

Development charges issue must involve taxpayers

I don't envy Halton Hills Council's position of having to decide on an equitable development charges fee.

For those who don't know, the Town charges developers and builders a fee to cover the cost of services accompanying a development project.

Town consultant C.N. Watson and Associates Limited of Toronto has recommended developers be charged \$1.90 per square foot to build a commercial or industrial space. Currently no such charge is imposed. To build a single family home the consultant recommends builders be charged a total of \$5,727 for Town and hydro related services connected to the house's construction.

The recommendations are based on the principle: servicing required by new development should be paid for by the developer and not the existing taxpayers.

Note, if the fees are lower than those proposed then existing

ratepayers will be required to make up the difference to cover the cost of new servicing through increased taxes.

Knowing that, the recommendations seem fair, at least from the taxpayers' perspective. Why should existing Town residents cover part of the cost for servicing related to new development when they won't be using those services?

Needless to say, the developers don't consider the issue as being that cut and dry.

For instance, construction of parks accompanying new subdivisions is an example of servicing the development charge is meant to cover. However, developers argue that once a park is built, it will be used by the entire Town and not just those living in the new subdivision. In that sense existing ratepayers do use some of the services accompanying new development.

The builders also have a problem with covering the total cost of road construction necessitated



Ben's
Banter
by
Ben Dummett

by new development. They point out, Halton Hills has several roads in dire need of upgrading. The developers explain if their project is slated in areas where road upgrading is already necessary then they shouldn't be required to foot the entire bill. If no new development was to happen, the Town would still be obligated to repair the roadways, they say. In this sense, road upgrading, in connection with

new development, should be paid for by both the developer and existing taxpayers.

The developers appear to be especially concerned with the commercial/industrial development fee charge.

Builders say Halton Hills has had next to no commercial/industrial development for the past several years without a development charge in place. A charge will therefore make it that less likely for this type of development to come to Town in the future.

Developers predict this scenario is that more likely to become true given the slowdown in the economy. The developers don't rule out a commercial/industrial fee being imposed in the future. However, it should only be considered during better economic times, they say.

This rational appears to make sense. However, the Town didn't attract any industrial development during the boom times preceding the current recession -

a time when there was no development charge in place.

It follows then, the existence or non-existence of a development charge on this type of development has little or no bearing on it being established in Halton Hills. Instead, other factors such as the Town's relatively long distance from Highway 401, probably plays a more prominent role.

Therefore, who not impose a charge on industrial and commercial development?

There is obviously no easy answer to the development charge question. What is obvious, however, is for the general public to make their opinion known or else permit Town council to make its final decision on the charges, with input from the development and building community alone.

If this happens, there is a strong possibility the general taxpayer could be facing higher than expected taxes for years to come.

Council will make a final decision on the development fee question on September 24.

Political Forum

OTTAWA REPORT

Excess GST cash will help fight the federal deficit

There are some reports flying around that the GST has collected a lot more money than anybody expected it would.

Maybe so - it could be true. Finance Minister Don Mazankowski, as I write this, has not yet told us what the surplus so far in 1991 is. Or why.

While some people have said the GST would drive more economic activity underground, I never bought that argument.

Just the opposite may be true. Smart business people know they can deduct the GST they pay on whatever they buy to do business. And they know people without a GST number pay the tax out of their own pocket. After all, this is supposed to be a tax on consumer spending, not on business. The whole idea was to help business by getting rid of a bad tax.

So, this could be a big reason why the GST is raising more

money because there are more businesses now part of the system than anticipated. More companies with GST numbers means more GST.

The big question is: Where's the money going?

Just before Parliament adjourned a few weeks ago, I created a minor stir by asking the government exactly that. It's going to the deficit, I was told.

Since then, some people have asked me what guarantee taxpayers can have that this bonus tax money will actually reduce the deficit. And that's a fair question. We all realize that until the deficit drops, taxes won't. So the priority is to get that deficit down.

Now, about the last thing any of us want is tax money being used for more federal spending, or to see it disappear into a big, black hole in Ottawa.

Garth
Turner
MP
Halton-Peel
Progressive
Conservative



What we need is some kind of a guarantee - which has now come.

The government has set up a new national bank account, called the Debt Servicing and Reduction account. It's separate from the bank account that Ottawa uses to run programs and pay the bills, and into this new account will go all this extra GST cash.

Every dollar of the Debt account is being applied directly to

paying down the deficit. So is the money from selling Petro-Canada. And so are any gifts given to the government - like the cheque I turned in from the Bolton Lions Club, and another from the Halton Hills Chamber of Commerce.

And to make sure all this happens as it's supposed to, the government will let the federal Auditor General make regular checks on the account and how it is used.

After the deficit is cut to zero - now planned to take place within about four years - the debt account money will be used to actually start paying off the money that Canada owes.

This is what I wanted to happen. It is exactly what I asked Michael Wilson to do after being elected in late 1988, and what I've bugged the finance minister about since. We finally have a tax

that is dedicated to paying off our debts - and some other important commitments from the feds.

