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Chair and Members
Corporate Services Committee

RE: Report of the Federation of Canadian Municipalities Board of Directors Meeting – Annapolis County, NS, September 11-14, 2018

OVERVIEW

The Board of Directors of the Federation of Canadian Municipalities (FCM) met this September 11-14 in Annapolis County, Nova Scotia. FCM is the national voice of local government, with nearly 2,000 member municipalities representing more than 90 per cent of Canadians. FCM serves members by advocating for municipal priorities at the federal level, and by delivering capacity-building tools and programs. FCM's priorities are driven by our elected Board of Directors whose 73 members represent cities and communities of all sizes and regions. Our board also empowers and oversees various committees and forums.

This latest meeting took place 13 months before the next federal election, against the backdrop of an important national discussion about how orders of governments work together. Participants resolved to seize this moment to strengthen the role of municipalities to deliver more for the Canadians we all serve.

At this meeting, FCM's Board of Directors unanimously resolved that municipalities will oppose any use of the notwithstanding clause of the Charter of Rights and Freedoms to override local democratic rights or decision-making. The motion reaffirms the board's fundamental support for municipalities' ability to govern their own affairs and represent the interests of their residents. Local governments are already working hard to build tomorrow's Canada—livable, competitive and sustainable. To support that work, FCM's advocacy has secured unprecedented new tools, from a 10-year infrastructure plan to Canada's first national housing strategy. With board direction, FCM will continue working with the federal government, with members, and with provincial-territorial associations to ensure local projects move forward in communities of all sizes.

Federal Election 2019 is a vital opportunity to build on these gains. FCM's board has directed staff to develop an intensive advocacy campaign targeting all national parties. Our goal is ambitious: to modernize the municipal-federal relationship, while securing new tools empowering municipalities to deliver more. In Annapolis County, board and committee members laid important groundwork for the campaign to come.

On the near horizon: Municipalities are preparing for cannabis legalization this fall. While FCM successfully pressed Ottawa to share more cannabis excise tax revenues with provinces for municipal needs, members outside Ontario and Quebec still don't know how they will access these funds. FCM will continue pressing to ensure municipalities have the financial tools they need to keep Canadians safe and well-served.

Throughout the week, board members also conducted pressing business through meetings of standing committees, regional caucuses, and provincial and territorial association representatives. Board members adopted updated policy statements, the culmination of a two-year process to improve FCM's internal governance and policy development processes. Led by

our Rural Forum and our Northern and Remote Forum, FCM also leaves this meeting with a refreshed mandate to press for universal broadband Internet access—as an essential service in communities of all sizes.

Respectfully submitted by:



Josh Morgan
Councillor, Ward 7
Member FCM Board of Directors

ROAD TO FEDERAL ELECTION 2019

Experience shows that federal elections can be transformative for municipalities. Ahead of Election 2015, FCM's board drove a year-long advocacy push showcasing municipal solutions to national economic challenges. All national parties responded by making commitments to municipalities in their platforms. Since then, FCM's advocacy has leveraged those commitments to achieve unprecedented gains—from the federal infrastructure plan to the national housing strategy.

Election 2019 is a vital opportunity to build on those gains. This is our moment to spark a mature, modern conversation about how orders of government can work together to build the country Canadians want: livable, competitive and sustainable. This is our moment to seek next-generation fiscal and legislative tools that empower local governments to deliver.

To seize this moment, the board has directed staff to develop FCM's most ambitious pre-election effort yet. This campaign will reach out to all national parties, pulling together policy, advocacy, outreach and media/communications work. Throughout the week, board and committee members provided critical feedback and direction for the next phase of FCM's campaign development strategy.

FCM's Election Readiness Working Group focussed on plans to engage FCM members in taking our united message to candidates nationwide, engaging more councillors in this effort. They discussed concrete tools that could support this work.

Other committees and forums continued developing priorities to guide the platform of ideas that FCM will take to political parties. These range from public safety priorities to new fiscal tools; from enhanced disaster mitigation infrastructure to urban Indigenous programming; and from the next era of transit expansion to a nationwide push for universal broadband Internet access. In the words of our President: *"We need to move forward or risk falling back. There is no standing still."* With board direction, FCM is determined to move forward.

