

SPEAKING NOTES
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AUMA Mayors' Caucus

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Alberta 
Municipal Affairs

Introduction

- Good afternoon and thank you, Barry, for that presentation and for this opportunity to speak with all of you today.
- It's a pleasure to be here on traditional Treaty 6 territory and to see so many familiar faces.
- As Minister of Municipal Affairs, I value the relationship our government has with you.
- You are our partners, and we want to see that relationship continue.
- I'll start by stating that the challenges we face are not small.
- Recently the federal government acknowledged the impact that the drop in oil prices has had on the national economy and on the national deficit.

- The same is even more pronounced here in Alberta.
- This is the steepest and most prolonged slide in oil prices in recent history, dropping more than 70 per cent in the last year and a half.
- Judging from the agreement by OPEC nations to maintain high levels of oil production...
- ...these challenges will continue for some time.
- There is no minimizing the impact low oil prices are having on people's jobs, on our economy and on the government's fiscal situation.
- Government revenues are tight.
- There's no two ways about it...

- ...and we cannot continue the same old way of doing things.
- We have to work smarter...
- ...and we have to be more creative in how we work together...in partnership
- ...so we can continue to serve Albertans and provide the programs and services our communities need...
- ...at a time when funds are very, very tight.
- So that's what I want to talk about today: how we can develop new tools and processes so we can work smarter.
- We may not be able to control the global price of oil...or what OPEC does.
- But we can focus on things that we can control...

- ...like modernizing the *Municipal Government Act*.
- ...and developing more collaborative mechanisms for municipalities to work together with each other and for the province to work with municipalities.
- We need to chart new initiatives and find new ways to work together, so we can better serve Albertans.
- New initiatives will be essential to helping all of us work together to build strong, sustainable communities for Alberta families.

Municipal Government Act

- I believe the purpose of our collective work to renew the *Municipal Government Act* is to enable the teamwork and collaboration that we so critically need to build a solid future for Albertans.

- The focus of the new MGA will be on working together, growing together and making our province better together.
- The act will be amended to enable a broader focus on regional interests, rather than solely individual municipal considerations.
- Because Albertans aren't focused on where the lines are drawn on a map.
- They want efficient and effective services. Period.
- Thus the new *MGA* will task neighbouring municipalities to find innovative ways to provide services to their residents.
- The new MGA will be amended to require growth management boards in the Edmonton and Calgary metropolitan regions.

- My department has been gathering input from municipalities in both regions on what the mandate, membership, and governance of each board should look like.
- This input will inform our approach to growth management and amendments to the MGA.
- Please note that outside of Edmonton and Calgary all other municipalities in Alberta will also be coming together to develop collaborative approaches to service delivery, land use, and environmental stewardship.
- Just as AUMA had asked during the *MGA* review municipalities will be required to work more closely with their neighbours.
- Recently I reviewed the results of the AUMA Linear Tax Symposium.

- Thank you for taking the time to discuss the key issues and share your insights on this policy question.
- We agree new collaborative approaches are needed to effectively plan and deliver infrastructure and services that are used at an intermunicipal or regional level.
- This includes the delivery and cost sharing of services like water, wastewater, and transportation services, among others.
- I understand your position that linear tax revenues should be pooled at a regional level and shared with all municipalities in that region, with the exception of Edmonton and Calgary.
- I will take that into consideration, as our government completes this review.

- One thing is for sure, collaborative agreements must be put in place that recognize all residents of a community utilize the same services and the same infrastructure...
- ...regardless of whether it's in municipality 'a' or municipality 'b'
- Therefore equitable cost sharing agreements should be initiated.
- I fully recognize that the role of municipalities in the everyday life of citizens has expanded...
- ...and we must collaborate as leaders to meet the changing needs of our communities.
- We all share a common goal: building strong, sustainable communities for the long term...

- ...because we all know thriving communities are crucial to ensuring a bright and prosperous future for Alberta.
- Strong communities mean supporting smart neighbourhood planning...
- ...which requires the effective use of off-site levies to fund new growth
- ...and more tools for municipalities to create complete communities with the amenities and services that residents need.
- Building thriving communities requires economic development.
- We need to come together and challenge ourselves to promote regional economic development.
- As anyone focused on economic development will tell you: we need to collaborate to compete.

- Communities need to partner as neighbours so that they can better act on their economic strengths and opportunities.
- Such strategic partnerships will help our industries and our province ride out this storm and put us on a path to a brighter tomorrow.
- Albertans want to build an economy that is widely diversified and resilient to energy price swings.
- We are all partners in doing just that and together we will deliver for Albertans.
- As we move forward together supporting our economy, we must also move forward and support our environment and combat climate change.

- We need to address matters such as energy efficiency and transition, as well as brownfield redevelopment.
- We must ensure conservation and wise use of our environment, including the preservation of agricultural lands.
- We all need to address these environmental and economic challenges together...
- ...because we all know that activities and decisions in one jurisdiction ripple across municipal boundaries...
- ...and given the state of the province, the need for us to work together is more important than it has been ever before.
- I do recognize that many great examples of collaboration already exist where municipalities have come together on projects and cost-sharing initiatives.

