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## **EASTERN ONTARIO WARDENS CALL ON PROVINCE TO HELP PROPERTY TAXPAYERS IN 2006 BUDGET**

TORONTO – In its first ever pre-budget submission to the Minister of Finance, presented today, the Eastern Ontario Wardens' Caucus (EOWC) called on the Province of Ontario to ease the impact of a fast-rising property tax burden on ratepayers.

“The challenges faced by Eastern Ontario, many of which have been well documented by this Caucus in the past, require the direct assistance of the Province of Ontario to overcome,” said Robert Sweet, EOWC Chair and Warden of Renfrew County. The EOWC represents 13 largely rural upper-tier and single-tier municipalities in Eastern Ontario.

“The time is right for the Province of Ontario to increase its' support to Eastern Ontario,” noted the EOWC submission to the Honourable Dwight Duncan, the Province's Finance Minister. “Eastern Ontario property taxpayers need this direct financial support to grow and prosper.”

The submission urges the Province to take urgent action in the upcoming provincial budget in four specific areas:

- A payment-in-lieu program to reimburse the region for providing municipal services for Crown lands, which generate substantial revenues for the Province from: land use permits, park usage fees, timber cutting rights and other sources, including stumpage fees that annually generate more than \$100 million—none of which return property tax revenues to the region. “It's time for this free ride to end,” the Caucus noted.
- The reduction of the education tax rate on commercial and industrial properties also needs to be addressed, because the high rates imposed by the previous provincial government unfairly force businesses in Eastern Ontario to pay significantly more than other Ontario counties. EOWC figures showed that for some businesses, the rate is almost triple what would be required elsewhere in the Province. The higher rates translate into millions of extra dollars paid by businesses located in EOWC member counties.
- The creation of an Eastern Ontario Economic Prosperity Fund, with at least \$20 million allocated annually to improving the economy of Eastern Ontario. Although this region is blessed with abundant natural resources and people with great entrepreneurial bent—it is saddled with a modest population and

low tax base spread over a large geographic area, pushing many costs too high for property tax revenues.

- A share of Provincial gas tax revenues, on the same basis in which Ontario provides support to the transit systems of urban municipalities, to help maintain roads and bridges. Due to its low population density, Eastern Ontario was harder hit than most regions when the previous government downloaded this financial burden in the mid-1990s.

“The County of Renfrew is particularly supportive of these four proposals”, stated Warden Bob Sweet, “We have more than 900,000 acres of Crown land in the County that pays nothing towards the cost of local and county services like fire, roads, ambulance or policing. We need the Province to recognize this inequity and help us defray the high costs of those services. It would mean much-needed revenues for us and help reduce the burden on our property taxpayers.”

Warden Bob Sweet noted that “We are encouraged by the Premier’s commitment to assessing the fundamental problems created by loading social service and health costs onto the property tax system, and acknowledge that time will be required to fix the system. However, the proposals we make in this submission are, and should be, achievable today. In each of the four noted areas, only provincial action can bring about real change...the urgency for support in your upcoming budget is real.”

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For more information, contact:  
Robert Sweet  
EOWC Chair & Warden, Renfrew County  
(613) 735-7288