

**PROTECTING CANADIANS AND THEIR COMMUNITIES**

**PRE-BUDGET SUBMISSION**

**CANADIAN ASSOCIATION OF FIRE CHIEFS**

**TO**

**HON. JIM FLAHERTY, MINISTER OF FINANCE**

**Filed January 9, 2009**

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### Appendix "A"

#### SUMMARY OF RECOMMENDATIONS

## EXECUTIVE SUMMARY

The Canadian Association of Fire Chiefs (CAFC) is a national organization representing more than 1,000 Chief Fire Officers situated in all Canadian provinces and territories. It is the only all-inclusive voice for the Fire Services in Canada.

The November 19, 2008 Throne Speech stated that, “In times of uncertainty as in times of prosperity, Canadians need to be assured that they are safe in their homes and communities.” This is as much the mandate of the Canadian Fire Services as it is an objective of the Government of Canada.

The Fire Services are a major component of Canada’s public safety and security infrastructure, protecting the lives and property of citizens in almost 3,500 communities. They also protect the businesses upon which these communities depend for their economic viability. Investments in the Fire Services by the Government of Canada should be regarded as meaningful infrastructure-building opportunities.

In CAFC’s survey conducted prior to development of our 2008 pre-budget submission to the Standing Committee on Finance, 90.2 per cent of respondents said the federal government has a financial role to play in ensuring that all Canadians receive a basic level of protection from fire and other perils.

The Budget should significantly increase funding under the Joint Emergency Preparedness Program for all Fire Departments, with a fixed portion of these funds going to the Volunteer Fire Services. Funding for identified specific purposes, such as enhanced training and equipping of the Fire Services to deal with chemical, biological radiological, nuclear or explosives (CBRNE) incidents should be readily forthcoming.

Also, the Budget should announce that the Government of Canada is striking a working group composed of representatives from Canada’s emergency first responder organizations to identify how best to assure Canadians “that they are safe in their homes and communities.”

For several years, CAFC and other organizations, including the Federation of Canadian Municipalities, have urged personal income tax relief for volunteer firefighters. The Government should view such relief as a key component of its economic stimulus program for small businesses in rural Canada.

Bill C-219, An Act to amend the Income Tax Act (deduction for volunteer emergency service) was introduced in April 2006. It would have allowed volunteer emergency workers to deduct \$1,000 from their taxable income for at least 100 hours of service and \$2,000 for 200 hours. C-219 had reached Third Reading stage, with all-party support, when Parliament was dissolved for the 2008 General Election.

The Budget should announce an Income Tax Act amendment to provide deductions for volunteer emergency service that are at least equal to those proposed in Bill C-219.

## **A. INTRODUCTION**

The purposes of this submission are twofold. First, it updates elements of the pre-budget submission filed by the Canadian Association of Fire Chiefs with the Standing Committee on Finance on August 14, 2008. Second, it responds to the invitation of the Finance Minister to provide input to the January 27, 2009 Budget.

CAFC is a national membership organization representing more than 1,000 Chief Fire Officers situated in every Canadian province and territory. Its members include Fire Chiefs from full-time, volunteer and composite Fire Departments. Composite Departments are composed of both full-time and volunteer firefighting personnel. Fire Chiefs who are CAFC members come mainly from municipal Fire Departments. There are also members from industrial, airport, institutional and aboriginal Fire Departments. CAFC is, therefore, the only all-inclusive voice for the Fire Services in Canada.

There are approximately 3,500 Fire Departments in Canada, of which 2.9 per cent are full-time; 6.1 per cent are composite and 91.2 per cent are volunteer organizations. Of the 108,000 estimated Fire Services personnel in Canada, 21.9 per cent are full-time employees and 78.1 per cent are volunteers. In no other emergency first responder service in Canada do willing volunteers play a more significant role.

Virtually no Canadian community is immune from the threat of serious emergencies, either man-made or naturally occurring. Fire-related incidents represent some 30 per cent of all responses by Canada's Fire Departments. Floods, power failures, incidents involving hazardous materials (train derailments, highway accidents, fires in industrial buildings, etc.), passenger vehicle collisions, and explosions at local factories are among the other types of incidents that can be expected to occur virtually anywhere and at any time. It is the local Fire Department that will almost inevitably be the first emergency response organization on the scene for such incidents.

## **B. PROTECTING CANADIANS AND THEIR COMMUNITIES**

The February 2004 Throne Speech stated that, "there is no role more fundamental for government than the protection of its citizens." That theme has been re-stated regularly since, with a recent re-iteration appearing in the November 18, 2008 Throne Speech which stated, "In times of uncertainty as in times of prosperity, Canadians need to be assured that they are safe in their homes and communities." This is as much a mandate of the Canadian Fire Services as it is an avowed objective of the Government of Canada.

More than 84,000 Canadian firefighters are volunteers. They ensure the safety and security of Canadians in more than 3,100 smaller communities across Canada. The economic base of many such communities is made up primarily of smaller, family-owned enterprises. With their limited financial resources, they are particularly vulnerable in the current economic downturn. Since they are major contributors to the economic wellbeing

of these communities, their decline or even failure at the present time would ultimately result in the erosion of the municipal tax base.

In part, that base is required to support emergency responder services at the local level. While the actual services of volunteer firefighters commonly result in no charge to the communities they protect, they must be sustained by protective clothing, equipment and apparatus appropriate to the risk to which they willingly expose themselves.

