

President's Report



Stuart Briese, President

In the last few months, there has been a lot of talk from all three levels of government about a 'New Deal' for municipalities. It is often hard to tell what's rumour, what's truth and what may or may not happen in the near future. At the beginning of March, I attended a Federation of Canadian Municipalities (FCM) board meeting along with AMM's Executive Director, **Joe Masi**. There was a lot of talk about the new role municipal organizations are playing at the federal level and our involvement in some of the policy decisions.

I would like to briefly talk about some of the components of the federal government's new deal and what it will mean to Manitoba's municipalities:

a) A reduction of the heavy federally imposed GST burden on municipal governments and the essential services they provide. The federal government has committed to returning 100% of the GST municipalities pay. This is a rebate, not an exemption. This decision is effective February 1, 2004 and municipalities will start to receive their rebate from that date forward.

b) A new intergovernmental relationship. The federal government wants to encourage equal partnership at all three levels of government.

c) A new fiscal package that could include, but it not limited to, a fuel tax revenue-sharing arrangement. The federal government is looking at returning part of the fuel tax, however, they may not limit their new revenue deal to just fuel taxes.

d) Capital grants through existing or new infrastructure programs. The newly announced Municipal Rural Infrastructure Fund (MRIF) will provide Manitoba with an additional \$41 million for public infrastructure. The FCM will be lobbying the government to accelerate this program to provide most of the funding in the first three years in order to deal with the immediate infrastructure deficit municipalities are currently facing.

e) Program co-ordination covering social, environmental, economic and international development initiatives. The federal government will work to coordinate its departments in order to provide better, more effective service delivery

It is a very exciting time for municipalities at the federal level. The AMM will continue to provide updates as we receive them. The AMM is also confident that Manitoba's municipalities and the Provincial Government will form a solid working relationship as Ottawa starts to roll out its plans for a new deal for communities. ●

A handwritten signature in cursive script that reads "Stuart Briese".

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