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August 15, 2011

The Clerk of the Standing Committee on Finance  
6-14 131 Queen Street  
House of Commons  
Ottawa, ON K1A 0A6

To the Standing Committee on Finance:

The City of Selkirk is pleased to have the opportunity to make a presentation to the Committee and wishes to thank the Government to allow such input into the Budget 2012 considerations.

While there are many items of importance in this great country, the City of Selkirk wishes to focus on three main topics. These being:

1. The Municipal Infrastructure Deficit
2. Affordable Housing and Homelessness
3. Federal Police Officer Recruitment Fund

All of these topics form the foundation of municipal governments responsibility of creating a quality of place within its community. Therefore it is important that all levels of government work together to ensure that Canada's economic engines retain their competitive edge through the proper investments in infrastructure, housing, and policing. Although there are many other opportunities to invest in the quality of life of every Canadian, these three components touch all.

As stated by FCM Past President Jean Perrault, "Every day as Mayors and Councillors we see what needs to be done in our communities, but too often we do not have the resources to do it. We also know that this is not just a problem for our individual community; it is a national problem."

Municipalities receive only 8 cents from each tax dollar collected. With this each municipality must deal with responsibilities that include roads, water and waste water infrastructures, solid waste management, recreation, protective services which includes both police and fire and are

faced with affordable housing issues. Municipalities are depended upon to deliver the basic services our communities rely on every day. They provide the public infrastructure that supports economic activity and job creation and deliver front line services to meet continuous new and growing challenges.

Due to just receiving 8 cents of every tax dollar collected, municipalities struggle to supply these services because they lack the resources needed to succeed, therefore forcing them to rely on the property tax payer for the new responsibilities and ever growing needs.

In addition to supplying these services, municipalities have taken the lead role in the Federal Government's Stimulus Plan. As municipalities are required to balance their budgets each year, unlike the federal and provincial governments, the cost of participating in the stimulus program must be paid immediately either by raising taxes, cutting spending and services or borrowing. To that end, the City of Selkirk is requesting your government to take action on the following priority items:

#### 1. Municipal Infrastructure Deficit

Given the estimated \$123 billion municipal infrastructure deficit and a very limited source of revenues, municipal governments need help to deliver services that the nation's economy, quality of life and environmental sustainability rely on. Recent Federal Government initiatives for municipal infrastructure funding are very important and are much appreciated and must be sustained but we need to concentrate on longer-term predictable commitments from all levels of government.

With cooperation of all three levels of government, the Federal Government has to produce a plan of action to reduce or eliminate the infrastructure deficit within 20 years. As well, the Federal Gas Tax Fund should be indexed to protect its purchasing power against inflation, population growth and economic expansion.

#### 2. Affordable Housing and Homelessness

With thousands of Canadians struggling to find an affordable place to live, the Federal Government needs a renewed funding commitment and a National Housing Plan. In this age, too many Canadians are forced to decide between food or rent, necessities for their children or making the mortgage payment.

A well housed population with affordable shelter costs enables individuals to participate more productively in the economy.

As stated in the FCM 2008 National Action Plan on Housing and Homelessness, "The CREA has estimated that every existing home sold stimulates on average \$32,000 in spending and income. This includes transaction fees (realtors and lawyers), moving costs and spending on new furnishing and renovations. This spending is recycled into the economy and subject to taxation. This impact may be somewhat moderated in the recommended assisted ownership option as this

targets lower priced homes. However, it will still likely generate at least half (\$16,000 per unit) of this estimated impact.”

The Federal Government should immediately adopt the recommendations of the FCM 2008 National Action Plan on Housing and Homelessness.

### 3. Federal Police Officer Recruitment Fund

Selkirk’s share of funding from the Federal Police Officer Recruitment Fund to employ a Police Officer in the community announced by the Federal Government on April, 2011 ends in 2013.

The Federal Government has made no commitment to long-term funding. Once the federal money is exhausted, the obligations to fund officers required through the federal funding will be the responsibility of the City of Selkirk.

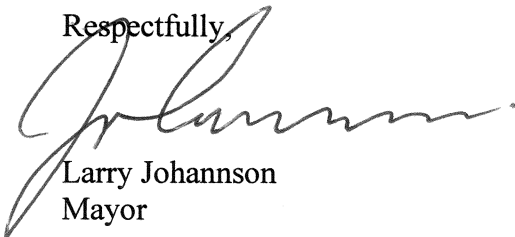
The City of Selkirk recognizes the efforts of the Federal Government and supports its commitment to maintain the federal program spending during this global economic crisis.

To this, the City of Selkirk recommends to the Government of Canada to support the Federation of Canadian Municipalities request to:

1. Lead a national strategy in cooperation with provinces, territories and municipalities to eliminate the \$123 billion municipal infrastructure deficit in 20 years as well as indexing the Federal Gas Tax Fund to provide municipalities with a share of growth revenues and protect the fund’s long-term purchasing power.
2. Put existing investments in affordable housing on a long-term track and partner with provinces, territories and municipalities to implement FCM’s National Strategy for Housing and Homelessness.
3. Provide a long-term funding commitment for the Police Officer in the community after 2013.

The City of Selkirk concludes its presentation and again wishes to thank the Standing Committee on Finance for the opportunity to make a submission and have input into the 2012 Pre-Budget Consultations.

Respectfully,



Larry Johannson  
Mayor