Canada West Foundation

Dollars and Sense:

The Need for Municipal Finance Reform

By Casey G. Vander Ploeg, Senior Policy Analyst, Canada West Foundation
A Presentation to the International Property Tax Institute
June 5, 2008, Calgary, Alberta

Introduction

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About the Canada West Foundation

*A Public Policy **RESEARCH** Institute:*

- Independent Policy Institute
- Non-Partisan and Non-Political
- Non-Profit Charity
- Focus on Policy Issues Important to the West

*The **PURPOSE** of Canada West Foundation:*

- Introduce Western Perspectives Into National Policy Debates
- Produce and Disseminate Objective Policy Research
- Act as a Catalyst for Informed Public Debate
- Create Initiatives for Citizen Engagement

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Canada West Studies on Municipal Finance

- **Financing Western Cities:** Issues and Trends (2000)
- **Dollars and Sense:** Big City Finances in the West (2001)
- **Framing a Fiscal-Fix Up:** Strengthening Big City Finances (2002)
- **Big City Revenue Sources:** A Canada-U.S. Comparison (2002)
- **A Capital Question:** Infrastructure in Western Canada's Big Six (2003)
- **No Time to be Timid:** Addressing Infrastructure in the Western Big Six (2004)
- **Big Spenders?** An Expenditure Profile of Western Canada's Big Six (2004)
- **Straight Talk:** Property Taxes in Western Canada's Big Six (2004)
- **Foundations for Prosperity:** Sustainable Infrastructure (2004)
- **Rationale for Renewal:** A New Big City-Provincial Partnership (2005)
- **New Tools for New Times:** Infrastructure Financing (2006)
- **Dollars and Sense II:** Updating Big City Finances *(Coming 2008)*
- **Problematic Property Tax:** The Need for a New Alternative *(Coming 2008)*

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Purpose of this Presentation

This presentation will focus on the theoretical and practical rationale for reforming municipal finances in Canada, particularly as it relates to expanding municipal taxation authority for western Canada's big cities:

- The growing **IMPORTANCE** of cities in the 21st Century.
- The critical **CHALLENGES** facing western Canada's big cities.
- Available **OPTIONS** to meet the challenges.
- The **RATIONALE** for new tax tools for western Canada's big cities.
- Some key **COMPARISONS** between western Canada's cities and those elsewhere, particularly competitor cities in the U.S.
- A strategic **PLAN** for implementing a new fiscal paradigm.

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Why Focus on Cities?

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The Importance of Big Cities

- Cities are the **FOCAL** point of population growth.
- Cities **DRIVE** provincial, regional, and national economies.
- Cities are the **GATEWAYS** to global trade.
- Cities are **CRITICAL** for success in a new information economy.
- Cities are the **LOCUS** for higher-ordered producer services.
- Cities are the **LOCUS** of research, development, and innovation.
- Cities are **HOME** to the young, educated, and the skilled.
- Cities are **HOME** to today's entrepreneurs.
- Cities are **HUBS** for national transportation, communications, and financial infrastructure.
- Cities reflect Canada's growing social **DIVERSITY.**

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Glocalism: The Global Economy and Local Space

The rise of the information or knowledge-based economy, combined with increasing global competition, has made local conditions much more important. This has been termed ***GLOCALISM.***

- In a "**GLOCALIZED**" world, quality of life in our communities, neighbourhoods, and cities is critical to attract and retain the skilled human capital necessary to compete and succeed in a new economy.
- Knowledge-based industries, and their workers, are **FOOTLOOSE**. Through technology, highly skilled individuals can locate almost anywhere in the world to do almost anything.
- Glocalism implies a need for **WELL-FINANCED** cities that effectively and efficiently deliver a high quality package of municipal services at an affordable price to attract and retain highly skilled and relatively footloose talent.

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Challenges

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Challenges to our Urban Competitiveness

Rapid Urban Population Growth:
Growth increases the demand for municipal services and infrastructure. Much of the growth is "donut growth" leading to increased "fiscal disequivalence."

Fiscal Stress:
Fiscal stress is evidenced through sluggish revenue growth, little to no new spending on municipal programs and services, and the emergence of sizeable infrastructure funding deficits.

Social Stress:
In addition to traditional urban issues such as crime, a host of new concerns are emerging such as homelessness, affordable housing, urban aboriginals, and the environment.

Policy Agenda and Public Opinion:
Municipal issues still rank low on a political agenda heavily tilted towards healthcare, education, and the environment. This is only slowly beginning to change.

