



Saskatchewan Urban Municipalities Association
#200-2222 13th Avenue
Regina, SK. S4P 3M7
306-525-3727

September 24, 2015

FOR IMMEDIATE RELEASE

New Building Canada Fund is inadequate and hinders growth: SUMA

During the 2015 federal election, the Saskatchewan Urban Municipalities Association (SUMA) is once again calling for a permanent, long-term, sustainable, and predictable infrastructure program that increases the overall amount of funding available for municipal infrastructure projects.

“Saskatchewan municipalities need a program that helps us tackle the challenge of providing the services and infrastructure needed to accommodate growth, attract business and new residents, and deal with a significant infrastructure deficit from years of underfunding,” said SUMA President Debra Button. “Saskatchewan’s predictable allocation of the New Building Canada Fund works out to \$43.67 million annually over 10 years that must be shared between the province and 800 municipalities. That figure is woefully inadequate and doesn’t even begin to meet the urgent demand for infrastructure in our cities, towns, and villages.”

While municipalities own more than 60 per cent of Canada’s public infrastructure, they collect fewer than 10 cents from every tax dollar paid in Canada, with the balance going other orders of government. On their own, municipalities simply don’t have the revenue-generating tools to cover their infrastructure needs, especially when they are expected to meet growing needs for policing, housing, the environment, and settlement of newcomers, including many responsibilities downloaded from other orders of government.

Under the New Building Canada Fund (NBCF), municipalities must apply to the province for funding for local infrastructure projects that meet criteria laid out by the federal government. In January 2015, municipalities submitted 334 applications for projects totaling a \$1.5 billion. Only 26 applications were accepted for projects totaling \$11.5 million.

“Of \$1.5 billion in eligible municipal projects – *less than one per cent* was approved, meaning there’s still roughly \$1.5 billion worth of projects on the table,” said President Button. “We anticipate the next intake will be in 24 to 36 months, and I can only imagine what the total amount requested will be at that point.”

Button said the inadequate amount of federal funding for infrastructure, combined with the slow speed at which funding is made available is also hindering economic growth in Saskatchewan communities.



“As an example, the village Earl Grey with a population of 239 needs a lagoon expansion to accommodate its growing community. The project will cost \$800,000; the village and its residents can’t bear that cost without other orders of government contributing,” said President Button. “Earl Grey applied for funding under the NBCF, but their application was denied. Until the lagoon is expanded, future lot developments won’t be approved.”

SUMA is calling on all parties running in the 2015 federal election to commit to introducing a permanent, long-term, sustainable, and predictable infrastructure program that increases the overall amount of funding available for municipal infrastructure projects.

“Any new program must be flexible and should not limit the types of projects that can be funded. This program must also allow municipalities to choose priority projects,” Button said. “Municipalities and our residents cannot fund this alone.”

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For more information visit www.suma.org, or to arrange an interview please contact:

Tiffany Wolf
Communications Advisor
Saskatchewan Urban Municipalities Association
Telephone: 306-525-4396
twolf@suma.org