

The opinion editorial from today's Globe and Mail - **The hard truth the Trudeau Liberals need to hear from Mark Carney** - is a must-read for leaders in the elected, administrative and private sectors.

<https://www.theglobeandmail.com/opinion/editorials/article-the-hard-truth-the-trudeau-liberals-need-to-hear-from-mark-carney/>

Growing the economy is job #1 for every level of government, without which there are no revenues, fiscal flexibility or strength to invest in what Canada needs to grow, sustain and improve our core and social services.

Hopefully, Carney's advice focuses on sustained, predictable, incremental and strategic investments (including infrastructure) underpinning nation building, ensuring Canada **IS** an indispensable and reliable global trading partner.

The opportunity to lead does not rest just at the federal level. Relationships between municipal and provincial governments are essential to a national '*growing the economy*' effort.

To engage and lead in that role, we ask our provincial and municipal leaders to start the discussion, engage with the private sector in a meaningful review of at least two initiatives:

CHIEF ECONOMIC DEVELOPMENT OFFICER (CEDO).

Winnipeg's Mayor and Council have an opportunity to reflect this fundamental priority and give meaningful commitment to economic growth by introducing into the executive team, a Chief Economic Development Officer with a mandate to champion and advance policies to grow the economy. Unlike the current position of Economic Development Manager which focuses on specifics to activate development (water servicing capacity, extension of same), the CEDO would be an executive team leader who would ensure economic growth played a central role in all City of Winnipeg investment, development and planning strategies and budgets.

Championing growth as part of a 'whole-of-government' approach creates a long overdue '*growing the economy partnership*' with the provincial government. (*This would also help alleviate provincial concerns associated with lost revenues in any 'new fiscal deal' discussions - see below.*)

The above enables the Premier and Mayor to introduce legacy changes with long-term economic and fiscal flexibility impacts. This premise has broad support across industry sectors.

NEW FISCAL DEAL

A *New Fiscal Deal* reorganizing/redefining core responsibilities and access to funding streams between provincial and municipal governments (and by extension Ottawa) - *for which revenues each is accountable* - is required.

The new fiscal deal must recognize the inequity of the existing turn-of-the-century fiscal arrangement which handcuffs municipal ability to fund a growing list of and demands for, programs and services. Existing funding mechanisms, including the authority to tax property, do not enable cities to think strategically and invest to grow their economies. It is estimated by the Federation of Canadian Municipalities, that cities collect only 10 cents of every dollar of tax raised in Canada.

The new fiscal deal must enable cities to provide modern cultural and recreational amenities; address crime, homelessness, addiction, and mental health concerns; build the infrastructure needed for growing populations; and attract new growth-related investment.

A new fiscal deal could give cities access to taxation authority directly generated from growth (for example, retail sales). Cities currently rely too heavily upon property taxes supplemented by service fees and levies to raise revenues. In contrast, provinces and the federal government see their revenues immediately grow with the economy, through income, corporate or sales taxes.

Given broad business and community recognition that we have a problem requiring '*a fix,*' now is the time to start a blank page discussion and lead change across Canada.

A CALL TO ACTION

An opportunity exists, as does the clear need, to improve upon what now exists. Leaders at the provincial and municipal levels, each engaged in 2025 budget deliberations, KNOW that what currently exists is not only unsustainable, but inadequate to the challenges of the future.

The private sector is ready to engage.

Sincerely,

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