

ON THE FRONT LINES OF CANADA'S NORTHERN STRATEGY

Key Findings

- Northern municipalities lack the infrastructure and public services to achieve the objectives of Canada's Northern Strategy.
- After decades of offloading and under-funding, municipalities cannot afford to build and repair the roads, water systems, and community centres they need to meet local needs and support trade and economic growth, protect the environment and provide services that support Canada's strategic interests in the region.
- The situation is growing more urgent as rising Arctic temperatures are intensifying the North's infrastructure problems. Ice roads are disappearing, shorelines are eroding, and the ground beneath homes and public buildings is literally melting away.
- For decades our arctic neighbours - Sweden, Finland, and the United States – have leveraged military investments to build infrastructure and expand their northern footprint, while Canada resorted to short-term policies and ad-hoc investments that failed to sustain community development.
- No single government can meet the challenges of the North on its own. Northern municipalities don't have the capacity or fiscal tools to go it alone, but without their front-line support and knowledge, top-down federal and territorial policies will continue to fall short.

Recommendations

Canada's Northern Strategy provides a new and ambitious vision for the future, but turning its words into action requires a long-term commitment by all governments to modernize the North's crumbling infrastructure.

FCM is calling on the federal government to:

1. Work closely with front-line municipal leaders to develop a long-term infrastructure plan for the North;
2. Use a long-term infrastructure plan for the North to make Canada a world leader in climate change adaptation;
3. Make the most of every dollar spent in the region by leveraging military investments to lay the foundation for sustained growth and prosperity in northern communities.

Facts and Figures

Northern Infrastructure

- Canadian municipalities have limited fiscal capacity and growing responsibilities often offloaded by other orders of government. They are legally required to balance their books each and every year. In order to close their funding gap, they are forced to raise property taxes, cut services, or defer badly-needed investments in local infrastructure, leading to a back-log in deferred maintenance and repair projects.
- The most recent estimate of the infrastructure deficit in Canada's Northern communities is about \$400 million.
- Only half of communities in the Northwest Territories have year-round road access, which limits trade, tourism, and economic development. In Nunavut, highways are non-existent.
- The combination of small populations, isolation and high-costs has meant that many northern municipalities operate with facilities that are below the norm in Canada.
- In the 1950s and 1960s, the Canadian North had better infrastructure than the northern regions of many countries; now Canada is significantly behind in this crucial area.

Adapting to a Warming Climate

- Rising Arctic temperatures are intensifying the North's infrastructure problems. Ice roads are disappearing, shorelines are eroding, and the ground beneath homes and public buildings is literally melting away.
- Evidence from northern communities indicates that the unprecedented rate of permafrost melting will affect nearly every type of built structure in the region.
- Scientists estimate that adapting all vulnerable buildings in the Northwest Territories alone will cost \$230 million, more than \$5,000 for every man, woman and child in the territory. This estimate is considered conservative given that one community alone, Inuvik, is facing costs of \$140 million to repair buildings affected by permafrost degradation.
- The costs of adapting to rising arctic temperatures could more than double the north's infrastructure deficit, and far outstrip recent federal infrastructure investments