The pre-budget survey conducted prior to the development of our 2008 pre-budget submission asked Fire Chiefs whether they believe that the federal government has a financial role to play in ensuring that all Canadians have the right to a basic level of protection from fire and other perils. That position was supported by 90.2 per cent of survey respondents.

CAFC recognizes the fact that municipalities are the creatures of their provincial or territorial governments. That does not mean, however, that the Government of Canada can simply believe it is fulfilling its fundamental role of protecting its citizens just by transferring revenue to the provincial and territorial levels of government. Rarely do these transfers find their way to Fire Departments at the municipal level.

CAFC members were asked to rate the importance of a series of options for increased program spending that were presented to them in the 2008 pre-budget survey. The option regarded as the most important was that Public Safety Canada should increase its JEPP funding grants and reduce funding limitations in the JEPP process. This option was supported by a strong 94.1 per cent of survey respondents.

Public Safety Canada has long turned a deaf ear to requests from the Canadian Fire Services to increase significantly the level of JEPP funding. The impact of this lack of attention is being felt to an alarming degree in smaller communities which are finding it increasingly difficult to protect their citizens and their local economic base as the capital and operating costs of their Fire Departments continue to escalate.

The Fire Services are a major component of the Canadian public safety and security infrastructure. Investments by the Government of Canada in the Fire Services should be viewed as meaningful infrastructure-building opportunities.

### **Recommendation #1.**

**As a first step, the Budget should announce that funding under the Joint Emergency Preparedness Program will be increased significantly for all Fire Departments, with a fixed portion of these funds being allocated to the Volunteer Fire Services. Funding for identified specific purposes, such as enhancing the training and equipping of the Fire Services to deal with chemical, biological radiological, nuclear or explosives (CBRNE) incidents should be readily forthcoming.**

## **Recommendation #2**

**The Budget should reaffirm the November 19, 2008 Throne Speech statement that, “In times of uncertainty as in times of prosperity, Canadians need to be assured that they are safe in their homes and communities.” The Budget should announce that the Government of Canada is striking a working group composed of representatives from Canada’s emergency first responder organizations to identify how best to provide that assurance.**

### **C. SUPPORTING THE VOLUNTEER FIRE SERVICES**

For several years, CAFC and other organizations have urged personal income tax relief for volunteer firefighters. Notable amongst these other organizations are the Federation of Canadian Municipalities and Volunteers Canada. There could be no better time for the Government to move forward to provide this relief which will eventually transform itself into an economic stimulus for small businesses in rural Canada.

The interests that CAFC showed with respect to previous Bill C-219, An Act to amend the Income Tax Act (deduction for volunteer emergency services) are well known. In essence, C-219 would have amended the Income Tax Act to allow volunteer emergency workers to deduct from their taxable income the amount of \$1,000 if they performed at least 100 hours of volunteer service, and \$2,000 if they performed at least 200 hours of emergency service. C-219 died when the previous Parliament was dissolved for the 2008 General Election.

In July 2008, the Federation of Canadian Municipalities circulated the following model letter:

“Dear (Member of Parliament)

“I am writing to urge your support for Bill C-219, An Act to amend the Income Tax Act (deduction for volunteer emergency services). Following unanimous support by the Standing Committee on Finance, this Bill was reported to the House and stands 24<sup>th</sup> in the Order of Precedence. C-219 is important to our Fire Department; the citizens of our community; and our municipal government.

“Recruitment and retention of volunteers for our Fire Department is becoming increasingly difficult. The modest income tax deductions contained in C-219 would tangibly recognize the importance to our community of volunteering as emergency first responders. Attending training sessions is one way volunteers can qualify for the deductions. Increased training translates directly into enhanced community protection.

“Volunteer firefighters protect the lives and property of our citizens from the perils of fire and other emergencies. If the current trend in slower recruitment and retention continues, municipalities would have to make some hard choices. Those expecting their Fire Services workloads to grow to the point of warranting it, would have to find new tax dollars; curtail other municipal services; and recruit full-time firefighters. Where the demand for emergency first response is not expected to grow beyond levels that justify full-time firefighters, they would simply have to accept the reality of diminished protection by emergency first responders.

“The Canadian Association of Fire Chiefs estimates a cost of some \$80,000 (salary and benefits) per full-time first-class firefighter. It states that it is necessary to employ six firefighters to ensure a complement of four firefighters available for active duty per shift.

“A full-time Fire Department is not affordable for our municipality. It would be better to encourage the effective recruitment and retention of our volunteer firefighters. Bill C-219 would be an important asset in that regard. I look forward to receiving your assurance that you will support Bill C-219 in the free vote that will ensure its Third Reading passage.

“Yours sincerely,

“Mayor \_\_\_\_\_”

The above letter needs no further amplification of the importance of personal income tax relief for volunteer firefighters.

### **Recommendation #3**

**The Budget should announce an Income Tax Act amendment to provide deductions for volunteer emergency service that, at a minimum, are at least equal to those proposed in Bill C-219.**

### **D. CONCLUSION**

Thank you for your consideration of our positions. If amplification of any of our recommendations is required please do not hesitate to contact me at my private cell phone number: 403-813-4064.

All of which is respectfully submitted,

Calgary Fire Chief Bruce Burrell.  
President, Canadian Association of Fire Chiefs

**SUMMARY OF RECOMMENDATIONS**

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**Recommendation #2**

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