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City of Toronto 2002 budget information**City budget 2002 - Mayor Mel Lastman's remarks**

January 8, 2002

What you are about to receive is the first draft of our 2002 budget.

It's a work in progress; to be finished by you in the months ahead.

I would like to thank our Budget Chief, Councillor David Shiner, our CAO, Shirley Hoy, our commissioners and our budget committee for all of their hard work.

I have full confidence in their ability to see us through this process.

I would also like to thank councillors - in advance - for their participation in the months ahead.

Four months ago, I sat down with Councillor Shiner and Shirley Hoy to outline our key priorities.

They were: protect and maintain City services. Keep any tax increase to a minimum. Continue working to keep Toronto safe and secure and improve the financial accountability of our City.

Our CAO will outline how we are going to achieve these goals in just a moment.

But before she does, I want to stress that we can't do all of these things alone.

The provincial and the federal government have to continue investing in our Toronto for us to achieve financial sustainability - and provincially, some progress is being made.

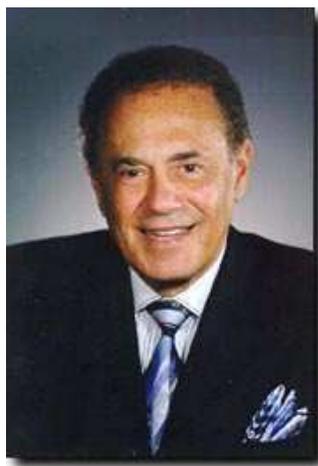
A year ago, the provincial government was dead-set against helping us with transit.

Today, they are giving us one-third of our capital needs for the TTC and they have taken back responsibility for GO Transit, saving Toronto taxpayers \$52 million in the process.

A year ago, Queen's Park scoffed at the idea of sharing tax revenues with the City.

But just last month, Ontario's Deputy Premier Jim Flaherty said he'd consider sharing a portion of the gas tax with cash-strapped municipalities.

"Consider" isn't good enough: we need a commitment, and we must



have the federal government follow through with their promise with funding for public transit and affordable housing.

We need money for roads, bridges and sewers. We need money for public transit. We need housing to shelter federal refugees, the homeless and the mentally ill.

Toronto only has three sources of revenue: property taxes, user fees and provincial grants. For mandatory provincial programs that we are supposed to fund 20 per cent of, we are funding \$13 million more than the 20 per cent.

We need a new source of revenue: one that is sustainable and secure - and Until that happens, tough decisions remain ahead of us.

I look forward to the debate, just as I look forward to working with each and every one of you to ensure Toronto's future - for 2002 and beyond.