

Meeting of the  
**Association of  
Manitoba  
Municipalities**



with

The Honourable David Chomiak

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Minister of Energy, Science & Technology

June 8, 2006

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## A) Executive Summary

### Departmental Issues

#### 1. Status of Green Manitoba Eco Solutions

- Manitobans rely on accessing efficient local programs in order to recycle a wide range of materials.
- With the movement toward a legislative framework for extended producer responsibility models, the Province must ensure that a municipal perspective is included during the development stages.
- If the Province consults with AMM prior to publicly releasing the regulations, the AMM can provide an indication of the type of concerns that municipalities will raise.
- To maintain municipal involvement in recycling programming, the AMM should continue to play a role in the governance structure of Green Manitoba Eco Solutions, similar to that played through Manitoba Product Stewardship Corporation.
- Recycling rates should improve as a result of the changes and this will only occur to the extent that access remains convenient.

**Therefore, the AMM urges the Province to engage in meaningful consultation with municipalities during the early drafting of regulations and throughout the ongoing activities of Green Manitoba Eco Solutions.**

#### 2. Biodiesel and Ethanol Initiatives

- Municipalities are appreciative of recent developments in biodiesel and ethanol production, due to the significant economic benefits for communities and the promotion of clean environment objectives.
- The Province is pursuing a 10 per cent ethanol blend mandate and there must be sufficient opportunity to meet this target through local production facilities.
- The AMM is also supportive of developing a national strategy for ethanol production and consumption.
- The Province should also make further investments in pursuing biodiesel since large and small communities alike can establish production facilities.

**Therefore, the AMM urges the Provincial Government to build on Manitoba's ethanol development and promote opportunities for Manitoba communities to establish biofuel facilities.**

### 3. Cellular Service

- Communities where cellular service is limited or unavailable are disadvantaged by an inability to access improved safety and economic opportunities.
- Some areas experience unreliable cellular coverage, however the expectation of service must be fulfilled. This is a particular concern in emergency situations when individuals believe they can rely on their cellular phones to seek assistance.
- Offering cellular service in small communities and rural areas could convince businesses to remain in the same location rather than moving elsewhere to seek greater services.
- The challenges of extending cellular coverage should be addressed by governments working with private industry to meet the needs of Manitobans.

**Therefore, the AMM urges the Provincial Government to adopt a more prominent role in the expansion of cellular service in Manitoba and to work with private industry to create the necessary framework for expansion of this critical infrastructure across the province.**

### 4. Status of Wind Power in Manitoba

- Wind power provides excellent economic and environmental benefits for Manitoba therefore incentives to increase potential for wind generation must be pursued by the Provincial Government.
- Complementing existing hydroelectric generation with wind power is a suitable way to harness Manitoba's energy resources while enhancing a commitment to reduced greenhouse gas emissions.
- Along with environmental benefits, wind energy also provides opportunities for economic benefits for Provincial and municipal governments.
- Efforts to enhance wind energy production in Manitoba should consider the broad range of industry demands, from production and construction through ongoing usage in order to fully capture the economic benefits of wind power.

**The AMM requests an update on the next steps planned for the Expression of Interest results and urges the Provincial Government to expand efforts to stimulate growth in Manitoba's wind energy sector.**

## General Issues

### 5. The Municipal Agenda

- Manitoba's municipal governments continue to take on increasingly greater responsibilities. As the importance of local community increases, it is necessary that the roles, responsibilities and resources of municipal government be examined.
- Unclear legislation, such as the Water Protection Act, concern municipal governments because the financial costs in implementing and enforcing this Act are great. Infrastructure needs in municipalities throughout the province are at the top of municipal agendas however the municipal budgets are stretched thin.
- Some options to support municipal governments to serve their communities effectively are removing education tax from property and exempting municipal governments from the Provincial Sales Tax.

