

March 13, 2026

Via Email

The Honourable Doug Ford  
Premier of Ontario  
[premier@ontario.ca](mailto:premier@ontario.ca)

Re: Request for a Comprehensive Review of the Provincial-Municipal Fiscal Framework

Please be advised that at its meeting held on March 9, 2026, the Council of the Town of Whitby adopted the following as Resolution # 41-26:

Whereas current provincial–municipal fiscal arrangements are undermining the Town of Whitby’s economic prosperity and the quality of life of its residents;  
Whereas nearly one third of all municipal spending in Ontario is directed toward services in areas of provincial responsibility, with expenditures outpacing provincial contributions by approximately \$4 billion annually;

Whereas the Association of Municipalities of Ontario (AMO) has emphasized that the ongoing requirement for municipalities to fund provincial responsibilities—such as social housing, health related capital obligations, and social services—results in at least \$1.5 billion annually in net municipal expenditures for social housing alone, a problem unique to Ontario;

Whereas municipalities are further required to contribute 10% of capital funding for new provincial hospitals, diverting local revenue away from essential municipal infrastructure;

Whereas municipal revenue sources, primarily property taxes, do not grow at the same rate as the economy or inflation, yet municipalities—including the Town of Whitby—are responsible for managing major growth related infrastructure such as roads, transit, water, sewer, fire, and parks;

Whereas only 34 cents of every residential property tax dollar collected in Whitby remains with the Town, while 55 cents flows to the Region of Durham and 11 cents to school boards;

Whereas AMO has highlighted that provincial housing related revenues—including \$5.8 billion in Land Transfer Tax revenues in 2021/22, which exceeded the provincial budget plan by \$2 billion, as well as billions in HST revenue from new home construction—are not currently shared with municipalities, despite being generated by housing activity that requires significant local infrastructure investment;

Whereas AMO has stated that allocating a portion of these housing related provincial revenues to municipalities would provide a predictable, growth linked revenue stream necessary to support housing targets and the expansion of critical public infrastructure;

Whereas AMO has cautioned that proposals to reduce or limit development charges shift costs away from growth and onto existing property taxpayers, threatening the ability of municipalities to finance essential infrastructure, given that most municipal reserves are already allocated to specific projects or required for responsible asset management practices; and,


Whereas municipal staff have already identified \$2.5 million in expenditure reductions for 2026 and continue to identify efficiencies through the ongoing 2026 Core Services Review.

Therefore, be it resolved that:

1. The Council of the Town of Whitby once again calls upon the Province of Ontario to work collaboratively with the Association of Municipalities of Ontario (AMO) and Ontario Big City Mayors (OBCM) to undertake a comprehensive Social and Economic Prosperity Review to modernize and realign the provincial–municipal fiscal framework, ensuring that municipal revenues are aligned with the actual costs of today’s service delivery and growth;
2. The Town of Whitby requests that this review specifically address the \$4 billion annual gap where municipal property taxes are currently used to fund provincial responsibilities, including social housing, health, and transit, and further evaluate:
  - the \$1.5 billion annual municipal burden created by the provincial download of social housing costs;
  - the requirement for municipalities to fund 10% of provincial hospital capital projects; and,
  - the opportunity to allocate a portion of provincial Land Transfer Tax and HST revenues generated by housing activity to municipal infrastructure supporting growth.

3. The Province be urged to establish a predictable, housing linked revenue stream for municipalities that reflects the economic, social, and infrastructure demands associated with growth, including addressing the financial impacts of changes to development charges; and,
4. A copy of this resolution be forwarded to:
  - The Honourable Doug Ford, Premier of Ontario
  - The Honourable Sylvia Jones, Deputy Premier and Minister of Health;
  - The Honourable Peter Bethlenfalvy, Minister of Finance;
  - The Honourable Rob Flack, Minister of Municipal Affairs and Housing
  - The Honourable Kinga Surma, Minister of Infrastructure;
  - The Honourable Michael Parsa, Minister of Children, Community and Social Services;
  - Lorne Coe, MPP (Whitby);
  - The Region of Durham;
  - The Association of Municipalities of Ontario (AMO);
  - The Federation of Canadian Municipalities (FCM); and,
  - All Ontario Municipalities.

Should you require further information, please do not hesitate to contact the Office of the Town Clerk at 905.430.4300.



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Copy: C. Harris, Director of Legislative Services/Town Clerk - [clerk@whitby.ca](mailto:clerk@whitby.ca)  
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The Honourable Michael Parsa, Minister of Children, Community and Social  
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Alexander Harras, Regional Clerk, The Regional Municipality of Durham -  
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Lindsay Jones, Executive Director, Association of Municipalities of Ontario  
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All Ontario Municipalities