

The **TORONTO PARTY**

LEADING THE WAY

**SUBMISSION OF THE TORONTO PARTY
DATED JUNE 25, 2007**

TO THE EXECUTIVE COMMITTEE OF THE CITY OF TORONTO

NEW REVENUE TOOLS – PROPOSED NEW TAXES

THE TORONTO PARTY

The Toronto Party was created in October 2006 by two co-founding members. In a short period of time, membership has grown to over 100.

Our members come from various parts of Toronto. Some are professionals. Some are business owners. Some are young, and some are seniors. Regardless of the varied background of the members and the different parts of the city in which the members live, we collectively agree that Toronto needs a civic party that stands behind the needs, wishes and desires of its residents and that offers a new hope for our city's future.

The Honourable John Gerretsen, Minister of Municipal Affairs and Housing, recognizes that people residing in cities can assemble together and join civic parties. But we are currently working toward legislative amendments that will formally recognize such entities.

Regardless of whether legislative changes are made, it is our goal to either run or endorse a full slate of candidates in the 2010 Toronto election.

THE ROLE OF GOVERNMENT

We acknowledge that governing is not easy. Governing is often about making difficult choices. It is about leadership, strength and courage. It is about resisting the temptation to

make the easy choices. Just because a government has the power to make a particular decision does not mean that it should exercise its power.

Governing is also about listening to the people and supporting them so that they have the best opportunity possible to enjoy a good quality of life.

Government should be open, transparent and accountable.

THE CHOICE AGAINST IMPLEMENTING NEW TAXES IS CLEAR

We acknowledge that at this point in time Toronto faces a difficult choice on the issue of whether to implement new taxes or whether to take a different course with respect to maintaining a budget that is both balanced and that is able to deliver the core services that people expect a city to deliver.

Members of The Toronto Party participated in the four public consultation meetings held to discuss the proposed new taxes. We have also reached out to various stakeholders and listened to their opinions.

In our view, it is not in the best interests of Toronto that the Mayor and City Council implement *any* of the proposed new taxes outlined in the public consultation process or those recommended in the City Staff report dated June 11, 2007.

At the public consultation meetings, the participants had the opportunity to speak to one another and to share their thoughts about the proposed new taxes. There was near unanimity against the imposition of any of the proposed new taxes. Implementation of any of the new taxes will take away from the disposable income of Torontonians and force them to make sacrifices that will negatively impact on their quality of life.

The new taxes will create barriers to entry in places such as the housing market, will drive businesses and jobs out of the city and will encourage urban sprawl to the detriment of our environment. Any new tax will have ripple effects in the various sectors of our economy and continue our city's decline.

CITY HALL HAS A SPENDING PROBLEM

Toronto does not have a revenue problem. It has a spending problem.

The fiscal house of the City of Toronto is not in order. While some of its politicians complain that there is not enough money to go around to maintain services, they are able to give themselves large pay raises and to retain a host of perks.

When some councillors resist spending from the office budget allocated to them in a symbolic attempt to save taxpayer money so that it can be reallocated to services, the majority of City Council votes to investigate their frugality.

In the last three years, spending by the City has skyrocketed. More and more employees are on the city's payroll and yet Torontonians are subjected to paying more and getting less. The passage of the most recent garbage collection scheme (for which no public consultations were held), with its stealth tax, is the smoking gun that proves we are paying more and getting less.

CITY HALL LACKS TRANSPARENCY AND ACCOUNTABILITY

City Hall lacks transparency and accountability.

The two new proposed taxes recommended by City Staff prove this point. While at the public consultation meetings, the proposed vehicle registration tax was pegged at \$40 and the proposed land transfer tax was listed at 0.5 percent, the staff report now recommends that the vehicle registration tax be \$60 and that the land transfer tax be 1.5 to 2 percent.

On election night November 2006, Mayor Miller said: "We don't need more taxation in this country."

In the 2006 election campaign, Mayor Miller also promised not to increase taxes by more than the rate of inflation. This promise has already been broken with a 3.8% property tax increase. The proposed vehicle registration tax represents an 80% tax increase. The proposed land transfer tax represents a 100% tax increase.

Other proposed taxes have been deferred for further consideration in the fall, while others have been purportedly shelved – for now. However based on past broken promises and the discrepancy between the recommended rates and those that were disclosed at the public consultation meetings, we have good reason to believe that despite the vehement opposition to the proposed new taxes, the opinions of the significant majority of Torontonians will be ignored by Mayor Miller and his supporters on City Council and all of the proposed new tax tools will be utilized during the term of this City Council.

THE POSITION OF THE TORONTO PARTY

Torontonians cannot afford to pay more taxes. Torontonians especially cannot afford to pay them when they outpace inflation year after year.

Moreover, Torontonians cannot continue to provide their hard-earned tax dollars to a city government that has demonstrated no interest in tightening its own belt and in spending within its means.

The Toronto Party stands united with the people and is opposed to the implementation of any of the proposed new taxes.

We strongly urge Mayor Miller and City Council to show leadership by getting the city's spending under control first instead of lazily implementing the proposed new taxes out of convenience.

**Submitted by Stephen Thiele,
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