

Federal Budget 2016
Summary of Points of Interest for the RPIC Board of Directors

The 2016 Federal Budget contains a number of items that may be of interest to RPIC Board members for planning and programming purposes. Chapters in the Budget that include information of interest, including the reason for this interest, are listed below:

1. Help for the Middle Class – includes investing in youth, employment, skills and training
2. Growth for the Middle Class – includes investments in Infrastructure (all levels of government) to create jobs and prosperity and revitalizing federal infrastructure/assets
3. Better Future for Indigenous People – includes investments in social infrastructure, green infrastructure and community infrastructure
4. Clean Growth Economy – includes investments in clean technology and a cleaner more sustainable environment
5. Inclusive and Fair Canada – includes investments in arts, culture, public safety and security infrastructure, re-opening offices for veterans and relocation of the federal court in Quebec City
6. Canada and the World – includes infrastructure investments in support of defence of Canada
7. Open and Transparent Government – includes requirement to focus on outcomes, evidence based decision making and strengthening the Public Service

Overarching Strategy for Investments in Infrastructure and Innovation

A ten-year plan for infrastructure investment and protect existing infrastructure from effects of climate change.

Phase 1 is focussed on infrastructure investments over two years noting funding may be provided for up to a five-year period) for public transit; for water, waste water and green infrastructure and for social infrastructure, affordable housing, cultural and recreational facilities and community health care facilities on reserve (refer to section 3 below), plus funding for revitalizing federal infrastructure including clean-up of contaminated sites (refer to sections 2 and 4 below).

Phase 2 will be focussed on delivering the remaining eight years of the Government's long term Infrastructure Plan. Goals are broader, balance support for projects of different size and scope with local and regional importance and larger, economically strategic projects that can provide transformative change at the national level. The federal government will work with its partners to develop the Phase 2 plan. It will be announced within the next year.

For ease of reference, this document summarizes details of i) structural support required to deliver on many of the initiatives e.g. governance, financing considerations, responsibilities, policy development; ii) investments in federal infrastructure; iii) investments in infrastructure to support Indigenous People; and, iv) investments in clean energy and clean and sustainable environment. It does not focus on funding or specific projects at the municipal or provincial level although RPIC will be interested in having our partners share information on their initiatives through our various events and networking opportunities.

1. Structural/Governance/Responsibilities and Strategies:

- a. **Improve Infrastructure Management:** The budget proposes new institutions could provide opportunities for improvement and will work with partners to: pursue evidence-based decision-making through independent, expert advice; examine new innovative financing instruments and other innovative sources of funding such as pension plans, demand management initiatives and asset recycling to increase the long-term affordability and sustainability of infrastructure in Canada; and, better support the use of state-of-the-art infrastructure technology to improve the efficiency and effectiveness of existing assets.
- b. **PPP Canada Inc.** now reports to the Minister of Infrastructure and Communities.
- c. **Public Transit Infrastructure Fund** – for other levels of government.
- d. **Green Infrastructure related investments:**
 - i. Development of building codes and standards that integrate climate resiliency requirements (details in section 4 - Clean Energy below).
 - ii. Federation of Canadian Municipalities will manage and deliver \$75M in new funding to address climate change; support assessment of risk and integrate impacts into asset management plans; funding for the

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enhancement of the Green Municipal Fund and \$50M to develop Community Capacity for Asset Management Best Practices (RPIC may wish to contact FCM re: Best Practices).

