

STERLIZING PRIVATE PROPERTY

ONTARIO PROPERTY AND ENVIRONMENTAL RIGHTS ALLIANCE

Unit A, 135 Church Street, North, Mount Forest, Ontario, N0G 1R0

Phone: 519-323-2308 / Fax: 519-323-0289 / E-Mail: opera@bmts.com / Web Page: www.bmts.com/~opera/

MEMOTO: Municipal Councils and 2011
Ontario Election Observers

FROM: R.A. Fowler
OPERA Secretary

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RE: Closing Down Rural Ontario

OPERA is a provincial coalition of private sector organizations launched in 1994 “to protect, and entrench in law, landowner rights and responsibilities” As a research and communication facility, we monitor federal and provincial policies that affect the lives and property of Ontario citizens. However commendable their stated intent, many of these initiatives and their subsequent enforcement by regulation ignore regional differences and are often downloaded to municipalities without compensation.

In 2002 the then-current Conservative government at Queen’s Park commissioned the Law Faculty of the University of Toronto to undertake a thorough overview of government responsibility for Ontario’s social and economic prospects over the next 10 or 15 years. Entitled the Panel Report on the Role of Government in Ontario, that sweeping 101-page study was completed and delivered to the present Liberal provincial government in April 2004 at which time Premier McGuinty personally applauded its recommendations.

This Report appears to have been the source of significant provincial decrees over the last seven years including the Conservation, Endangered Species, Greenbelt, Places to Grow and Source Water Protection Acts as well as related Provincial Policy Statement amendments. All these enactments, introduced or “strengthened” since completion of the Panel Report in 2004, were supported, if not initiated, by people, organizations and causes sympathetic to the principles of social engineering. Thus the Report may portend an Orwellian nightmare in which successive Ontario governments move inexorably towards the historically proven failures of centralized state control.

In keeping with OPERA’s public service mandate, we wish to make municipal councils aware of the Panel Report for future reference. It can be viewed in its entirety on the Internet at www.law-lib.utoronto.ca/investing/index.htm where it draws some startling conclusions and suggests some equally astonishing initiatives. These were summarized in an April, 2004 media article outlined here on Pages 2 and 3, an analysis that may encourage local authorities to ask contending political parties in the upcoming provincial election for their position relative to the Panel Report on the Role of Government in Ontario.

We trust these comments and the following media synopsis will prove useful.

“to protect, and entrench in law, landowner rights and responsibilities”

From the National Post, April 21, 2004

RURAL PHASE OUT:

For the first time in memory, possibly for the first time in Canadian history, a prominent government panel is recommending that unsustainable rural areas in Canada's heartland be taken off life support and allowed to die a natural death.

Most of rural Canada cannot sustain itself. Rural residents need help to cover basic needs, from airfare to city hospitals for their medical needs to subsidized energy for their homes. Rural towns need provincial subsidies to cover up to 90% of their infrastructure needs. Rural industries, agriculture above all, need subsidies, too. If the subsidies vanished, so, too, would most farming, logging and mining in remote areas.

Until last week, all of Canadian officialdom was in denial about the de facto bankruptcy of the rural economy, paying lip service to the importance of rural industries even as officials continued to sign cheques to prop up rural institutions. Last week marks a turning point, at least in one government's perception of the rural economy. A major Ontario government report, produced by its Panel on the Role of Government and praised by Ontario's premier, dismissed the notion that the rural economy is a bed rock. The panel concluded that much of rural Canada is economically unsustainable, that it is futile to try to artificially sustain rural industry, that population decline is inevitable, and that the government should abandon regional development programs. Instead, the panel concluded, the government should retrain young people in rural areas who are willing to move away from their communities as part of a rural restructuring and – by implication – an eventual abandonment of much of rural Ontario.

"The province should phase out regional economic development programs, such as the provision of subsidies and tax incentives to businesses, which risk promoting permanent government-induced dependency," the panel states. "The province, in co-operation with the federal government, should consider providing appropriate transitional arrangements, such as those aimed at retraining for those willing to pursue opportunities beyond their home community."

The panel based its conclusion on "[Small, Rural, and Remote Communities: The Anatomy of Risk](#)," a background study it commissioned to tackle the politically explosive issue of how to manage rural decline. Although the background study couched its recommendations in gentle language, it was often brutally honest in its assessment of the prospects for rural areas, which it defined to include most of Ontario, including much of Southern Ontario.

Rural areas have a rapidly ageing population that inexorably declines as young people leave, the study states. These areas have few industries, thin labor markets and little ability to attract either educated workers, entrepreneurs or immigrants. Apart from low housing costs, almost all consumer goods are expensive in rural areas. Delivering government services is also costly, and will become more costly as rural areas increasingly become dependent. As for highly touted panaceas for the rural areas, such as programs to bring the Internet and broadband to rural Canada, the study deems them all but worthless, and criticizes other government bodies, such as the Smart Growth Secretariat, for raising false expectations about rural areas viability.

The real question for society, the study states, is how to mercifully manage the decline of the rural areas. It suggests doing so slowly, by maintaining basic services for the mostly older, less mobile rural residents who might want to stay in their home communities. At the same time, it would cut off subsidies designed to develop the rural economy, encourage the young and mobile to leave, and even walk away from government's traditional responsibility to provide public services in future northern settlements. As a possible model for Canada to consider, the study points to the success that Sweden, Finland and Norway have had in shutting down unviable rural communities by resettling residents in regional centers. "An important issue of debate is whether communities that cannot survive in the absence of disproportionate senior government funding (when compared to other urban areas) should exist at all."

The study's bottom line: "Most communities in the periphery cannot be self-sustaining, economically, socially or fiscally," making the fate of their residents one of welfare dependency. For this reason, "hard choices have to be made. The provincial government cannot provide subsidies to everyone everywhere in the province. Nor can all small communities survive, and provide a reasonable minimum level of services and jobs, within a climate of population and economic decline."

The Panel on the Role of Government has taken the findings of the background study to heart. The future of the province lies in its urban centers, the panel concludes, but that future won't allow the government to be all things to all people. "Against this fiscal backdrop, it behooves us to acknowledge that if the government were to commit to our priorities (or some variant on them), it will only be able to implement them if it is prepared to make a number of wrenching decisions. The reality is stark. ... While fiscal reforms and working smarter are important, they are unlikely to be sufficient. [As a result], Ontario will have to face difficult trade-offs in a number of areas, including support for economically unsustainable rural and remote communities."

The panel had, as part of its mandate, the task of determining for government "what and how it should start doing, stop doing, or keep doing either on its own or in partnership with others." On what the government should stop doing, the panel has spoken with rare clarity and courage.

OPERA OPINION: *We do not agree rural communities are an economic drain on urban areas. Provincial legislation allegedly enacted to encourage rural initiatives regularly delivers more benefits to urban ones. Politicians are well aware that excessive regulation of rural Ontario can enlarge the urban vote, an anomaly seen in the Greenbelt Act which promises to combine the attributes of an agricultural bread basket with the social amenities of an urban park. Since introduction of that legislation many urban voters do indeed visit and enjoy the park but property values and food production in the area are seriously diminished as farmers emigrate to less regulated land with more readily available agricultural services. In our view, regulatory over-kill by provincial agencies has inevitably been at the expense of rural taxpayers whose lives and livelihood are routinely manipulated by statute without right of appeal or compensation. The first step in countering pervasive rural-urban imbalance is for local governments to become and stay fully aware of the source and types of future land use policies successive provincial administrations are likely to initiate.*
