

Please Deliver To: Town of Markham

General Ctee.

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08-3030

March 12, 2008

To Heads of Council and Clerks/CAOs:

I am pleased to inform you that today my colleague, the Honourable Dwight Duncan, Minister of Finance, and I announced the Government's intention to introduce legislation next week that would, if passed, designate a portion of the provincial surplus to municipalities for their infrastructure needs.

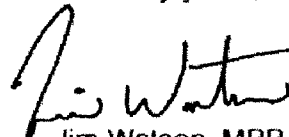
The proposed Investing in Ontario Act would direct a portion of provincial surpluses for municipal infrastructure and would help our municipal partners invest in key infrastructure projects such as roads, bridges, transit, social housing or other capital priorities. Currently, the government is required to use all year-end surpluses to help reduce provincial debt.

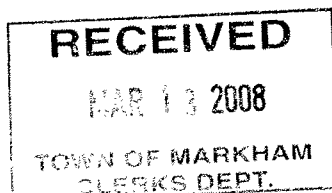
The Provincial-Municipal Fiscal and Service Delivery Review has identified infrastructure as one of our major joint challenges. Today's announcement underlines our commitment to work together with you, our municipal partners, to help address this challenge.

We are continuing our important joint discussions at the Provincial-Municipal Fiscal and Service Delivery Review. Our shared goal is to design a future provincial-municipal relationship that is sustainable for both orders of government. A consensus-based report will be issued in late Spring, 2008.

For further details on today's announcement, you can view the Ministry of Municipal Affairs and Housing news release at www.mah.gov.on.ca.

Sincerely yours,


Jim Watson, MPP
Minister



*Copy : Members of Council
C.A.O.*