

Good morning /afternoon.

It's a great pleasure to be here, and I want to thank President Hobson and your Executive Director, Gary MacIsaac, for the invitation.

As many of you know, the Federation of Canadian Municipalities—FCM—has been the national voice of municipal government since 1901.

We represent close to 90 per cent of the Canadian population — more than 1,800 municipal governments across the country, including 183 cities and communities in B.C.

That number represents 99.6 per cent of all B.C. municipalities.

In total, our National Board of Directors includes nine representatives from B.C., including President Hobson.

This year, our First Vice-President is Director Hans Cunningham of the Regional District of Central Kootenay.

Thank you, Hans.

I am pleased to see many other familiar faces here today, and I'd like to ask those FCM Board Members present to stand and be recognized. They include:

- John Dooley, Mayor of the City of Nelson
- Garth Frizzell, Councillor, City of Prince George
- Robert Hobson, President of UBCM
- Marvin Hunt, Councillor, City of Surrey
- Frank Leonard, Mayor of the District of Saanich
- Bob Long, Councillor, Township of Langley
- Raymond Louie, Councillor, City of Vancouver, and
- Barrie Lynch, Councillor with the City of Coquitlam.

Thank you for your contributions to FCM.

In addition to our advocacy work on your behalf in Ottawa, we have two divisions that work to improve our sustainability at home and share Canadian municipal expertise with the developing world.

FCM International helps to support local government in Africa, Asia, the Caribbean and Latin America.

And B.C. municipalities are very involved in that work.

Councillor Marvin Hunt of Surrey is the Chair of FCM's Standing Committee on International Relations and a member of the Commonwealth Local Government Forum Board of Directors. UBCM and many municipalities, including Vancouver, Port Alberni, Capital Regional District and Surrey are involved in many partnership projects.

For example – representatives of the national municipal association of Bolivia – FAM-Bolivia – recently met with B.C. municipalities, the Nisga Nation, and the B.C. Ministry of Community and Rural Development to learn together about indigenous governance and intergovernmental relations.

There has also been a recent visiting delegation from Shehong, China. These exchanges help to build community everywhere.

Over the coming months, FCM International will be working with CIDA — the Canadian International Development Agency – on a renewal of our Municipal Partnership Program and to launch new programs.

And on the sustainable side, FCM's Green Municipal Fund assists municipalities with their sustainable infrastructure projects.

The Fund is currently offering attractive funding opportunities for all sustainable infrastructure projects, especially in the remediation or decontamination of brownfield sites.

I'm pleased to report that our advocacy with the federal government on your behalf continues to get results.

Just as UBCM deals with the provincial government in Victoria, my FCM colleagues and I tackle the federal government.

Well, we reason with them first, and if that doesn't work, we tackle them.

At your meeting last year, my predecessor, Mayor Jean Perrault, reported on many impressive accomplishments.

These included the GST refund, the permanent gas tax fund, the Building Canada Fund, dedicated transit funding, and other national commitments on housing and policing. It was something to celebrate.

And that was before the global economic crisis and the federal government's stimulus package. Last fall, when the federal government turned to economic stimulus to cure the recession, we said "municipal governments are ready to go".

And we were heard.

The federal budget committed some \$10 billion in new funding over the next two years to municipal priorities.

These investments bring the total federal contribution to municipal priorities to more than \$19 billion over the next two years.

In contrast, the federal budget of 2003 delivered just \$125 million to municipalities. Over the past year, FCM worked closely with federal Infrastructure Minister John Baird and his officials on the municipal part of the stimulus plan.

Our goal was a plan that met municipal needs and created jobs in our communities. Some aspects of the plan raised concerns among our members, particularly the Infrastructure Stimulus Fund.

The most pressing concern was getting money to local projects quickly, so work could start during the 2009 construction season.

As you know, it took some time to get the money moving, which led to concern about the March 2011 deadline for project completion.

I'm pleased to say that when we emphasized these concerns with Minister Baird and his officials, they made some changes.

