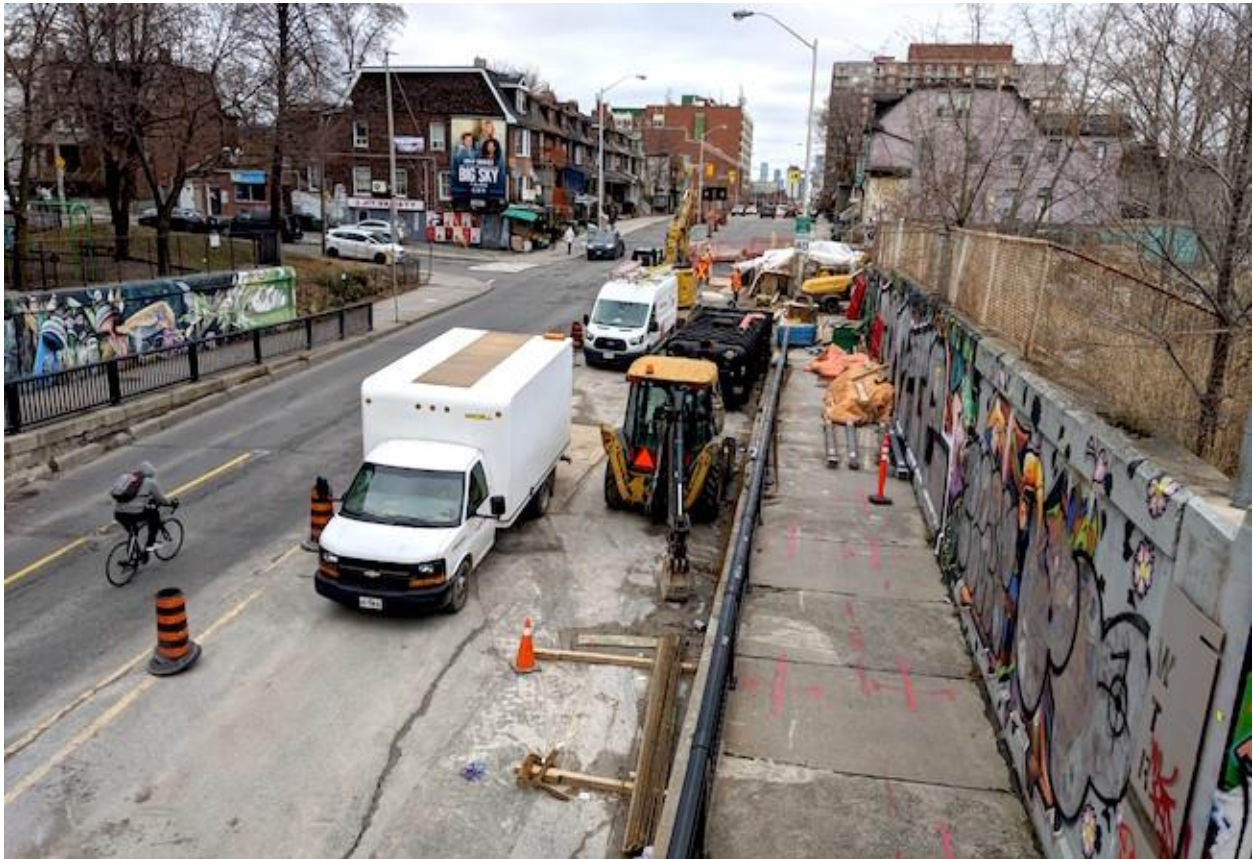


On-Site

Ontario municipalities get \$695M in added relief to buttress shaky budgets

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The funding will provide further budget certainty for cities heading into 2021, helping to support capital infrastructure projects

Parliament Hill and Queen's Park have announced another tranche of funding for municipalities across the province under the federal-provincial Safe Restart Agreement.

The \$695 million in relief will shore up the budgets of 44 cities running significant deficits in 2020, as well as offer assistance to all 444 municipalities as they set their 2021 operating budgets.

“This joint funding will help Ontario’s municipalities recover from the impacts of COVID-19 faster, by helping them to enter into 2021 without operating deficits from this year,” said Steve Clark, the provincial minister of Municipal Affairs and Housing, in a release. “By ensuring our

municipal partners are in a sound financial position to begin the new year, they can focus on keeping their capital projects on track while continuing to provide the critical services their residents rely on.”

The funding is part of the \$4 billion Safe Restart Agreement between the federal and provincial governments designed to help Ontario cities get back on track following the pandemic. The funds will help municipalities pay for key services, such as transit, as well as allow them to continue moving forward on planned capital projects.

The Residential and Civil Construction Alliance of Ontario (RCCAO), which has been calling for further funding for state of good repair project this fall, welcomed the latest relief to city budgets.

“This funding comes at a critical time for municipalities across Ontario and we commend the leadership and co-operation shown by both the provincial and federal governments in working together to address this unprecedented economic crisis,” RCCAO board chair, Peter Smith, said in a release. “As a result of this funding, municipalities can now begin putting their financial houses in order.”

In a survey released this fall, the industry group found contractors have seen a [major drop in new project tenders since July 1](#), warning that if the situation went unaddressed it could lead to significant job losses.