

TIMES COLONIST

Editorial: Municipalities get dumped on

Times Colonist

June 19, 2015 12:32 AM

Federal and provincial politicians like to crow about balanced budgets, but too often, cutbacks by senior governments mean heavier loads for municipalities.

Victoria's struggles with issues such as homelessness and affordable housing are prime examples.

Senior governments should be held accountable for responsibilities that fall within their jurisdictions, rather than downloading the burdens to towns and cities.

The leaders of the federal Liberals, NDP and Greens, along with Finance Minister Joe Oliver representing the Conservatives, pitched their municipal agendas at a Federation of Canadian Municipalities meeting in Edmonton a couple of weeks ago.

It seems a new era of partnership between Ottawa and local governments is in the offing.

But it's an election year, and the federal government's commitment to municipalities tends to "wax and wane according to the political positions of various governments," said Michael J. Prince, Lansdowne professor of social policy at the University of Victoria.

"They all trumpet their programs, but when you look back at the '70s and '80s, you see where senior governments started to pull out of housing and urban-development issues."

Municipalities are supposed to look after things such as emergency services, streets and sidewalks, water and sewer facilities, and parks and recreation.

Housing, health care and social welfare are responsibilities of senior governments, but when those governments cut programs and budgets, the problems default to the municipalities.

"The issues have come back to municipal doorsteps," said Prince, "but we haven't empowered municipalities anymore.

"They are still struggling with the same limited powers and finances, yet most problems of our society manifest themselves in our urban communities: homelessness, poverty, people paying 60 to 70 per cent of their income on rent.

"It's reminiscent of the 1930s. It's kind of retro — we're asking municipalities to do things they were doing in the Depression, looking after people in poverty, the indigent, those who are struggling for shelter."

And the level of government asked to do the most has the most limited resources, according to a 2014 report by Robert Duffy, Gaetan Royer and Charley Beresford of the Columbia Institute's Centre for Civic Governance.

"Since the 1950s, Canada's infrastructure responsibilities have shifted from the level of government with the largest and most growth-responsive revenue base — the federal government — to the level of government with the smallest and least growth-responsive revenue base — local government," the authors wrote in their report, entitled Who's Picking Up The Tab?

<http://www.civicgovernance.ca/wordpress/wp-content/uploads/2014/09/Whos-Picking-Up-the-Tab-FULL-REPORT.pdf>

“In 1955, the federal government accounted for 34 per cent of capital investment. By 2003, it had declined to 13 per cent. The municipal share increased from 27 to 48 per cent. Billions of dollars in federal cuts in transfer payments to provinces occurred in the mid-1990s. Spending and service cuts cascaded down to municipalities.”

One statement resonates particularly strongly in the capital region: “Federal wastewater-treatment regulations, introduced in 2012, have billions of dollars in implications for local government infrastructure.”

“Local governments are finding themselves picking up the slack on housing, mental health, addiction, social services, wastewater treatment, diking and flood management, drinking water and recreation infrastructure,” says the report.

“In a telling measure, the provincial government in B.C. has shed thousands of employees since 2001, while the number of local government employees has risen by 30 per cent.”

The FCM estimates that only eight cents of every tax dollar collected in Canada goes to municipalities, and yet “local government services are at the centre of our daily lives, our health and economic prosperity,” says the Columbia Institute report.

When provincial and federal politicians boast about balanced budgets, we should take a close look at what it costs to balance those budgets.

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