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Challenge:
Population Growth

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The Challenge of Growth:
Percentage of Canadians Living in an Urban Centre (1901-2006)

SOURCE: Derived by CWF from Statistics Canada

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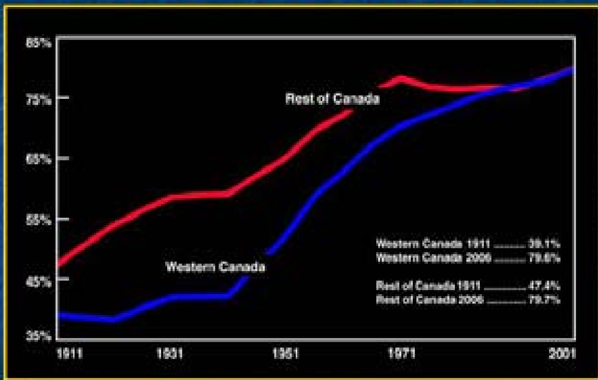
The Challenge of Growth:
Urbanization Rates in the West and the Rest of Canada (1911-2001)



SOURCE: Derived by CWF from Statistics Canada.

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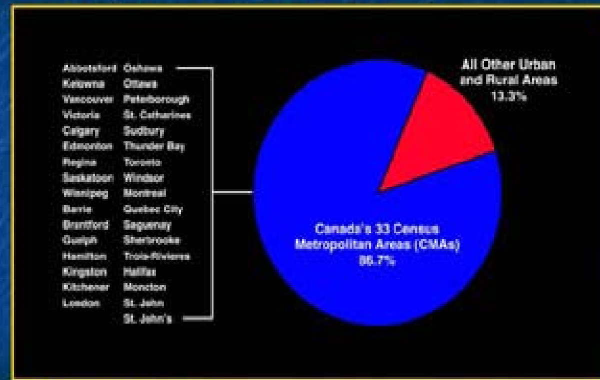
The Challenge of Growth:
Sources of Population Growth in Canada (2001-2006)



SOURCE: Derived by CWF from Statistics Canada

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The Challenge of Growth:
CMA Growth as a Percent of Total Provincial Growth (2001-2006)

From 2001 to 2006, five provinces in Canada were completely dependent on their largest city-regions for provincial population growth. The remaining five provinces were only slightly less dependent on their largest city-regions:

Saskatchewan	100%
Nova Scotia	100%
New Brunswick	100%
Newfoundland and Labrador	100%
Prince Edward Island	100%
Ontario	94%
British Columbia	85%
Quebec	74%
Alberta	72%
Manitoba	63%

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The Challenge of Growth:
Five Fastest Growing Cities by Metropolitan Size (1961-2006)

500,000 +		250,000 to 500,000		100,000 to 250,000	
Calgary	(273%)	Oshawa	(205%)	Kelowna	(491%)
Edmonton	(164%)	Kitchener	(175%)	Abbotsford	(446%)
Toronto	(160%)	Victoria	(111%)	Barrie	(404%)
Vancouver	(156%)	London	(88%)	Guelph	(158%)
Ottawa	(129%)	Halifax	(65%)	Saskatoon	(117%)

Half of the fifteen fastest growing cities are western Canadian cities. Further, their combined growth rates are much higher than cities elsewhere in the country. In short, urban growth arguably hits on western Canada much harder than other areas of the country.

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Challenge:
Fiscal Stress

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Fiscal Stress

Throughout the 1990s, and continuing into the present, numerous stresses have shown up in western Canada's biggest cities:

- Municipal spending on **SERVICES** (per capita and inflation-adjusted) has not risen appreciably between 1990-2007.
- Municipal spending on **CAPITAL** (per capita and inflation-adjusted) was erratic throughout the 1990s. Only recently has capital spending begun to increase. The local government sector faces a massive infrastructure funding **DEFICIT**.
- Revenue growth for large western cities has been **SLUGGISH**. Property tax growth has been poor and operating and capital grants have yet to return to historical levels (measured as a percent of GDP).
- Throughout the 1990s, cities avoided the **DEBT-FINANCING** of tax-supported capital. This limited the amount of funds available for infrastructure investment. This is slowly beginning to change, however.

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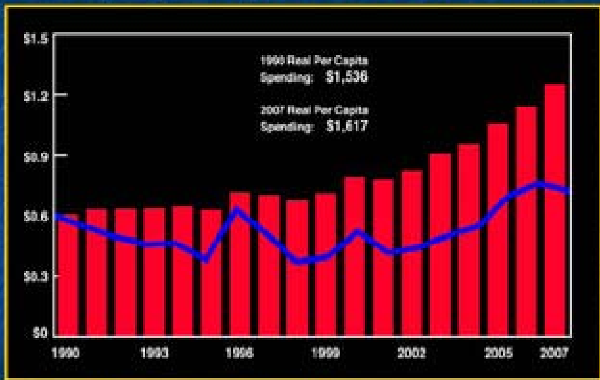
Fiscal Stress:
Edmonton Spending on Municipal Services (1990-2007 in $ Billions)



SOURCE: Derived by CWF from the City of Edmonton Annual Financial Reports.

