

Office of the President

May 14, 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: Immediate Financial Assistance for Municipal Governments

I am writing to follow up on my <u>letter of May 8, 2020</u> urging the governments of Canada and Ontario to work together to invest in the financial stabilization of municipalities and the recovery of local economies comprising the prosperity of the Province and the Country.

Municipalities in Ontario, and in every part of Canada, are struggling to respond to the COVID-19 emergency and to play their indispensable role in rebuilding the economy. They cannot succeed without immediate federal and provincial financial assistance.

The only financial tools available to 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) proposal for municipal financial assistance and essential support for transit services is comprehensive, equitable, and practical, and warrants immediate attention and a positive response. The recently announced federal-provincial cost-shared program to boost wages for low-income essential workers, and the Canada Emergency Commercial Rent Assistance (CECRA) program, provide an ideal model for Canada to work with provinces and territories to deploy this essential financial support effectively and immediately.

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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 and 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