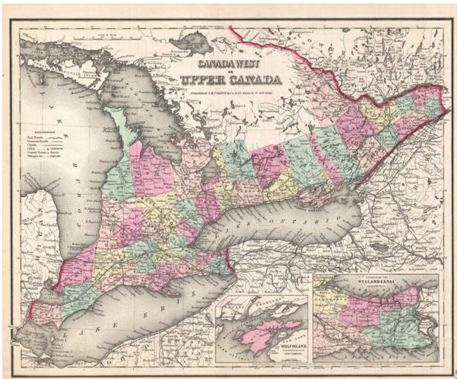


THE PROBLEMATIC CITY-PROVINCE RELATIONSHIP

AN OUTDATED RELATIONSHIP



Rules for Ontario cities were created in the 1800s when 80 per cent of Ontarians lived on farms. These constitutional rules define cities to this day as mere “creatures of the province”, entirely subject to provincial will, without any innate decision-making authority and lacking the stable and adequate resources needed to fulfill their modern responsibilities.

Cities need a new relationship with the province—one that frees up their vast potential, allows them to pursue their own destiny and helps to guarantee their success in the 21st century.

THE POWER IMBALANCE

The current relationship gives the province all of the power and cities none. The province can dictate municipal policy, overrule and revoke local decisions—even revoke a city’s existing powers—at any time, without notice, justification or appeal.

Provinces have always inserted themselves into local decisions to the frustration of municipal governments. This has long led to overlap and costly duplication of effort, suffocating oversight, sclerotic decision-making, delays, wasted effort, lack of certainty and unnecessary friction. It took Toronto, a city of 3 million people that generates 10 per cent of the country’s GDP, six years to get provincial permission to hire traffic wardens.

The current provincial government has taken this paternalistic interference to unprecedented heights. Against the wishes of cities, it has slashed city councils, cancelled local elections, revoked ranked ballots, cancelled or altered approved transit projects, pushed city councils out of local transit planning, revoked land use plans years in the making, overruled heritage protections, pushed through development on environmentally sensitive lands, expanded the use of unilateral Ministerial Zoning Orders to block community input into development, and slashed critical sources of municipal funding. Cities are legally powerless to do anything about any of this.

Cities have greater responsibilities than at any time in history. They need to have clear lines of authority to make, nimble, innovative, autonomous and inclusive decisions to build thriving, livable cities for all.

THE REVENUE IMBALANCE



Some 90 percent of all taxes raised in cities flows to senior levels of government. Cities have to continually negotiate funding deals with those governments to pay their day to day bills, build capital projects and to keep that infrastructure in good repair. Those funds often come with strings attached that reflect the priorities of senior governments and which prevent local governments from pursuing their own. Without adequate funds of their own, cities bring little to the negotiating table.

Many Ontario cities do not currently have guaranteed access to sufficient funds to achieve their goals, provide the services they are expected to provide, plan for the future or create vibrant, sustainable cities. Though they are prohibited from running annual operating deficits, many have permanent infrastructure deficits that can never be covered from existing city revenues. Cities are overly dependant on taxation of property to fund their activities. They do not control progressive, large-scale taxation that distributes the tax burden and which grows with the economy.

Cities are the economic engine of our province and our country. Strong and thriving cities will drive progress and prosperity and help Canada compete globally. Cities that are chronically starved of resources or which face burdensome funding arrangements will wither, attract fewer high quality workers and businesses and turn from economic drivers into financial burdens.

“When cities do well, our entire country benefits.
But still, we find ourselves begging for control over our own finances.
Our request is simple: give us the tools to do the job and the accountability
that goes with them and we’ll build great cities for the
benefit of all Canadians.”

— Mayors of Toronto, Ottawa, Edmonton, Calgary and Vancouver, 2016



HOW A CITY CHARTER CAN HELP

THE CHARTER CITY PROPOSAL



We propose a two-part solution:

- The adoption of City Charters that give large Ontario cities more autonomy over purely local affairs, greater clarity over jurisdictions they share with the province and control of new and more suitable revenue sources.
- A single-province constitutional amendment that would enable these City Charters and protect them from changes that do not have the consent of the city.

THE CITY CHARTER

Charter City Toronto proposes a series of City Charters that would give cities exclusive authority over their streets, housing, land use planning, local transit and city governance. These are areas of purely local interest and a source of the great friction with the province. Other cities may want a different mix of powers. Other powers can be added later. Once transferred to the city, the province would have no jurisdiction in these areas.

The City Charter would give the city control over new large-scale revenues, such as a sales tax or income tax, commensurate to the city's needs. This would not end the need for cities and provinces to collaborate financially, but would give the city its own stake at the table and end chronic underfunding.

A City Charter would be provincial legislation specific to the individual Charter City, much like the City of Toronto Act is a specific law that governs Toronto.

The contents of each City Charter would be negotiated with the province. They need not be identical from city to city, though it is expected they would have many features in common. Some cities may wish to take on more authorities while others may wish to take fewer, or different ones, depending on a city's individual needs and capacity.

Many cities in Europe, America and elsewhere are governed by City Charters, including 121 cities in California alone. Their Charters and the powers they give cities vary widely from city to city. Generally, Charter Cities continue to be subject to the laws of the jurisdiction of which they are part, but the Charter takes precedence in areas of local jurisdiction.

THE CONSTITUTIONAL AMENDMENT

A single-province constitutional amendment under Section 43 of the Canadian constitution would enable City Charters, and describe how to create and amend them. A city could amend the terms of its own Charter within the authority it has negotiated with the province. The province could amend a City Charter only with the consent of the city.

Such a constitutional amendment requires only the approval of the Ontario legislature, House of Commons and Senate. Other provinces have no involvement, thus avoiding potential constitutional gridlock created by competing demands. A Section 43 amendment has been passed, on average, every five years since the Canadian constitution was repatriated in 1982.

Charters in other Canadian cities, such as Edmonton and Calgary, are not constitutionally protected. These charters are mere provincial legislation and can therefore be unilaterally amended by the provincial government at any time. Calgary and Edmonton found this out in 2019 when the newly-elected UCP government gutted the charters these cities had just negotiated with the previous NDP government.

Constitutional recognition is the heart of our Charter City Proposal. It is the mechanism that gives cities meaningful legal status and removes them from being subject in every way to provincial control.

POLICIES UNDER A CITY CHARTER

The policies, laws, procedures or institutions a given city might wish to create with its Charter is up to the city itself. A City Charter is neither a progressive nor conservative policy tool; it's a device to determine who has jurisdiction over a given area of law and taxation. It doesn't pre-determine, impose, entrench any given city law, policy or solution. Rather it enables the Charter City to make policy and law within its jurisdiction, without provincial oversight, permission or interference, thus enhancing the strength and quality of local democracy for everyone along the political spectrum.

ADDITIONAL RESOURCES

Read our proposal in further detail at
www.chartercitytoronto.ca

See the EKOS poll showing massive support for the Charter City project at
www.chartercitytoronto.ca/polls

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CHARTER CITY TORONTO