

Safeguarding Our Local Democracy: Stronger Municipal Governance Benefits All Ontarians

2025 PROVINCIAL ELECTION
ACTION REQUESTS



Safeguarding Our Local Democracy: Stronger Municipal Governance Benefits All Ontarians

We call upon all candidates to prioritize the following key areas that are vital for enhancing municipal governance across Ontario.

Key Asks

1. Fair and Equitable Fiscal Reform

- About \$5 billion in property taxes annually is used to cover shortfalls in provincial funding for social services, healthcare and housing. These are solely provincial jurisdiction in other provinces. Shouldering these costs is impacting our ability to make communities safer, more livable, and more affordable.
- The Provincial Government needs to reassume its responsibility to tackle the homelessness crisis or agree to a new funding model to adequately resource municipalities to deliver provincially mandated services, including further investment in local infrastructure to build housing.

2. Address Harassment in Municipal Government

- Legislative reform and communication supports are urgently needed to combat harassment within municipal settings. The current situation is adversely impacting public trust as well as damaging morale and productivity of affected elected officials and administration. In-person and on-line bullying are having a chilling effect on people considering running for office or becoming municipal staff.
- The current Bill 241 is a good start in terms of promoting integrity, transparency, and public trust in local governance—but it needs to be strengthened to provide effective safeguards for municipal councillors and employees.

3. Clarify Existing Roles

- The responsibilities and authority of the CAO should be clearly defined in the *Municipal Act* as they are in other provinces.
- There is a need to either return to the Council-Manager form of government or protect the evolving Strong Mayor role against additional liability risks associated with direct supervision of key professional administrative positions. This includes the establishment of clear guidelines that enhance municipal accountability while supporting the Mayor's leadership.

Why This Matters

Good governance is foundational to the health and prosperity of our communities. Good governance involves maintaining balance between elected leadership providing direction and municipal operations conducted by a professional CAO charged with implementing that direction. More details on these asks follows below. For further inquiries, please contact us at policy@omaa.on.ca.

1. Fair and Equitable Fiscal Reform

OMAA joins municipal governments across Ontario in calling for provincial action and partnership to help them deliver a high quality of life to all Ontarians.

OMAA supports the AMO's campaign to ensure that voters and provincial parties alike understand three key areas where provincial partnership and action can improve Ontario's quality of life:

- 1) Tackling the homelessness crisis,
- 2) Curbing reliance on municipal property taxes to fund provincial responsibilities, and,
- 3) Investing in local infrastructure, such as water, wastewater, roads and bridges, to build housing.

Homelessness has been growing rapidly across all of Ontario. More than 80,000 Ontarians were homeless last year, with nearly 1,400 encampments in parks and public spaces. This is taking a toll on people, community well-being and safety. Local governments are not equipped to address the root causes of the crisis. In addition to deeply affordable housing support, provincial parties need to commit to tackling the root causes of homelessness – including improving income security and investing in a continuum of accessible community mental health and addictions supports.

Across Ontario, about \$5 billion in property taxes annually is used to cover shortfalls in provincial funding for social services, healthcare and housing. In other Canadian provinces, these are solely provincial jurisdiction. Shouldering these costs can increase property taxes and make it harder to deliver core municipal services that make communities safer, more livable, and more affordable. In addition, municipalities are now increasingly providing other funding to respond to issues like the opioid crisis and physician recruitment. Municipalities must be able to focus their own revenues on core areas of municipal responsibility.

Property taxpayers cannot bear the immense costs of expanding municipal infrastructure needed to support growth. If Ontario is going to build 1.5 million homes by 2031 while also dealing with aging assets and the impacts of climate change, huge investments in infrastructure are needed, particularly in water, wastewater, roads and bridges. Municipalities are funding more than 70 percent of municipal infrastructure. Ongoing debate around the incompleteness of development charges highlights the need for a shared understanding of how Ontario will fund growth. Municipalities need long-term, stable and predictable infrastructure funding.

2. Address Harassment in Municipal Government

Anyone who serves on Council or works for a municipality has a right to be free from harassment and violence. The next government of Ontario must seize the opportunity to strengthen the framework laid by Bill 241 by addressing the following:

