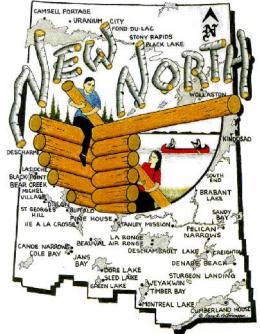


New North

www.newnorthsask.ca



December 2014

A New Year Brings Old (and Some New) Challenges

Welcome to 2015.

Looking over our predictions for 2014, we notice we got some wrong. For example, we figured that, by now, we'd have some new housing options from Saskatchewan Housing on the table. They haven't come through yet.

But we mostly got it right: new models for local enforcement options have been announced in the form of Community Safety Officers; the new Gas Tax deal has been implemented; revenue sharing dropped a little bit; and New North kick-started the Administrators Conference concept once again.

2015 will be a tougher year to predict. The elephant in the room right now is the drop in oil revenues to the provincial government. While revenue sharing to municipalities is set to increase, there may be some doubt over infrastructure spending by government. Hopefully, any cuts to infrastructure budgets won't impact crucial water and sewer projects.

The province may also decide to hold off on planned improvements to roads—again, hopefully not in the north.

The government is set to roll out its new disability strategy this year, but may not fund it to the extent that it would like.

Ministries, who are being asked to tighten their spending, may also have less room to move in their discretionary spending—on grants and the like.

If the face of possible cuts to government budgets, the position that the northern communities need to take—and this goes

especially for New North—is not to go quietly into the night.

We should, in fact, be doing the opposite. The northern communities need to lobby harder, and to not back away, from seeking increased allocations to roads, water and sewer and other projects.

New North's Plan for 2015 is available on our website if you haven't seen it already. Our Plan signals that New North will engage in a much greater level of advocacy this year to match the greater level of commitment that is being shown by our members. In particular, we believe that this year will be the year when the government makes a solid commitment to improving roads in the north.

On the capacity building side of things, this year New North is planning to host not only the Administrators and Waterworks Conferences, but also the Northern Symposium for Safer and Healthier Communities as well as a Northern Health Conference. The date for the latter is most likely in September, with the former probably happening around late October or early November.

New North is also in the advanced stages of planning to bring Community Safety Officers to northern communities in partnership with First Nations in the north.

Northern municipalities will also see a Financial and Administration Service being rolled out by the Northern Municipal Trust Account Management Board and Northern Municipal Services. This service will provide in-house financial and administrative support to municipalities seeking to get their books in order.

COMMENTARY: Now Not the Time to Wait on Water

In December the Town of La Ronge (followed by Air Ronge) announced that they would be increasing their water and sewer rates as a part of a plan to turn the water and sewer utility into a “user-based” system within five years. Over the first two years of the plan fees would increase, across the board, by about 30%.

There are, of course, problems with the plan. The first problem is that the system, as an unmetered system, is not, and never will be, “user-based.” When we think of user-based, we think of a system where the amount that a consumer pays reflects the amount that a consumer uses. Unmetered systems use a “flat fee,” derived by dividing the total cost of providing the utility by the total number of users. Different property classes are charged differing rates, which is fine, but there is still no real way, within this system, to find an equitable balance between use and cost.

In a flat-fee system, small users will always subsidize large water users; families with teenagers pay the same as a bachelor; people with vast and impeccably manicured lawns pay the same as someone who only owns a dead houseplant.

Flat-fee systems do have their advantages. While small users subsidize large users, this can have a socially-desirable income-redistribution effect. This is especially so in the north, with its high youth population (ie, lots of teenagers, the biggest water users), high rates of dependency, and high occupancy per room rates (in other words, very high rates of multiple-family households).

The real down-side of flat-fee systems, though, is that there is no incentive for anyone to minimize water use. Although this may seem unproblematic in a situation where water is both cheap and easily accessible, it’s not particularly good public policy. There is no “market signal” telling people to use less water, and no way to ensure that the cost of the system, including new infrastructure, is a reflection of the optimal usage of the system.

This is because, as research by the Canada West Foundation suggests, flat-fee systems can see water over-use by as much 80% as compared to metered systems. In other words, consumers in non-metered systems use way more water than they need.

This statistic strongly suggests that water demand is very price elastic. That is to say, in a metered system, water users respond to the potential for paying more for water by cutting down their water usage.

While large families with teenagers will tend to have less room to move on cutting their demand for water (try telling a teenager to get out of the shower), overall the metered system will lead to a drop in water demand and a more efficient, lower-cost system.

The Town of La Ronge has for the time being made a socially-desirable decision not to go to a metered system. But it is inevitable that they will need to join the other 99% of municipalities in the province using metered systems. This is because, as it stands now, the flat system is not only wasteful and inefficient, it also throws the economics of water policy completely out the window. More importantly, over the long-term the present system is going to end up costing residents more.