**The AMM urges the Province to work with municipalities to seriously examine the roles, responsibilities and resources of municipal governments in Manitoba.**

## B) Departmental Issues

### 1. Green Manitoba Eco-Solutions

Manitobans rely on accessing efficient local programs in order to recycle a wide range of materials. The overall benefits of recycling are vast and municipalities directly benefit from programs through the diversion of materials from local landfill sites. The coordination of recycling and energy efficiency initiatives under Green Manitoba Eco Solutions is a positive step toward additional recycling opportunities such as household hazardous waste and electronic waste. With the movement toward a legislative framework for extended producer responsibility models, the Province must ensure that a municipal perspective is included during the development stages. The new structure and procedures for recycling initiatives will have an impact on municipalities, therefore municipal input must be considered.

To date, tire stewardship regulation is the closest to being finalized. The AMM has learned that regulations for paper and packaging, household hazardous waste and electronic waste are currently being drafted. In order to be effective, these regulations must be informed by meaningful consultation processes. Specifically, the AMM can provide feedback that is representative of municipalities. If the Province consults with AMM prior to publicly releasing the regulations, the AMM can provide an indication of the type of concerns that municipalities will raise. This process creates an opportunity to make adjustments that will improve public support for the regulations. The AMM is committed to seeking the best possible legislation for municipalities, and an appropriate consultation process will benefit both municipalities and the Province.

In addition, the AMM has appreciated the opportunity to participate on the Manitoba Product Stewardship Board. This Board has functioned well and provided valuable services to Manitoba communities. To maintain municipal involvement in recycling programming, the AMM should continue to play a role in the governance structure of Green Manitoba Eco Solutions. Municipalities should have ongoing participation in the decision-making surrounding recycling initiatives and AMM involvement is an effective way to accomplish this objective.

A specific concern with the division of recycling responsibilities among several industry-led groups is that individuals will have to take each category of recyclable material to a different location. To ensure that recycling rates do not decline, it is imperative that the recycling collection system remains convenient and user-friendly. This is particularly important in rural areas where curbside pickup is not feasible and residents are required to transport recyclables to a designated area. Recycling rates should improve as a result of the changes and this will only occur to the extent that access remains convenient.

In general, municipalities are supportive of recycling programs since waste reduction continues to be a priority for Manitobans. The establishment of Green Manitoba Eco Solutions has the potential to create positive impacts through enhanced recycling and energy efficiency mechanisms. Since municipalities play a key role in facilitating recycling programs, the Province must carefully consider the impacts on municipalities.

**Therefore, the AMM urges the Province to engage in meaningful consultation with municipalities during the early drafting of regulations and throughout the ongoing activities of Green Manitoba Eco Solutions.**

## AMM Resolution Number 76 – 2005

**Topic:** Alternative Markets for Cardboard

**Sponsors:** RM of Langford (Mid-Western District)

**Departments:** Manitoba Conservation, Manitoba Energy, Science and Technology

WHEREAS the market for corrugated cardboard has collapsed;

AND WHEREAS municipalities are now having to landfill this product;

THEREFORE BE IT RESOLVED that the AMM lobby the Provincial Government to pursue alternative markets for corrugated cardboard.

## AMM Resolution Number 13 – 2005

**Topic:** Bottle Return System

**Sponsors:** City of Thompson (Northern District)

**Departments:** Manitoba Conservation

THEREFORE BE IT RESOLVED that the AMM lobby the Provincial Government to implement a drink container return system similar to that which is in place in other jurisdictions to ensure that recycling of these products increases.

## AMM Resolution Number 70 – 2005

**Topic:** New Recycling Levies

**Sponsors:** City of Dauphin (Parklands District)

**Departments:** Manitoba Conservation

WHEREAS the Manitoba Product Stewardship Corporation has over the last three years reduced the payment per tonne for materials recycled to municipalities;

AND WHEREAS the cost of recycling has increased significantly since the levies were first introduced;

AND WHEREAS there are no levies on items such as glass, newspapers, magazines and commercial cardboard;

THEREFORE BE IT RESOLVED that the AMM lobby the Manitoba Product Stewardship Corporation to review the environmental levies charged to consumers in order to make recycling viable.