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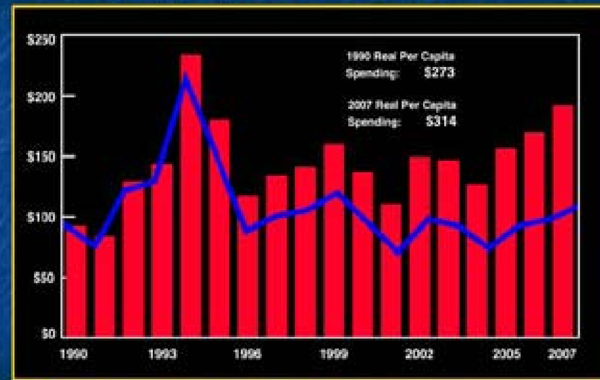
Fiscal Stress:
Vancouver Spending on Capital (1990-2007 in $ Millions)



SOURCE: Derived by CWF from the City of Vancouver Annual Financial Reports.

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Fiscal Stress:
Estimates of the Municipal Infrastructure Funding Deficit

Investment in the municipal capital stock will have to increase significantly to stem a growing infrastructure deficit. To date, the increases have been insufficient. The size of Canada's municipal infrastructure "deficit" is enormous. Since 1985, the Federation of Canadian Municipalities has been tracking unfunded municipal infrastructure needs:

1984:	**$12 Billion**
1988:	**$18 Billion**
1992:	**$20 Billion**
1996:	**$44 Billion**
2002:	**$57 Billion**
2007:	**$123 Billion**

*These amounts represent only the backlog of investments required to bring **EXISTING** infrastructure back to serviceable quality. Canadian municipalities also require an additional $115 billion in **NEW** infrastructure.*

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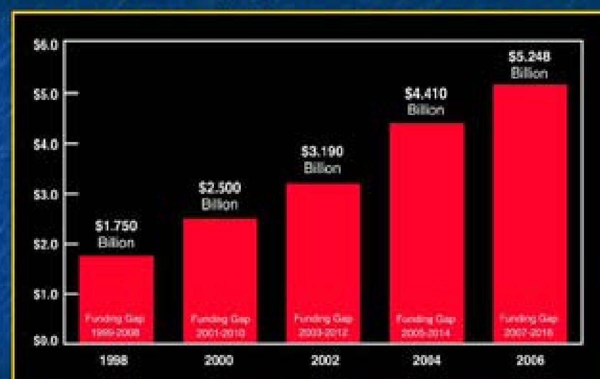
Fiscal Stress:
The Infrastructure Funding Gap in Edmonton (1998-2006 in $ Billions)



SOURCE: Derived by CWF from the City of Edmonton Infrastructure Update Reports.

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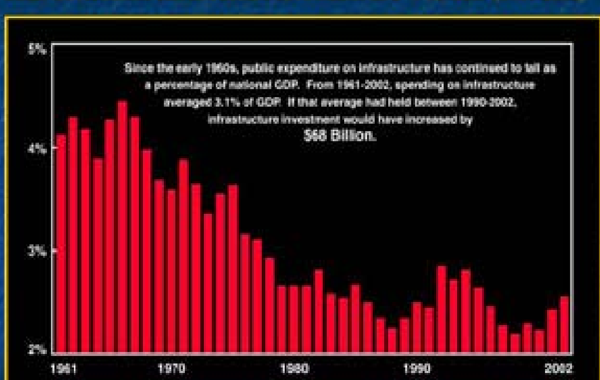
Infrastructure Deficit:
Total Government Infrastructure Investment as a % of GDP (1961-2002)



SOURCE: Derived by CWF from the Statistics Canada.

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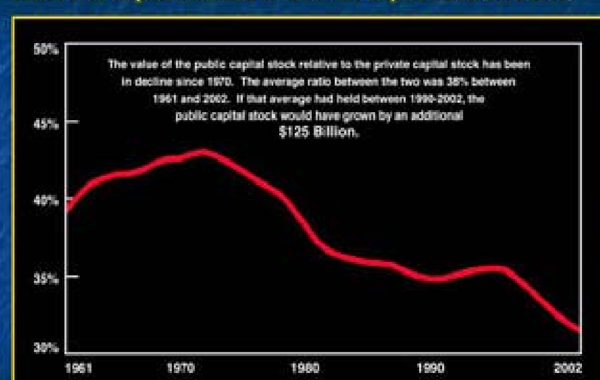
Infrastructure Deficit:
Total Public Capital Stock as a % of Private Capital Stock (1961-2002)



SOURCE: Derived by CWF from the Statistics Canada.

