



**GREAT LAKES AND
ST. LAWRENCE**
CITIES INITIATIVE



2024 Pre-Budget Submission to FINA

AUGUST 2023

Recommendations Summary

RECOMMENDATION 1: BUILDING ON CANADA’S HISTORIC INVESTMENT IN FRESHWATER

That the government outline a pathway to build on historic freshwater investments in Budget 2023 to achieve a total investment of \$1 billion over ten years in the Freshwater Action Plan and examine potential revenue tools based on the polluter-pays principle to ensure dedicated long-term funding for freshwater programming.

RECOMMENDATION 2: RENEWING OUR AGING WATER AND WASTEWATER INFRASTRUCTURE

That the government invest at least \$20 billion over the next ten years in a dedicated funding program for water and wastewater infrastructure to support climate adaptation, population growth and address emerging pollutants of concern, such as PFAS.

RECOMMENDATION 3: CONDUCTING A COMPREHENSIVE RISK ASSESSMENT OF GREAT LAKES AND ST. LAWRENCE RIVER COASTAL AREAS

That the government conduct a comprehensive study on coastal resilience in the Great Lakes and St. Lawrence River Basin, similar to what the U.S. Army Corps of Engineers is doing, to identify vulnerabilities and sustainable solutions to better protect shoreline communities in Canada’s most populous region.

RECOMMENDATION 4: TACKLING EROSION ALONG OUR INLAND SHIPPING CORRIDORS

That the government study the impacts of commercial navigation and pleasure boating on shoreline erosion and create a renewed shoreline protection program to address critical erosion issues exacerbated by these factors in the Great Lakes-St. Lawrence Seaway network.

RECOMMENDATION 5: KEEPING OUR ROADWAYS SAFE WHILE PROTECTING OUR WATERS

That the government monitor chloride levels more closely in Canada’s waterways and support the use of more environmentally-friendly and road safe alternatives to reduce impacts of salinization on freshwater ecosystems.

INTRODUCTION

The Great Lakes and St. Lawrence Cities Initiative (Cities Initiative) appreciates the opportunity to present our priorities to the Standing Committee on Finance. The Cities Initiative was pleased to see historic investments in freshwater programming, including \$420 million for the Great Lakes, and a commitment to create an independent Canada Water Agency with additional funding to support its operations in Budget 2023. The recent launch of the National Adaptation Strategy and its associated investments is also a welcomed signal that the government takes climate adaptation seriously.

Our pre-Budget 2024 recommendations seek to build on these key investments, particularly to bolster climate adaptation in Canada's key economic and trade corridor and largest population centre.

ABOUT THE CITIES INITIATIVE

We are a binational coalition of more than 230 mayors and local elected leaders, representing over 19 million people, who are working to strengthen the socioeconomic and environmental health of communities across the Great Lakes and St. Lawrence River Basin (the basin). The Cities Initiative is the largest municipal-led organization focused on issues impacting the basin and its communities, with membership spanning from Duluth, MN to Rimouski, QC, including Toronto, Montreal, Chicago and Detroit.

Our work is centered on advancing policy in four priority areas:

- Ecosystem and source water protection
- Coastal resilience and climate adaptation
- The Great Lakes-St. Lawrence River blue economy
- Water equity

Together with our members, we work across borders to safeguard a resource that provides drinking water to more than 40 million people.

A CHALLENGING ENVIRONMENT

This year alone, Canadian communities in the basin have been impacted by multiple natural disasters – punishing freezing rain, relentless wildfires and suffocating heatwaves – largely attributed to climate change. The need for Canada to plan for and invest massively in climate adaptation is urgent. This includes mobilizing and enabling Canadian municipalities, households and businesses to take the measures needed to protect our homes, communities and infrastructure.

We are also in the midst of a housing and homelessness crisis, with rapid population growth putting pressure on basin cities' resources and infrastructure. Part of the solution in addressing this crisis is ensuring that our communities have dedicated support to invest in modernizing, expanding and building new water and wastewater infrastructure.

The historic investments made in freshwater programming in Canada demonstrate that the government values keeping this essential resource clean. As stewards of more than 20% of the world's freshwater, Canada not only has a moral obligation, but also an economic imperative, to ensure that our source water remains drinkable, swimmable and fishable. Canadian communities across the basin face

persistent urban flooding, boil water and fish consumption advisories, beach closures and municipal restrictions on development from water shortages. Canada's water quality, accessibility and infrastructure must improve.

With the National Adaptation Strategy, the launch of the Canada Water Agency and a stronger Freshwater Action Plan, the government is laying the foundation for the long-term protection of our drinking water and preparing our society for the impacts of climate change. Today's challenges, however, require Canada to be nimble and forward-thinking to develop sustainable and equitable solutions. We encourage the government to move further and faster to better manage our essential freshwater resources and invest in the infrastructure that protects our coastal communities and delivers clean water to our residents and employers.

RECOMMENDATION 1 – BUILDING ON CANADA'S HISTORIC INVESTMENT IN FRESHWATER

The Cities Initiative is supportive of the historic investments announced in Budget 2023 to secure our freshwater resources, including operational support for an independent Canada Water Agency and significant funding to strengthen freshwater programming across Canada, including \$420 million over 10 years for the Great Lakes.

We encourage the government to consult with interested stakeholders, including municipalities and Indigenous communities, to ensure that these investments are directed to on-the-ground support for communities and local organizations that are working on freshwater monitoring, protection, restoration and stewardship, as well as addressing Canada's remaining areas of concern. At the same time, while truly significant, the investments announced in Budget 2023 do not fully meet the government's earlier commitment to invest \$1 billion over 10 years in strengthened freshwater programming. The Cities Initiative hopes to see the government outline how it will address this gap.