We didn't get everything we wanted, but we made progress.

Although we did not convince the Minister to extend the deadline, he did commit to delivering the full federal share of project costs, even if a project is not finished by the deadline.

That was a step in the right direction, but we believe municipalities must not be held liable for delays beyond their control.

We are calling on the federal government to ensure the construction deadline is applied fairly, and extended where construction is delayed by federal or provincial decisions.

Canadians will need the jobs the stimulus plan can create for a few years to come. The federal government needs to make sure that every dollar of the package gets invested in our communities, even if that means extending the construction deadline.

FCM has pushed the federal government to ensure that stimulus dollars get to municipalities in every province, including B.C.

Despite the delays, there's no doubt the stimulus money is good news for municipalities — a major investment in our infrastructure and a legacy for future generations. The announcements made late last week of more than 174 projects – from Abbotsford, through to Fort Nelson and Maple Ridge – are indeed an economic boost.

However, we are facing an uncertain future when it comes to additional investment. And municipalities are facing a threat coming out of the recession.

Federal, provincial and territorial governments will be struggling to re-balance their budgets. We know how they did this in the 1990s—cutting transfers and offloading responsibilities to municipalities without the funds to meet them.

On top of this, we could be seeing growing welfare costs as people run through their E.I. benefits and jobs fail to return.

The last few years have been good for municipalities, with significant achievements delivered through effective advocacy.

But in the face of the worst economic slowdown since the Depression, this level of investment cannot last.

And when governments have their backs to the wall, very few programs are safe. That's why we have been telling all parties in Parliament that we cannot go back to the bad old days of downloading.

That left us with the \$123-billion municipal infrastructure deficit we're still living with.

We cannot afford to lose the Gas Tax Fund, long-term infrastructure funding or the new climate of intergovernmental cooperation.

This isn't just about municipal governments.

If we want Canada to come out of this recession with a strong national economy, we need competitive cities and sustainable communities.

We were pleased to hear the leader of the federal Liberal Party commit last week to increasing the gas tax transfer if his party forms the next government. The NDP also came out in support of an enhanced Gas Tax Fund.

This commitment recognizes that municipalities need new revenue tools to meet their growing responsibilities.

The permanent Gas Tax Fund gave cities and communities a long-term, predictable stream of new revenue.

Expanding the Fund would help us build the foundation for a 21st century economy. During my year as FCM's President, we will continue to engage the federal government on issues and priorities that affect our cities and communities.

And we will hold firm to the principle that, when issues affecting our communities are discussed, municipalities must be a partner in program planning and design.

The economic downturn has been a powerful reminder that Canada needs all its governments—federal, provincial/territorial and municipal—working in partnership to meet national challenges.

We want to see a real partnership with the federal government, and we want this partnership to build on the legacy of the last few years.

Finally, we want all federal parties to commit to this partnership and to building on these gains. Now I'd like to touch on an issue that means a lot to me personally — the health of Canada's rural communities.

Last May, FCM released a report on rural Canada called "Wake-up Call: The National Vision and Voice We Need for Rural Canada."

As I said then, rural Canada is fighting for its future, and this fight should matter to all Canadians.

The federal stimulus plan does include billions of dollars in short-term assistance for rural communities, but this is not going to reverse long-term trends.

For that we need a vision for rural Canada and long-term federal funding to support it. FCM is calling for a rural champion at the federal Cabinet table and a long-term federal plan to help our struggling towns and villages.

Last July, I was in Kelowna to speak to the Canadian Federation of Agriculture about our efforts on behalf of rural Canada.

I told them one of my goals this year is to collaborate with them to press the federal government for action on rural Canada.

Let's make this the year that Canada gets serious about treating rural communities like they matter.

In closing, I'm confident that, working together, we can make progress on this and many other important municipal issues.

I look forward to working with you in the coming year, and, if there is a federal election, I look forward to working with you to put municipal issues on the national agenda.

Have a great conference. Thank you.