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The Buck Stops at City Hall

Municipal taxpayers, staring at staggering mill rate increases, are bracing themselves for the worst. A few weeks ago, Yorkton was preparing to raise mill rates by 9.8 percent, while Saskatoon's increase of 8.6 percent was unmatched since 1982. But mere hours before Regina was scheduled to impose a 3.9 percent mill rate hike, the province made a surprise announcement that it would come to the rescue.

It seems our province has adopted a tradition, mastered by former federal finance minister Paul Martin, of low-balling budget projections. The \$192.5 million expected to come from crown land sales this fiscal year was surpassed after a record \$265 million sale in the first month. This windfall, plus the chiding of the Opposition NDP, has dislodged some dollars.

What this means isn't exactly clear, but speculation is rampant that the province will speed up a seven percent increase in revenue sharing originally slated for next year. Through creative accounting and provincial help, Saskatoon's mill rate increase might only be 5.7 percent, and Regina's, 2.9. Some municipalities may pocket

the cash and keep the mill rates increased as scheduled.

Looking further ahead, the province has promised more systemic and lasting changes to municipal funding. Municipalities are quick to point out they don't get as much as they used to. In 1990, cities, towns, and rural municipalities received \$102.6 million from provincial revenue sharing grants. After the federal government began to balance budgets in the mid-90s, it cut funding to the provinces, who in turn cut funds to municipalities. After bottoming out in 1997, these dollars have risen steadily in this current decade. Additional help aside, the province slated \$136.2 million to go to municipalities in 2008. Had 1990 support levels been maintained, that number would be \$150 million.

Any new revenue sharing arrangement will likely give cities a larger increase than RMs. One Regina councilor cried foul recently, complaining that per capita, rural municipalities receive \$338 in revenue sharing, and urban residents \$95. (Towns and villages receive \$111.) In 1990, RMs received \$193 per capita and urbanites \$88, meaning this

discrepancy has also grown. Rural repopulation can only rebalance this figure so much.

But before Premier Wall empties his wallet, err... our wallet, municipalities should have their own houses in order. The present is a mixed bag at best. The City of Regina claims it saves more than \$1 million annually because it discovered ways to deliver its services more cheaply and efficiently. Yet, that will all but vanish after a million dollar skate park opens this summer at double its initial proposed cost.

Saskatoon is no better. Its hare-brained \$250,000 idea for Christmas lights on a traffic bridge became a \$450,000 project. More recently, it spent \$8,000 to put a German muffler on its low-flying police airplane following complaints about the noise.

If local politicians put half as much effort into prioritizing spending and finding efficiencies as they do wailing for more dollars from other levels of government, we'd all be better off. After all, there's only one taxpayer.

--Lee Harding, Sask. Director