

Proposal For Change

Mayor Unveils Calgary's Submission for Upcoming Provincial Budget

March 13, 2006

(Calgary) - The Provincial Government should make Alberta's municipalities financially sustainable by following a multi-year process to vacate property tax. This proposal is the centre-piece of The City of Calgary's submission on the upcoming Provincial Budget. The plan, detailed for the first time today, calls on the Province to begin by living up to a commitment made in 2000 to cap the Provincial Property Tax Requisition province-wide at \$1.2 Billion (from \$1.45 Billion last year). The Provincial Requisition would be reduced to zero through annual reductions of \$240 Million over five years. The proposal is designed to allow municipalities across the Province to have access to more of the existing property tax, without negatively impacting taxpayers.

Mayor Dave Bronconnier noted, "This plan recognizes that there is only one taxpayer, and when their provincial tax account is overflowing with money and their municipal tax account is underwater, there needs to be some change. This is a thoughtful plan allowing the Province ample time to replace these revenues through growth, gives municipalities the room they need to be sustainable, and keeps the property taxpayer whole, without any additional burden."

Calgary's submission also detailed proposals for additional Provincial support in areas of shared responsibility such as policing, EMS, income support through low-income transit passes and affordable housing.

"The Province has said time and again that EMS is healthcare and it's their responsibility, but they only want to pick up two-thirds of what the service costs", stated the Mayor. "The Province is only going to contribute 6% to our police budget this year. I don't think most Calgaryians would think that's a fair or reasonable share."

The Mayor acknowledged that the Province is slowly working with municipalities to assess these shared responsibilities and the resources required to perform them, but concluded that establishing a table for discussion does not relieve the Province's of its responsibilities. He stated, "Just saying that you have a committee looking at the problem isn't going to put more police on the street for example. The Province needs to act now. You can't run a sustainable city on good intentions or promises to do something three or four or five years from now. We hope to see these recommendations included in the Provincial Budget next week."