

KEVIN O'REILLY—MLA FRAME LAKE
Municipal Funding Gaps
Committee of the Whole—2019-2020 Operating Budget Review
Dept. of Municipal and Community Affairs—February 27, 2019

MR. O'REILLY: Thanks, Mr. Chair. I have a couple of questions about the municipal funding gap, and I apologize if they were already covered. Has the Minister or his staff indicated when there is going to be a physical document made public for filling this gap? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you. Minister.

HON. ALFRED MOSES: Thank you, Mr. Chair. I know this has been a concern for not only MLAs and the government but also with municipalities. As I answered questions in the House earlier today, I am just going to be open and honest. I don't think we will be able to fill that gap during the life of this government. We have only got about seven months. Honestly, future governments are probably going to have a hard time filling this gap as well.

In my Minister's statement, I did mention that we have made some very significant improvements in terms of infrastructure, as well as O and M. I am more than certain that it will be a discussion that we will have this weekend when we meet with the NWTAC. We have already met with them, myself in capacity as Minister, on two different occasions with the Executive, and we have had those discussions. I have informed them that it is going to be a challenge.

It's reality. Our fiscal realities throughout the North, we all know what they are, but we also know that the economy isn't what it used to be, and our aging infrastructure is something that needs to be taken into consideration. I will be honest with the Members, and I will be honest with the mayor, council, and membership this weekend that we are not going to be able to fill the gap that the Member has referred to. It is something that we will have to work collectively together to address, and not only municipal and territorial. In my answers earlier today to questions, we are continuing to lobby the federal government to help us address some of those needs.

For the record, I will just let the Member know that we are continuing to work on it. We will have a strategy. That strategy, we will hopefully be tabling in the House in the May/June sitting, and we will share that with committee. Thank you.

CHAIRPERSON (Mr. Simpson): Thank you. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. That was a short question to get a long answer. I am not asking the Minister to fill the gap in the next year. I want the plan to do it. I understand that the plan is now going to get delivered in the May/June sitting. That is good; I want to see the plan. I don't expect this Minister or this Assembly to make up the total gap in the year that is left.

The shortfall that was calculated, I think, back in 2014, was around \$32.5 million. Is that new document going to include a recalculation of what the gap is? A lot has changed,

probably, in five years, in terms of the assets that our community governments have, their condition, and so on. Now that all of that system is in place, it should be easier to recalculate what the gap is. Is that gap going to be recalculated, and is that part of what the Minister is going to give us in May/June? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you. Minister.

HON. ALFRED MOSES: Thank you, Mr. Chair. Yes, it will include that. It will also include us having those open dialogues and discussions with our municipalities. I thank the Member for keeping us accountable in terms of the report that came from 2014. As you have known, we do have this asset management plan that we are addressing. All of those are going to be taken in account as we move forward.

I do want to say that we have made some improvements in terms of working with municipal governments to address some of these needs, as was mentioned in my Minister's statement earlier today. We will continue to address those, but as I said, it can't always be solely on us as the government. We need to make sure that municipality governments, Indigenous governments, and the federal government come to the table as we lobby them for funding to address some of the concerns that we are hearing this afternoon. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair, and thanks to the Minister. I look forward to getting the recalculation of the municipal funding gap to update the 2014 calculations. That will be great. I have got a couple of suggestions for him in terms of what that strategy should contain.

There should be, in my view, an annual update of that gap, and it should be made available. The Minister might want to table a report in the House or something about the progress that is made towards that gap on an annual basis. It is going to require a pretty sophisticated tracking system. You have already got the asset side of it down, but the money coming in. Some of this could be, and the Minister has alluded to this, made up by the federal government through some of its infrastructure funding programs. You are going to need to have a more sophisticated system to track the incoming money and how it is helping you to reduce this gap.

The last point I guess I want to make is that we have got to make sure that the MACA Minister gets to the table at Cabinet to make sure that more of the federal infrastructure funding actually goes to the communities instead of building roads. That is what it has got to come down to. Are we going to put our communities over building roads? It is that simple in my mind. The big mega projects that Cabinet keeps pushing are taking money away from our communities, quite frankly, and that is what it comes down to.

I want to urge the Minister, and I am glad the other Cabinet Members are here to hear me say this because I make the same point on housing all of the time, we have got to meet the needs of our people, and that has to come over the mega projects that Cabinet keeps pushing.

I look forward to the Minister's response on this. Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you. Minister Moses.

HON. ALFRED MOSES: Thank you, Mr. Chair. Since I have been in the role as the Minister of MACA, I have had pretty good discussions with the executive of the NWTAC. I have told them that we have got to work together to get this addressed.

At the same time, our staff have been taking on some administrative roles for some of the municipalities because they aren't able to find SAOs or find people that can do financial work for them. That takes away from the work that we do at the department level, and it is something that I have been pushing. We need to make sure that the resources that our municipal governments have are adequate to address the concerns that the Members have raised. We want to promote that. We do that through the School of Community Government and getting our district offices out promoting our programs and services that we provide.

In terms of communities over roads, we all have got to work together, and I think that, as elected officials, and this is something that I will say this weekend when I meet with the mayors and council, they have a role to play as well, being elected for their constituents.

MACA has done a great job in working with our municipalities. In some cases, we have had to take more responsibility on than we would have liked to, but we are working to make sure that all communities have the resources to implement this.

I do appreciate the suggestions from the Member, but really, when you look at the realities, there are resources issues that we need to address, and we are working on trying to address those through the programs that we provide. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. Before anybody says this, I have the greatest respect for our staff within MACA. I think they have been working flat-out on this work. The problem is the priorities that the Cabinet sets as a whole. The mega projects dominate what we apply for, for infrastructure money, and that is what is driving this government now. It is not the needs of our communities. Thanks, Mr. Chair.