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FEDERAL POLITICS

No promises yet, but Canada cities and towns are confident that Justin Trudeau will send financial help

By **Bruce Champion-Smith** Ottawa Bureau

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OTTAWA—There's been no firm promises of financial aid yet but municipal and transit officials are optimistic that Ottawa and the provinces will ride to the rescue to stave off ruinous cuts.

Buoyed by Prime Minister Justin Trudeau's promise that Ottawa will work with the provinces on the issue, the association representing Canada's municipalities is confident that an aid package is in the works to help town and cities struggling with sharp drops in revenue and soaring costs.

"I'm not dismayed. A good cause requires a lot of work sometimes," said Bill Karsten, president of the Federation of Canadian Municipalities and a councillor with the Halifax Regional Municipality.

It's been almost a month since FCM [appealed](#) to the federal government for at least \$10 billion in emergency funding to help offset revenue losses in areas such as transit ridership and parking and a spike in costs for things like boosting local health services.

"There is really no economic recovery in Canada without supporting cities out of the financial emergency we are facing," Karsten said.

"Financial losses are going to be a direct threat to services," Karsten said, noting that his own municipality is eyeing \$58 million in budget cuts to deal with the financial shortfall caused by the pandemic.

He said that provinces "have to be part of the solution" and said that Ottawa has a vital role in making that happen.

"What we need as much as anything is federal leadership," Karsten said.

That's why he said Trudeau's move to highlight the plight of municipalities in a weekly conference call with premiers was "huge."

Trudeau said last weekend that in conversations with provincial leaders, he had underscored that, "Canada's big cities and indeed municipalities of all sizes across the country are facing significant challenges as they continue to deliver services in difficult situations for their citizens while at the same time seeing massive drops in revenue.

"We respect, of course, and we know that cities are the responsibility of the provinces, but I highlighted that the federal government is eager to hear from the provinces how we can support cities," Trudeau said of his phone call.

Among the pressing needs is financial support to make up lost transit ridership. Marco D'Angelo, CEO of the Canadian Urban Transit Association, said that municipalities across the country need about \$400 million a month to compensate for lost revenue until ridership bounces back. That sum is counted in the FCM request.

He said that cash-strapped transit systems can't be contemplating service cuts at the very time people returning to work with an emphasis on physical distancing.

"We've got to have adequate service levels that are on the street to move these people," D'Angelo said, noting that ridership is already starting to return.

"We can't have systems at the same time having to think about reducing service, more crowding, longer waits. These are not options as part of a reopening strategy," he said.

"Public transit is the lifeblood of our cities. It's going to be how people get back to work post pandemic... we need this relief as soon as they can announce it," he said in an interview.

Like Karsten, D'Angelo said he was confident the message is being heard by provincial and federal politicians. "Everyone is listening. there is cause for optimism. We are making the case everywhere we can," he said.

Karsten said that FCM has been working closely with Deputy Minister Chrystia Freeland on the issue.

Katherine Cuplinskis, press secretary to Freeland, said that Ottawa is "committed to working with municipalities to ensure they have the support they need during this pandemic.

She said that in the call last week with the premiers, Trudeau and Freeland expressed their "eagerness to hear from the provinces and territories on ways we can help municipalities."



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