- e. **Infrastructure Related Data:** Infrastructure Canada to work with Stats Canada to improve data to support better information on the state and performance of core public infrastructure assets (includes federal infrastructure).
 - f. **Affordable Housing Plan** – will consult with other levels of government, Indigenous Communities and other communities to develop a National Housing Strategy. Roles of Indigenous and Northern Affairs and CMHC detailed in section 3 below.
 - g. **Canada Cultural Spaces Fund** – for social infrastructure.
 - h. **National Historic Sites Cost Sharing Program** – for external owners of National Historic Sites.
 - i. **Environmental Assessments** – funding to implement interim guidelines, support to Canadian Environmental Assessment Agency and improving the regulatory review processes for projects in the north through Northern Project Management Office (details in section 4 - Clean Energy below).
 - j. **Natural Resources Canada to deliver energy efficiency policies and programs**, and maintain clean energy policy capacity (details in section 4 – Clean Energy below).
 - k. **Federal Government and Public Service (PS):** better focus on outcomes, data and indicators – culture of measurement and impact; establishment of the Cabinet Committee on Agenda, Results and Communications and a Results and Delivery Unit at PCO; strengthening the PS to ensure that it is innovative, agile, collaborative and high-performing; review spending – 2016/17 - \$221 M **reduction** in professional services, **travel** and government advertising, President of TB has the lead for future years; TB Program Integrity – funding to manage critical program and operational risks; investing in information technology and transforming the government back office.
2. **Revitalizing Federal Public Infrastructure Across Canada** \$3.4B over 5 years to address needed repair, use opportunity to enhance clean growth by reducing carbon footprint and pursuing green solutions where possible. In addition, investments in new infrastructure/ assets are also identified where applicable:
- a. **National Parks** – improvements and new biking and walking trails and investment in highways through National Parks, (also see section 4 re: Cleaner More Sustainable Environment – expansion and protection of National Parks).
 - b. **Contaminated Sites** – in excess of \$200M over two years – to accelerate assessment and remediation (see reference in section 4 – Cleaner More Sustainable Environment).
 - c. **Science Infrastructure** – federal labs and other assets that support science research and innovation – including AAFC and CFIA research stations in BC, AB, SK, ON and QC, and state of the art equipment; NRC projects to extend the useful life of aging labs and reduce antiquated work spaces; Canadian Space Agency for rehabilitation of chamber at Shirley’s Bay (cross reference to Innovation agenda at ix below).
 - d. **Transportation** – Small Craft Harbours including upgrades for fire safety; upgrade to Port of Gros Cacourna, QC; replace structures at rural and remote airports; facilities for aircraft testing; VIA Rail station maintenance, upgrades to Ferry Service in Atlantic Canada
 - e. **Arts and Culture:** investments in, and improvements to, Science and Technology Museum, National Arts Centre and National Gallery.
 - f. **Safety, Security and Defence of Canada:**
 - i. **Coast Guard:** Re-opening the Coast Guard Base at Kitsalno, BC – with enhanced Marine emergency response capacity.
 - ii. **Investments in physical infrastructure for Law Enforcement and Intelligence Agencies:**
 - **RCMP** – NEW Forensic Lab (\$60M) in BC and upgrades at RCMP Depot (cross reference to Chapter 5 Inclusive and Fair Canada - Enhancing Public Safety).
 - **CBSA** – improvements to border infrastructure **and CSIS** – upgrades.
 - **DND infrastructure** \$205M over two years - projects to support: readiness including investments to repair and construct live-fire ranges, airfields and hangars and naval jetties across Canada; the Reserve Force, including investments to repair and maintain armouries in AB, ON, QC and NS; military personnel and their families, including investments to upgrade and construct military housing across Canada; and northern operations, including investments in airfield ramp reconstruction and upgrades to fire suppression systems that directly support the North American Aerospace Defense Command (NORAD) (cross reference to Chapter 6 Canada and the World).

