

February 10, 2016

Standing Committee on Finance  
House of Commons  
Parliament of Canada  
Ottawa, Ontario K1A 0A9

Dear Mr. Chair,

We thank you and the members of the House of Commons Standing Committee on Finance for providing the opportunity for stakeholders to provide their perspectives on the 2016 budget in preparation of your report to Parliament.

On behalf of the Saskatchewan Association of Rural Municipalities (SARM) Board of Directors, I would like to present our pre-budget submission for 2016.

I recently met with the Parliamentary Secretary to the Minister of Finance, Mr. François-Philippe Champagne, in Saskatoon as part of the Government's pre-budget consultations. SARM was encouraged by the constructive dialogue that the Government has committed to, focused on assisting families and farmers in Saskatchewan with infrastructure funding required to maintain and grow our strong communities.

We discussed the need for investment in the following areas:

#### AgriStability

- The middle class in Saskatchewan revolves around farming communities from across the province, especially in rural communities. SARM believes that the middle class in Saskatchewan would benefit from limiting the reference margins under the program which acts as a cap on AgriStability payments that has serious consequences for our producers.
- SARM recommends that program coverage be returned to original levels, increasing coverage from 70% of the reference margin to 85% of the reference margin. They believe this would provide relief to thousands of middle class families in Saskatchewan and would make a difference as they work to balance their family budget.

#### **Roads**

##### Public Industry Partnership Program

- SARM is developing a Public-Industry Partnership Program (PIPP) for resource roads in an attempt to leverage funding from industry to assist with the new build, maintenance and upgrade of resource roads.

- SARM recommends that the Federal Government work with the PIPP Oversight Committee to develop criteria for PIPP that would align with the New Building Canada Fund's Provincial-Territorial Infrastructure Component (NBCF-PTIC) funding so that this necessary infrastructure can be strengthened in our communities.

#### Road Maintenance, Mutual Aid Agreements with First Nations, Emergency Response Fund

- Rural municipalities negotiate directly with First Nations in the establishment of Mutual Aid Agreements to provide emergency response services such as fire protection.
- To this extend SARM is recommending that the Federal Government make road maintenance agreements mandatory for both existing and newly named Treaty Land Entitlement/Indigenous lands to ensure adequate funding is provided to the RM providing the service as well as mutual aid agreements to ensure adequate funding is provided to the RM providing the service.
- Investing in this initiative would also mean that indigenous communities, ones that are traditionally under employed and vulnerable, have an opportunity at a well-paying job. These types of jobs help bolster our communities and will improve the lives of First Nations in Saskatchewan.
- Another option we support is the establishment of an Emergency Response Fund that would see both provincial and federal dollars put into it. The fund would be accessible by municipalities who provide fire services to First Nations. Rather than needing a mutual aid agreement, the municipality can confidently provide services knowing that it will be reimbursed by the fund, thereby creating sustainability and improving safety for all.

#### Municipal Roads for the Economy Program (MREP)

- The province of Saskatchewan provides funding to the Municipal Bridge Program but the program has seen funding cuts over the last year. **Many projects are shovel ready but not enough funding is currently available.** Increased funding from the Federal Government would have an immediate stimulus impact for Saskatchewan.

### ***Assisting Vulnerable Canadians***

#### Disaster Financial Assistance Arrangements (DFAA)

- Requesting funding to municipalities for disaster related mitigation and recovery to ensure the continued survival and livelihood of our communities.
- SARM recommends that the Federal Government undertake a thorough review of the DFAA Guidelines, with input from the provincial and territorial government to ensure compensation rates for use of public equipment are comparable with the eligible rates for private contractors.
- Providing municipalities with adequate funding is critical to ensuring that municipal governments are able to protect and assist the families living in their

communities across Saskatchewan. This funding can directly ensure that the most vulnerable don't get left behind. Many areas of Saskatchewan have already been victim to climate change related disasters such as flooding and drought. We would like to work with the government on this initiative.

- Consistent guidelines should be created for provinces and territories to access mitigation funding. Mitigation activities will benefit infrastructure, the economy, the environment and families.

#### National Disaster Mitigation and Recovery

- To ensure that mitigation projects are strategically and effectively undertaken, SARM recommends that extensive consultations be conducted with provincial and territorial governments prior to any future changes being made to the Program.
- In addition, the government should help create consistent guidelines for provinces and territories to access mitigation funding under the DFAA.

These initiatives are realistic and they will help grow the economy while ensuring environmental sustainability. Whether it is the need for stable farm income support to assist middle class families in Saskatchewan, disaster assistance to help the most vulnerable or, increased infrastructure investment to help employ First Nations in our communities, and ensuring the consistent and reliable movement of grain across the prairies to get our exports to market, we look forward to a continued dialogue to help support families and communities in Saskatchewan.

Please do not hesitate to reach out to our organization for any guidance or information. SARM looks forward to continuing to build a positive relationship with the Finance Committee members in the months to come. We hope you will consider our proposal so that rural communities in Saskatchewan can prosper.

Sincerely,

A handwritten signature in blue ink that reads "Ray ORB". The signature is written in a cursive style with the first letters of the first and last names being capitalized.

Ray Orb  
President  
SARM