



Local impact of the economic recession

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Whenever I have delivered my annual state of the city address, I have always been able to say that unemployment rates track significantly lower in Guelph than provincial or national averages.

That is except in 2009. Unemployment rates rose across the country as a result of the economic recession and in Guelph we saw an even sharper increase in job losses.

Since the recession hit, I have corresponded with a family where the father, mother and son had all lost their jobs. I spoke with a single father with two teenage children, one hoping to head to University this fall, who had lost his job, his home and was struggling to find suitable and affordable housing for his family. This was the first time in his life he had experienced this level of financial uncertainty. I spoke with another woman who was still employed but only because her work colleagues had taken a significant roll back in salaries.

While we are seeing good signs that we are pulling out of the recession, the economic climate is still uncertain. These are times when we all have to tighten our belts.

The closure of City facilities and the suspension of services for five non-consecutive days this summer are an unfortunate result of an \$8 million revenue shortfall in 2010—a consequence of the economic recession. To avoid passing this cost onto tax payers in the form of higher property taxes Council voted to reduce the City's payroll budget along with a number of other expenditure reductions.

All City employees, including management and Councillors, are affected and will experience five unpaid days in 2010. During these unpaid days of closure, services are affected because City employees are not working and are therefore not able to deliver service. This, while we realize creates an inconvenience, saves \$1.2 million and has contributed to cutting \$8 million out of City Hall's budget.

Believe me when I say that Council and staff understood all too well that these service reductions would cause inconvenience for our residents. However, I also believe it was the right thing to do.

The loss of one weekly waste pick up out of 52 has helped ease our community through a recession.

While we have done our best to communicate these temporary austerity measures, we recognize there will be residents in our community who will be taken by surprise by the closures and loss of service.

On behalf of the City of Guelph, we thank you for your understanding while these temporary measures are in place. We hope you will appreciate why they were necessary. We apologize for the inconvenience they cause as we understand how valued and important our City services are to the citizens of Guelph.