billion (FCM, 2007).

Some investments in infrastructure have been made by provincial (and federal) governments in the past few years. For the City of Mississauga, the most important funding support received from these two governments has been through the Infrastructure Stimulus Fund

(ISF) and the Recreation Infrastructure Canada Fund (RInC). These programs allowed the City to partner with the federal and provincial governments, for approximately one-third funding each, on 153 local infrastructure projects. While the City was grateful for these funds, this was one-time funding.

Infrastructure is funded through a combination of property taxes, debt financing, gas taxes, development charges as well as reserve funds the City has set aside for large projects. The City of Mississauga needs more than \$116 Million every year to fund repairs and maintenance, and to put funds away for replacements in the future. In 2014, the City will only raise \$32 Million through property taxes, leaving a funding shortfall of almost \$91 Million. That funding gap will continue to grow even though the City of Mississauga has recently taken on debt and has introduced an infrastructure levy that has been added to the residents' property tax bill to help reduce the funding gap.

To truly maintain Mississauga's infrastructure in a state of good repair, permanent sustainable funding is required. One-time funding will not meet the needs of municipalities in reducing the overwhelming municipal infrastructure deficit.

Municipalities own the most infrastructure (65%) but receive the smallest share of tax dollars (11%). Municipalities need the provincial (and federal) governments to provide more funding for infrastructure.

**The question that provincial political parties should answer is:**

- **Will your party commit to developing a new, long-term, sustainable infrastructure investment plan for Ontario municipalities? What is that plan and how will it be funded?**

**Interest Arbitration:**

The significant labour costs for emergency services (police, fire and emergency medical services) remain a concern for the City of Mississauga and other municipalities of Ontario. Labour costs for emergency services continue to escalate and contribute as a

significant proportion of the municipal operating budget.

The cost of wages, benefits, pensions, and other areas of compensation for emergency services workers are negotiated through collective bargaining agreements. However, when a negotiated settlement cannot be reached these emergency services, who do not have the right to strike, proceed to the interest arbitration process. This process provides for an arbitrator to issue an award which is final and binding on all parties.

Currently, arbitrators compare and use the settlement awards granted in other jurisdictions as the benchmark for local wage negotiations. They often do not take into consideration the settlement negotiations between municipalities and its non-emergency service bargaining units nor the impact that higher wage increases for emergency services has on other municipal services. As a result, arbitration decisions do not consider the municipality's ability to pay reflected by local realities and economic pressures.

Municipalities across Ontario agree that interest arbitrators have failed to take into consideration:

- Municipalities' ability to pay for overall compensation, including public sector benefits and pensions. Growing burden of rising emergency services labour costs lead to higher taxes and potential loss of other services.
- Comparisons to settlements in other municipal services and the impact of wage increases in the emergency services of other municipal services.
- Lengthy delays in issuing awards damages the labour relations between the parties.

The Emergency Services Steering Committee (ESSC) is the lead group examining interest arbitration and includes the larger municipalities in Ontario plus the Ontario Association of Police Services Board. ESSC's objective is to develop a coordinated, strategic approach to collective bargaining and other issues which significantly increase emergency services program costs. Help is needed to bring about the necessary changes to ensure that rapidly escalating emergency services costs are brought in line with other municipal services.

On March 28<sup>th</sup> 2013, *Bill 44 Public Sector Capacity to Pay Act, 2013* was introduced. Bill 44 amended several Acts regarding interest arbitration processes, arbitrator appointments and specific criteria for municipal sector arbitration decisions. On April 10, 2013 the City of Mississauga Council demonstrated its support for Bill 44 by passing two resolutions calling on the legislature of Ontario to work together to advance the Bill. Unfortunately, Bill 44 was lost on a motion for a Second Reading. Consequently, AMO is continuing to work with ESSC to encourage all parties in the Ontario Legislature to work together to find common ground to make interest arbitration, more accountable and transparent.

