



WESTERN ONTARIO WARDENS' CAUCUS
Warden Michael Raymond, Chair (2005)

PROVINCIAL PLAN TO ENRICH MUNICIPAL PENSIONS
WILL BOOST PROPERTY TAXES, COUNTIES WARN

Lindsay (November 1, 2005)– New and more costly pension benefits for municipal employees planned by the Province will push up property taxes dramatically, two groups representing Ontario's counties warned today.

Bob Sweet, Chair of the Eastern Ontario Wardens' Caucus, and Michael Raymond, Chair of the Western Ontario Wardens' Caucus, expressed their concern after a joint meeting of the two groups, urging the Province to withdraw the planned increases.

“If the McGuinty government charges ahead with Bill 206, property taxes will skyrocket,” Sweet said. “The bill would change the Ontario Municipal Employees Retirement Pension Plan to allow rich new pension benefits – and the employers, including the rural communities we represent, will have to pick up the tab.”

Warden Raymond added that “we don't have the slightest idea why they are moving ahead on this legislation. Municipalities haven't asked for it. When we're recruiting, we certainly don't see any evidence that the current set-up discourages good people from applying.”

Raymond added that the wardens in the two caucuses, who together represent the 28 counties and single-tier municipalities along with the nearly four million citizens across Ontario, are extremely unhappy “and we know that this change will make our taxpayers unhappy, too. Adding new pension benefits won't improve municipal services like ambulance, fire, police or long-term care. It will just raise our costs, and the taxpayers will see that on their property taxes.”

Warden Bob Sweet, who heads Renfrew County, agreed that the new bill would add significant costs. “Our analysis shows that this Bill, if passed, could lead to a tax increase in the first year of upwards of \$260,000, or almost a 1% increase in the tax rate for County purposes depending on which supplemental plans get activated. And this is just for County services. That doesn't include what the local municipalities will have to incur. We are simply not prepared to accept the Government's pension plans for our employees.”

The wardens are calling on the Province to significantly change Bill 206 to protect against the costly pension benefit improvements it would allow.

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