

Ministry of  
Municipal Affairs  
and Housing

WHO DOES WHAT  
WHERE WILL THE CHANGES BE?

	How it is now	The future
<b>Education</b>		
Education	Across Ontario, there are 129 major school boards, with over 1900 elected Trustees earning an average honorarium of \$49,000. The Trustees, along with the Province, help set the curriculum, deliver education, and set the budget level. School boards raise money through the property tax on residential and business property. The Province provides grants. Total enrolment increased by only 16 per cent between 1985 and 1995, while school board spending increased by 82 per cent and the property taxes went up by more than 120 per cent.	Residential taxpayers will no longer pay for education through the property tax. Businesses continue to fund education, but their taxes remain with local school boards. Residential property tax revenue is replaced by provincial grants, distributed according to a new, fair funding model. The number of school boards is to be cut from 129 to 66: the number of Trustees is to be cut from over 1900 to 700: and their honorariums are to be cut from \$49,000 to \$5,000 per year. The Province will reform primary and secondary education by setting the curriculum and introducing province-wide testing. Accountability and community involvement are improved through the establishment of advisory school councils.
<b>Social and community health services</b>		
Overview	Three provincial ministries and municipalities are involved in delivery of a tangle of social, community health and housing services.	Delivery of important social, community health and housing programs are to be integrated at the municipal level. The Province retains the responsibility for setting standards
General welfare (GWA)	The municipalities deliver most welfare and employment services, which are cost shared 80-20 between the Province and municipalities, except drug costs which are fully paid by the Province. The government has just launched reforms including reducing welfare benefits to 10 per cent above the average of the other provinces, introducing work for welfare and cracking down	The municipalities deliver most welfare and employment services, (including drug benefits) which are cost-shared 50-50 between the Province and the municipalities. The Province delivers the Income Support Plan for People with Disabilities, which is also cost-shared 50-50 with the municipalities. Reducing benefits, introducing work for welfare, and cracking

	<b>How it is now</b>	<b>The future</b>
	on fraud and abuse.	down on fraud will continue to drive welfare costs down. Property taxpayers will share the savings.
Family benefits (FBA)	The Province delivers and funds family benefits.	
Emergency hostels	Emergency hostels are a discretionary program delivered by municipalities, and funded under the General Welfare Assistance Act. The Province funds 80 per cent and the municipalities fund the balance.	The Province and municipalities share the cost 50-50. The municipalities deliver the program.
Child care	Child care is a discretionary program for municipalities. The Province pays 80 per cent of fee subsidies and 100 per cent of the cost of child care resource centres, wage subsidies for child care workers and support for special needs children in integrated programs. The municipalities manage fee subsidies and purchase child care for subsidized families.	Child care is managed at the municipal level and the cost shared on a 50-50 basis, with comprehensive provincial quality and safety standards to safeguard children.
Child welfare	The Province pays 80 percent of Children's Aid Society budgets; the municipalities pay 20 per cent.	Child welfare is funded entirely by the Province.
Shelters for abused women	Municipal participation is discretionary. When municipalities are involved, they pay 20 per cent and the Province pays 80 per cent.	The Province pays the full cost of shelters for abused women.
Public health	The Province and the municipalities share the cost of public health programs, which are delivered by local boards of health.	The municipalities assume full funding of public health programs, with the Province retaining responsibility for those programs with a province-wide reach, such as disease control and immunization.
Long-term care	The Province pays the full cost of all long-term care services. The municipalities can use their discretion to provide top-up funding to the facilities they are required to run. Government reforms have just improved a fragmented and inefficient system.	Building on reforms already made in long-term care, a new province-wide agency is to be created to coordinate the system within province-wide standards. The Province and the municipalities provide funding equally.
Land ambulances	The Province funds 100 per cent across Ontario, except Metro, which pays part. The approximately 170 services are run by private companies, hospitals, a few municipalities and 10 are run by the Ministry of Health.	The Province continues to license ambulance services, but the municipalities are 100 per cent responsible for funding. The Province continues to be responsible for air ambulances.
Homes for Special Care	The program is fully funded by the Province to house and support	The municipalities are responsible for 100 per cent funding for the housing cost of this program. The Province sets standards