**The question that provincial political parties should answer is:**

- **Will your party agree to change the rules of arbitration and make arbitration settlements more affordable to communities?**

**ENGAGEMENT TACTICS:**

Over the past many provincial (and federal) elections the City has employed various engagement tactics with stakeholders and candidates, including:

- corporate reports for endorsement at City Council;
- resolutions of Council;
- provincial election website outlining background and issues;
- posing questions to all local candidates and/or leaders and posting their answers on the web-site; \*
- a debate in Council chambers;
- outreach to local citizens, businesses and stakeholders seeking their input;
- partnership with the Region of Peel and City of Brampton for an all-candidates meeting;
- communication outreach - news releases, Mayor's video, etc.;
- Mayor's newsletter delivered to all homeowners.

\* Note: The City will only engage with official political parties and local candidates, registered with Elections Ontario. This will be limited to the Progressive Conservative Party of Ontario, Ontario Liberal Party, New Democratic Party of Ontario and Green Party of Ontario. This is based on the criteria accepted by



Council during the 2007 provincial election where any registered political party who had achieved one percent (1%), or greater, of the vote during the last provincial election, would be included.

As the election date is a mere 4 weeks away, limited time is available for a rigorous approach to the engagement tactics. Therefore the tactics recommended below reflect the depth and breadth of what can reasonably be achieved in this shortened election period.

A: Recommended Engagement Tactics for the 2014 Provincial Election:

- Communication Avenues:
  - News release – issued after the May 14, 2014 Council meeting to ensure public/ media attention on the City's issues and on the various communication avenues the City has created (website, etc.). Throughout the weeks leading up to the election the media and public will continue to be updated on any additional material of interest.
  - Website, social media – develop these avenues to push information to the general public to increase awareness of issues that affect the City of Mississauga. Council Members would be able to direct residents to the City's election website.
  - Downloadable Fact Sheet: a one-page fact sheet will be made available on the website outlining the key issues and questions to the candidates.
  - Mayor's video – produce a short video (1-2 minutes max.) with Mayor McCallion speaking on the City's top priority issues; the video would be available on the City's website, YouTube, etc.
  - Mayor's Hour TV show – the Mayor could dedicate the hour show to the provincial election and issues that affect the City of Mississauga.
  
- Engaging with Political Parties:
  - Questions to Leaders – pose the questions outlined in this report to the leaders of the PC, Liberal, NDP and Green parties. Once received their answers would be posted (unedited) on the City's website.

**B: Additional Engagement Tactics:**

The following list of engagement tactics could be considered, but are not recommended due to very limited time and/or cost considerations:

- Mayor's letter to residents and businesses (approx. quantity: 250,000): cost estimate is \$35,000 for printing and mailing (due to time constraints, this would be a letter on Mayor's letterhead (black print on white paper), folded (no envelope), mailed as an unaddressed mailer)
- Outreach to specific stakeholder groups
- Candidates' debate

Additionally, after the election, consultations with the MPPs of the local ridings will be initiated to allow continued discussions on priority issues with Council and staff.

**FINANCIAL IMPACT:** The recommended tactics, as outlined in the previous above, would be funded through existing staff budgets and complement. There is a small risk of going over divisional budgets through overtime, etc.

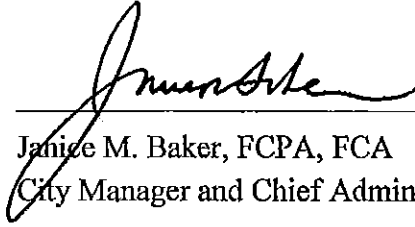
If Council directs staff to also include additional engagement tactics from Section B above, divisional budgets would not be able to sustain these costs, and therefore funds would be drawn from the contingency reserve. Full costing on all Section B. options has not been completed except for the estimated \$35,000 required for the Mayor's letter to the local community.

**CONCLUSION:** The City of Mississauga has a vision to develop into a sustainable, multi-cultural city of the 21<sup>st</sup> century. Three municipal priorities to reach this vision are a viable public transit system, long-term sustainable infrastructure and an arbitration process that works. Property taxes alone will not allow Mississauga to achieve this vision. Sustainable, long-term funding is the key.

The City of Mississauga should engage the political parties who wish to govern the Province of Ontario on the issues of key importance during the 2014 provincial election. The provincial government

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plays a critical role in ensuring the success of municipalities and it is important to understand the positions of the official political parties on local issues. Once known, the City needs to inform the local community so the voters are informed for the June 12<sup>th</sup>, 2014 election.



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Janice M. Baker, FCPA, FCA  
City Manager and Chief Administrative Officer

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