Long-term, municipalities with the capacity to do so should be moving to a fully user-based fee for all municipal utilities. The reasons are two-fold: firstly, it enables the municipality to put in place a proper asset management plan in order to ensure the long-term viability of the utility; and secondly, and relatedly, it means that the quality of life that this utility brings is not dependent upon the budget cycles of senior governments.

Of course, unsubsidized metered systems won’t work everywhere. The northern municipalities are generally better off sticking with a flat fee because the economics of water policy don’t add up in communities living below the poverty line. These communities will need to continue to subsidize their water operations.

Waste Management Workshops in Prince Albert

We're hoping that as many communities as possible will be able to attend **The Regional Waste Management, Transfer Stations and Landfill Information Workshops**, being conducted by SEIMA in Prince Albert, on January 14, at Travelodge. Cost is \$100. You might remember that attempts by SEIMA to hold this workshop in the north was cancelled from lack of interest.

Register by going to: <https://picatic.com/SEIMA-PrinceAlbertSK>.

New North Northern Health Conference Re-Scheduled for Later in Year

Due to scheduling conflicts, the conference will most likely be in autumn. Stayed tuned for further updates.

SUMA Convention 2015

The northern municipalities generally make a good turn-out at the SUMA Convention. This year's convention is called The Urban Heartbeat, and is in Saskatoon.

Information about the Education Sessions are available on SUMA's website. Sessions will focus on emergency preparedness, youth engagement, how to make an insurance claim, conflict resolution, recreation, age-friendly communities, and community safety officers, among others.

As usual, a Banquet is scheduled for the Tuesday evening—this time with a band—and there'll be a light drinks session on Sunday and a hospitality evening—more drinking—on Monday.

Communities will have an opportunity to chat with the ministers of Environment, Rural and Remote Health, Government Relations, Corrections and Policing on the final day, and to poke them with sticks at the Bear Pit session right after (sticks not supplied).

As usual, the northern municipalities will have their own session all to themselves to discuss northern-specific issues. Last year, as you might recall, the northern session was the starting point for getting the province onboard and interested in the development of a northern economic development strategy.

The resolutions session doesn't have as many resolutions as previous years, but there are still a few that will interest northerners. The SUMA Board has a resolution concerning northern roads, and North Battleford is calling for an inquiry into murdered and missing Aboriginal women. As well, no resolution session would be complete without someone bringing up golf carts.

The SUMA Convention is always a terrifically well-planned and informational event. This one will be no different. But we recommend brushing up on your karaoke standards, and leaving the spouse at home.

CIF Grant Deadline Reminder

The Community Initiative Fund deadlines have come round again. By now most of you have probably already got your applications in, but for those that haven't there's still time.

For more information about deadlines and such, go to their website at www.cifsask.org.

The grants you might interested are the **Community Grant Program** and the **Community Places and Spaces Program**. The deadlines for these are April 1.

The deadline for the **Summer Grant program** is Feb 1.

Upcoming New North Events

Mayor and Councillor Gathering

Prince Albert Inn, January 15

Waterworks Workshops for Water Operators

La Ronge Motor Inn, April 15-17, 2015

Northern Health Conference

September 2015

From the CEO, Al Loke

A very Merry Christmas to Everyone and a Happy New Year as well!

2015 promises to be a year of progress for New North on behalf of the municipalities of northern Saskatchewan.

Progress that, in some cases, has been a long time in coming.

For example, this year we are confident that we will make substantial progress not only on roads, housing and infrastructure in general, but in an area that New North has been working on for a number of years: bootlegging.

The effect that bootlegging has on a number of northern communities is devastating. When alcohol comes into dry communities in vast quantities in a short time frame, the social costs to the community are felt almost immediately: in family violence, in child neglect, in the increase in calls on stretched local services. To think that people make substantial profits from inflicting such damage is appalling to many of us.

The government, though, feels that it is hamstrung to do anything about it. We think the government can, and should, do more to regulate the sale of alcohol in large quantities without a permit.

This break-through won't solve bootlegging altogether, but it is one step that might make a difference.

New North Executive

Chair: Mayor Georgina Jolibois - West

Board Members:

Councillor Al Sayn (Vice Chair) - Far North

Mayor Gordon Stomp, Village of Air Ronge - Central region

Mayor Val Deschambeault - Eastern Region

Vacant - Member at Large

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New North Mission Statement

New North - SANC Services Inc. (Saskatchewan Association of Northern Communities) through strength in unity is organized to advocate, negotiate and initiate, improvements for the interests and concerns to the Local, Provincial and Federal Governments to enhance the quality of life for Northern people within the Northern Administration District (NAD) of Saskatchewan.