

2014 Pre-Budget Consultations

Brief to the House of Commons
Standing Committee on Finance

August 6, 2014

Montréal

Summary

The House of Commons Standing Committee on Finance pre-budget consultations are an opportunity for the City of Montréal to repeat its message to the Government of Canada that it considers the Government a major partner in the City's development.

Over 80 percent of Canada's population lives in urban areas. Over the past 50 years, cities have seen their roles and responsibilities grow in number and complexity. The impact of urban growth is felt primarily by cities, placing greater pressure on spending without an increase in financial resources to address the challenges.

The City of Montréal would like to express certain wishes with respect to the Government's budgetary and financial strategies currently being developed and reiterate some of its main concerns, i.e., the termination of programs to support affordable housing and tackle homelessness, major projects to celebrate in style the 150th anniversary of Canada's Confederation, Montréal's 375th birthday and the 50th anniversary of Expo 67, and the importance of a continuing presence for the federal government in Greater Montréal, particularly in terms of economic development activities.

1. Affordable Housing and Homelessness Initiatives

The House of Commons Standing Committee on Finance has identified families and vulnerable Canadians as one of its six priority themes. The City of Montréal would like to reiterate the importance of programs that support affordable housing and tackle homelessness. For a number of years now, investments in this area have supported large cities in their efforts to revitalize neighbourhoods and assist the disadvantaged and vulnerable people.

Three measures have been particularly valuable:

- RRAP: through the *Rénovation Québec* program in Montréal, the RRAP provides a funding base for initiatives to revitalize neighbourhoods and redevelop residential parks, particularly in areas seeing an influx of low-income immigrant populations;
- AHI: through its funding for Quebec's *AccèsLogis* program, the program made a significant contribution towards remedying the rental situation in Montréal, ensuring a balanced supply of residential properties to meet the needs of seniors, families, disabled or vulnerable persons and modest-income households in general; and
- HPS: until 2012, this was the only program that provided an integrated response to the challenge of homelessness, by funding housing, equipment and services for those who are homeless or at risk of homelessness.

These three initiatives, supported by the Government of Canada since 2008, come to an end in 2014. The current uncertainty surrounding the housing programs undermines our work to meet the needs of our citizens. Renewed funding for the programs should be included in the upcoming budget and in future budgets, as the problems addressed by these programs require sustained, long-term action.

With the new direction given to the HPS, now focusing on the Housing First approach, valid initiatives that were successful in addressing the diverse profiles and situations of homeless individuals have been abandoned (including the assistance for development of affordable housing). The current freeze on funding for this program in Quebec and the lack of agreement on the direction and its implementation are particularly detrimental to Montréal. We would like to see the program continued with the more general scope it initially had.

Greater Montréal has a large number of not-for-profit housing developments built under former federal housing programs. The funding agreements will come to an end over the next few years. The CMM reported recently that 49,600 housing units (low-cost, co-operative and not-for-profit) and 5,200 rent supplement agreements in the greater Montréal area are affected by the situation. There is thus an urgent need to ensure continued investment in our collective heritage by developing a long-term strategy together with partners.

2. International Visibility: 2017 a Landmark Year for Montréal and Canada

Montréal's 375th Birthday and the 150th Anniversary of Canadian Confederation

The year 2017 marks the 375th anniversary of the founding of Montréal. The anniversary coincides with the 150th anniversary of Canada's Confederation and the 50th anniversary of Expo 67. The City of Montréal would like to take advantage of this unique occasion to recall its role in building the nation and carry out structural development projects for the largest city in Quebec.

Pointe-à-Callière, Museum of Archeology and History

Site of the founding of Montréal and a national historic and archeological site, the Pointe-à-Callière Museum of Archeology and History is the result of more than 30 years of archeological digs. A legacy of Montréal's 350th anniversary in 1992, the museum is located on grounds that witnessed over 1,000 years of human activity in the heart of Old Montréal. The exceptional site was initially a place to meet and conduct trade among Aboriginal peoples and later was the site of the founding of the city. The site also illustrates the important role played by Montréal in the economic development of Canada. Each year, it welcomes over 350,000 visitors, making it one of Montréal's main distinctive attractions, particularly for North Americans.

A Government of Canada contribution would make it possible to create a genuine City of Archeology and History and potentially increase annual visitation to over 550,000 visitors. The project would preserve and provide access to a dozen national historic and heritage sites. To celebrate Canada's 150th birthday, the Government of Canada would help spotlight the remnants of the Parliament of United Canada by developing a visitor centre over the remnants, thus highlighting the fact that Montréal was Canada's capital for a number of years. In addition, development of a unique exhibition room, partially in the basement of the Customs Canada building, would make it possible to host temporary national and international exhibits.

The new phase of development would strengthen a world-class cultural and tourist attraction. It would support previous public investment in Old Montréal and the Old Port, in particular showcasing sites and buildings. The cost of the project would be \$60 million. The Quebec government, the City of Montréal and the private sector would contribute 50 percent of the amount, while the desired federal contribution would be \$30 million.