## AMM Resolution Number 69 – 2005

**Topic:** Permanent Household Hazardous Waste Program

**Sponsors:** RM of Taché (Eastern District)

**Departments:** Manitoba Conservation

THEREFORE BE IT RESOLVED that the AMM lobby the Provincial Government to establish an effective program to recycle paint products, glycols as well as electronic waste material so as to remove these products from local landfill sites.

## AMM Resolution Number 59 – 2004

**Topic:** Electronic Waste Collection Program

**Sponsors:** RM of Taché (Eastern District)

**Departments:** Manitoba Conservation

WHEREAS municipalities currently have no practice regarding the disposal of hazardous waste such as electronic equipment, paint, etc. existing at landfill sites;

AND WHEREAS a stewardship program should be in place for the purpose of disposing of this material;

THEREFORE BE IT RESOLVED that the Association of Manitoba Municipalities lobby the Provincial Government to initiate a program for the disposal of this material.

## AMM Resolution Number 26 – 2003

**Topic:** Recycling for Plastic Bags

**Sponsors:** Town of Altona (Central District)

**Departments:** Manitoba Conservation

WHEREAS there are many businesses, especially grocery stores, that use plastic bags for customer purchases;

AND WHEREAS many of these plastic bags end up in the local landfill sites because there is no system to recycle them;

AND WHEREAS these plastic bags create a nuisance at the landfill sites because they tend to be blown around by the wind;

AND WHEREAS these plastic bags take many years to decompose;

THEREFORE BE IT RESOLVED that the Association of Manitoba Municipalities lobby the Provincial Government to insist that retailers use biodegradable bags or re-usable bags instead of the current plastic bags;

AND BE IT FURTHER RESOLVED that the Association of Manitoba Municipalities work with the Provincial Government to begin an educational campaign to inform the general public about the benefits of recycling/re-using these types of nuisance items.

## AMM Resolution Number 36 – 2002

**Topic:** Incentives for Tire Recycling

**Sponsors:** Village of Waskada (Western District)

**Departments:** Manitoba Conservation

WHEREAS there appears to be a lack of interest on the part of tire processors to collect used tires at locations far from their plants;

AND WHEREAS in Manitoba, active tire processors are based mainly in Winkler or Winnipeg;

THEREFORE BE IT RESOLVED that the AMM lobby the Province to provide financial incentives to encourage tire recycling in areas far from markets.

## AMM Resolution Number 34 – 2000

**Topic:** Recycling Funding for Corrugated Cardboard

**Sponsors:** Town of Boissevain (Western District)

**Departments:** Manitoba Conservation

WHEREAS municipalities contribute substantial amounts of money to run recycling programs;

AND WHEREAS a large portion of the material gathered by recycling depots is corrugated cardboard which requires a large storage space;

THEREFORE BE IT RESOLVED that the Association of Manitoba Municipalities lobby the provincial government to increase its funding of corrugated cardboard from 25 per cent to 100 per cent under the Product Stewardship Program.

## 2. Biodiesel and Ethanol Initiatives

Renewable energy sources make a vital contribution to environmental protection initiatives and municipalities are supportive of the need to increase consumption of biofuels in Manitoba for this reason. In the past year, the Province has significantly enhanced incentives to promote the production of biodiesel in Manitoba. As well, the recent investment in Husky's ethanol plant in Minnedosa represents an important economic advantage for the surrounding area. Municipalities are appreciative of these developments since biodiesel and ethanol production can provide significant economic benefits to communities, while promoting clean environment objectives.

The AMM recognizes that it is difficult to provide widespread support for ethanol expansion in Manitoba due to the requirement for large-scale production facilities to preserve economies of scale. At the same time, the Province is pursuing a 10 per cent ethanol blend mandate and there must be sufficient opportunity to meet this target through local production facilities. There are various areas in Manitoba that can meet the requirements for biomaterials as well as offer demand for the distillers dried grains that can then be used for livestock feed. These opportunities should be pursued through support from the Provincial Government. The AMM is also supportive of developing a national strategy for ethanol production and consumption. A coordinated national effort would augment Canada's total environmental gains and Manitoba could benefit with multiple ethanol production sites. In anticipation of increasing demand for ethanol, the Province should continue to explore the potential for greater production capacity in Manitoba.