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The Costs of Failing to Act on Infrastructure

- Higher **OPERATING** costs for business and government.
- Higher **ENVIRONMENTAL** costs such as increased pollution.
- **THREATS** to public health and safety as even the most basic infrastructure systems (e.g., water and wastewater) become compromised.
- **LOST** economic potential and foregone economic expansion.
- The prospect of much **HIGHER** capital costs in the future as the need for rehabilitation gives way to replacement.

The time for renewing much of Canada's infrastructure has arrived. The great majority of this infrastructure is the responsibility of local governments. To date, our renewal efforts have been woefully inadequate.

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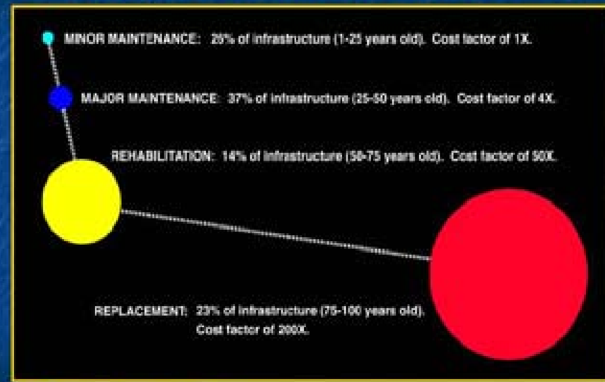
Infrastructure Deficit:

Profile of the City of Hamilton's Water and Wastewater Infrastructure



SOURCE: Derived by CWF from the City of Hamilton.

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Challenge:

Social Stress

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Social Stress

The Canada West Foundation has tracked the top issues facing western Canada's biggest cities. One review, based on interviews with key city officials and a scan of the media, revealed a heavy focus on social issues:

VANCOUVER
- Illicit Drug Use
- Affordable Housing
- Transportation

EDMONTON
- Finance and Taxes
- Regional Government
- General Social Issues

CALGARY
- Transportation and Growth
- General Social Issues
- Finance and Taxes

SASKATOON
- Social and Economic Disparity
- Urban Aboriginal People
- Transportation

REGINA
- Downtown Core
- Infrastructure and Finances
- Urban Aboriginal People

WINNIPEG
- Urban Aboriginal People
- Downtown Core
- Finance and Taxes

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Challenge:

The Current Policy Agenda & Public Opinion

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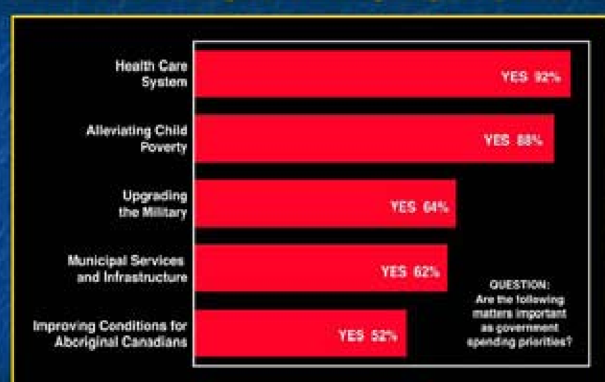
The Challenge of Public Opinion:

Percent of Canadians Citing Each Area as a Spending Priority (2002)



SOURCE: Strategic Counsel poll results, November 2002.

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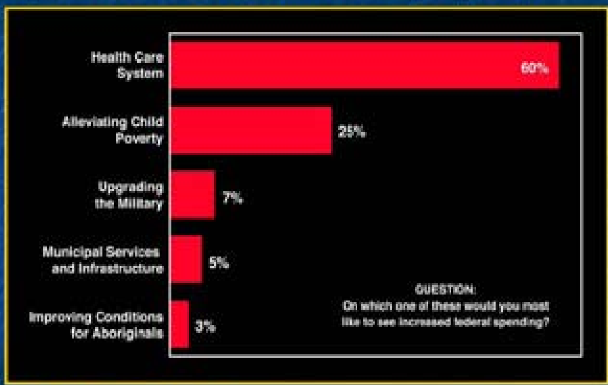
The Challenge of Public Opinion:
Respondents' Number One Choice for Increased Spending (2002)



SOURCE: Strategic Counsel poll results, November 2002.