Programming for Montréal's 375th Anniversary

The Society for the Celebration of Montréal's 375th Anniversary was established to plan and organize the celebrations and ensure they are resounding success, with the support of partners working to enhance Montréal's visibility.

In conjunction with the City of Montréal, the Society plans to bring people together with a program based on Montréal's identity, history, culture and heritage. One of the objectives is to reinforce Montréalers' sense of pride and belonging through events that augment the city's visibility and impact both in Canada and abroad.

The Quebec government has already committed to supporting the programming for the celebrations financially with an investment of up to \$60 million, if all stakeholders, including the federal government, also commit to lending their financial support to the celebrations.

The Society also hopes that the Government of Canada will agree to provide permanent lighting for the Jacques Cartier Bridge, leaving a legacy and signature statement for Greater Montréal. Preliminary estimates place the cost of the project at \$15 million.

The City of Montréal also plans to inaugurate its three key legacy projects for the 375th anniversary at its Space for Life site, i.e., the metamorphosis of the Insectarium, the renewed Biodôme and the Glass Pavilion at the Botanical Garden.

St. Joseph's Oratory

Leading up to the many commemorative festivities of 2017, the City of Montréal is emphasizing one of the symbolic sites of Montréal: St. Joseph's Oratory. Teeming with historic and tourist value, the Oratory welcomes over two million pilgrims and visitors from around the world each year. The number of visitors to St. Joseph's is increasing steadily, making it one of the top international religious tourism destinations. However, its facilities have become outdated and inadequate. The project to modernize the Oratory's facilities will cost \$80 million. In its latest budget, the Quebec government signalled its intent to invest up to \$26.4 million if the other partners and the Oratory also contribute.

Alexandra Pier and Passenger Terminal Project

Infrastructure support is critical to ensure secure and prosperous communities. The Alexandra Pier and Passenger Terminal project falls within the spirit of this priority set by the Standing Committee on Finance.

The Alexandra Pier is part of the history of Montréal and Canada. Built in 1901, the pier witnessed the arrival of waves of migrants to Montréal. The passenger terminal was built in 1967 for Canada's Centennial and Expo 67 and has been renovated frequently over the years. It now shows signs of age and requires significant investment.

The design concept proposed recently by the port authority (Port of Montréal) and wholeheartedly endorsed by the City will bring numerous benefits to Greater Montréal. The innovative project is planned for 2017 and has an integrated development vision that will make it possible not only to maintain international-level ferry operations but also to provide a gateway of choice to the city for cruise ships and visitors. The industry is booming and will generate significant economic spinoffs.

The Port of Montréal would like to obtain financial contributions from a variety of partners to make this project a reality. The cost of the work is estimated at \$70 million. It should be noted that the federal government has supported a variety of port rehabilitation projects in the country, notably those of Metro Vancouver, Nanaimo, Trois-Rivières, Saguenay, Sept-Îles and St. John's, under the former Infrastructure Stimulus Fund. These investments speak volumes about the importance of port infrastructure in Canada. With that in mind, we would like to see a federal investment of \$20 million for this project, which fits in perfectly with the vocation of the Port of Montréal.

Lastly, we take the opportunity provided by the Standing Committee on Finance to express our hope to initiate discussions with the Government on the possibility of repatriating the land and related budgets of the Old Port in order to develop the area for the benefit of all Montréalers.

3. Funding for Public Transit

Urban transportation management is one of the main issues facing cities of the 21st century. Improving quality of life and increasing the economic competitiveness of cities depends directly on the quality of their transportation networks. In Montréal, the effects of congestion have an estimated \$2-billion impact per year. For this reason, improving the public transit infrastructure is one of the top priorities for Montréal and the metropolitan area. We wish to remind the Government of our application for funding for the LRT on the Champlain Bridge. This large-scale project could be considered within the \$4-billion envelope for projects allocated on merit announced in the NBCP in the last federal budget.

4. A Continuing Federal Presence in Greater Montréal

Decentralization of the Canada Economic Development Head Office

Economic development, especially support for the competitiveness of Canadian businesses, is one of the priorities identified by the House of Commons Standing Committee on Finance. Greater Montréal is the economic engine of Quebec. Canada's R&D capital with 200 research centres, Montréal is home to highly skilled human resources working for companies in a vast array of sectors: information technology, transportation and logistics, finance, life sciences, aerospace, food processing, film and more.

From this perspective, having the head office of Canada Economic Development in Montréal has always been a major asset for the metropolitan area. It was with consternation that the City of Montréal and the region's business leaders learned of the Government's intent to relocate the Agency's head office by 2017. We do not wish to question the principle of moving closer to the regions; however, we do not understand the need to remove the head office from the metropolitan area. Canada Economic Development is a key federal player in the economic development of Montréal, Quebec's engine for growth. The City requests that the decision be reconsidered.