



May 22, 2026

Submission to FINA

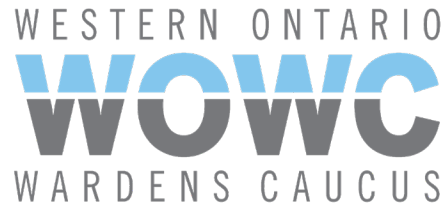
Standing Committee on Finance

Regarding Pre-Budget Consultations in Advance of the 2026 Budget

Submitted by:

Western Ontario Wardens' Caucus (WOWC)
Warden Marcus Ryan, Chair

c/o Kate Burns Gallagher, Executive Director
Western Ontario Wardens' Caucus
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The Honourable François-Philippe Champagne, PC MP
Minister of Finance and National Revenue
Department of Finance Canada
James Michael Flaherty Building
90 Elgin Street
Ottawa, ON, K1A 0G5

Submitted via FINA Submission Portal

Thursday, May 21, 2026

RE: WOWC Submission to Federal 2026 Pre-Budget Consultation

Dear Minister Champagne,

On behalf of the Western Ontario Wardens' Caucus ("WOWC"), I want to thank you for the opportunity to provide recommendations as part of the Government of Canada's 2026 pre-budget consultations. WOWC represents 15 upper- and single-tier municipalities across Southwestern Ontario, home to approximately 1.6 million people. This region is one of Canada's most economically productive regions and is a critical driver of our national manufacturing and agricultural sectors. As Canada navigates a period of global uncertainty, trade instability, and rising trade pressures on domestic supply chains, rural regions like Southwestern Ontario will play an increasingly important role in supporting our country's productivity, food security, industrial capacity, and economic sovereignty.

Expanding Rural Infrastructure and Transit Connectivity

Rural municipalities across Southwestern Ontario are under growing pressure to support housing construction, manufacturing expansion, agri-food processing, and regional economic growth, yet lack the infrastructure capacity to keep pace. Aging water and wastewater systems, limited transportation connectivity, insufficient industrial land servicing, and gaps in regional transit continue to create barriers to investment, labour mobility, and long-term economic competitiveness.

Programs such as the [Build Communities Strong Fund](#) and the [Canada Public Transit Fund](#) represent important steps toward addressing these needs. Investments through these programs will be essential to unlocking new opportunities that will help augment and improve Southwestern Ontario's rural economy. We encourage the federal government to continue advancing coordinated infrastructure partnerships with the Ontario government. Recent initiatives, including the [Canada-Ontario Partnership to Build](#), showcase the value of integrated federal-provincial

investment approaches that provide municipalities with predictable, long-term funding certainty and the infrastructure capacity necessary to support continued population growth, industrial expansion, and regional economic development.

Budget 2026 should prioritize investments that directly address these infrastructure and connectivity challenges in rural and small urban communities. Federal funding should support water and wastewater infrastructure, broadband expansion, transportation corridors, industrial land servicing, trade-enabling projects, and inter-community transit systems that connect rural municipalities to employment hubs, post-secondary institutions, health-care facilities, and industrial centres.

Supporting Local Communities by Responding to Mental Health Pressures

Rural municipalities across Southwestern Ontario continue to experience growing homelessness, mental health, and addiction pressures despite having fewer local resources and service delivery capacity than larger urban centres. Municipal governments, hospitals, first responders, and community organizations are increasingly being required to address complex social challenges that exceed local fiscal capacity and place significant pressure on emergency services and frontline health care systems. Long-term and stable federal funding will be necessary to ensure rural municipalities can continue responding effectively to housing insecurity, addiction challenges, and mental health crises while maintaining the long-term sustainability of local community services.

Budget 2026 should build on existing federal initiatives, including the [Unsheltered Homelessness and Encampments Initiative \(UHEI\)](#), the [Reaching Home program](#), and the [bilateral Canada-Ontario housing and homelessness agreements](#), by providing expanded and predictable support for rural homelessness prevention, supportive housing, mental health services, addiction treatment programs, and community-based crisis response initiatives. The federal government should include added emphasis on state-owned and affordable housing in rural communities through the [newly announced Build Canada Homes agency](#). Existing federal programs should better recognize the realities facing rural municipalities, where community organizations often operate with limited staffing and funding despite rapidly increasing demand.