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- g. **Public Services and Procurement Canada (PSPC)** – reduce carbon footprint and energy consumption of federal buildings in the NCR (PSPC’s six heating and cooling plants serving 85 buildings through use of more efficient technology).
 - h. **Water Infrastructure in Saskatchewan** – continue to transfer federal owned dams to Saskatchewan Water Agency.
 - i. **Innovation Agenda** – see Science Infrastructure investments referenced at section 2 above plus: Northern Economic Development Investments and the Gordie Howe International Bridge Project – supports trade.
 - j. **Veterans** – re-opening offices.
 - k. **Federal Courts** – funding to assist in relocating the Federal Court in Quebec City.
3. **Infrastructure Investments in Indigenous Communities:**
- a. **Education Infrastructure:** \$969.4M over 5 years - repair and construct schools on reserve
 - b. **Social Infrastructure:** Phase 1 (of 10 year plan)- \$1.4B housing, health, cultural and recreational infrastructure
 - i. Housing: \$ 416.6M funding to Indigenous and Northern Affairs for immediate needs \$137.7M over two years to CMHC for renovation and retrofit of existing housing
note: also part of broader Affordable Housing Initiative.
 - Northern and Inuit Housing: funding to be provided to Provinces and Territories
Note: also part of the broader Affordable Housing initiative
 - ii. Shelters, Aboriginal Head Start On Reserve and Child Care facilities.
 - iii. Cultural and Recreational facilities: \$76.9M over two years.
 - iv. Health Care: \$270M to improve health care facilities on reserve e.g. nursing stations.
 - c. **Green Infrastructure:** \$2.24B Phase 1 - improve reserve water, waste water infrastructure and waste management and \$141.7M for monitoring and testing water on reserve.
 - d. **Community Infrastructure:** \$255M over two years to FN Infrastructure Fund e.g. roads, bridges.
4. **Clean Technology and a Cleaner more Sustainable Environment Investments:** \$130 million over five years to support clean technology research, development and demonstration activities:
- a. **Sustainable Development Technology Canada (SDTC)** - SD Tech Fund \$50M over 4 years.
 - b. **Natural Resources Canada** - \$82.5 million over two years to support research, development and demonstration of clean energy technologies.
 - c. **Proposes Creation of Low Carbon Economy Fund:** supports Provincial and Territorial actions.
 - d. **Proposes funding to Environment and Climate Change Canada:** to advance domestic climate change objectives.
 - e. **Energy Efficiency and Renewable Energy** - proposes to provide \$128.8 million over five year to Natural Resources Canada to deliver energy efficiency policies and programs, and maintain clean energy policy capacity (refer to section 1 above); support improved energy efficiency standards and codes for products, buildings, industry and vehicles, and further the development of a legislative framework for offshore renewable energy projects. Also proposes to provide \$10.7 million over two years, to Indigenous and Northern Affairs Canada to implement renewable energy projects in off-grid Indigenous and northern communities that rely on diesel and other fossil fuels to generate heat and power (this is in addition to Community Investments noted at section 3 above).
 - f. **Adapting to climate change:** funding to seven departments and agencies to implement programming focused on building the science base to inform decision-making, protecting the health and well-being of Canadians, building resilience in the North and Indigenous communities, and enhancing competitiveness in key economic sectors.
 - g. **Building Designs and Codes:** Integrate climate resilience in to guides and codes: Proposes to provide an additional \$40.0 million over five years. The funding will support revised national building codes by 2020 for residential, institutional, commercial and industrial facilities. Target for adoption of these guides for public infrastructure is 2020.
 - h. **Protecting and Restoring Canada’s Ecosystems and Natural Heritage:** includes a number of measures to support the further enhancement and expansion of protected areas; to protect the quality of water in Canada’s lakes and oceans; and to reduce risks to human health and the environment by taking action on federal contaminated sites (as referenced at section 2 above).

- i. Expanding and Protection of National Parks Systems:** proposes up to \$142.3 million over five years, the Parks Canada Agency and Natural Resources Canada to deliver these commitments, (this is complimented by the investments at section 2 above).
- j. Protecting Marine Conservation Areas**
- k. Accelerating clean-up of Contaminated Sites** (cross refer to section 2 above).
- l. Restoring trust in Environmental Assessments:** as announced earlier, interim principles listed. Proposes to provide \$16.5 million over three years, to the National Energy Board, Natural Resources Canada and Transport Canada to implement the interim approach (cross refer to section 1).
- m. Supporting Canadian Environmental Assessment Agency** (cross refer to section 1).
- n. Improving Regulatory Review Processes for Major Projects in the North:** The Canadian Northern Economic Development Agency supports development initiatives in the territories and is the regional delivery agent for the Northern Projects Management Office. Proposes funding to continue the Agency's leadership role in the Northern Projects Management Office in improving the timeliness, predictability and transparency of northern regulatory review processes (cross refer to section 1).