

For Immediate Release

Southwestern Ontario Mayors Echo Need for New Deal



Cambridge, Ontario, December 7, 2011 - The Cambridge Chamber of Commerce this morning hosted a business breakfast that focused on the views of three Ontario Mayors. Cambridge Mayor Doug Craig, Woodstock Mayor Pat Sobeski and Stratford Mayor Dan Mathieson stitched together the ties of the three growing cities that included academia,

business and cultural connections. One thing that was clearly echoed in the remarks was the need to re-evaluate the funding models currently used by all levels of government. (Pictured here Woodstock Mayor Pat Sobeski, Cambridge Mayor Doug Craig, and Stratford Mayor Dan Mathieson)

"This is my favourite time of year, but the unfortunate part of it is I don't come with a cup of good cheer. There's a dark cloud on the horizon. While we are starting to bounce back from the recession like so many other cities, it's become increasingly difficult to deliver the services and achieve community sustainability," says Mayor Craig.

He's referencing the funding gap of an estimated \$150 million that exists in Cambridge as the City strives to address infrastructure needs. Through two phases of a recent 'Service Review', the City of Cambridge shaved 9.2 percent off the budget going forward and downsized by 25 positions through mainly attrition. The third phase of the 'Service Review' will address capital projects and is currently underway.

"New development assessment isn't paying for things like pumping stations for water and wastewater and something needs to change. This problem is a reflection of what every city in Ontario is facing," adds Mayor Craig. He noted issues like downloading of services and provincial legislation that dates back some 200 years as issues that need to be examined.

Woodstock Mayor Pat Sobeski expressed concerns about municipalities waiting for other government funding such as the stimulus program where local

municipalities invested about 33 percent of the actual costs of programs such as road rehabilitation.

"We'll never solve a problem if we don't acknowledge it," says Mayor Sobeski. The number of people in arrears for their tax bills in his city has grown from 4.9 percent to 6.2 percent and he believes that raising taxes isn't the way to achieve what cities need.

"The biggest thing missing today is governmental cooperation. We have a spending problem in Ontario," said Mayor Sobeski. He spoke to the great collaboration between the three cities and other municipalities in the region.

Stratford Mayor Dan Mathieson commended the City of Cambridge for its vision in investing in a new community performance theatre and related the significant impact the Stratford Theatre has had on his community. He recapped the impressive innovation in his community and the need to continue to build clusters. "We need to continue to build an education or knowledge corridor in our regions." His biggest complaint was with the downloading of services that limit his city to take care of business. "20 percent of welfare costs for Ontario are paid for by municipalities. Assessment growth is happening in Ontario but our level and ability to deliver local services is stripped away."

All three Mayors challenge all levels of government to re-examine the way we are doing business with a view for the future. "The Province sets the legislation and the municipalities set the taxes and deliver the bill," said Mayor Mathieson. Most of the new spending for his city over the next several years will go to debt management to cover the much needed underground infrastructure that was put in recently.

It was noted that 80 percent of Ontario's population live in the cities and that today more than ever it is just as important to focus on city to city relationships as it is on nation to nation affairs. Memos of understanding, cultural agreements and international foreign direct investment are all happening on the local municipal level. City mayors agreed that local municipalities need to have more of the tax revenues that are already collected to better guide the destiny of the city and their citizens.

"This morning at our Annual Mayors Breakfast we heard all three Mayors from Stratford, Woodstock and Cambridge talk about the current fiscal issues related to infrastructure funding deficiencies. Taxation is of critical importance to the Chamber, not only the rate of taxation but the allocation of those funds as well," says Greg Durocher, President of the Cambridge Chamber of Commerce. "Local infrastructure is what business needs to drive the local economy. We would agree, it's time the Federal and Provincial Governments to get serious about eliminating their own wasteful spending and ensure our communities have the necessary funding to build the infrastructure in order that Ontario businesses can grow our economy."

The City of Cambridge is one of the fastest growing areas in the country. It is strategically located astride highway 401 in southwestern Ontario, part of Canada's Technology Triangle. In 2010, the population reached over 130,000 people. With a multicultural mix and a strong foundation of support services, Cambridge has a diverse economic base with leading industries in advanced manufacturing, automotive, high technology, pharmaceutical, business and financial services and hospitality/retail. The Corporation of the City of Cambridge is an employer with a progressive work environment that offers the opportunity to provide service to the community through creativity and innovation, and with opportunities for career growth and advancement.

You meet the nicest people in Cambridge. It's a place that understands all about coming together. There is so much more to Cambridge than the beautiful lands created at the convergence of two rivers or its logistically perfect location in the heart of Ontario's economic corridor. Cambridge is the coming together of people from diverse, close-knit and proud communities. The people of Cambridge 'do the right thing' by respecting history, family values, a sound work ethic, the arts, environment and advancement. A young city, Cambridge is a master of balancing the excitement and promise of the new with the historical significance and stability of the old. A place where coming together is just the start. Uniting together is what sets Cambridge apart. Undiscovered-Cambridge families and entrepreneurs get more for less, and sacrifice nothing.

The Corporation of the City of Cambridge is an employer with a work environment that offers the opportunity to provide service to the community through creativity and innovation, and with potential for career growth and advancement. For more information on the area or the corporation visit www.cambridge.ca. The City of Cambridge press room is located at <http://www.cambridge.ca/pressroom>. To opt out of the news release distribution, please send an email to Linda Fegan feganl@cambridge.ca.