Another important segment of the biofuel industry is the use of plant and animal oils to create biodiesel. Recent Provincial commitments to a biodiesel tax incentive and funding for new production facilities will provide key supports for this developing industry. Unlike ethanol a large-scale operation is not required, and the Province should make further investments in pursuing biodiesel since large and small communities alike can establish production facilities. As indicated by the recommendations of the Biodiesel Advisory Council, this market will thrive with incentives to stimulate both supply and demand for biodiesel. The Province has created effective supports through the current incentive mechanisms, and this movement must continue as biodiesel becomes a more widely-used alternative to non-renewable energy sources.

Communities across Manitoba are seeking practical economic development initiatives and renewable energy investments offer potential opportunities. Local investments should be made in conjunction with Provincial Government support both for the production and consumption of biodiesel and ethanol.

**Therefore, the AMM urges the Provincial Government to build on Manitoba's ethanol development and promote opportunities for Manitoba communities to establish biofuel facilities.**

AMM Resolution Number 32 – 2005

**Topic:** Promoting the Use of Biodiesel

**Sponsor:** Town of Grandview (Parklands District)

**Department:** Manitoba Energy, Science and Technology

WHEREAS the economy, the environment, human health and social well being need to be managed for present and future generations;

AND WHEREAS biodiesel is a safe, biodegradable, non-toxic renewable fuel made from a variety of sources such as vegetable oil, animal fats, tallow and used restaurant grease;

AND WHEREAS biodiesel can be used in its pure form or blended with conventional diesel fuel at various levels with little or no engine modification required;

AND WHEREAS based on the current understanding of biodiesel fuels and blending with petroleum based diesel fuel with the members of the Engine Manufacturers Association, it is expected that blends up to a maximum of B5 (5% methyl ester additive) should not cause engine or fuel system problems;

AND WHEREAS the Province of Manitoba has passed the Sustainable Development Act in 1999 recognizing that the public sector, through its internal operations and procurement practices, has an integral role in promoting environmental awareness and sustainable development;

AND WHEREAS the Manitoba Biodiesel Advisory Council report of February 2005 recommends that the Provincial Government take the leadership to coordinate the future development of alternative fuel initiatives; therefore encourage the development of a biodiesel industry in Manitoba that will use Manitoba-grown and produced feedstocks;

AND WHEREAS the production of biodiesel is an important economic initiative for rural development and would provide additional income and employment opportunities for agricultural producers and rural communities;

THEREFORE BE IT RESOLVED that the AMM lobby the Provincial Government to provide incentives to support the use of biodiesel that would be available to all municipalities;

AND BE IT FURTHER RESOLVED THAT the AMM move to adopt a green procurement plan by developing principles and guidelines to select environmentally preferred products and services that perform satisfactorily and are available at a reasonable price.

## AMM Resolution Number 53 – 2002

**Topic:** Ethanol Program

**Sponsor:** RM of Brokenhead (Eastern District)

**Department:** Manitoba Energy, Science and Technology

WHEREAS the burning of fossil fuels is a major pollutant of our atmosphere;

AND WHEREAS our agricultural community is in need of a value-added diversified alternative to grain production;

THEREFORE BE IT RESOLVED that the AMM lobby the Province to promote, encourage and support a program for the production of ethanol to be blended with fossil fuels.

## AMM Resolution Number 07 – 2001

**Topic:** Conservation and Economic Development

**Sponsors:** Town of Boissevain, Town of Killarney, RM of Morton, RM of Riverside, RM of Turtle Mountain, RM of Whitewater (Western District)

**Departments:** Manitoba Agriculture and Food, Agriculture and Agri-Food Canada

WHEREAS the Bonn Accord of the Kyoto Protocol commits Canada to reduce greenhouse emissions;

AND WHEREAS the Manitoba Climate Change Task Force is pursuing strategies to address climate change within Manitoba;

AND WHEREAS the federal, provincial, and territorial Agriculture Ministers' vision for agriculture, as announced last June 29 in Whitehorse, identifies the need to pursue innovative economic opportunities and strengthen environmental stewardship within the agricultural sector;

AND WHEREAS the burning of ethanol-blended fuels has been proven to reduce carbon emissions and vehicle manufacturers now have the capability to have vehicles burn 85 per cent ethanol;

AND WHEREAS there are companies interested in producing ethanol from grain farming by-products;

THEREFORE BE IT RESOLVED that the Association of Manitoba Municipalities lobby the provincial and federal governments to develop a policy to encourage the use of alternative green energy and industries using agricultural by-products.

