



Rural Municipalities of Alberta

Fair Deal Panel

Written Submission

January 30, 2020



The Rural Municipalities of Alberta (RMA) advocates on behalf of Alberta's rural municipalities. RMA members include sixty-three municipal districts and counties, five specialized municipalities, and the Special Areas Board. Collectively, RMA members provide municipal governance to approximately 85% of Alberta's land mass. Rural municipalities are characterized by large areas, sparse population, a high level of industrial development, and limited services.

As rural municipalities play an important role in supporting rural communities and Alberta's economy, RMA appreciates the opportunity to provide feedback on some of the specific areas being explored by Alberta's Fair Deal Panel and how they may impact RMA members. Some of the specific areas being considered by the Fair Deal Panel are outside the scope of relevance for rural municipalities and are therefore absent from this submission.

Establishing a provincial police force by ending the Alberta Police Service Agreement with the Government of Canada.

Rural municipalities across Alberta are currently facing high crime rates, with the situation reaching a crisis point in some areas of the province. High rural crime rates are driven by several factors, including a downturn in Alberta's economy, limited rural mental health and social services, an under-resourced provincial justice system unable to address repeat offenders, and a lack of policing capacity to monitor rural areas and respond to rural property crimes in a timely manner.

While rural policing in Alberta faces several challenges, it is unclear to RMA how the establishment of a provincial police force would improve public safety in rural areas, given that ending the Alberta Police Service Agreement would presumably result in a reduction or elimination of the federal financial contribution to policing in Alberta. Under the current Alberta Police Service Agreement, Canada contributes 30% of the costs of operating provincial police services in areas of the province governed by the Agreement. Additionally, under a provincial policing model, Alberta would be required to assume greater administrative and oversight responsibilities which would also carry added costs. This shift in cost responsibilities would not only compromise current policing service levels, but also likely will divert funding from enhancing the Alberta's broader criminal justice system, such as the addition of Crown prosecutors, that may be more impactful in reducing rural crime than any change to current police funding or operations.

The likely higher costs associated with a provincial policing approach may be worthwhile if they are accompanied by improved frontline police service in rural areas and enhanced local input into policing. However, the Government of Alberta has already shown that they can increase service levels under the current system if they are willing to assume (or pass on to municipalities) the additional costs required to do so. In December 2019, the Government of Alberta announced that municipalities who currently receive funding under the Agreement will be required to contribute 10% of the province's costs (increasing to 30% in 2023) to support an additional 300 RCMP officers and 200 administrative staff.

Given that the Government of Alberta already has the ability to increase the investment in policing, procure additional RCMP resources, and work with the RCMP to determine where they should be assigned under the current Agreement, RMA would require additional information as to how a provincial police force would further enhance the Government of Alberta's control over policing to an extent that

would justify the likely increased cost (particularly given the loss of federal funding should Alberta end the Alberta Police Service Agreement), and how such a shift would transition to improved frontline services. Further, details on recruitment to support necessary service needs of a newly established provincial police force need to be clarified.

Emulating Quebec’s legal requirement that public bodies, including municipalities and school boards, obtain the approval of the provincial government before they can enter into agreements with the federal government.

RMA does not support a proposal to require provincial approval for municipalities to enter into agreements with the federal government. This increased oversight will limit municipal access to federal funding as a result of increased administrative delays and create additional red tape for both municipalities and the province.

Alberta municipalities are already unable to access federal funding under some programs that require provincial cost-sharing due to limited provincial funds; this leaves capital stranded in Ottawa that municipalities in other provinces can access. Requiring provincial approval for municipal-federal agreements only exacerbates this issue by adding unnecessary administrative efforts. Instead, the provincial government should look for ways to reduce the burden placed on municipalities in accessing federal funding directly, which in turn will reduce the pressure on provincial funding. Increasing the ability for municipalities to work directly with the federal government leverages federal dollars that could significantly contribute to much-needed infrastructure investment in Alberta’s municipalities.

In addition, if municipalities are required to seek approval from the provincial government to enter into federal agreements, municipal autonomy will be diminished. Under the *Municipal Government Act* (MGA), municipalities are empowered with natural person powers in order to provide responsible and accountable local governance and sustain safe and viable communities. Alberta’s municipalities have varying interests and capacity levels, which results in municipalities applying for funding from multiple sources, including the federal government. The importance of federal funding to Alberta’s municipalities leaves RMA with several questions related to this issue, including the following:

- In the case where a municipality is seeking approval to enter into a federal agreement which does not fully align with the provincial government’s priorities, how will the provincial government reconcile the conflict? Would this be addressed on a case-by-case basis or will there be specific scenarios in which agreements would be reviewed?
- How would provincial intervention in federal funding or support of an Alberta municipality support a “fair deal” for Alberta? In other words, what problem is this idea seeking to address?
- If municipalities are not able to receive federal funding due to being denied provincial approval or missing federal deadlines due to a provincial review process, will the provincial government offset the absent federal funding or support with provincial funding?

Based on initial analysis, this proposal is likely to negatively impact Alberta’s municipalities and will have little impact in meaningfully empowering Alberta in the federal context.

Opting out of federal cost share programs with full compensation, such as the federal government’s proposed pharmacare program.

RMA is concerned with the impacts that this proposal may have on federal funding programs that require projects to be cost-shared among federal, provincial and municipal levels of government (such as the Investing in Canada Infrastructure Program), or that rely on federal funding to “flow through” the province to municipalities (such as the Gas Tax Fund). This proposal could potentially allow the Government of Alberta to opt out of such programs, receive the federal share of funding intended for Alberta, and use such funding for purposes unrelated to the intent of the federal program, which in the examples above is to support municipal infrastructure. RMA could only support this proposal if there was an assurance from the Government of Alberta that any federal funding intended for municipalities would still be used for the same purposes if the province chooses to opt out of a federal program.