

Communities Matter

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Speak up for your Northwest Territories community

Our communities matter!

Community governments in all 33 Northwest Territories communities are responsible for delivering the services that keep residents safe and healthy. They develop, maintain, and manage our communities, and they plan for the future. Safe roads, fresh, clean drinking water, well-managed garbage and sewage disposal, arenas, pools, community halls, programs and sports that keep people mentally and physically healthy are all part of what our community governments do for us every day!

An evaluation by the Department of Municipal and Community Affairs (MACA) discovered that community governments are underfunded by a startling \$40 million a year, and are facing a crisis.

We need to call on the Government of the Northwest Territories (GNWT) to:

- ▶ Increase the overall amount of funding provided to community governments, based on demonstrated need;
- ▶ Modernize community government funding formulas, based on recommendations from the 2014 funding review completed by MACA in partnership with the NWT Association of Communities (NWTAC);
- ▶ Commit to indexing community government funding, as has been done for Gas Tax funding; and
- ▶ Continue to build and support community government capacity to ensure our communities are resilient, vibrant, safe and attractive places to live.

This annual funding gap of almost \$40 million for operating costs, infrastructure and water and sewer funding is **37% less than what is needed**. Joint analysis led by the GNWT (MACA), in partnership with the NWT Association of Communities, proved the need.

Of this \$40 million, there is a **shortfall of \$23.4 million/year in infrastructure funding** alone. Community governments own a lot of infrastructure - **over \$2.6 billion worth of assets** - that are required to provide services. These assets must be maintained, and leaders need to plan for their eventual replacement.

Communities need adequate funding to be able to manage and deliver core services, as well address a growing list of challenges - social issues, environmental impacts, climate change, energy planning, regulatory requirements and infrastructure.

Although in recent years, the scope of issues that community governments deal with has grown, **their funding has not**. The current funding approach has **seen no changes for 8 years** - since 2007, when the "New Deal" for NWT community governments was implemented.

Supporting community governments yields more bang for the buck

- ▶ **Everyone benefits from vibrant, sustainable, resilient communities.** Residents are healthy and happy, and the GNWT's priorities of population growth and decentralization are supported.
- ▶ **The MACA-driven analysis proves the need.** Before the funding review, communities struggles were merely anecdotal. Now, based on a proven and documented evaluation, all Northerners can see that community governments are in crisis.
- ▶ **The GNWT sees the value of investment in infrastructure.** The GNWT's investment in **public infrastructure** has more than doubled over the past four years, but its investment in **community infrastructure** has remained the same; \$28 million since 2007.
- ▶ **The GNWT's own spending has increased in response to higher costs.** Since 2012, the GNWT's operations and maintenance (O&M) budget has increased by **16.7%**, and its infrastructure spending has increased by **223%**. Comparatively, community government increases for operations and maintenance of **5.7%** and **zero increase for infrastructure**.
- ▶ **Investing in infrastructure is a smart thing to do.** When buildings haven't been properly maintained for years, it makes them more expensive to operate and shortens their lifespan.
- ▶ **Acting now will minimize or even prevent big financial costs down the road.** Deferred maintenance is a ticking time bomb that will cost significantly more in the long run.
- ▶ **Community governments employ people in all 33 communities.** Almost 1,500 people work for local governments in the public sector; that's 17% of people working for all levels of government in the NWT.
- ▶ **Supporting communities means results!** For every \$1 million of output, **10.7 community governments jobs are created**, and this is greater than the jobs created at the federal or territorial level with the same investment (6.0 and 5.3 jobs created, respectively).

Community governments have been patient, but now it's time to address their longstanding needs. **It's time** to make urgently-needed changes that will avert a funding crisis, and stabilize our community governments so that they are resilient in the face of challenge and change.

**It's time to
speak up for our
communities!**

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Communities**

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