



September 19, 2025

Hon. Lena Metlege Diab, P.C., M.P.
Minister of Immigration, Refugees and Citizenship
365 Laurier Avenue West
Ottawa, ON K1A 1L1

Dear Minister Diab,

Re: Addressing the City of Toronto's \$107M Shortfall in Refugee Settlement Costs

I am writing to express the Toronto Region Board of Trade's support for the City of Toronto's request for federal assistance to address the \$107 million budget shortfall arising from refugee-related settlement costs. As refugee settlement is a matter of federal jurisdiction, we share the City's view that the federal government should ensure these costs are properly supported, even when such programs are delivered locally.

We recognize the significant fiscal pressures facing the federal government and support its commitment to responsible spending. We also acknowledge that the City has received support through the Interim Housing Assistance Program, with demand for the program exceeding the available funding. Notwithstanding this support, the City is facing a substantial shortfall, requiring a significant municipal contribution to cover the total costs.

Fiscal management is a priority for the Board and the broader Toronto Region business community, which is why we are also calling on the City to address its own spending and fiscal management. We continue to advocate for the City to establish a Treasury Board-style function to bring greater discipline to expenditure management. We also encourage the City to more effectively leverage its assets to generate value for long-term priorities and seek opportunities to avoid service duplication with other orders of government to ensure resources are used most effectively.

Addressing the issue of unfunded mandates is essential to the City's overall fiscal health and helps provides the necessary fiscal head room to ensure critical municipal services, including state of good repair, can continue without compromise.

Sincerely,

A handwritten signature in black ink, appearing to read "Giles Gherson".

Giles Gherson
President & CEO

cc: Hon. Francois-Philippe Champagne, P.C., M.P., Minister of Finance and National Revenue
cc: Hon. Dominic Leblanc, P.C., M.P., Minister of Intergovernmental Affairs