

FCM

Federation of Canadian Municipalities

Fédération canadienne des municipalités

In response to:

Consultations on Working Towards
a National Strategy and
Action Plan for Critical Infrastructure

Submission by:
Federation of Canadian Municipalities (FCM)
to
Environment Canada
and
Public Safety Canada

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The Federation of Canadian Municipalities

The Federation of Canadian Municipalities (FCM) has been recognized since 1901 as the national voice of municipal government. It represents the interests of municipalities on policy and program matters within federal jurisdiction. FCM's more than 1,700 members, which represent almost 90 per cent of Canada's population, include the country's largest cities, small urban and rural communities and the 18 major provincial and territorial municipal associations.

The challenge facing municipalities

As first responders in 95 per cent of all emergencies in Canada, municipal governments have a critical role to play in preparing for and responding to emergencies. The new security environment, which includes increased risks of global pandemic and terrorism, and the potential for severe weather associated with climate change, places ever rising demands on all orders of government and, in particular, municipal infrastructure.

More than 50 per cent of publicly-held infrastructure is owned by municipal governments. According to the recent Statistics Canada report, *From Roads to Rinks: Government Spending on Infrastructure in Canada, 1961 to 2005*, provincial and municipal governments own the road system in about equal proportions. Municipalities alone are responsible for more than 80 per cent of capital spending in the area of environment and water systems, with these two categories comprising nearly two-thirds of all infrastructure capital in Canada.

Canada's prosperity depends on vibrant cities and communities capable of providing the essential infrastructure and services needed to attract and retain talented people and support new economic growth. Yet, according to FCM's November 2007 report on the municipal infrastructure deficit, the local governments responsible for meeting those needs are struggling to meet growing responsibilities with inadequate revenues.

The FCM report puts the cost of repairing or replacing municipal infrastructure at \$123 billion. This situation is exacerbated by a fiscal regime that sees 92 cents out of every tax dollar go to federal/provincial/territorial governments, leaving just eight cents for municipalities. According to the recent FCM-Strategic Council survey, of all the issues currently facing Canadians, only health care is more important than fixing our crumbling infrastructure.

The municipal role

The proposed Action Plan is a worthwhile exercise that could enhance the resiliency of Canada's critical infrastructure. However, this can only take place if municipalities are first recognized as major owners and operators of critical infrastructure.

Despite the importance of municipalities in relation to critical infrastructure, they are not considered a formal partner in the Action Plan. The only direct reference to municipal governments states that provincial and territorial governments should "coordinate activities with other levels of government, including local governments."

The minimal and indirect reference to coordinating with local governments fails to recognize the fact that municipalities are directly responsible for critical infrastructure facilities, such as water and waste water management, and a significant percentage of Canada's transportation infrastructure. Page three of the Action Plan cites several recent disasters that have taken place in Canada, such as floods, the 1998 ice storm and the SARS outbreak in Toronto. Municipalities played key roles in managing all of these emergencies.

Municipalities are not only owners of critical infrastructure; they also provide the space and services required for critical infrastructure. For instance, tens of thousands of kilometers of telecommunications and utility networks are installed along municipal rights-of-way.

The delivery of critical government services is connected in an inextricable network of infrastructure that must include direct involvement of municipal governments. For example, the provision of clean water and protective services often relies on the joint, collaborative use of federal, provincial and municipal infrastructure.

While most municipalities have emergency preparedness plans in place, they lack the financial resources to protect critical infrastructure within their boundaries. Following the September 11, 2001, terrorist attacks in the United States, the Government of Canada committed an additional \$15 billion to domestic security. However, according to FCM's study, *Emergency: Municipalities Missing from Disaster Planning*, not enough of this funding has gone to municipalities, where it can do the most good. Moreover, FCM's recent study on police costs reveals that between 1986 and 2006, municipal spending on policing grew by 29 per cent (adjusted for inflation and population growth), nearly three times the spending growth experienced by the federal government and nearly twice that of provincial governments.

Currently, the federal government's Joint Emergency Preparedness Program (JEPP) provides only \$8.4 million annually for emergency preparedness, urban search and rescue, and critical infrastructure protection projects from coast to coast to coast. This funding is insufficient to meet the scale of the challenge.

Our principles for an improved approach

The Action Plan must recognize municipalities as major owners and operators of critical infrastructure, such as water and waste water management facilities, many electrical utilities and the majority of our country's transportation network. Without this recognition, the Action Plan will fail to meet its objective of enhancing the resiliency of Canada's critical infrastructure. The Action Plan must also acknowledge that all critical infrastructure is inextricably linked to the services provided by all three orders of government, as well as other infrastructure. Any strategy to protect Canada's critical infrastructure will require the collaboration of all stakeholders, including all orders of government.

The Federal/Provincial/Territorial Critical Infrastructure Working Group should include municipal representation, either formally or informally. The municipal sector cannot simply rely on provinces and territories to take its concerns to the Working Group; there is too much work to be done to leave out the expertise and implementation capacity of the order of government providing the majority of front-line services.

The Action Plan does not currently state that "sector networks" are to include formal municipal representation. At the very least, the sector networks for energy and utilities, finance, transportation, government, water, and safety should include municipal sector participation. FCM can partner with the Government of Canada to facilitate this participation.

Finally, the Action Plan must acknowledge the cost of building, maintaining and protecting critical infrastructure. Facing a \$123-billion infrastructure deficit, municipal governments lack the resources and fiscal tools they need to best protect critical infrastructure within their boundaries.

Recommendations

- 1) Acknowledge municipalities as key partners in the Action Plan, in recognition of the fact that municipalities build, own and maintain the majority of Canada's publicly-held infrastructure.
- 2) Ensure municipal representation, either formally or informally, in the Federal/Provincial/Territorial Critical Infrastructure Working Group. At the very least, ensure formal municipal participation in the sector networks for energy and utilities, finance, transportation, government, water, and safety.
- 3) Increase funding to JEPP to meet the scale of the challenge of protecting critical structure in the new security environment.

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