

Ensuring Infrastructure Support for Rural Communities in Alberta

Issue

Canada entered into the second decade of the 21st century as the strongest economy among the G8 members. While Europe continues to struggle to recover from the 2008 crisis, Canada faces challenges to unleash its full economic potential. This problem is particularly vital for Alberta where there is an urgent need for skilled workers, a broadly known problem, recognized by the Canadian Chambers of Commerce, in the Top 10 Barriers to Competitiveness. Consequently, numerous incentives have been provided to assist employers in creating successful recruitment and retention strategies. Nonetheless, due to insufficient infrastructure not all of Alberta can benefit equally from these opportunities. The non-metropolitan areas fail to attract Canadian and immigrant workers, since it is harder for small communities to provide them with affordable housing and access to an efficient public transit.

Background

Affordable Housing

Small communities in Alberta struggle with a high job vacancy rate in numerous critical occupations, caused partially by the lack of an affordable place where in-demand workers can settle down. Even though Alberta is experiencing a higher overall unemployment rate over past years; there continues to be a shortfall of skilled trades, food service supervisors and food counter attendants / kitchen helpers. The unemployment rate of 7.2% is up from 5.6% average a year ago. Affordable housing initiatives are not apparent in the provincial budget 2016, those that would support persons moving away from large city centers and into smaller communities. Initiatives that are noted in the provincial budget 2016 speak only to seniors housing,¹ maintenance and repair of aging stock of affordable housing units and minimal provision for new housing and upgrades for those disabled. There is some evidence of rental assistance² and again that assistance is embedded in aged infrastructure, the disabled, aboriginal support and does not appear to address any incentive for semi-skilled or skilled persons to move to small or rural communities in Alberta and utilize their expertise to assist and grow or stabilize communities through consistency of government funds. The shift of provincial and federal governments from business focus (provincially for the last 40 years and federally for the last 10), which provides jobs and prosperity, to social programs that spend dollars is becoming evident.

The Alberta Chambers of Commerce recognizes that existing provincial and federal programs, such as the Affordable Housing Initiative, Rural Affordable Supportive living (RASL) or Canada's Action Plan, are crucial for developing construction projects. However, more needs to be done on the provincial level to distribute provincial and federal funds to the benefit of all communities. Smaller communities require

¹<http://www.seniors-housing.alberta.ca/documents/Report%20CMHC%20-%20Alberta%20Investment%20in%20Affordable%20Housing.pdf>

²<http://www.seniors-housing.alberta.ca/documents/AVS%20Report%202014.pdf?v=2>

tools to compete with growing cities for acquisition of workers needed to strengthen their local economy. A new attitude towards affordable housing is needed. The traditional attitude related to reduction of homelessness with affordable housing should not be focused only on underprivileged but on all groups that need a home in an ever changing and fast growing society.³ Inter provincial and international migration will continue to impact not only Alberta but Canada as a whole. With consideration of provincial and federal economic hardships Canada continues to maintain the consistency of a safe and viable economy relative to all countries of the world. The housing situation is becoming exacerbated.

Public Transit

Efficient, accessible and user-friendly public transit is a key factor of economic development in each province. Public transit connects workers to jobs in suburban and rural areas, relieves traffic congestion, and ensures that cities and towns are vital and accessible for business and tourism. The development of transit infrastructure implies better access for basic services (health, education), stimulates economic development around stations and generates jobs. Adept transportation solutions decrease the total cost of transit for passengers and increase networking between communities. A bustling and modern transit hub provides ample opportunity for a community to educate people about its history and familiarize commuters with local tourist attractions. On the whole, it stimulates demand for goods and services, resulting in higher employment and increased revenues for local merchants. Public transit is an indispensable element of making a smaller community attractive for potential workers and businesses.

Canada does not have a long-term federal transit plan. There is no consistent long-term provincial transit plan for Alberta. According to the Municipal Government Act (RSA 2000) a municipality is formally responsible for public transit, however, public transportation systems are not sustainable in the long term directly related to the cost. This raises the questions regarding the affordability of developing transportation projects by municipalities which, without the government's long term planned assistance, cannot sustain them. Green Trip Funding has notably found a place in municipalities and the fund is budgeted to continue to 2019, however, there is limited information available from the provincial government as to where those funds will be allocated. According to the Municipal Grants Web Portal, there are three other grants that the municipalities can apply for, other than Green Trip Funding; Basic Municipal Transportation Grant (BMTG)⁴; Federal Gas Tax Fund⁵; and the Municipal Sustainability Initiative-Capital Funding⁶. However, that these grants are mostly short term can be discouraging to municipalities considering making an application.

Flexible and convenient public transit will gain more importance in the next decade as our aging population, as well as our provincial population, grow significantly. According to Statistics Canada, about 2036 Alberta's population is projected to reach 4.6 million (low-growth scenario).⁷ If the present demographic tendency continues, by 2035 there will be more than one million seniors in Alberta, for most of whom public transit will be the only way to get to a grocery store or visit a doctor. As of now, about 50 percent of Alberta's cities either do not have local public transit or are in the process of public

³ Government of Alberta. Municipal Affairs. Housing First. An Investment with return in prosperity. http://www.housing.alberta.ca/documents/Housing_Task_Force_report.pdf. Retrieved on November 20, 2012.

⁴Government of Alberta, Municipal Affairs - Guidelines and Application Forms for 2016 MSI funding for Capital and Operating programs are expected soon – <http://www.municipalaffairs.alberta.ca/MSI>

⁵Gas Tax Fund to Alberta Municipalities – <http://www.infrastructure.gc.ca/prog/gtf-fte-tab-eng.html>

⁶Government of Alberta, Municipal Affairs, - http://www.municipalaffairs.alberta.ca/documents/LGS/Info_Booklet_Final_-_for_Web.pdf

⁷Statistics Canada, Population, Projections for Canada, Provinces and Territories - <http://www.statcan.gc.ca/pub/91-520-x/91-520-x2010001-eng.pdf>

consultations. For instance, there is no public transit in Beaumont, Brooks, Camrose, Canmore, High River, Stony Plain, Strathmore or Sylvan Lake. Other cities, such as Cochrane, Lloydminster and Okotoks, continue to hold public consultations or are completing transit feasibility studies.⁸ Cochrane and Okotoks do have weekly service in and out of downtown Calgary.

The Alberta Chambers of Commerce recommends that the Government of Alberta:

1. Develop a long-term Alberta affordable housing strategy that takes into consideration changing socio-demographic tendencies that small communities are facing.
2. Develop a long-term provincial public transit strategy for Alberta that connects all communities.
3. Continue to introduce and maintain long term incentives for communities that will encourage and support them to invest in the efficiencies of public transit.
4. Incent communities to work together on regional transportation agreements to lessen the burden financially.

⁸Data resourced from: www.albertacommunityprofiles.com