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Options

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Five Options to Meet the Challenges

*Under the **Western Cities Project,** the Canada West Foundation has been exploring and expanding on five themes to meet western Canada's urban challenges. As a package, the options would result in a systematic reform of municipal finances:*

- Keep the focus on **CORE** municipal responsibilities and priorities. Get back to the primary purpose of municipal government or have existing responsibilities better squared with current fiscal resources.
- Use better **PRICE** models for municipal services and expand user fees. User fees are not simply a means to generate revenue. They act as price signals that can help limit demand for infrastructure and services.
- Adopt **COMPETITIVE** models for infrastructure provision and municipal service delivery through a variety of P-3 arrangements.
- Vigorously pursue **INNOVATIVE** sources of capital financing.
- Secure better municipal **TAX** tools.

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New Tax Tools:
The Rationale

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Exploring the Basis for New Municipal Tax Tools

Throughout the Western Cities Project, the Canada West Foundation has advanced the rationale for an expanded tax toolkit for Canada's municipalities. This rationale rests on a detailed and highly complex set of arguments. There are five separate reasons why a new tax regime should be considered:

- The Demographic Rationale
- The Fiscal Rationale
- The Governance Rationale
- The Economic Rationale
- The Political Rationale

Each of these separate arguments combine to present a formidable case for changing the way municipalities are funded.

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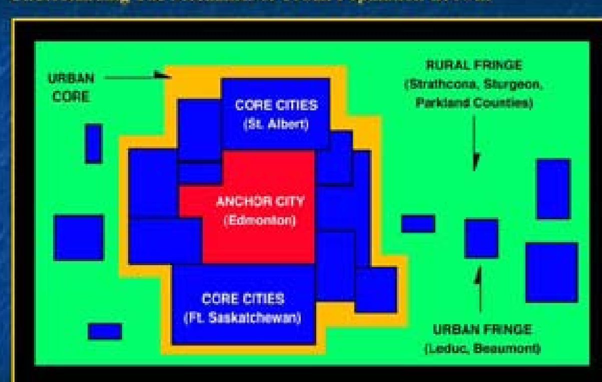
Demographic Rationale:
Understanding The Mechanics of Urban Population Growth



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Demographic Rationale:
Growth Rates of Municipalities in the Edmonton CMA (1966-2006)

Incorporated Municipality	1966 Population	2006 Population	Percentage Change
Spruce Grove	598	19,496	3,160%
Stony Plain	1,397	12,363	785%
Leduc	2,856	16,967	494%
Saint Albert	9,736	57,719	493%
Strathcona County	16,185	82,511	410%
Fort Saskatchewan	4,152	14,957	260%
Parkland County	8,846	29,265	231%
Edmonton	376,925	730,372	94%

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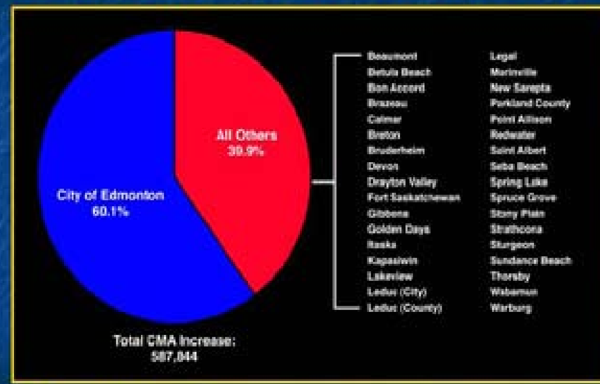
Demographic Rationale:
Contributions to Overall Growth in the Edmonton CMA (1966-2006)



SOURCE: Derived by CWF from Statistics Canada

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Demographic Rationale:
Total Operating and Capital Grants Received by Edmonton (1990-2007)

	Grants Received	Real $ Per Capita
1990	$ 120,608,000	$ 306
1991	$ 115,227,000	$ 273
1992	$ 148,885,000	$ 344
1993	$ 79,856,000	$ 181
1994	$ 85,990,000	$ 193
1995	$ 67,417,000	$ 149
1996	$ 96,930,000	$ 211
1997	$ 78,292,000	$ 164
1998	$ 86,552,000	$ 177
1999	$ 60,259,000	$ 118
2000	$ 132,449,000	$ 248
2001	$ 109,312,000	$ 198
2002	$ 105,245,000	$ 183
2003	$ 131,057,000	$ 213
2004	$ 149,833,000	$ 236
2005	$ 177,679,000	$ 270
2006	$ 193,071,000	$ 277
2007	**$ 405,582,000**	**$ 523**

Only in 2007 did operating and capital grants exceed the levels received in 1990 measured in per capita inflation-adjusted dollars.