The WOWC encourages the federal government to expand support, in collaboration with the province, for community-led mental health and addiction strategies. Examples of successful integrated regional approaches include initiatives such as [Lambton County's Community Health Integrated Care \("CHIC"\)](#), which directly funds paramedic training to deliver specialized services and on-site mental health support. These programs, supported by the [Ontario government's \\$90 million Addictions Recovery Fund](#), are vital for helping rural areas, such as [Simcoe](#) and [Sarnia-Lambton](#), to expand critical addiction services and increase the number of treatment beds available in underserved communities. These integrated regional models effectively improve rural access to mental health supports by uniting municipalities, healthcare providers, community organizations, and emergency services.

Strengthening Productivity and Workforce Development

Canada's productivity challenges continue to constrain economic growth, investment attraction, and industrial competitiveness. Rural employers continue to face challenges attracting and retaining skilled workers, particularly younger workers, due to housing shortages, transportation

barriers, and increased competition from larger urban markets. [Budget 2025](#) appropriately emphasizes productivity-enhancing capital investments through measures such as the [Productivity Super-Deduction](#) and accelerated investment incentives.

Budget 2026 should build on recent federal initiatives, including the [Productivity Super-Deduction](#), accelerated investment incentives, and the [Team Canada Strong initiative](#), which provides \$6 billion to recruit, train, and hire between 80,000 and 100,000 Red Seal trades workers. Continued investments in workforce development and skills training will be essential to ensuring Canada has the labour force capacity needed to support infrastructure, manufacturing, and economic priorities.

Federal workforce development programming should place greater emphasis on employer-partnered and regionally delivered training models involving post-secondary institutions, unions, industry associations, economic development organizations, and local employers. Programs that directly connect workers to employment opportunities in manufacturing, agri-food processing, construction, transportation, and industrial technologies should be prioritized as Canada works to improve productivity, strengthen domestic supply chains, and support long-term economic resilience.

Support Regional Participation in the Defence Industrial Strategy

Rural Southwestern Ontario is well-positioned to support defence-related manufacturing expansion through available industrial lands, established manufacturing clusters, and strong transportation connectivity. The [newly announced Defence Industrial and Defence Investment Agency](#) represents a major opportunity to strengthen Canada's manufacturing, industrial innovation, and strategic procurement capacity.

Budget 2026 should include measures that ensure funding streams connected to the [Strategic Response Fund](#) and the [Canadian Defence Industry Resilience program](#) are accessible not only to large-scale firms but also to municipalities, regional manufacturers, post-secondary institutions, and the private sector. These stakeholders can help develop industrial lands outside of major urban hubs, support permit applications, augment research capacity, and encourage workforce development in the defence and dual-use manufacturing sectors.

Building a Stronger Canada for the Next Generation

Southwestern Ontario's rural municipalities are central to Canada's economic success. The region's manufacturing capacity, agricultural production, transportation networks, food-processing industry, and skilled workforce continue to support national supply chains and industrial competitiveness. Strategic investments through Budget 2026 can help ensure that rural municipalities have the infrastructure, workforce capacity, housing supports, and economic tools necessary to drive Canada's manufacturing and agricultural strength for generations to come.

Thank you again for the opportunity to provide these recommendations. We look forward to continued collaboration with the Government of Canada.

Respectfully submitted,

A handwritten signature in dark ink that reads "Marcus Ryan". The signature is written in a cursive, flowing style.

Warden Marcus Ryan
Chair
Western Ontario Wardens' Caucus
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About

The Western Ontario Wardens' Caucus (WOWC) is a not-for-profit organization representing 15 upper and single-tier municipalities in Western Ontario, representing more than 1.6 million residents. The WOWC aims to enhance the prosperity and overall wellbeing of rural and small urban communities across the region. Caucus members work collectively to influence federal and provincial legislation and programs through advocacy, research, analysis and education.