



FOR IMMEDIATE RELEASE

March 22, 2007

**PROVINCE'S BUDGET FAILS TO ADDRESS  
SERIOUS CONCERNS, EASTERN ONTARIO WARDENS SAY**

TORONTO – The Eastern Ontario Wardens Caucus (EOWC) expressed disappointment with Ontario's 2007 budget, released Thursday, saying that it failed to address major problems that threaten the economic health of rural communities in the region.

“The Budget did not even touch on two of our most serious concerns – the state of the region's roads and bridges, and the costs we incur to provide services to Crown lands,” said EOWC Chair Douglas Struthers, the Warden of the United Counties of Leeds and Grenville. “This may be a balanced budget, but it does not address the very real concerns of our members, nor does it help our municipal ratepayers.”

On the question of transportation infrastructure, Warden Struthers said that “after March 31, rural municipalities are actually going to be in worse shape than they are today.” While the Province has allocated an additional \$70 million to an existing program for rural roads and bridges, he said, the funds will go to a 2006-07 program that was already seriously over-subscribed.

“The Budget did not extend the \$400 million of one-time funding in the Move Ontario program for transportation. So, after March 31, we're basically back to the levels of two years ago,” the Warden said. “Added to that, the government did not respond to our request for a share of gas-tax revenues for municipalities without public transit. Those small rural communities desperately need funding for their roads – and this Budget does not address that need.”

The Warden said that his group will continue to press for better funding for roads and bridges in Eastern Ontario, which because of its large area and low population density was one of the regions hardest hit by the downloading of provincial highways in the 1990s.

Another issue unique to Eastern Ontario is the failure of the Province to compensate communities for providing services that benefit Crown land.

“Eastern Ontario contains 11,000 square kilometers of Crown land – all of the unpatented Crown land outside northern Ontario – and our member municipalities must provide such costly services as roads, bridges, ambulance, police and fire-fighting to these lands and the people who use them,” the Warden said. “We get nothing from the Province in return, even though the Province earns revenue from those lands in the form of land-use permits and timber licences.” Warden Struthers

said his organization was “extremely disappointed that the budget did not even touch on this critical issue for Eastern Ontario.”

Funding for the Rural Economic Development program in the Ministry of Agriculture, Food and Rural Affairs has been flat-lined at \$14 million, the Warden said, which strongly suggested that the government had not addressed the group’s request for a specific Eastern Ontario Prosperity Fund. “We have been gratified by the investments that the federal government has made in our region,” he said. “It’s hard to believe that the Province is unwilling to make a similar commitment.”

The Warden said that he was gratified that the budget did announce action on a long-time concern of EOWC. The government intends to phase in a uniform rate for Business Education Tax across the province. “Inconsistency in rates has really hurt businesses in Eastern Ontario,” he said. “They now face education tax rates up to twice or three times those of businesses in similar communities elsewhere in the province.”

The Warden said a government commitment of \$10 million for broadband service in rural communities across southern Ontario was welcome. “We’re glad to see that the government understands that, to be competitive, our rural communities need a strong communications infrastructure.”

For more information:

J. Douglas Struthers  
EOWC Chair and Warden, United Counties of Leeds and Grenville

E-mail: [mayor@merrickville-wolford.ca](mailto:mayor@merrickville-wolford.ca)

Phone: (613) 342-3840

Cell: (613) 498-7254