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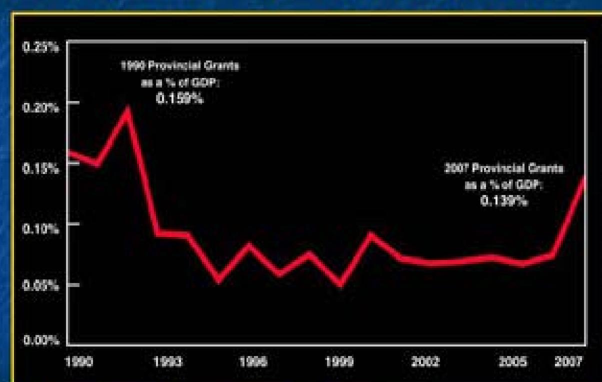
Demographic Rationale:
Provincial Grants for Edmonton as % of Alberta GDP (1990-2007)



SOURCE: Derived by CWF from City of Edmonton Annual Financial Reports.

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Demographic Rationale: Summary

- Canadian cities have only one significant tax at their disposal – the property tax. But, this tax **CANNOT** capture revenue from outsiders. Growing fragmentation of our city-regions means anchor cities are providing more and more services and infrastructure to those who live elsewhere, **AND** pay their property taxes elsewhere. Grants used to offset these pressures, but they have yet to return to historical levels.
- Cities services and infrastructure are also pressured by **OTHER** outsiders, whether that be truckers, tourists, conventioneers, business travelers, etc.
- All of this leads to **FISCAL DISEQUIVALENCE.** The burden of municipal services and infrastructure lands disproportionately on local taxpayers. If taxes are not raised, services and infrastructure suffer. If taxes are raised, flight from the city may result, leading to even greater fiscal disequivalence.
- Amalgamation is **NOT** the answer. Amalgamation can bid up the costs of many city services.

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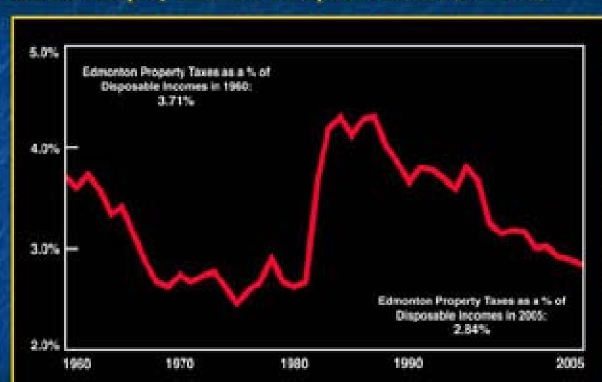
Fiscal Rationale:
Edmonton Property Taxes as % of Disposable Incomes (1960-2005)



SOURCE: Derived by CWF from City of Edmonton Annual Financial Reports and Statistics Canada.

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Fiscal Rationale: Example of an Elastic Tax

- In 2004, the average household income in Edmonton was $68,100.
- In 2005, the average household income rose by $3,000 to $71,100.
- The additional federal and provincial tax payable on the $3,000 was $525.
- If the household spent half of the increase in income, the GST payable (calculated at the current 5%) would amount to another $75.
- Thus, federal and provincial governments collect an additional $600 with no increase in the tax rate.
- In fact, the additional tax revenue accrues even though the federal government reduced the basic federal tax rate from 16% to 15% and non-refundable tax credits increased by $1,200.

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Fiscal Rationale: Example of an Inelastic Tax

- In 2004, the average Edmonton homeowner paid $1,037 in municipal property tax on an average home assessed at $177,500.
- In 2005, the City of Edmonton "increased" property taxes by some 5.4%. This meant an additional $56.00 in property tax for the same home — about $4.65 per month.
- The additional revenue sought by Edmonton required a deliberate and intentional adjustment of the property tax rate.
- What is conveniently forgotten is that most of the so-called tax "increase" was offset by rising incomes. For the average homeowner earning the average household income, property taxes moved from 1.523% of incomes in 2004 to 1.537% in 2005.
- Thus, the effective increase relative to income was not 5.4% but 0.9%. This amounts to about 83¢ per month.

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Fiscal Rationale: Summary

- Because the property tax base is narrow, cities often have to adjust the property tax rate just to compensate for inflation and increased costs. In the media, this is often called a tax **INCREASE**.
- Federal and provincial governments, however, have a more diverse and elastic set of taxes that **AUTOMATICALLY** responds to inflationary pressure, increases in incomes, and expansion of the economy.
- The property tax places cities at a significant disadvantage. To ensure adequate revenue growth, cities are accused of increasing taxes, when relative to income, property taxes may have stayed the same, or even **FALLEN**.
- Cities **MUST** collect a reasonable share of the economic activity occurring in their borders. If they cannot, cities will not be able to accommodate population and economic growth with necessary services and infrastructure. Without a more diverse set of tax tools, the "revenue squeeze" will continue.

