



**Chambre de commerce
du Montréal métropolitain
Board of Trade of Metropolitan Montreal**

November 3, 2003

The Honourable Jean Charest
Premier of Quebec
Honoré-Mercier Building
835 René-Lévesque Blvd. East, 3rd floor
Quebec City, Quebec
G1A 1B4

Dear Mr. Premier:

The Board of Trade of Metropolitan Montreal wishes to stress to the government of Quebec the very great importance it attaches to the government's fully respecting the financial agreements set out in Montreal's *City Contract*

Through the *City Contract* signed in January 2003 by the City of Montreal and the former government of Quebec, the provincial government recognized the vital importance to the entire province of the urban centre whose heart is the new city of Montreal. This agreement still offers a very promising avenue for improving the city's financial situation with specific financial commitments from the provincial government on the one hand and commitments from the city to realize significant savings on the other.

To date, there has been no assurance that all financial commitments made in the *City Contract* will be respected, despite the July 4 announcement by Jean-Marc Fournier, the new Minister of Municipal affairs, Sports, and Recreation, that 94% of the commitments initially set out in the *City Contract* would be respected within the framework of the current budget year, or \$393 million instead of \$416 million.

The Board of Trade therefore urges the Quebec government to respect all of the financial commitments set out in the *City Contract* to enable Montreal to fulfill its many responsibilities and fully play its role as metropolis of Quebec.

In addition, the Board of Trade fervently hopes that the appropriate actions will quickly be taken in accordance with the following commitment made in the initial agreement, made public on January 30, 2003:

Together with the City of Montreal, the government will develop legislative changes that will enable the City to charge new fees specific to the metropolis in 2004. It will also develop proposals with Montreal and other cities for diversifying their sources of revenue.

The absence of new, diversified, foreseeable, and recurring revenue sources is still, in fact, a major strategic problem for Quebec's largest cities. For this reason, the Board of Trade has high hopes with regard to the commitment made by Yves Séguin, Finance Minister, during the last budget speech, as follows:

We [the government] want to establish with all municipalities a new approach aiming to meet their needs through more structuring financial policies creating more accountability. To guide these discussions, my colleague from the department of municipal affairs, sports, and recreation and I will make public a working paper aiming to take stock of the financial situation of Quebec municipalities in the fall of 2003.

We therefore hope that the City of Montreal will gain access to all of the sums provided for in the *City Contract* within the established time frame.

Yours very truly,



Benoit Labonté
President

c.c. Yves Séguin, Finance Minister
Jean-Marc Fournier, Minister of Municipal Affairs, Sports, and Recreation
Gérald Tremblay, Mayor of Montréal