As FINA members may recall, the Great Lakes-St. Lawrence Collaborative, of which the Cities Initiative is a member, outlined 30 recommendations totalling \$2 billion over 10 years for the Great Lakes and St. Lawrence River alone in its [Action Plan 2020-2030](#). All told, there is no shortage of investment needs to secure the future of Canada's freshwater reserves, including in the basin.

Additionally, the Cities Initiative recommends that the government examine potential revenue tools by leveraging the polluter pays principle to support sustained funding for freshwater programs. Canada will surely continue to face water quality and availability issues over the coming decades. The time to examine new tools to better manage our freshwater resources and improve water quality is now.

RECOMMENDATION 2 – RENEWING OUR AGING WATER AND WASTEWATER INFRASTRUCTURE

As the government works with provinces and territories on the next long-term infrastructure plan, the Cities Initiative recommends the creation of a dedicated funding stream for water and wastewater infrastructure. Despite more than \$1.48 billion devoted to more than 2,000 water and wastewater projects in Quebec and Ontario since the launch of the Investing in Canada Infrastructure Program, Canada's own [latest Core Public Infrastructure survey](#) demonstrates that these investments "have not kept up with the deterioration of existing assets."

For some communities in the basin, the lack of water availability and infrastructure capacity is forcing them to slow down or stop housing development, including the [City of La Prairie](#), on the South Shore of

Montreal, at a time when Canada is facing a severe housing affordability and availability crisis. For others, persistent urban flooding during heavy precipitation demonstrate that the unfortunate state of water infrastructure is at the heart of some of Canada's most pressing social and economic issues.

As Canada and the provinces turn their attention to addressing the presence of PFAS in our drinking water, additional pressure will mount on municipalities to modernize and build up costly water treatment systems, without any dedicated funding to support these types of projects at the federal, and in many cases, the provincial level.

The government must therefore recommit to a dedicated funding program, similar to the short-lived Clean Water and Wastewater Fund, and work with provinces to develop and implement a sustained investment plan with clear objectives for modernizing Canada's water infrastructure.

RECOMMENDATION 3 – CONDUCTING A COMPREHENSIVE RISK ASSESSMENT IN THE BASIN

The United States Army Corps of Engineers (USACE) has been tasked with conducting a Great Lakes Coastal Resiliency Study (GLCRS) with the goal of integrating expertise across federal and state agencies. The GLCRS will develop a watershed plan to support the management of coastal resources and identify and prioritize a series of resilient coastal investments. With USACE's work, federal, state and local authorities will better understand the risks to their coastal infrastructure and natural assets and help drive critical investments to protect American coastal communities in the Great Lakes.

As it stands, no equivalent comprehensive coastal resiliency study for the basin exists in Canada. While the government has invested more than \$164 million in flood mapping and released a National Risk Profile in May 2023, coastal resiliency as a whole involves not only understanding flooding risk, but also erosion rates, invasive species and other significant hazards to our built and natural assets.

To ensure the adaptation of Canada's most populous region – the basin, which is home to more than 90% of Ontarians and Quebecers – it is critical that the government work with Ontario and Quebec to conduct a basin-wide shoreline risk assessment to identify vulnerabilities and work out sustainable cost-effective solutions.

RECOMMENDATION 4 – TACKLING EROSION ALONG OUR INLAND SHIPPING CORRIDORS

The Cities Initiative was pleased to be invited to speak to the Standing Committee on Transport, Infrastructure and Communities (TRAN) during their study on the Impact of Commercial Shipping on Shoreline Erosion and to see them make similar recommendations to the government on this subject in [their report](#) as we have. Namely, we have been calling on the government to further study this issue along the Great Lakes-St. Lawrence Seaway corridor and to relaunch a shoreline protection program along heavily impacted sections of the corridor.

The Cities Initiative recognizes that multiple factors contribute to shoreline erosion. We also value the key role that the commercial navigation sector plays in the basin as an important employer, a strategic player for a secure supply chain and a partner for change in addressing the climate crisis. Understanding that commercial shipping, along with other maritime activities, such as pleasure boating, will continue in this strategic corridor, the government must play a role to ensure that impacted communities and property owners remain safe and that this critical industry has the social license to operate in a region that draws economic benefits from these activities.

Further, by implementing the recommendations outlined by TRAN, the government will help deepen our understanding of the factors influencing erosion, as well as identifying longer-term solutions to protect shorelines that could have wider applications in the basin and across Canada to help address this costly issue.

RECOMMENDATION 5 – KEEPING OUR ROADWAYS SAFE WHILE PROTECTING OUR WATERS

An increasing body of scientific evidence is suggesting that road salt overuse can lead to the salinization and increase in pH levels of nearby waterways. When applied, road salt is often carried by stormwater runoff and then infiltrates nearby waterways.

As it is estimated that the United States and Canada combined use as much as 25 million tons of road salt per year, it is no surprise that we already witnessing an increase in chloride levels – an important component of road salt – now exceeding the 120 mg/L threshold in several watersheds, beyond which it can become a chronic environmental issue.

While phasing road salt entirely out would prove impossible at this stage, it is important that the government act to further our understanding of road salt impacts on the environment and encourage the development and use, whenever possible, of road safe alternatives. More specifically, the Cities Initiative recommends that Canada work with provinces and municipalities to monitor chloride levels more closely in our waterways, explore alternative strategies for winter road maintenance and provide financial and technical support to cities and towns to adopt alternative winter road safety strategies.