

Federal consultations on infrastructure plan point to need for flexibility

BY JORDAN PRESS, THE CANADIAN PRESS
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Infrastructure and Communities Minister Amarjeet Sohi speaks with the media at the train station in Ottawa, Wednesday January 13, 2016. Canadian municipalities want the federal government to change the way it decides how much money cities should get for transit and water projects.

OTTAWA – Canadian municipalities want the federal government to change the way it decides how much money cities should get for transit and water projects.

The changes outlined in June to the federal infrastructure minister would potentially, if implemented, give more money to smaller communities to help them build a transit system or improve private septic systems.

Municipal leaders are also looking to the Liberals to set aside a significant amount of money for social housing over the coming decade, and to continue funding up to half of eligible project costs to help cities more easily manage project expenses.

The details are contained in summary reports prepared for Infrastructure Minister Amarjeet Sohi after he met in early June with mayors, reeves and officials with the Federation of Canadian Municipalities as part of consultations on the second phase of the government's 10-year, \$60-billion infrastructure program.

The Canadian Press obtained copies of the reports under the Access to Information Act.

Another round of consultations is scheduled for Wednesday in Edmonton, where Sohi will meet with his provincial and territorial counterparts. The final outline of how Phase 2 will work is to be released within the next year.

Community leaders told Sohi they wanted the federal government to allocate money to cities under the second phase instead of making them apply for federal help.

Smaller communities say they usually have to outsource work to prepare a business case needed to land federal funding, but are spending the money without any certainty that their application will be approved.

Cities and towns told Sohi in June that there could at least be a partial allocation of infrastructure money during phase two if the federal government moves to an application-based model in order to provide municipalities with some level of certainty as they plan and budget for future projects.

The Liberals budgeted \$6.6 billion this year and next for the first phase of their infrastructure program. Phase 2 of the program would begin in 2018.

The infrastructure program was a key Liberal promise in last year's election. The government hopes the spending will boost the country's economy and pad government coffers with new tax revenue that will help bring the budget back to balance.

The federal government has signed funding agreements with all but Saskatchewan, Northwest Territories and Nunavut to allow infrastructure money set aside for Phase 1 to flow to eligible transit, water and waste water projects.