INFRASTRUCTURE: DRIVING TO OUTCOMES

On a path that started with Election 2015, driven by our Board of Directors, FCM has achieved unprecedented federal commitments to municipalities. These include Canada's first-ever national housing strategy, as well as a 10-year, \$180-billion plan to invest in transit, green, social and rural/northern infrastructure.

To date, 11 of 13 provinces and territories have signed "integrated bilateral agreements" with Ottawa outlining how new infrastructure investment will flow. These agreements include groundbreaking commitments that respond to the advocacy of FCM and our provincial-territorial associations (PTAs):

- ▶ **Fuller, fairer cost-sharing:** Ottawa will cover up to 40% of project costs, with provinces covering 33%. (In rural communities, the federal share rises to 50%; and in the smallest communities, to 60%).
- ▶ **Allocation-based transit funding:** \$20-billion for transit expansions will be predictably allocated to municipalities with transit systems, empowering local leaders from project selection through delivery.
- ▶ **More local projects:** Beyond transit, Ottawa and provinces are committing to invest in a "fair balance" of provincial and municipal projects. That's a historic first.
- ▶ **Rural recognition:** In addition to dedicating funds to rural, northern and communities, bilateral agreements recognize that processes should be streamlined to their fiscal and administrative realities.

The coming months are an opportunity to begin using new tools to strengthen communities. This is also an opportunity to showcase municipalities as Canada's builders—ready to deliver, and ready for more. With board support, FCM will continue working with PTAs and with the federal government, to ensure that local projects move forward to produce quality-of-life outcomes for Canadians nationwide.

CANNABIS LEGALIZATION

This meeting unfolded one month ahead of "cannabis legalization day" (October 17). Our communities are where non-medical cannabis will be produced, sold and consumed. That places local governments on the front lines of keeping Canadians safe and well-served. This work has operational and cost implications for as many as 17 municipal departments, and certainly for municipal police.

Shortly after our last board meeting in March, FCM released the [Municipal Guide to Cannabis Legalization](#). Many members are calling this an invaluable tool as they prepare for legalization. It's also a testament to the power of collaboration: This tool was made possible by technical and financial contributions from provincial and territorial associations across Canada, with direction from FCM's Board of Directors.

As municipalities work hard to get ready, full cost recovery remains a major concern. Last December, FCM persuaded the federal government to share half of its share of cannabis excise tax revenues with provinces, specifically for municipal needs. However, as of this board meeting, only Ontario and Quebec have followed through with concrete plans to share funds with municipalities.

FCM's advocacy objective remains full coverage for all new municipal costs—nationwide—whether that's achieved through excise tax revenue sharing or other financial tools.

BROADBAND TOPS RURAL AGENDA

Let history record Annapolis County as ground-zero for FCM's renewed push for universal, reliable broadband Internet access—for communities of all sizes. Broadband is now an essential Canadian service—central to modern business, public services and quality of life. Our Rural Forum and our Northern and Remote Forum dedicated significant attention to moving forward with FCM's National Broadband Strategy.

The federal government has responded to FCM's advocacy by putting real money on the table for broadband. However, to tackle the rural broadband gap in this country, the next step is not another one-off investment program. FCM leaves Annapolis County determined to seek clear federal leadership, definitive targets and long-term predictable funding to achieve universal broadband access.

Since our last board meeting in March, FCM released a new report: [Rural Challenges, National Opportunity](#). It shows how rural communities are making the most of limited tools to drive progress. And it lays out the need to apply a "rural lens" across all federal programs and policies. At this meeting, FCM's Rural Forum resolved to continue leading on this file—while also ensuring that a rural lens is applied to FCM's own policy development and priority-setting, including for Election 2019.

It's time to build on the important gains FCM has achieved for rural Canada. Together, we have doubled federal investment in rural, remote and northern infrastructure for a decade. We have seen the federal cost-share for these projects rise to 50 per cent (and 60 per cent where populations fall under 5,000). And Ottawa's recent bilateral agreements with provinces and territories open new doors to streamlining processes to work better for rural communities. Now we're determined to see these new tools generate real outcomes in our communities: better roads, wastewater upgrades and other infrastructure priorities.

PROTECTING LOCAL AUTONOMY

This meeting took place against the backdrop of an important national discussion about municipalities' relationship with the provincial and federal orders of government. That public debate has been prompted by the Province of Ontario's intention to use the "notwithstanding clause" to override provisions of the Charter of Rights and Freedoms, to pass legislation changing the size of Toronto City Council in the middle of an election.