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Governance Rationale

- The responsibilities of Canada's cities have expanded to encompass more policy areas. At the same time, the municipal legislative and fiscal structure has remained relatively static.
- Many of these new municipal responsibilities are directed toward "people" services as opposed to "property" services. But the property tax is not suited for funding many of these responsibilities, which effectively redistribute incomes (e.g. affordable housing).
- Powerful forces have driven the expansion of big city responsibilities and undoing them is next to impossible.
- The way to get the square peg of financial resources into the round hole of new municipal responsibilities is a new municipal fiscal framework that includes more appropriate tax tools.

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Governance Rationale

- Many of Canada's social ills (e.g., crime, drug abuse) and social concerns (e.g., homelessness) are landing squarely in our big cities.
- The presence of these social issues competes directly with traditional municipal services and infrastructure for limited property tax dollars.
- Either new taxes or more tax revenue-sharing is needed, or municipal responsibilities must be better squared with existing resources.
- New tax tools are preferable to tax revenue-sharing. Whenever the responsibility for raising revenue is separated from the responsibility for spending revenue, public accountability is seriously compromised.
- Cities with their own taxing authority will be held responsible by taxpayers for the use of that revenue. Accountability is enhanced and local autonomy and decision-making is protected.

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Economic Rationale

- Commercial properties are typically taxed at higher effective rates than residential properties. Multi-family housing is typically taxed at higher effective rates than single-family housing.
- Further, properties that are "close-in" are more expensive, carry higher assessments, and pay higher effective rates of taxation. Yet, the costs of servicing "close-in" properties are much lower than servicing suburban properties.
- None of this relates to the costs of services and infrastructure provided. As such, the property tax often **CROSS-SUBSIDIZES** services and infrastructure. This breaks the link between price and cost, leading to **ARTIFICIALLY** increased demand for more services and infrastructure.
- Of significant concern here is **URBAN SPRAWL.** Sprawl is driven by many factors, including more spacious and less expensive housing in the urban periphery, unrestricted access to "free" urban expressways, and lower rates of taxation relative to the costs of municipal services consumed.

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Economic Rationale

- Sprawling cities **INCREASE** the costs of providing most services, including the need for more and more infrastructure, its maintenance, and its eventual replacement.
- The property tax essentially amounts to a **CAPITAL** tax, which is among one of the worst taxes possible. Such taxes penalize investment, the key to economic growth, innovation, and productivity. Economies are better off with other forms of taxation, such as **CONSUMPTION** taxes.
- The new knowledge economy may be **WEAKENING** the link between wealth generation and property ownership. Today, property is not always needed to create wealth.
- Some cities report a **DECLINING** commercial and industrial property tax base relative to their residential property tax base. Because it is politically difficult to increase residential property taxes, business may come to bear even **MORE** of the burden, creating even more cross-subsidization.

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Economic Rationale

ADVANTAGES of the Property Tax	DISADVANTAGES of the Property Tax
A dedicated local tax	Escalating provincial intrusion
Rates set locally	Assessment outside of local control
Revenue is unrestricted	Benefits principle may not apply
Fits with "benefits" principle	No objective measure of the tax base
Reflects core responsibilities	Unrelated to ability to pay
Immobile tax base	Revenues often lag population growth
Stable tax base	Tax base expands slowly
Stable revenues	Sluggish revenue growth
High visibility	Limits ability to debt-finance capital
Accountable and transparent	Disincentive for capital investment

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Economic Rationale

*In a study entitled **"New Tools for New Times,"** the Canada West Foundation identified over 100 specific mechanisms used by cities around the globe to finance, fund, and deliver infrastructure. The following criteria are important in selecting from various tax-based **FUNDING** tools:*

- Adequacy (Ensure Users Pay)
- Local Control
- Responsiveness (Elasticity)
- Stability and Predictability
- Transparency and Visibility
- Accountability
- Immobility of Tax Base
- Low Costs of Administration
- High Rates of Compliance
- Efficiency
- Equity
- Sufficiently Large Tax Base

*However, no single funding source can deliver on all the criteria that are beneficial. The only way to secure all of these worthwhile objectives is to have a **DIVERSE** set of funding and taxation tools.*

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Economic Rationale

*There are many different types of taxes, and each tax possesses its own unique set of advantages and disadvantages. The only way to offset the full range of advantages and disadvantages is to have a **DIVERSE** set of tax tools.*

- A broader tax regime at the local level is **NOT** just about more funding for more services and more infrastructure.
- Rather, governments must have a **DIVERSE** set of tax tools if they are to maximize efficiency, effectiveness, and equity in the provision of municipal services and infrastructure.
- The types of taxes in play are just important, if not more so, than the actual amount of tax revenues collected.
- Tax options **MUST** be at the centre of the discussion. The great bulk of the infrastructure challenge lies in tax-supported infrastructure (e.g., roads) rather than infrastructure funded through user pay (e.g., water, sewerage).

