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## Chris Selley: N.Y. wants to soak the rich to build transit. Even Ontario's NDP won't support that for Toronto

I'm not saying it's a good idea, mind you. But even just proposing to allow cities the option to use more revenue tools would spice up Ontario's policy stew considerably



A recent poll presented suggests a small majority of Ontarians might support the idea of a one-per-cent sales-tax hike to fund infrastructure and transit projects in the jurisdictions where it's raised. *Ernest Doroszuk/Postmedia/File* 



CHRIS SELLEY

August 17, 2017 11:54 PM EDT Public transit in New York City is an amazing mess right now. Hurricane Sandy did roughly US\$5 billion in damage; five years later, much of it remains unfixed or patched over. In 2019 they're shutting down the L train for 15 months to fix tunnel damage. It's going to screw an estimated 225,000 commuters, and not just by a little bit. This year alone, three trains have jumped the tracks at Penn Station. And everyone agrees there needs to be a new tunnel under the



per cent, on the city's wealthiest residents. Governor Andrew Cuomo, who has been cool on approving "millionaire taxes" in the past — and in any event has a Republican-controlled Senate to deal with — returned de Blasio's serve with some musings about congestion pricing.

This is all very similar to the dynamic between Toronto City Hall and Queen's Park, with two fairly major differences: New York actually has a massive transit network to break down in the first place; and while de Blasio needs Albany's approval to hike the income tax, New York City does actually tax income. Indeed, it has all kinds of taxes that Toronto doesn't: on sales (4.5 per cent), on hotel rooms (\$3.50 per day plus 14.75 per cent) on parking in Manhattan (8 per cent) and, of course, on driving into the city (\$15 via the Holland Tunnel).

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You might think that's too much or not enough, but to look at New York City, it surely seems reasonable that it has the tools. It's New York, for God's sake — the greatest city in the world, if you ask me. Why would Albany be pulling any strings in the first place?

Meanwhile, the City of Toronto Act explicitly prohibits a sales tax. Only in this year's budget did the province propose allowing a hotel tax. The act allows road tolls subject to provincial approval, which Premier Kathleen Wynne recently provided to Mayor John Tory, and then withdrew when her 905 caucus pitched a fit. The city can implement a parking tax, but staff have claimed it's quite complicated.

Not to say that Toronto lacks means to raise money for its giant wish list of capital projects — property taxes, notably, are lower than in surrounding municipalities, and the money they bring in is as good as any other money. But there is no obvious reason it should have fewer powers than New York. And it's remarkable how little disagreement this situation generates in the provincial legislature — especially since it happens to be in Toronto.

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The Association of Municipalities Ontario (AMO) held its annual conference in Ottawa this week, where it reiterated its call for a oneper-cent sales-tax hike to fund infrastructure and transit projects in the jurisdictions where it's raised. A Nanos Research poll presented at the AMO conference suggests a small majority of Ontarians, 71 per cent in the GTA and 74 per cent in the City of Toronto, might support the idea. But all three parties shot it down, one after the other.

That makes perfect sense for the Tories, who absolutely believe they can never be seen supporting a new tax (and may never again get the chance to implement one). And it makes some sense for the Liberals, who have an existing infrastructure plan to which they can point. But New Democrat leader Andrea Horwath continues to promise to help cities, and Toronto specifically — uploading services, restoring the TTC's operating subsidy, more money for child care — without specifying where the money is going to come from. She even conceded this week it would "cost the provincial treasury quite a lot."

She objects to the HST hike because "people out there are struggling." (Struggling people tend to get rebates, but never mind.) She doesn't support road tolls because they're supposedly inegalitarian. So what, then? A municipal income tax would be quite spectacularly unpopular, the Nanos poll suggests — but I wonder if de Blasio's "millionaire tax" might be rather less so. If that's not in the NDP's wheelhouse, I don't know what the NDP is anymore.

I'm not saying it's a good idea, mind you. But even just proposing to allow cities the option to use more revenue tools would spice up Ontario's policy stew considerably. And it might help turn the upcoming election between a premier hanging on for dear life and a leader of the opposition trying to make as little noise as possible into something more like a legitimate contest of ideas.

National Post

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### **40**

Partly cloudy Feels like 25 °C



Thursday	$20 {}^{\circ \! \scriptscriptstyle C}$
Friday	$21 {}^\circ\!{}^\circ\!{}^\circ$
Saturday	$22~^\circ c$
Sunday	$22~^\circ c$

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my take on the column is that Ontario is over taxed and under served - soak the rich.... Imao - 20 per cent of the people pay 80 per cent of the tax (we already seeing capital flight from regions thatimpose draconian tax structures, BC/Alta/Ont cant draw flies without subsidies) - time for people to decide if they want to see their tax dollars tied up in wages or services - or consume less ...... but, but , but my entitlements, I'm entitled - and for all those who want to make the argument good govt costs money - lets take a look at what a left-wing govt delivers on an ROI or a cost benefit analysis - then tell me about the hydro rates and paying \$37B more than necessary and no green energy didnt clean up the air - the states to the south and west of us turned to natural gas rather than coal for electricity - time for govts to stop being all things to all people and work to provide necessary services and leave the nice to haves alone

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But this is Canada, Chris. A place - much like New York and the State of California - where a politician aspiring to lead it can tell the population that they can have it all with a modest deficit and by "asking Canadians who have the most to contribute a little bit more." With a straight face, I might add.

And many among us bought into it. Hook, line and Selfie.

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What bugs me is 20-40 years ago the municipalities did not have problems building infrastructure now they do even after higher than inflation tax increases. So where is the tax money going?

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Chris DiCesare · Hamilton, Ontario

Renaldo Richardt - down with dat man - lets push the responsibility for egregious spending to the next gen cuz for the left is all power all the time - Like · Reply · Aug 18, 2017 7:40am

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### John Dowell

We of the great unwashed who lack the power to demand then coerce money from other people (taxation) know what to do when money is tight. We re-order our spending priorities. We don't buy fancy things, just necessities. Why is it that government spending and taxation always has to follow an upward trajectory? There are tons of thngs governments spend money on that do not qualify as necessities. Maybe politicians could prioritize just like ordinary folks have to do and free up money for essentials such as public transit.

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### Renaldo Richardt

Many have tried unraveling that Gordian knot, only to find themselves sitting alone when Councils put it to a vote.

Far easier it is for politicians to tell us we can have our cake and eat it too. For them it's all about re-election and thus pleasing as many of those who will put them back into office.

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