

## Standing Committee on Finance (FINA)

### Pre-budget consultations 2012

## City of Sault Ste. Marie, Ontario

### Responses

#### 1. Economic Recovery and Growth

*Given the current climate of federal and global fiscal restraint, what specific federal measures do you feel are needed for a sustained economic recovery and enhanced economic growth in Canada?*

#### 2. Job Creation

*As Canadian companies face pressures resulting from such factors as uncertainty about the U.S. economic recovery, a sovereign debt crisis in Europe, and competition from a number of developed and developing countries, what specific federal actions do you believe should be taken to promote job creation in Canada, including that which occurs as a result of enhanced internal and international trade?*

#### 3. Demographic Change

*What specific federal measures do you think should be implemented to help the country address the consequences of, and challenges associated with, the aging of the Canadian population and of skills shortages?*

#### 4. Productivity

*With labour market challenges arising in part as a result of the aging of Canada's population and an ongoing focus on the actions needed for competitiveness, what specific federal initiatives are needed in order to increase productivity in Canada?*

The City of Sault Ste. Marie, Ontario acknowledges the Gas Tax Revenue which has been very beneficial in helping with our Capital road reconstruction program. With respect to our Current (Operating) budget, there is very little Federal Grant money involved. One area of potential savings for both the City and the Federal Government is in the Payments (grants) in Lieu of Taxes. The process for annually applying for our Federal Payment in Lieu is far more cumbersome than for other jurisdictions (Province, Municipal) as much more information is required. The Federal Government sets its own assessment values and determines a tax rate that it will pay. If the Federal Government accepted MPAC's (Municipal Property Assessment Corporation, Ontario) Assessed Value in conjunction with the Municipality's approved tax rate, it could simplify things on the Municipal side and would potentially provide savings on the Federal side. There is duplication in the assessment and valuation areas and ultimately the difference in the amount paid to the City is not that different from the amount we calculate using our tax rates and MPAC's Assessment. If the Federal Government used MPAC Assessment and municipal tax rates, it would also assist municipalities in projecting future Payment in Lieu Revenue.

**5. Other Challenges**

*With some Canadian individuals, businesses and communities facing particular challenges at this time, in your view, who is facing the most challenges, what are the challenges that are being faced and what specific federal actions are needed to address these challenges?*