### 3. Cellular Service

Many communities throughout Manitoba are benefiting from the improved safety and economic opportunities offered by cellular coverage. However, communities where cellular service is limited or unavailable are disadvantaged by an inability to access these benefits. Although AMM has heard that cellular service is available to approximately 97 per cent of Manitoba's population, the remaining unserved areas have a severe need for enhanced safety and economic opportunities. This tends to occur further into rural Manitoba and across the Northern portion of the province. Based on the potential improvements to emergency response and economic development, the Provincial Government should support the expansion of cellular service to all areas of Manitoba.

Safety concerns are apparent in rural and Northern Manitoba due to extreme weather conditions and marginal infrastructure. The combination of these factors creates the need for timely emergency response and the expanded availability of cellular service would provide an effective way for individuals to request assistance in these remote areas. Similar concerns extend throughout the province since many serviced areas experience unreliable coverage. In these areas, the expectation of service must be fulfilled, particularly in emergency situations when individuals believe they can rely on their cellular phones to seek assistance. As an important safety measure, there is an acute demand for cellular service in rural and remote areas.

In addition, communities can foster economic development through enhanced cellular coverage. Today's businesses are moving toward an increasing reliance on technology to offer employee mobility while maintaining connectivity with the workplace. Offering

cellular service in small communities and rural areas could convince businesses to remain in the same location rather than moving elsewhere to seek greater services. As well, entrepreneurs and small businesses often prefer to locate where cellular service is available, causing a migration away from unserved areas. It is inappropriate for private companies to determine which communities will thrive by controlling the availability of cellular services, and the Province must assist communities in this regard.

Many municipalities have taken the initiative to assess local demand and explore ways of offering cellular services to their residents. These initiatives should be supported by action from the Provincial Government since both orders of government have a stake in the safety and economic benefits of cellular service. The challenges of extending cellular coverage should be addressed by governments working with private industry to meet the needs of Manitobans.

**Therefore, the AMM urges the Provincial Government to adopt a more prominent role in the expansion of cellular service in Manitoba and to work with private industry to create the necessary framework for expansion of this critical infrastructure across the province.**

AMM Resolution Number 72 – 2005

**Topic:** Improved Cell Phone Coverage

**Sponsors:** City of Thompson (Northern District), RM of Mountain (Parklands District)

**Departments:** Manitoba Energy, Science and Technology, Manitoba Telecom Services

WHEREAS communities in Manitoba do not have adequate cell phone coverage;

AND WHEREAS the distances without such coverage are huge and include long stretches of highway;

AND WHEREAS there is a question of safety and security that must be addressed;

THEREFORE BE IT RESOLVED that the AMM lobby the Provincial Government and Manitoba Telecom Services, or other communication providers, to provide for improved cell phone coverage in Manitoba.

## 4. Status of Wind Power in Manitoba

Energy resources are increasingly important to Manitoba's economy with exports of electricity rising by more than 15 per cent in the first half of 2005. Expanding energy production includes diversifying this province's generation capabilities and extending the focus beyond hydroelectricity. Wind power provides excellent economic and environmental benefits for Manitoba therefore incentives to increase potential for wind generation must be pursued by the Provincial Government.

At a time when governments are committing to clean environment initiatives, an investment in wind energy can greatly assist in meeting these objectives. Wind energy is both a renewable resource and one of the cleanest energy sources available at present. Manitoba consistently invests in renewable energy sources, such as hydroelectricity, thereby accruing the added benefits of minimized greenhouse gas emissions. Complementing existing hydroelectric generation with wind power is a suitable way to harness Manitoba's energy resources while enhancing a commitment to reduced greenhouse gas emissions. As well, increasing the supply of clean energy sources will decrease the reliance on other greenhouse gas producing energies, such as fossil fuels.

