

SECURING OUR FUTURE: CITIES AND COMMUNITIES IN ELECTION 2008

A Summary Assessment of Party Platforms

October 8, 2008

Message from the FCM President

Near the end of every election, as a service to our members and citizens interested in municipal issues, FCM produces a detailed assessment of the platforms of the major parties.

FCM is a non-partisan organization, and as such, our election assessment rates ideas rather than ideologies, and does not endorse platforms or parties. Our assessment measures party platform commitments against the election priorities of municipalities as described in our own platform, released at the beginning of the campaign, *Canada's Cities and Communities: Securing our Future* (<http://www.fcm.ca/english/View.asp?mp=960&x=966>).

We look forward to working with all Parliamentarians after the election to keep our cities and communities safe, secure, prosperous and healthy.

Sincerely,

Jean Perrault
President of FCM
Mayor of Sherbrooke

An overview of Election 2008

At the beginning of this election campaign, we said that Canadians sensed they and their country may be heading into rougher waters. At the time we said that Canadians needed to hear where each party stood on helping their cities and communities continue to provide the basics that make our enviable quality of life possible. We said that the quality of our water, the availability of public transit, the condition of our bridges and roads, the safety of our neighbourhoods and the affordability of our housing — these are the bread-and-butter issues that matter to Canadians. We called on all party leaders and every candidate for Parliament to tell Canadians how they propose keep our communities safe, secure, prosperous and healthy.

The economic crisis that has swirled through North America and now around the world over the past several weeks unfortunately only serves to reinforce our call and the needs.

Fortunately, we are able to report that all parties have listened. Election 2008 has seen an unprecedented focus on those bread and butter issues facing Canadians. Given the likelihood of a minority government, the focus on our priorities in every party platform gives cities and communities a good foundation on which to leverage all-party support for our priorities in the coming Parliament.

Below please find a summary of each party's platforms, measured against our priorities. A detailed assessment can be found at <http://www.fcm.ca/en/election2008>

1. **Securing our Physical Foundations**

The emphasis placed on infrastructure in the **Conservative Party** platform, although not offering any new commitments, is never the less a welcome signal that the party understands the role that these investments play in national prosperity, and lays the groundwork for a comprehensive, long-term plan to eliminate the \$123-billion municipal infrastructure deficit. The Budget 2008 commitment by the Conservative government to make the federal Gas Tax Fund permanent was a major milestone in the history of federal-municipal fiscal relations.

The **Liberal Party** is the first to commit to indexing the federal Gas Tax Fund so it keeps up with growing needs and economic growth. Their 10-year, \$70-billion plan provides the longer-term funding horizon, dedicated transit funding, and growth revenues needed to give the country the tools it needs to start turning the tide on the infrastructure deficit.

The **New Democratic Party (NDP)** has committed to provide a dedicated source of transit funding, worth up to \$1.3 billion in 2012, by sharing an additional cent of the gas tax as well as the potential proceeds from future carbon auctions. Note that the NDP commitment to invest the equivalent of one cent of the GST in cities and communities is simply an expression of the total value of all of the platform's proposed investments in municipally-related activities, including child care, border crossings and building retrofits, rather than an intention to share a portion of growth revenues as is called for by municipalities.

The **Bloc Québécois** supports the existing gas tax transfer, and calls for a fairer formula for federal cost-shared infrastructure programs.

The **Green Party of Canada** has made investments in sustainable infrastructure one of the centrepieces of its platform. Its six proposed Superfunds, valued at \$500 million each, represents a significant federal investment in high priority municipal infrastructure. However, dividing the total funds available (\$3 billion per year) into segregated and targeted funding envelopes will decrease flexibility and may distort local priority-setting and result in sub-optimal investments. Finally, although intriguing, it is unclear how the proposed "carbon conditionality" clause, requiring federal infrastructure funds to lead to carbon reductions, could be practically implemented. Note that as with the NDP platform, the Green Party commitment to invest the equivalent of one cent of the GST in cities and communities is an expression

of the total value of all of the platform's proposed investments in municipal activities, and will not provide access to new growth revenues.

2. Securing our Mobility

The **Conservative** government, building on investments made by earlier governments, has delivered an average of \$350 million in dedicated transit funding annually. These investments expire in 2010, and the platform is silent on the future of these welcome investments. Furthermore, the priority for transit systems is new investments, not cuts to the diesel tax — worth less than one-quarter of one per cent of the \$ 4.8 billion in annual transit operating costs — as is proposed in the platform.

The **Liberal Party** is the first to commit to a funded national transit strategy, with a longer time commitment than any other as well. FCM's National Transit Strategy calls for a permanent, dedicated allocation of \$2 billion annually.

The **NDP** has committed to provide more dedicated transit funding than any other party, worth up to \$1.3 billion in 2012, by sharing an additional cent of the gas tax as well as the potential proceeds from future carbon auctions. This commitment explicitly recognizes the role that local transit providers play in supporting national climate change objectives. This new investment in transit, particularly if it is delivered as true revenue sharing rather than as a nominal transfer, would be a substantial step forward in federal-municipal fiscal relations, and would maximize the role that transit can play in supporting our nation's competitiveness, in GHG reduction targets, and in providing a real alternative to the private automobile for those Canadians worried about rising fuel prices.

