

Type of Decision									
Meeting Date	Friday, May 7, 2010				Report Date	Tuesday, May 4, 2010			
Decision Required	X	Yes		No	Priority	X	High		Low
Direction	x	Information Only			Type of Meeting	X	Open		Closed
REPORT TITLE									
Support for Reform to Joint and Several Liability Insurance Report 07/05/10/206									

Subject: Consideration of support for reform to the current system of Joint and Several Liability Insurance as recommended by AMO.

RECOMMENDATION: That Council adopt the following resolution supporting AMOs suggestion for reform of the current Joint and Several Liability Insurance.

WHEREAS the Association of Municipalities of Ontario has recently presented a report from their Municipal Liability Reform Working Group;

AND WHEREAS that document has effectively demonstrated the effects of joint and several liability on municipalities in some key areas including building inspections, the scaling back of services and motor vehicle and road safety;

AND WHEREAS other governments worldwide have also begun to make changes to their legislation and for the same reasons;

AND WHEREAS AMO's document has revealed that the origin of joint and several liability insurance has never been an explicit legislated intent of common law jurisdictions;

AND WHEREAS the Council of the United Townships of Head, Clara & Maria support the position of AMO on this issue and agrees that Ontario municipalities ought not to be insurers of last resort, targeted deliberately in some instances because of joint and several insurance;

THEREFORE BE IT RESOLVED THAT the Council of the United Townships of Head, Clara & Maria does hereby call on the Federal and Provincial governments to reform joint and several liability insurance as it exists today, with a particular regard for the impact it has on 'deep pocket' property taxpayers and their communities;

AND FURTHER THAT this resolution be forwarded to the office of the Prime Minister, our local MP Cheryl Gallant, our local MPP John Yakabuski, the Premier of Ontario, The Provincial Leader of the Opposition, the Federal Leader of the Opposition, the Federal and Provincial Leaders of the NDP, the Association of Municipalities of Ontario (AMO) and The County of Renfrew and all local municipalities for support.

BACKGROUND/EXECUTIVE SUMMARY: I have included a print out of the first few pages of the report - executive summary and municipal implications as it is 32 pages long. The entire report may be found at http://www.amo.on.ca/AM/Template.cfm?Section=Breaking_News_and_Policy_Updates1&Template=/CM/ContentDisplay.cfm&ContentID=157455. I have also copied the document onto our website. You may download it from the Agenda and Reports to Council page.

It is my view that support of this reform is appropriate and necessary. The “deep pocket” climate needs to change in order to protect ratepayers and municipal corporations.

Financial Considerations/Budget Impact: Again, this issue may have significant financial implications for our future in the event that we are sued. As Bill Riley commented at the meeting that we attended last month, you never know who, where, when or why you might be sued, but there is a good chance that if the event happened in the municipality you will be named due to the “deep pocket” syndrome. This will not have any immediate affect on our budget or on our insurance costs.

Policy Impact: None. This would simply be providing support to affect reform/change which will ultimately benefit all municipalities, encouraging individuals to once again be responsible for their own actions.

Approved and Recommended by the Clerk

Melinda Reith,
Municipal Clerk

Melinda Reith