



Councillor Paul W. Ainslie
 City of Toronto Councillor
 Ward 24 Scarborough-Guildwood

Chair, General Government and Licensing Committee
 Chair, Board of Management of the Toronto Zoo



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Councillor Paul Ainslie Scarborough-Guildwood

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July 16, 2021

The Honourable Doug Ford, Premier of Ontario
 Office of the Premier
 Queen's Park, Legislative Building, Rm 281
 Toronto, Ontario. M7A 1A1

The Honourable Peter Bethlenfalvy
 Minister of Finance
 7 Queen's Park Crescent, 7th Floor
 Toronto, ON, M7A 1Y7

Re: 2021 Levy on Railway Roadways and Rights-of-Way

Premier Ford and Honourable Minister Bethlenfalvy.

I am writing requesting your support for a motion I put forward and had approved by Toronto City Council. Since 2013, I have been requesting the Provincial government to undertake a review which compares the current acreage taxation system utilized by railroad systems in Ontario carrying freight.

Currently, the Province of Ontario utilizes a per acreage taxation system. Having Ontario railroads change to a tonnage taxation system would have a positive impact on the financial support for municipalities right across Ontario.

Toronto for example will see a 2021 tax collected of approximately \$7.05 million, with the municipal share set at \$6.54 million, and the provincial education portion at \$0.51 million.

The 2021 taxation amount has decreased from the 2020 levy total due to a reduction in the 2021 total acreage subject to this levy. This is taking place while railway operators such as Canadian National, and Canadian Pacific are recording record profits...even during the current COVID -19. As well as currently fighting with each other to purchase a large railway system in the United States of America!

Taxation of railway lands varies across Canada, with some provinces utilizing a per-acre rate, and others using tonnage per linear kilometre rates. In Ontario, the per-acre rates are not increased annually, remaining static from 2005 to 2016, with a modest rate increase in 2017, and again in 2018.

If railway and hydro rates had been indexed to inflation, through the Consumer Price Index in each year since 2005, an additional \$2.2M would be generated from the levy in 2021, just for Toronto.

Please review the item discussed at Executive Committee on July 6, 2021, with my adopted recommendations. Additionally, the requests will also be forwarded to the Ontario Good Roads Association, the Association of Municipalities of Ontario, and the Federation of Canadian Municipalities for their information. [2021.EX25.19 – 2021 Levy on Railway Roadways and Rights-of-Way and on Power Utility Transmission and Distribution Corridors](#)

I look forward to your consideration and reply.

Sincerely,

Paul W. Ainslie
 City of Toronto Councillor
 Ward 24 Scarborough-Guildwood

c.c. Andrew Flynn, City of Toronto Controller, Finance and Treasury Services
 Casey Brendon, City of Toronto Director, Revenue Services

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