The **Bloc Québécois** commits to extend the public transit tax credit to all users by making it refundable. They will also provide stable, dedicated transit funding to address the transit deficit, and seek to increase transit ridership by 40 per cent through increased investment. These ambitious targets are welcome, although more detail is required to assess its viability.

The **Green Party** plan would provide dedicated transit funding, but on an application basis only. The welcome commitment to increase the federal share of investments to transit to 75 per cent recognizes the already significant contribution that municipalities make to transit operating costs.

3. Securing our Communities

FCM applauds the **Conservative Party** for putting the issue of crime and safety squarely on the campaign agenda. However, for new legislation to

have any real-world impact, the government needs to back it up with front line resources. Unfortunately, in this campaign, all parties have been almost totally silent on the issue of additional resources for frontline policing. However, we welcome the Conservative recognition that the federal government must do more to patrol unguarded road and marine crossings along the U.S. border. These additional resources dedicated will ease some of the burden faced by municipal police forces that must take on what is otherwise a federal responsibility.

While FCM welcomes the recognition of need for additional policing resources, the additional \$80 million provided in the **Liberal Party** platform falls well short of FCM's call for sustained funding to compensate municipalities for their work in performing federal policing duties.

The **NDP** platform proposes \$100 million in over four years to recruit new police officers; however, this commitment will cover the costs associated with barely half the number of officers advertised. Moreover, this funding will expire in four years, meaning that municipalities will likely be forced to pick up the ongoing costs of any new officers hired. The municipal sector has long called for multi-year, sustainable funding; regrettably, the funding for policing provided in this and every other platform fails to meet this criterion.

The **Bloc Québécois** platform does not specify a funding commitment to policing, but we welcome the platform's recognition of need for additional policing resources.

The **Green Party** platform does not specify a funding commitment to policing, but FCM welcomes its recognition of need for additional policing resources, especially in areas that have been offloaded to municipalities, including cybercrime. However, the platform fails to mention other offloaded mandates, such as port policing and border security.

4. Securing our Homes

The **Conservative Party** commitment to renew the three main social housing programs eliminates the ongoing uncertainty over these soon to expire programs and lays the foundation for a long-term national action plan on housing and homelessness.

The **Liberal Party** has proposed a new and innovative approach, using \$620 million over five years to finance 30,000 new and 30,000 refurbished units, in addition to the costs of renewing the two programs (\$526 million). Although more details on the new approach is required for a full assessment, it would appear that the total contribution of \$1.1 billion over five years, in addition to

the relatively short-term investment horizon, appears to fall short of municipal needs in this area,

The **NDP** “One Percent Solution” would deliver \$2 billion annually to housing, as part of a 10-year housing and homelessness strategy — more money over a longer time period than any other party. Because this commitment would grow and be sustained over time, the result would be stable, long term funding for housing — a core ask in FCM’s national action plan on housing.

The **Bloc Québécois** platform proposes an interest-free loan program for first-time buyers, which might help to lower pressure on rental stock, but at an unreasonably high opportunity cost. Those funds might be more efficiently allocated to other areas of housing policy

The **Green Party** housing platform responds to many municipal priorities in housing policy. However, there is neither reference to renewing the existing social housing programs nor any specific dollar amounts.

5. Securing our Environment

The **Conservative Party’s** climate change plan does not recognize the potential role that municipalities could play in contributing to national GHG reduction objectives.

The **Liberal Party** platform recognizes the role that transit can play in climate change mitigation, the need for support for municipal energy efficiency initiatives, the retrofitting of low income housing, and climate change adaptation.

This **NDP** climate change platform does not explicitly recognize municipalities as a partner in supporting national climate change objectives; however, it does link investments in transit with revenues from their climate pricing regime, which is an important and welcome step.

The **Bloc Québécois** focuses mainly on reducing Quebec’s dependence on oil and adhering to the Kyoto protocol, and does not specify a role or support for municipal climate change efforts.

The **Green Party** platform recognizes the importance of including municipalities and communities in national environmental discussions and initiatives. The platform also addresses housing and building efficiency and the need to upgrade all low-income rental housing. In addition the Green Party would fund climate change adaptation targeting vulnerable areas such as the arctic and coastal zones.

6. Securing our Rural, Remote & Northern Communities

The **Conservative Party** commitment to establish a new regional development agency to cover Northern Canada responds directly to a long-time FCM request. This change could inject new energy and a refined focus into the government's work on northern sustainability. This new focus must include building strong, vibrant communities. The platform's focus on northern sovereignty provides a good starting point for a refined program that recognizes the contributions that municipal government could play.

The **Liberal Party's** proposed \$3-billion Small Communities Fund is complemented by commitments to universal broadband Internet coverage, protecting rural postal services and maintaining regional development centres. The Liberal northern sovereignty platform makes little or no reference to the need to increase or enhance northern community infrastructure.

While the **NDP** northern sovereignty platform does include many of the same commitments to northern Canada as the other parties, it is the only party platform that specifically commits to enhancing the infrastructure of northern communities. The NDP platform also promises to create an economic development agency for the North.

The **Bloc Québécois** did not make any commitments specific to rural, remote or northern communities.

The **Green Party** platform contains an understandable emphasis on environmental protection for the Arctic, as well as a focus on climate change, adaptation and renewable local energy resources. The focus on adaptation is particularly welcome. However, there is no real reference to enhancing northern infrastructure, developing and diversifying northern economies and creating economically viable, sustainable northern communities as an essential element of northern sovereignty.