



## RCCAO welcomes \$4 billion assistance plan for municipalities and transit

August 4, 2020

Vaughan, Ont. – **The Residential and Civil Construction Alliance of Ontario (RCCAO)** is pleased that the Ontario and federal governments have worked together to come up with a plan that will be rolled out in the coming weeks to deliver nearly \$4-billion to support municipalities and transit.

“Both governments are to be commended for stepping up to the plate and providing this much-needed assistance to municipalities and transit systems,” said **RCCAO executive director Andy Manahan**. “Transit revenues have taken a massive hit due to ridership declines and this will go a long way towards ensuring these vital services can continue to be delivered by local governments.”

RCCAO is encouraging the federal government to speed up the delivery of funds as quickly as possible, as infrastructure projects in the municipal sector that were planned for 2020 are already slowing down and construction firms have signalled that the situation for the remainder of the year looks bleak. Municipalities need this funding immediately to address the severe and ongoing financial impacts of COVID-19.

Research conducted for RCCAO by the Canadian Centre for Economic Analysis has shown that employment and tax revenues will take a staggering hit unless governments work together to support municipal infrastructure investments.

“Municipalities have faced tremendous fiscal challenges in light of COVID-19 and this funding infusion will help to ensure they get back on their feet again and continue with much-needed infrastructure projects,” said Manahan. “We look forward to hearing more about the details on specific allocations in the coming weeks.”

RCCAO welcomes funding for public transit. While ridership on public transit has dropped significantly in the GTA due to COVID-19, these systems are essential to moving people around in large urbanized areas like Toronto. The \$2 billion earmarked for transit operators will permit them to address revenue shortfalls and continue operations.