	people with mental illness in group homes across Ontario.	and provides mental health services to the residents.
Domiciliary beds	Domiciliary beds are discretionary, delivered by municipalities and funded under GWA. The Province funds 80 per cent and municipalities fund 20 per cent.	Domiciliary beds are a municipal responsibility.
Social housing	Social housing is funded by the federal and provincial governments, administered by the Province and delivered by the Province, municipalities and local non-profit organizations.	Responsibility for management and funding of social housing is transferred to the municipalities, enabling them to determine the housing needs of their communities.
<b>Municipal administration</b>		
The Municipal Act	The municipalities are micro-managed under the Municipal Act. They can only do what the Municipal Act allows.	Under a new Municipal Act passed in 1997, municipalities have broad areas of responsibility and general authority to act in all areas where they have responsibility.
Municipal elections	Before the Better Local Government Act, which became law on December 19, 1996, the election process was complicated and set out in great detail.	The municipalities have the freedom to be innovative as long as the integrity of the process is maintained.
Provincial Offences Act	The Province administers and prosecutes traffic offences under Parts I and III. The municipalities prosecute offences under Part II (parking violations), and some municipalities also administer Part II.	The municipalities administer all three parts of the Provincial Offences Act. The municipalities keep the net revenue from fines. The Province retains responsibility for more complex offences and those that could lead to jail offences. It continues to set standards and appoint justices of the peace.
Libraries	The municipalities and the Provincial Government share the cost of library services.	The municipalities are responsible for local library services. The Province continues to support the system through partnerships, policy and funding of the province-wide network of shared resources, cooperative services and telecommunications links that connect Ontario's public libraries to each other and to global information networks.
<b>Assessment and property tax</b>		
Property tax assessment	The municipalities decide if and when they need their property base reassessed. The Province delivers assessment service.	The Province will pass a new set, the <u>FAIR MUNICIPAL FINANCE ACT, 1997</u> . The new act is designed to reform the local property tax system by using a form of market value assessment, based on 1996 values. The assessments are to be updated regularly. The new act sets up six standard classes of property, and it reduces or abolished some taxes (such as the Business Occupying Tax). It also simplifies the appeals system. The

		Ontario Municipal Board (OMB) will no longer be responsible for hearing property tax assessment appeals. This responsibility is to be transformed to a new board, the Assessment Review Board (ARB). Appeals of decisions by the ARB will now be heard by the Provincial Divisional Courts.
Development charges	The municipalities collect development charges from developers who then pass them on to home buyers. These charges are intended to cover the cost of upgrading municipal facilities to meet the needs of the people who move into new homes. The Development Charges Act sets out how municipalities set the charges and what facilities can be funded through the development charges.	The range of facilities that can be funded with development charges is reduced. Municipalities can no longer impose development charges for city halls, museums, hospitals, theatres, tourism facilities or parkland acquisition. These facilities will have to be paid for by the entire community, over time, when they can be afforded.
Tax rebate programs	Owners of eligible properties pay full property taxes to the municipality and receive rebates from the Province.	Owners of eligible properties, such as farm land, managed forests and wooded lots, will pay reduced property taxes.
<b>Emergency Services</b>		
Police services	Some people pay for local policing twice; once for their own community and once for other communities elsewhere in Ontario. That is because most larger municipalities fund local policing through the property tax while many smaller ones receive local policing at no cost from the Ontario Provincial Police. The municipalities have no control over police budgets, which are established and allocated by police service boards. The Province appoints the majority of members to police services boards.	In the interest of fairness, everyone makes a contribution to the cost of local police service through their municipal property taxes. The municipalities establish budgets, while police services boards continue to allocate resources within the budgets. The municipalities make the majority of appointments to the police services boards. The Province continues to ensure province-wide standards and community safety.
Fire services	The municipalities are responsible for fire suppression.	The municipalities are responsible for fire suppression, prevention and public education.
<b>Transportation and utilities</b>		
Septic tank inspections	The Province is responsible.	The municipalities are responsible. The Province continues to set standards and to license and certify septic system installers.
Water supply and sewage treatment	Responsibility is shared between the municipalities and the Province. The Province has provided grants and loans. The Province owns and operates some facilities.	The municipalities own, choose the operator, and pay for water and sewage treatment. The Province continues to set water quality standards. A restructuring fund will be established to assist smaller municipalities.
Community Transportation	The municipalities face barriers to coordinating local transportation	Barriers to municipal coordination of transportation services are

	services such as ambulance services, transit and school busing.	removed.
Transit	The Province and the municipalities share transit costs.	The municipalities are responsible for funding transit services.
Provincial highways	Within its 20,000 km network of provincial highways, the Province maintains 9,000 km of highways that service primarily local needs.	The municipalities are to be responsible for all roads that serve local needs, except in sparsely populated areas.
Ferries	The municipalities and the Province share the cost of some ferries while the Province fully funds others.	The municipalities fund ferries serving local needs, specifically those serving Howe, Amherst, Wolfe, MacKenzie, Pelee, Simcoe, and the Toronto Islands. The Province continues to fund the Glenora and Abitibi ferries.
GO Transit	The Province pays for GO Transit. The municipalities are represented on the board of directors.	The municipalities are responsible for GO Transit.
Municipal airports	The Province subsidizes municipal airports. The Province is now phasing out subsidies.	The municipalities are fully responsible for municipal airports. The Province supports provincial airports in remote Northern Ontario communities.

Source: "'Who Does What' Reforms, Announcement package for the week of January 13, 1997," Province of Ontario, 1997. The table is included with the document, but it has adjusted for language and includes some additional changes that were discussed in the text but not included in the table.