His Worship Mayor Fred Eisenberger  
City of Hamilton  
Hamilton City Centre  
77 James Street North, Suite 230  
Hamilton, ON  L8R 2K3  

Dear Mayor Eisenberger:

On October 3, 2007 Premier Dalton McGuinty called upon Prime Minister Stephen Harper to dedicate one cent of the Goods and Services Tax to new funding for municipalities.

Specifically, he wrote: "Prime Minister Harper needs to understand that just as a strong Ontario is fundamental to a strong Canada, strong municipalities are essential to a strong Ontario".

He went on to say: "One of the greatest pressures is the need to fund infrastructure, particularly public transit, which keeps goods and people moving, contributing to a strong economy and the quality of life our people enjoy."

And he wrote: "our municipalities face tremendous pressures, and that, in turn, is placing pressure on property taxpayers."

As you know, the federal government did not follow the Premier’s advice. However, by rejecting the Premier’s advice, the federal government has given the McGuinty government a revenue neutral opportunity to pass approximately $2 billion in revenue through to Ontario municipalities. If Mr. McGuinty takes action now and follows his own advice, the PST can fill the 1 per cent tax room vacated by the GST. No one in Ontario will be paying more taxes – and Ontario municipalities will be about $2 billion better off.

I am writing to you to join me in demanding that Premier McGuinty follow his own advice detailed in his October 3rd letter to the Prime Minister so that Ontario municipalities can receive the $2 billion in new revenues they so desperately need.

I look forward to your reply.

Sincerely,

Howard Hampton, MPP  
Leader, Ontario New Democratic Party  

November 9, 2007