

**Ministry of  
Municipal Affairs  
and Housing**

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**Ministère des  
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August 5, 2011

His Worship  
Mayor Bob Bratina  
City of Hamilton  
71 Main Street West  
Hamilton ON L8P 4Y5

Dear Mayor Bratina:

Since last fall's municipal election, I have had the pleasure of meeting a number of new council members across Ontario who have asked me about the Province's relationship with municipalities.

Let me take this opportunity to communicate with all of you directly on this matter.

Our government has taken great strides to support local communities. We have made it a priority to work in partnership with the municipal sector.

There is no better example of this partnership in action than the Provincial-Municipal Fiscal and Service Delivery Review. The Review is a landmark achievement, and is the result of an historic consensus reached by the Province, the Association of Municipalities of Ontario (AMO), and the City of Toronto.

The work began with an announcement by Premier McGuinty in 2006, and culminated with the release of a consensus report in October 2008. The Review looked at delivering affordable services in flexible arrangements that acknowledge the diversity of local governments, including Northern municipalities.

One of the Review's key achievements is the uploading of the municipal share of social assistance benefit program costs by the Province.

In 2011, we completed the upload of the Ontario Disability Support Program (ODSP) benefits and we continue to phase in the upload of Ontario Works (OW) benefits. This builds on the previous upload of the Ontario Drug Benefit in 2008 and the administration component of ODSP in 2009. As a result of these uploads, municipalities will see savings totalling \$947,000,000 in 2011.

Mayor Bob Bratina

This year, the estimated total benefit from the provincial uploads for the City of Hamilton is \$59,464,900. This amount exceeds payments received in 2004 under the previous program by \$32,652,900.

Looking ahead, we will begin uploading the cost of court security next year. By 2018, when all of these uploads are completed, including up to \$125,000,000 annually in court-security costs, municipalities will see a net benefit of \$1,500,000,000 per year. At that time, the City of Hamilton's net annual benefit is estimated to be \$71,874,000.

These uploads come with a clear timetable, which you can see on our ministry's website at [www.mah.gov.on.ca/Page181.aspx](http://www.mah.gov.on.ca/Page181.aspx). They give upper- and lower-tier municipalities the advantage of knowing what to expect, and enable councils and staff to think long-term and plan for local priorities. These include building modern and efficient infrastructure, economic development, and job creation. We continue to encourage municipalities to discuss these priorities with their county or regional councils, where appropriate.

Furthermore, as part of our commitment to improving how services are funded and delivered, we have also provided new funding to municipalities to support their share of OW administration costs. As a result, municipalities will receive more than \$160,000,000 annually in additional funding.

Even in these challenging economic times, our government has been steadfast in its commitment to the Review while some other governments have stepped back from funding commitments.

Our government's commitment to and actions for municipalities continues. As AMO President Peter Hume recently stated after this year's Ontario Budget: "Communities can take comfort in this budget's firm commitment to keep uploading provincial costs from the municipal property tax base. These uploads are needed to ensure that municipalities have the capacity they need to deliver core municipal programs and services."

This work forms a strong foundation for what we can continue to achieve by working together in the years ahead.

Please accept my best wishes.

Sincerely,



Rick Bartolucci, MPP, Sudbury  
Minister