

Office of the President

May 8, 2020

Via e-mail: pm@pm.gc.ca premier@ontario.ca

The Right Honourable Justin Trudeau Prime Minister of Canada Office of the Prime Minister 80 Wellington Street Ottawa, Ontario K1A 0A3

The Honourable Doug Ford Premier of Ontario Legislative Building, Room 281 Queen's Park Toronto, Ontario M7A 1A1

Dear Prime Minister Trudeau and Premier Ford:

Re: Financial Assistance for Municipal Governments

I am writing to urge the governments of Canada and Ontario to work together to invest in the financial stabilization of municipal governments and the recovery of local economies comprising the prosperity of the Province and the Country.

Municipalities recognize the extraordinary efforts of the governments of Canada and Ontario to safeguard public health, and to support individuals, business, public services and the overall stability of the economy.

People recognize and appreciate the remarkable collaboration of all orders of government to address the COVID-19 emergency with dispatch, intelligence, and compassion, guided by science rather than politics. Politicians and extraordinary public servants from all three orders of government have made immeasurable contributions and sacrifices. Municipal governments in Ontario have played a key role on the front lines of public health, paramedicine, shelter services, childcare, transit, public safety, the provision of safe drinking water, the distribution of emergency financial assistance, and in countless other ways. Our residents have contributed profoundly by staying at home, doing their part and making sacrifices to support the wellbeing of others.

As we look forward to economic recovery, municipal governments have an indispensable role to play. Financial assistance for municipalities from other orders of government is essential if we are to succeed.

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In Ontario, the added costs of fighting COVID-19 and protecting the most vulnerable, coupled with massive and immediate losses in revenue in services such as transit, and reduced future revenue, cannot be managed at the community level. Financial support from Canada and Ontario is essential.

The only financial tools available municipal governments to address COVID-19 costs and shortfalls are property tax increases or service cuts on a massive scale, or the deferral of capital investments. Any of those options will harm, rather than support, the economic recovery of Ontario and Canada.

The Federation of Canadian Municipalities (FCM) recently submitted a proposal to Canada for municipal financial assistance and essential support for transit services. The proposal is comprehensive, equitable, and practical, and warrants immediate attention and a positive response.

AMO's members govern, protect and provide key services to almost one in three Canadians. On behalf of our members, we urge the governments of Canada and Ontario to extend your successful collaboration to the immediate provision of essential financial assistance for municipalities.

We look forward to working with Canada and Ontario to rebuild our shared economies, and to support the residents, private and public enterprises we all serve.

Yours Sincerely

Jamie MeGarvey President

cc.

The Honourable Bill Morneau, Minister of Finance, Canada
The Honourable Chrystia Freeland, Deputy Prime Minister of Canada
The Honourable Rod Phillips, Minister of Finance, Ontario
The Honourable Steve Clark, Minister of Municipal Affairs and Housing, Ontario
President Bill Karsten, Federation of Canadian Municipalities

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