FCM board members sent a unanimous message that municipalities will oppose any use of the Charter's "notwithstanding clause" that would have the effect of overriding local democratic rights and local decision-making. Our board also reaffirmed its support for municipalities' ability to govern their own affairs and represent the interests of their residents.

In the words of FCM President Vicki-May Hamm:

"As federal political parties prepare for next year's election, it is time for a mature and modern conversation about how to strengthen municipal autonomy. We need political will from every order of government to have a conversation about how we work together within the Constitution. With engaged federal partners, we know it can be done."

COMMITTEE AND FORUM HIGHLIGHTS

FCM's Board of Directors empowers committees and forums that provide crucial direction and insight on a wide range of issues and priorities. September 11-14 highlights from select committees include:

- ▶ **Community Safety and Crime Prevention:** Discussed public safety priorities for election 2019; discussed update on cannabis legalization; reached decision on municipal considerations for roll-out of federal guns and gangs initiative.
- ▶ **Environmental Issues and Sustainable Development:** Developed election platform ideas related to energy efficiency retrofits, climate adaptation and disaster mitigation infrastructure; reached decision on FCM engagement in national plastics waste reduction strategy
- ▶ **Increasing Women’s Participation in Municipal Government:** Discussed 2018-19 priorities, including delivering the Toward Parity in Municipal Politics project, promoting the Regional Champions network, and contributing to FCM’s programming as it relates to Canada’s feminist international assistance policy.
- ▶ **International Relations:** Adopted revised FCM policy statement on international relations; discussed extensive updates on FCM’s programming approach, engagement in international networks, and various new initiatives conducted in partnership with the Government of Canada.
- ▶ **Municipal Finance and Intergovernmental Arrangements:** Developed strategies to seek new tools for local governments and modernized intergovernmental relations through Election 2019; discussed updates on international trade and FCM Legal Defense Fund.
- ▶ **Municipal Infrastructure and Transportation Policy:** Explored infrastructure priorities for Election 2019; adopted new policy positions on autonomous vehicles and inter-city bus transportation; prepared for FCM participation in Telecommunications Act review.
- ▶ **Social-Economic Development:** Developed election platform ideas related to supportive housing, reconciliation and urban Indigenous programming; discussed update on implementation of National Housing Strategy and Reaching Home homelessness program.
- ▶ **Rural Forum:** Approved policy framework for upcoming FCM campaign on broadband access; developed rural platform priorities for Election 2019, including a “rural lens” on federal policymaking and rural economic development; discussed update on rural programming for the 2019 Annual Conference.
- ▶ **Northern and Remote Forum:** Discussed northern considerations for FCM’s national broadband strategy; discussed Election 2019 priorities; engaged in-person with federal officials on implementation of Arctic Policy Framework.

IN A NUTSHELL

- ▶ **FCM’s elected Board of Directors (and its committees and forums) met in rural Annapolis County, Nova Scotia this September 11-14 to discuss priorities for the year ahead.** FCM is the national voice of local government, with nearly 2,000 members representing more than 90 per cent of all Canadians.
- ▶ **Driving to outcomes:** FCM has achieved unprecedented progress, from a historic federal infrastructure plan to a national housing strategy. FCM’s board is committed to ensuring—through advocacy and support—that these new tools concretely empower local governments to strengthen communities.
- ▶ **Rural broadband** was an important focus in Annapolis County. FCM leaves this meeting with fresh resolve to seek the clear federal leadership that’s needed to achieve universal, reliable broadband access—in communities of all sizes.
- ▶ **Protecting local rights:** The board unanimously resolved that municipalities will oppose any use of the “notwithstanding clause” of the Charter of Rights and Freedoms to override local democratic rights or decision-making.

Federal Election 2019:

- ▶ **Election 2019 is a vital opportunity** for FCM and local governments to build on recent gains. This is why the board has given FCM a mandate to mount its most comprehensive and ambitious pre-election advocacy drive ever, targeting all national political parties.
- ▶ **Election 2019 next steps:** Board and committee members discussed and approved recommendations to guide the next steps of FCM’s campaign development strategy. There will be a major focus on helping FCM members advocate on the frontlines with local candidates.
- ▶ **Election 2019 can be transformative.** Board members believe it’s time for a mature, modern conversation about how orders of government work together to serve Canadians. And it’s time for next-generation tools that empower local governments to build tomorrow’s Canada.