

## 2023 ADVOCACY DAYS

# INFRASTRUCTURE



Connecting Community Governments Since 1966

**NWT Association of Communities** 

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## INFRASTRUCTURE

#### **KEY FACTS:**

- NWT communities are underfunded by approximately \$40 million annually, a shortfall of 37% for operating costs, infrastructure, and water & sewer.
- NWT community governments own facilities and infrastructure valued at over \$2.6 billion, with an annual replacement cost of \$66 million.
- Investment in community infrastructure has remained the same – \$28 million since 2007.
- For every \$1 million of output,
   10.7 community government jobs
   are created.
- Fiscal impact of permafrost decay alone on public infrastructure will be in the order of \$1.3 billion.

#### CANADA COMMUNITY BUILD FUND - DESIGN SUCCESS

Being a jurisdiction, where the lack of infrastructure is readily acknowledged, it has been very heartening to see additional funding being allocated to municipal infrastructure in the last few Federal budgets. The doubling of the Canada Community Building Fund (CCBF) was particularly welcome. We would strongly encourage this to continue and become permanent and be enhanced.

The CCBF works very well in the territorial North, because of its flexibility and predictability and because it does not require cost-sharing. Further its flexibility means that projects that are chosen are based on the priorities of the community – this is in keeping with the focus on Asset Management as being encouraged by all levels of government.

The CCBF addresses many of the challenges with traditional application-based programs, by reducing administrative burdens, maximizing project flexibility and increasing the federal share of eligible costs. These elements need to be incorporated in any federal Infrastructure Program.

## CHALLENGES FOR BUILDING AND MAINTAINING INFRASTRUCTURE

The unique conditions of Northern and remote communities greatly affect how municipal infrastructure is built and maintained. Northern communities face

- extreme isolation;
- a shorter and highly variable construction season:
- limited human resource availability and capacity;
- limited access to funding;
- growing demands on aging and existing infrastructure;
- early stages of corporate development; and
- unique project needs.

## INFRASTRUCTURE STIMULATES LOCAL ECONOMIES

Building communities in the North is important for local social and economic sustainability. A recent study completed for us by the Conference Board of Canada Centre for the North showed that for every million dollars invested at a community level, 13 jobs are created as compared to roughly half that for Federal and Territorial direct spending.

Getting funds to community governments is one of the most efficient ways to stimulate the economy in a timely and effective manner and thus make the most effective impact on the recovery. Further it serves to address long standing challenges and gaps.

#### **NWTAC RECOMMENDATIONS:**

- That the government make the tripling of the Canada Community Building Fund permanent.
- The Canada Community Building Fund works very well in the NWT, because it is flexible, predictable and does not require cost-sharing. All future infrastructure programs should be designed in the same way.

# NORTHWEST TERRITORIES BY THE NUMBERS

TOTAL POPULATION **44,469** 

**33** Communities from Kakisa of 54 residents to Yellowknife of 20,960

1,183,000 km<sup>2</sup>

Official Languages 11

Residents who are Aboriginal **50.3%** 

Homes without Internet 20.3%

GDP \$ 3,745 million

**HIGHEST FOOD PRICE INDEX** 

Colville Lake 2X
Yellowknife

**67.3%** Employment Rate

of 33 communities receive telecoms by satellite

Senate Seat

House Seat

**31.7%**Households with Housing Problem

19.8% in Core Housing Need