

# Repeal Bill 23

The Ford government's sweeping legislative reforms will cause an estimated \$1 billion loss of revenue for municipalities - and ultimately reduction of services and job cuts.

## Cuts to municipal revenues will lead to job losses for CUPE members

The newly legislated Bill 23 (More Homes Built Faster Act) will create a projected annual shortfall of approximately \$1 billion for municipalities through an effective transfer of wealth from municipalities to developers.

The legislation exempts and reduces developers' fees that municipalities use to fund housing infrastructure including roads, parks and sewers as well as other vital programs such as child care, libraries, emergency services and public health.

If this legislation is not repealed, municipalities will have to make tough choices. Because they rely mainly on property taxes for revenue, municipalities will have to hike rates and/or cut programs delivered by CUPE members.

For instance, the City of Markham projects that it will need to **raise property taxes by 50-80%** just to maintain existing services. But we know that is not feasible.

If this bill stands, municipal councils will move to cut programs or privatize them. Neither outcome is acceptable. As CUPE municipal workers, we must fight back against this legislation for services in our communities and our own jobs.

## ESTIMATED LOSS OF ANNUAL MUNICIPAL REVENUE



\$560 million to \$1 billion across Ontario



\$230 million - Toronto



\$60 million - Ottawa



\$4 million - Kitchener

Development charges are based on the philosophy that “growth pays for growth.” It means developers rather than existing taxpayers cover the cost for municipal infrastructure required to support developments for new homes along with other services.

# Bill 23 (More Homes Built Faster Act) will deepen the housing crisis

The provincial government's plan will enrich developers while making affordable housing unattainable for most people

## Housing policy must be geared towards people - not developers

The Ford government claims that Bill 23 is essential to increase affordable housing.

But the legislation, which rewards developers for creating "affordable housing," **redefines affordability as 80% of average market value.**

Due to the rapid increase in property values and rents over the past decade, that is unattainable for most people.

A better and widely-accepted definition of affordable housing dictates that a household should spend no more than 30 per cent of their pre-tax income on rent/mortgage.

And contrary to the government's claims, simply increasing supply will not reduce prices. Developers (many of whom have donated generously to the Ontario PCs) will mainly build high-end and luxury homes that help them maximize profits.

## Affordable for whom?

Average home price in Ontario:  
**\$900,000**

Price of an "affordable home"  
based on 80% of market value:  
**\$720,000**

## Removing housing protections for the most vulnerable

- Bill 23 prohibits municipalities from requiring developers to build more affordable homes. The new legislation forces municipalities to set inclusionary zoning (or affordable units) required in a development at a maximum of 5% for 25 years (most housing advocates say it should be at least 25% and up to 99 years or permanent).
- Removes the current requirement for replacement housing at the same rent when it is proposed to be demolished or converted as part of a new development. This will result in tenants facing dislocation and homelessness.
- Eliminates the use of development charges to **build social housing and shelters for those who are most vulnerable.**

# The Ford government's attack on local democracy, our environment and our communities

## The extension of "Strong Mayor" powers

In September, the Ford government gave extraordinary powers to mayors in Toronto and Ottawa, allowing them to override decisions made by City Councils if they conflicted with "provincial priorities."

Strong Mayors can force by-law changes, table budgets and push through any other provincial regulations with merely **one-third of council support**.

The attack on local democracy is now being extended by giving Strong Mayor powers to municipalities in Niagara, Durham, Peel, York and Waterloo through Bill 39.

The provincial government is also giving the Minister of Housing and Municipal Affairs the anti-democratic authority to appoint the chairs of regional councils in Peel, York & Niagara.

These powers will be used to advance the Ontario PC government's agenda, which is tied to the interests of developers, land speculators and other profiteers.

"We won't let the Ford government trample on our democratic rights for the sake of corporate profits. We will stand up for public services & local democracy that serves the interests of the many over the few."

**Dave Petten, Chair of CUPE's OMECC Committee**

## Recent legislation impacting municipalities

Bill 3: Strong Mayors Act (passed in September)

Bill 23: More Homes Built Faster Act (passed in November)

Bill 39: Better Municipal Governance Act (passed in December)

## Harming the environment

Bill 23 opens Ontario's precious Greenbelt to developers while gutting the powers of Conservation Authorities.

The protections accorded to the Greenbelt preserve our farmland, forests, rivers, lakes and wetlands. Protecting this space is essential for fresh air, clean water, local farming and preserving our natural heritage.

Despite the availability of 88,000 acres for housing development in Greater Toronto and Hamilton Area (GTHA), Bill 23 opens up 7,300 acres of the Greenbelt for housing development.

To make sense of this absurdity, an investigation by the Toronto Star shows that developers who purchased property on the Greenbelt also made **political donations to the Ontario PCs**.

There are also questions about why developers purchased land on the Greenbelt well before Bill 23 was even introduced, with one developer buying land all the way back in May 2021.

# Fighting back for strong municipal services

Municipalities are already facing budgetary constraints due to the impacts of the pandemic as well as chronic underfunding and downloading of costs by the provincial government.

Across Ontario, the main sources of revenue for municipalities are property taxes (40% of the budget) and transfers from the provincial government (18%).

Instead of increasing provincial transfers to fund a range of services, the province is robbing the municipalities of an important funding stream.

This will worsen service delivery and working conditions for municipal employees, many of whom who are already struggling due to understaffing, stagnant wages, as well as a growing retention and recruitment challenge.

CUPE's Ontario Municipal Employees Coordinating Committee (OMECC) is organizing a fightback against Bill 23 and other damaging reforms to municipalities.

Reach out to your OMECC Reps for updates and coordination of local campaigns.

## Our demands

- Repeal Bill 23
- Create a new housing plan premised on the principle that *Housing is a Human Right* and that truly affordable housing should be accessible to everyone
- Enhance funding for municipalities to deliver strong public services that improve quality of life

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