

From: AMO Communications

Sent: Friday, February 07, 2014 2:49:55 PM (UTC-05:00) Eastern Time (US & Canada)

To: O'Connor, M. Rick

Subject: Joint and Several Liability - Municipal Action Needed

TO THE IMMEDIATE ATTENTION OF THE CLERK AND COUNCIL

February 7, 2014

Recent Developments in Joint and Several Liability – Municipal Action Needed

Two recent developments are worthy of the immediate written support of municipal councils and municipal solicitors.

The first is a private member's resolution introduced by Randy Pettapiece, MPP for Perth-Wellington. It calls on the government to implement comprehensive reform to joint and several liability by June 2014. Debate on this motion is scheduled for February 27, 2014. While a resolution of the Ontario Legislature is not a specific legislative plan, it does capture the spirit of municipal concerns. Mr. Pettapiece has written directly to all councils seeking your support; AMO encourages your reply.

Of immediate significance, the Ministry of the Attorney General has recently written to members of the legal community seeking their input on two specific proposals under consideration. Feedback is due by February 14, 2014. The proposals include a modified version of proportionate liability that applies in cases where a plaintiff is contributorily negligent (the Saskatchewan model). Also under consideration is a limit on awards such that a municipality would never be liable for more than two times its proportion of damages (the Multiplier model). AMO supports the adoption of both of these measures.

This is a positive development for municipalities and a step in the right direction. The adoption of both reforms would be a significant incremental step to addressing a pressing municipal issue. The written support of municipal councils and solicitors is requested. Below is a draft letter for municipalities to submit to the provincial government by February 14, 2014. Please add your voice of support.

As you know, municipal governments have long advocated for liability reform because the legal regime of joint and several liability makes municipalities and property taxpayers an easy target for litigation.

It has been two years since AMO conducted the first ever municipal insurance survey, which found that municipal liability premiums had increased 22 per cent over 5 years and 4 years since AMO presented a comprehensive report detailing municipal challenges to the Attorney General. We have argued for some time that the heavy insurance burden and legal environment is unsustainable for Ontario's communities.

AMO Contact: Matthew Wilson, Senior Advisor, mwilson@amo.on.ca - 416.971.9856 ext. 323.

The Honourable John Gerretsen
Attorney General
McMurtry-Scott Building
720 Bay Street – 11th Floor
Toronto ON M7A 2S9

Dear Attorney General:

[I or we] support the government's consideration and adoption of measures which limit the punishing impact of joint and several liability on municipalities.

The provisions of the *Negligence Act* have not been updated for decades and the legislation was never intended to place the burden of insurer of last resort on municipalities. It is entirely unfair to ask municipalities to carry the lion's share of a damage award when at minimal fault or to assume responsibility for someone else's mistake. Other jurisdictions have recognized the current model of joint and several liability is not sustainable. It is time for Ontario to do the same.

If this situation continues, the scaling back on public services in order to limit liability exposure and insurance costs will only continue. Regrettably, it will be at the expense of the communities we all call home.

For this reason, [I or we] support the adoption of both models under consideration as a significant incremental step to addressing a pressing municipal issue.

Sincerely,

Name

cc: The Honourable Kathleen Wynne, Premier of Ontario

The Honourable Linda Jeffrey, Minister of Municipal Affairs and Housing

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