

July 29, 2019

To: His Worship the Mayor  
And Members of City Council

Re: Federation of Canadian Municipalities (FCM) Big City Mayors' Caucus (BCMC)  
meeting "Canada's Cities, Canada's Future" – May 31, 2019

---

### RECOMMENDATION

That this report be received and filed.

### CONCLUSION

The Federation of Canadian Municipalities' (FCM) hosted a Big City Mayors' Caucus (BCMC) meeting on May 31, 2019 in Quebec City. The meeting theme, 'Canada's cities, Canada's future' offered the opportunity to engage and interact with political operatives from all political parties to discuss the party platforms for the upcoming fall 2019 federal election. Other topics such as strengthening and modernizing the relationship between the federal government and municipalities, providing municipalities with appropriate funding tools to meet the infrastructure needs of municipalities, housing affordability and disaster mitigation funding were also discussed.

### BACKGROUND

Typically, the June BCMC meeting is a time to review the past year's successes and challenges, as well as to set the advocacy priorities for the year ahead. This year, those priorities are inextricably linked to the federal election. This meeting provided an opportunity for BCMC mayors to emphasize to all federal parties the critical role cities play in building better communities, when the appropriate funding tools and relationships are in place.

To support and form the federal party platform discussions, FCM recently commissioned a nation-wide poll which confirmed the following important key messages:

- Municipal governments are closest to people's daily lives; and as such, municipalities know best the priorities and resources required to make residents' lives more secure and affordable;
- Municipalities need new tools and approaches to tackle modern-day challenges – from affordable housing, environmental protection, upgraded infrastructure and the provision of clean water;
- 61 per cent of respondents indicated that municipalities understand the challenges faced by residents and that municipalities are best suited to find solutions to solve local challenges.

- 82 per cent of respondents indicated that when it comes to making decisions that affect communities, the federal and municipal governments do not directly talk enough; and
- 82 per cent of respondents feel that municipalities do not have sufficient resources to manage, maintain and build infrastructure.

## DISCUSSION

### Platform Sessions with federal party representatives:

The purpose for meeting with representatives from federal parties was to effectively communicate how the priorities of municipalities will build better lives for Canadians. As such, it is important to align and assess BCMC priorities with those of the potential next governing federal party.

### Modernizing the federal – municipal relationship:

A modernized federal – municipal relationship includes the following principles:

- The federal government looks to municipalities first as a partner in national projects;
- Cities have greater control over local initiatives, such as infrastructure and public transit; and,
- Support to municipal priorities is predictable, stable and permanent.

Municipalities have seen a positive change in terms of a more direct working relationship with the federal government; however, this relationship needs to be strengthened to expedite projects, start funding flowing and to ensure new funding tools are provided.

Having a more direct relationship with the federal government does not exclude provincial government participation. All three levels of government need to respectfully work together to tackle modern day issues faced by municipalities.

### New Funding Tools:

As of 2016, municipal governments collected a 10.3 per cent share of all taxes at a national level. This compares to 45.5 per cent collected by the provincial/territorial governments and 44.3 per cent collected by the federal government.

New fiscal tools must be long-term and predictable to ensure municipalities can effectively and efficiently plan. Also important is the need for flexibility to allow for local solutions to remedy and determine local priorities.

An example of one such fiscal tool is the federal government commitment for a \$2 billion, one-time top-up or doubling of the Gas Tax Fund (GTF). The GTF strengthens the economy and directly empowers communities of all sizes to deliver local infrastructure projects in a streamlined and efficient way. As municipal revenue sources have remained constant for a decade, this top-up is seen positively across the country. The BCMC ask is for a permanent doubling of the GTF, with an escalator that grows with federal revenues.

### Permanent Transit Funding:

Through the Investing in Canada Plan's (ICIP) Public Transit Fund, \$23.2 billion over a 10-year will be invested in transit projects. However, most public transit projects are complex, requiring years of planning, consultation and construction. As such, mayors called on the federal government to maintain the current annual rate of investment under the ICIP plan through a permanent, direct funding mechanism.

### Housing Affordability:

The growing challenge of affordable, safe and secure housing is a top priority for municipalities across the country. Finding practical solutions to the disconnect between rents, home prices and income levels requires partnerships between the federal, provincial and municipal governments and other private-sector and industry stakeholders.

Although in Saskatchewan, the responsibility for housing does not reside with the municipal government, cities understand that safe, secure and affordable housing is the underpinning to healthy, vibrant, growing communities.

Although the National Housing Strategy is important in tackling these challenges, more must be done to solve this growing challenge. In addition, the National Housing Strategy does not sufficiently address Indigenous off-reserve housing or supportive housing, especially for those living with mental illness or substance use issues.

### Disaster Mitigation:

Now more than ever, municipalities are faced with weather extremes that destroy homes and businesses, more frequent floods, wildfires and other disasters. The costs of re-building and protecting infrastructure is significant, stretching governments financially. The federal government, through the Disaster Mitigation and Adaptation Fund, has committed \$2 billion for climate change adaptation and mitigation strategies and municipalities are making significant investments to protect infrastructure and make it more resilient to modern day disasters.

However, as local needs far exceed the demand for resources, BCMC mayors require long-term, predictable funding and flexible programs to better prepare for local disaster mitigation and climate adaptation projects.

## RECOMMENDATION IMPLICATIONS

### Financial Implications

None with respect to this report.

Environmental Implications

None with respect to this report.

Policy and/or Strategic Implications

It is important strategically to align with municipalities across Canada to ensure a unified, strong and consistent message to other orders of government regarding municipal priorities. It is equally important to collaborate with the provincial and federal governments to create an awareness and understanding of the importance of the role of municipalities and the partnership opportunities created by working together.

Other Implications

None with respect to this report.

Accessibility Implications

None with respect to this report.

COMMUNICATIONS

None with respect to this report.

DELEGATED AUTHORITY

There is no delegated authority associated with this report as it is for informational purposes only.

Respectfully submitted,



Sheila Harmatiuk  
Senior Advisor, Government & Indigenous  
Relations

Respectfully submitted,



Michael Fougere  
Mayor