This time we can vote positive for cities and towns

What we want

We want to expand and upgrade our infrastructure with public services and public financing to strengthen our communities.

We want a national communities strategy that would outline a clear national vision of the importance and nature of public assets and public services. We want public infrastructure and the resources needed to make that vision a reality.

We want accountability through public ownership and control. Strong governance and meaningful relationships among all levels of government would be the principles that would guide a communities strategy.

We want long-term funding commitments for communities. The gas tax transfer must be increased and must continue beyond five years. A New Deal for Cities and Communities should be about building public assets and strengthening public control and accountability. To ensure this, federal contributions for municipal infrastructure must increase. Communities need sufficient funding to invest for the long term.

We want an end to the use of federal infrastructure dollars for public private partnerships (P3s), and contracting out the work of local governments must be prohibited. Federal infrastructure agreements tie funding to privatization through contracting out and encourage P3s. These agreements must be redrafted to promote investment in public assets and services that keep our communities strong.

We want initiatives to promote public financing, including issuing bonds and establishing new revenue sources for municipalities. Governments must be compelled to take advantage of the excellent borrowing rates available to them, and reject more expensive private financing for municipal projects:

1. The federal government should return to issuing infrastructure bonds so that pension funds can invest in public infrastructure, not in risky and unaccountable privatization schemes that eat away at public revenues for generations and compromise pension plan members' jobs.

2. The federal government could also help by creating agencies that provide lower cost pooled-debt financing for municipalities.

We want a portion of federal income tax permanently earmarked for municipalities. Property taxes and user fees are insufficient sources of revenue to address municipal responsibilities, and unfairly target poor and working class residents. CUPE supports the big city mayors' call for a new, reliable source of revenue that grows with the economy.

How the Liberals have failed cities and towns

Despite the talk, the Liberals lack a national strategy for cities and towns. After 12 years in office and multiple surplus budgets, communities are finally on the agenda. But the Martin government has delivered too little and too late.

The Martin government record is peppered with initiatives that have harmed communities. For example, pension plans have stopped investing in municipal infrastructure, as infrastructure investment bonds have stopped being issued at the federal level.

Martin's New Deal transfers up to five cents per litre in gas tax revenues to municipalities over the next five years. A deal negotiated by the New Democratic Party, resulted in an additional one cent per litre for communities to be delivered right away. A portion of this is to be allocated to public transit projects, but Canada remains the only country in the Organization for Economic Cooperation and Development (OECD) without a national urban public transit program.

The absence of a long-term funding commitment and lack of conditions related to public ownership and delivery, mean the gas tax transfer is an invitation to further privatize public infrastructure. Any municipal councillor will tell you it is impossible to plan for major infrastructure projects on a five-year timeline.

The short horizon of the New Deal does not provide local governments with the reliable public revenue they need, leaving communities vulnerable to the pressure to privatize through P3s. They are a form of privatization that has proliferated under the federal Liberals. Yet the evidence is clear that P3s are risky, unaccountable and responsible for funneling public tax dollars into private profits, which cuts into funds available for infrastructure.

Martin is clearly committed to corporations who want to control and profit from our water systems, transportation and recreation facilities. He appointed a parliamentary secretary for P3s, created a P3 office that is part of Industry Canada, and he created an office for alternative service delivery – the new code word for P3s.

Infrastructure funding for communities under the Liberal government comes with a requirement to privatize. Municipalities must consider contracting out as a first course of action when spending federal infrastructure dollars. Contracting out results in the loss of decent public jobs, reduced spending power in communities and service quality; yet it entails higher risks, higher costs and reduces public accountability.

Auditors general have reported that public ownership and operation of infrastructure and services help keep costs down by eliminating the need for profit. The rising number of failed privatization schemes worldwide has forced the International Monetary Fund and the World Bank to admit that privatization does not bring greater efficiencies. Public control allows governments to be transparent, fiscally responsible and environmentally efficient and to make ethical decisions with long-term benefits for communities.

The Liberals offered nothing on social housing in the last budget. This critical, strategic anti-poverty issue for communities was ignored in that budget. Instead, it prioritized a $4.6 billion tax cut for the wealthiest corporations in Canada. The NDP forced the Liberals to redirect some of this money to social housing.

Why the Conservatives would be worse

Under Stephen Harper, the Conservatives are in favour of further cuts to government. They would expand the role of the private sector in providing infrastructure like roads, sewers, water and wastewater and public transit. But it comes at too high a cost for municipalities.

Smaller government means higher user fees, privatized public services and greater inequality. Privatized public services mean a race to the bottom in terms of wages, pension benefits, working conditions and quality of public services. It also compromises people's dignity and ability to spend in their communities.

Like the Liberals, the Conservatives would rely on borrowing money from the private sector to fund public infrastructure. A Conservative government means communities would be forced to rescind local control and let the private sector turn public services into profit-making opportunities for generations to come.

"We do need deeper and broader tax cuts, further reductions in debt, further deregulation and privatization…," Harper says.

What the New Democrats say

When he was president of the Federation of Canadian Municipalities, Jack Layton led the struggle for a greater role for municipalities in federal government policy making. He fought for a better deal for cities, as the challenge to meet their increased responsibilities with limited revenue sources has continued to grow.

This year, the NDP managed to amend the Liberal's 2005 budget and partially transform harmful tax cuts into wise and needed spending on social and physical infrastructure and services. Thanks to the NDP, $4.6 billion of planned corporate tax cuts will be spent on building stronger communities. This includes $100 million dedicated to affordable housing.

Layton supports a national environmental infrastructure investment program that would invest in water and wastewater treatment facilities. The NDP says the federal government has a role to play in setting national standards for drinking water and in monitoring and regulating the environment.

The NDP is calling for a national transportation strategy fund to provide stable, long-term funding for public transit and tax benefits for employers who provide transit passes to their employees.

The NDP would implement a national housing strategy that would devote at least one per cent of the federal budget to building non-profit, affordable housing. It would provide low-interest loans to provincial governments, municipal housing authorities and co-op housing organizations.

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