- We will continue to celebrate the successes of the municipalities that are leading the way.
- But we can't rely solely on ad hoc, local initiatives.
- Working together is so important right now that we can't leave the possibility of these partnerships to chance.
- Every municipality across this province, urban and rural, needs to be working with each other to build the type of province that Albertans expect us to build.
- And make no mistake...they expect us to build it by working together.
- A step toward these goals was taken a year ago when Bill 20 was passed as the first round of amendments to the *MGA*.
- It addressed many of the policy solutions that were reached by consensus.

- The amendments will be proclaimed and brought into force at the completion of the *MGA* review...
- ..but I'd like to take a few moments to share some of those changes with you.
- One of the things that Albertans asked us for was more ways to hold local governments accountable.
- So the *MGA* continues to place primary focus on keeping local councils accountable to their residents.
- For example, municipalities will need to adopt public participation policies that clearly outline their approaches for engaging with stakeholders.
- And all municipalities in Alberta will need to develop and adopt codes of conduct.
- Long-range planning is also very important, so we are asking

municipalities to adopt, at a minimum, three-year operating plans and five-year capital plans.

- A regulation will be established under Bill 20 to describe the requirements of these multi-year plans,
- ...as well as to establish a date by which all municipalities must have their plans in place.
- Also under Bill 20, a streamlined process will be established for municipalities that want to amalgamate.
- Annexation principles and procedures will be developed to ensure annexations occur in an efficient, timely, and orderly manner.
- As you know, Bill 20 contained many of the easier, consensus issues...

- ...but the new *MGA* will address the more complex and wide reaching changes.
- We have worked very closely with AUMA to consider these potential changes and I am looking forward to introducing a new *Municipal Government Act* this spring.
- I will then tour the province over the summer to receive input on the proposed legislation from all of you...
- ...as well as all Albertans who want to weigh in.
- Once we've gathered and processed all that input, we'll pass a final bill in the fall session of the Legislature that reflects what we heard.
- All the while, we will be engaging with stakeholders to work on the regulations that support the act.

- All draft regulations will be posted online in 2017 for feedback before they are finalized.
- That way, both legislation and regulations will be enacted in time for the next municipal election in the fall of 2017.
- I will have more information about regulatory development to share in the coming weeks.

Budget

- Obviously, our government is hard at work preparing this year's budget...
- ...and it has not been an easy process.
- The collapse of the price of oil has resulted in a collapse of provincial revenues.
- As a government we are experiencing a great fiscal challenge.

- I'll be frank.
- Government revenues are tight. Very tight.
- Just as money is tight for many households right across Alberta, especially those who are facing job insecurity or job loss.
- Money is going to be tight for municipal governments too.
- There's no two ways about it.
- Alberta's fiscal plans must therefore be revisited as part of the prudent, balanced approach our government is taking.
- But as you heard yesterday in the Speech from the Throne, our government will take action to diversify our markets through Bill 1, the promoting Job Creation and Diversification Act.

- We will also take action on income security by helping Alberta families who are facing immediate financial hardship.
- This includes the Alberta Child Benefit Plan for low-income families – a \$340 million investment that will help the 380,000 Alberta children who need it most.
- We are also strongly urging the federal government to change employment insurance rules that exclude too many Albertans from benefits.
- These rules must be updated as soon as possible given the current economic shock affecting the resource industry and related industries in western Canada.
- I was thankful to hear of your resolution this morning to support and advocate for the Energy East pipeline...

- ...and greatly appreciated your “Go East” campaign kickoff this morning.
- Our government is actively working to get access to markets for Alberta’s energy.
- This is crucial, not just for our energy industry, but for the economic strength of the entire country.
- Proposed pipelines will create tens of thousands of construction and refining jobs in Canada and help ensure the long-term health of Alberta’s energy sector.
- I’d like to thank the AUMA on behalf of the government of Alberta for your support on advocating for pipelines – East and West.

Democratic Reform

- As you may have noticed our government has also signalled a commitment to democratic reform.
- I understand AUMA is keenly interested in reforming the Local Authorities Election Act.
- I too am interested, which is why I have committed to conducting a limited review of the Act to ensure that municipal elections are focused on what is important...which is the people who belong to the community.
- I have committed to a limited review, because we all know reform needs to take place and there is a limited window to do so before the next municipal election.
- AUMA knows reform need to take place...individual municipalities know reform needs to take place...and

Albertans know reform needs to take place.

- The old wild west of election financing in Alberta needs to be modernized just like we did last June for provincial elections when we banned corporate and union donations.
- We value the feedback AUMA has provided and are carefully considering that input.
- I am reviewing a number of policy considerations and promise to keep you updated as we conduct this limited review.

Conclusion

- To conclude...yes...we have a big challenge before us...

- ...but we are rich in Alberta with tremendous human capacity, a spirit of innovation, community, and creativity...
- ...much of it in this room today.
- We will improve the ways we work together...
- ...and build a solid foundation for the future.
- I look forward to continuing to work with all of you, as we address these challenges together.
- I'll now open the floor to your questions.
- Thank you.