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Political Rationale

Traction for a new municipal fiscal framework will require a coalition pushing for change. This coalition can be organized around groups with traditionally conflicting goals, but whose interests converge in a unique way when it comes to questions of urban finance:

- **Low and Modest Income Individuals**
- **Individuals on Fixed Incomes**
- **Small Business Community**
- **Corporate Community**
- **The Environmental Lobby**
- **Taxpayer Groups**
- **Watchdog Organizations**

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Some Comparisons

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Funding Tools in Calgary and Edmonton , AB

Taxation:
General Property Tax
Business Tax (Property-based)
Franchise Fees and Utility Taxes

Tax-Sharing
Provincial Fuel Tax
Federal Fuel Tax

Other Taxes:

Other Revenue:
Federal and Provincial Grants
User Fees
Investment and Enterprise Income
Licenses, Permits, Fines

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Funding Tools in Denver, CO

Taxation:
General Property Tax
Franchise Fees and Utility Taxes
General Retail Sales Tax
Sales Tax on Lodging
Sales Tax on Restaurants/Pubs
Sales Tax on Liquor Off-Sales
Sales Tax on Car Rentals
Sales Tax on Aviation Fuel
Sales Tax on Entertainment
Employee Head Tax
Auto Ownership Tax

Other Taxes:
Real Estate Transfer Tax
Almost Any Tax Except Income

Tax-Sharing
State Fuel Tax
State Tobacco Tax
State Vehicle Registration Tax
State Lottery Tax Revenue

Other Revenue:
Federal and State Grants
User Fees
Investment and Enterprise Income
Licenses, Permits, Fines

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Funding Tools in Seattle, WA

Taxation:
General Property Tax
Franchise Fees and Utility Taxes
General Retail Sales Tax
Sales Tax on Entertainment
Sale Tax on Gambling
Sales Tax on Restaurants/Pubs
Sales Tax on Car Rentals
Gross Receipts Business Tax
Motor Vehicle Sales Tax
Real Estate Excise Tax

Other Taxes:
Employee Head Tax
Various Business Taxes
Head Tax (Poll Tax)

Tax-Sharing
State Liquor Tax
State Fuel Tax
State Lodging Tax
State Insurance Premium Tax
State General Retail Sales Tax
State Leasehold Excise Tax
State Waste Taxes
State Utility tax
State Timber Tax

Other Revenue:
Federal and State Grants
User Fees
Investment and Enterprise Income
Licenses, Permits, Fines

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A Strategy for Change

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Strategy for Change

- At a minimum, any effort at local tax reform **MUST** be revenue neutral. There is only one taxpayer.
- Provincial agreement is required. As such, cities must ensure that any new tax regime is a **"WIN-WIN"** for the province and the taxpayers, as well as the cities themselves.
- Tax reform always stands a better chance when the tax **BURDEN** is lowered at the same time that the tax **STRUCTURE** is changed. Cities could first agree to **ELIMINATE** the business tax and implement a **SIGNIFICANT** one-time reduction in property taxes.
- The lost property tax revenue could be replaced with a **NEW** combination of taxes or tax-sharing that offer better revenue-generating capacity.
- In the short-term, this tax shift could act as a **TAX CUT,** making the change more appealing. The new tax tools, which are more elastic, will eventually **CATCH UP** and set cities on a more robust revenue trajectory.

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Quotable Quotes

"Like most municipalities these days, Edmonton's rapidly escalating expenses cannot be expected to be matched by similar increases in grants and supplementary revenue sources. In the long-run, Edmonton must obtain a more flexible and progressive tax source than property — one which more suitably represents a sharing of revenues being generated within the local and provincial economies..."
Introduction to the 1974 City of Edmonton Annual Report

"As a former mayor, it would be hypocritical of me to say municipalities ought not to have the ability to raise revenues or more options because I made that case when I was mayor. As a matter of fact, I was the mayor who proposed the hotel room tax. The province thought it was such a good idea that they took it."
Former Alberta Premier Ralph Klein, National Post, March 13, 2002

"It's time to rebalance this equation and give the cities their due ..."
Canadian Taxpayers Federation, December 15, 2000

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