For example, the government has now promised that no new taxes will be imposed to pay for any new spending. And Ottawa is going to make it illegal for federal politicians to increase spending by more than 3 per cent annually over the next five years.

If we'd had a law like that in Ontario, the last provincial budget would have been illegal. It increased spending by 13 per cent, while raising taxes by \$1 billion and bumping the deficit to \$10 billion a year.

Maybe governments at all levels had better copy some of the things Ottawa is doing. There's no point giving taxpayers restraint at one level while they get fleeced at the next.

Right now, there's no fleece left.

QUEEN'S PARK REPORT

Recycling programs underway in provincial parks

I hope that you've been enjoying the summer. Those of you who plan on going camping for your vacation will now be able to take advantage of the recycling programs underway in over 70 provincial parks including nearby Bronte Creek. Recycling was first implemented at Presqu'ile Provincial Park in 1989 and has expanded to wherever there are local markets for recyclable materials. Partners in these efforts to reduce waste at our parks, include the Environmental Youth Corps, Ontario Multi-Media Recycling Incorporated, and the Association of Municipal Recycling Coordinators. One recent element in parks recycling is the Blue Bag pilot program implemented through a new partnership with First Brands (Canada) Corporation and designed to help visitors collect recyclables at their campsites.

If you're no longer thinking about summer but about the upcoming school year, you may be interested in hearing about another type of education - adult literacy programs. Education Minister Marion Boyd recently announced funding for a wide range of programs throughout the province. The Halton Adult Learning Network and the North Halton Literacy Guild were among the 184 organizations that received financial assistance, to

continue their efforts to help our adult residents obtain these necessary skills.

As I mentioned in my last report, various standing committees of the legislative assembly have been scheduled to meet during the summer. One of the committees I sit on - General Government - has been holding hearings this week to hear presentations about the closure of various land registry offices. And we hope to finish up some important legislation during the upcoming session of the legislature which begins in September. Some of you have asked about the status of the Wage Protection Fund (Bill 70), for example, which received second reading in June before the recess. Bill 74, regarding a system of advocacy to protect the rights of vulnerable adults, also proceeded as far as second reading. In fact, the spring session produced a number of accomplishments. Although we've had to cope with the worst recession since the Second World War, our government has preserved our health care and education systems and worked toward reducing the impact of the economic situation upon you and your neighbors.

Some of the initiatives of the past session include:

- eliminating or reducing Ontario income tax for an additional



Noel
Duignan
Halton North
MPP
New Democratic
Party

120,000 low-income Ontarians and moderate tax increases for those earning over \$84,000 a year

- establishment of the Fair Tax Commission to review the tax system with a view of making it fairer

- a budget that fights the recession by maintaining or creating 70,000 jobs

- a commitment not to "piggy-back" the Ontario sales tax on top of the federal GST - a savings of \$470 million to you this year alone

- funding increases, greater than the rate of inflation, for hospitals, school boards, colleges and universities, and municipalities to prevent decline in service

- \$40 million for income stabilization for grain, oilseed and horticulture producers and \$50 million in interest rate relief for

farmers

- a commitment for the construction of 10,000 new non-profit and co-op housing units creating 20,000 jobs in the hard-hit construction industry

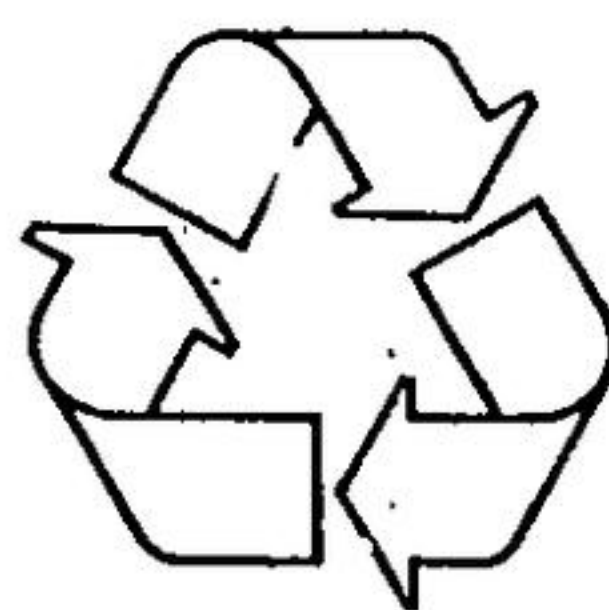
- a new family support program (Bill 17) to bring fairness to mothers and kids entitled to support payments from delinquent ex-spouses

- more than \$20 million of additional funding for victims of sexual and domestic violence and for emergency shelters for battered women and children

- a new, fairer and more open

process of making government appointments to agencies, boards and commissions

If you wish to comment on these or other issues, feel free to call my Milton office Tuesday through Friday at 878-1729. Please note that the telephone number for the Georgetown office was printed incorrectly on the July householder you were mailed and should read as 873-7417. Thanks to those of you who brought the error to my attention and my apologies in particular to the recipients of the misdirected calls.



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RECYCLING.

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