- The legislation must affirm that Council operates within a workplace and that all *Employment Standards Act* requirements apply, so that worker protections can and should be accessed to prevent workplace violence, harassment and discrimination.
- Standardization of municipal codes of conduct is a good idea if that Code is developed by knowledgeable individuals very familiar with municipal law and the realities of local government. The Integrity Commissioner of Ontario (ICO) focuses on provincial issues so is likely not the best agency to develop a municipal code.
- The qualifications and expectations from Integrity Commissioners should be standardized.
- Members of Council, staff, and local boards should have to undergo mandatory anti-harassment and discrimination training within the first quarter after election. Section 35 of the *Community Safety and Policing Act* is a good example to emulate as is the extensive training provided to police service boards under that act. Training should be provided by a municipal agency that uses qualified and experienced instructors.
- There should be a duty to report and a confidential process for handling complaints set out in the Code of Conduct.
- Adding a layer of investigation and reporting from the IC to the ICO is redundant and will make the entire process more time-consuming, litigious, and expensive.
- A range of penalties that escalates and reflects the severity of the situation at issue must be implemented. The current situation is untenable as councils are often enablers of bad behaviour instead of enforcers, frequently refusing to even issue a reprimand. The range of penalties should include the removal from office and restrictions on re-election opportunities. While Bill 241 establishes a mechanism to remove and disqualify from office members of council for the most serious violations, the prescribed process is severely flawed—Councils should not vote on principle let alone requiring a next to impossible unanimous vote. There are several better models to emulate including: (a) decision by a Superior Court judge as under the *Municipal Conflict of Interest Act*, (b) the model put forward by the Ministry of Education for school boards, or (c) ICs should be able to apply to a judge to remove a sitting member in the most egregious cases if recommended by an Integrity Commissioner
- Workplace harassment /discrimination cases should be heard by a court or administrative tribunal. These cases should not be debated and decided at Council. Policies should not become political weapons either.
- Guarantee fair and independent investigation of complaints. Members of Councils should also have access to appropriate support and indemnification.

3. Clarify Existing Roles

The current system, whereby some municipalities have a “strong mayor system” in place, is resulting in inconsistencies, a lack of accountability and transparency in the decision-making process and often leaves staff employment status and overall well-being to the mayor's discretion.

OMAA, and other municipal associations, maintain that there are opportunities to enhance municipal administration by clarifying the roles and responsibilities of CAOs and mayors to distinguish between administrative and political duties.

- o *Clearly define the role of the CAO and more clearly define the term Chief Executive Officer in the Municipal Act.*

The *Municipal Act* should clearly define the role of the CAO (like Nova Scotia) and how this role contributes to municipal good governance in Ontario. CAOs are pivotal to the effective functioning of municipalities, yet the *Municipal Act* provides insufficient clarity on their role. This lack of specificity leaves municipalities vulnerable to inefficiencies, mismanagement, and even legal exposure. Given that CAOs oversee the day-to-day operations of multi-million-dollar corporations that deliver essential services, such as clean water, waste collection, and public spaces, their role deserves clear and formal recognition, akin to that of corporate CEOs.

CAOs, like CEOs, are ultimately responsible for the sound management of their organizations. They implement the strategic vision set by elected councils, ensuring that public funds are spent efficiently, and municipal assets are maintained for long-term use. However, unlike their corporate counterparts, CAOs often operate in a governance framework that does not explicitly define their responsibilities for risk management. This gap in the legislation can result in blurred lines of accountability, where councils and CAOs may inadvertently duplicate efforts or, worse, neglect critical aspects of risk oversight. The CAO, as the municipality's top executive, is uniquely positioned to identify, mitigate, and manage risks related to financial mismanagement, environmental hazards, infrastructure failures, and cybersecurity threats.

The term Chief Executive Officer in the *Municipal Act* has often caused uncertainty and role confusion. The role of the head of council could be changed from Chief Executive Officer to Chief Elected Official (as in Alberta) to avoid overburdening Mayors with liabilities related to the municipal corporation's operations. Alternatively, the Act could designate the position of Mayor as Chief Executive Officer of the Council (as in PEI), rather than of the municipal corporation. The Mayor as CEO is likely liable to provide a duty of care to not only the municipal corporation but all its stakeholders as one of the controlling minds of the corporation. The actions or omissions of the mayor can be attributed to the company they represent, making them potentially liable for not just corporate crimes, but also to ensure the duties of care, diligence, skill, (all operational) and prudence are carried out by the municipal corporation. The *Municipal Act* should be amended to update the CEO language. This would ensure clarity and help protect Mayor's from a wide range of liability for issues for which they may not be qualified nor expected to be responsible for.

About OMAA

The Ontario Municipal Administrator's Association (OMAA) has represented municipal Chief Administrative Officers (CAOs), City Managers, and other senior municipal executives (Aspiring CAOs) across Ontario since 1958.

The CAOs that make up our membership are an integral part of municipal good governance having responsibility to provide guidance and support for their Mayors and Councillors, to oversee implementation of Council directives, and to manage their administrations and high performing workforce. The CAO is a key role in ensuring effective, responsive, non-political, professional and accountable municipal administrations.

OMAA is the voice of Ontario CAOs. We advocate for solutions that contribute to municipal good governance and support CAOs in their professional management role.

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