Along with environmental benefits, wind energy also provides opportunities for economic benefits for Provincial and municipal governments. The construction required to set up turbines provides jobs for local tradespeople while stimulating the local economy through the purchase and rental of equipment and materials. Ongoing employment is also created due to the need for monitoring of the turbines. Many communities experience increased tourism as a result of establishing wind farms, indicating that indirect effects are also available.

Landowners gain a lucrative source of annual revenue, as evidenced by Manitoba's St. Leon wind farm that will provide \$9 million to approximately 50 landowners over a 25-year period. Wind farms are also compatible with existing land uses and producers can continue to raise crops and livestock in adjacent fields. Municipal and provincial tax revenue also increases substantially due to the increased assessment value. Rural areas are seeking access to such economic development and the Province should continue to support the expansion of wind power across Manitoba.

There are numerous options available to provincial governments to strengthen the wind power industry and several Canadian provinces are setting precedents in this regard. The Province of Manitoba has made considerable progress by articulating a goal of 1,000 megawatts by 2009-2014. As well, the Province has initiated a valuable method of identifying potential wind power projects through the Expression of Interest process. Based on the number of responses received, the Province should continue to explore the full potential for wind power generation beyond its initial goal of 1,000 megawatts over the next decade. Appropriate wind conditions are available throughout Manitoba and the potential for wind farms should be examined in various parts of the province. Furthermore, turbines are now shipped to Canada from Europe, which creates opportunities to explore component production in the local market. Efforts to enhance wind energy production in Manitoba should consider the broad range of industry demands, from production and construction through ongoing usage in order to fully capture the economic benefits of wind power.

**The AMM requests an update on the next steps planned for the Expression of Interest results and urges the Provincial Government to expand efforts to stimulate growth in Manitoba's wind energy sector.**

## C) General Issues

### 5. The Municipal Agenda

Municipal government is playing a more important role in the every day lives of Canadians. No longer is the local council seen as merely the local tax collector and tertiary service provider. Today, municipal governments have greater responsibilities, often playing a leading role in key areas that are not traditionally municipal in nature, such as health care and environmental protection. As the importance of the local community grows, municipal government, as the level of government closest to the people, is becoming more important. As a result, it is critical that a serious examination be undertaken of the roles, responsibilities and resources of municipal government in Manitoba.

Nationally, through the work of the Federation of Canadian Municipalities, municipal governments have been able to secure a full rebate of the GST as well as the New Deal for Communities or 'Gas Tax Rebate.' Community issues have become front and centre on the national stage, and the AMM is pleased with the recognition by the federal government of the importance of local government and the need to put resources in the hands of the order of government that delivers key services.

Provincially, municipal government in Manitoba has seen some advances as well. Most recently the Province announced the new Building Manitoba Fund that will link municipal grant money to provincial gas tax revenues. Manitoba is also unique in that the Provincial Government shares a percentage of income tax with municipalities through the previous Provincial Municipal Tax Sharing agreement.

While these initiatives are certainly positive, more is needed. Many of the resolutions currently being worked on by the AMM deal with issues of funding, or more specifically inadequate funding levels. A serious discussion of the resources available to municipalities needs to be undertaken. However for this discussion to be fruitful, it must be raised within the greater context of what are and what should be the responsibilities of municipal government.

Municipal government in this province has embraced taking on additional responsibilities as these have been seen to be for the betterment of the local community. For instance, many municipalities have gone to great lengths to help provincial RHAs recruit physicians. As well, municipalities have undertaken projects to help reduce greenhouse gas emissions and improve the environment. Yet there are limits to how much municipalities can do with their current revenue streams.

We have consistently heard from the Province that Manitoba municipalities fare better than almost every other province in terms of funding transfers from provincial governments. However, this discussion is meaningless without a discussion of the responsibilities of these municipal governments. If Manitoba's municipalities are continually expected to take on additional responsibilities it is imperative that new revenue sources are made available.

For example, a major municipal issue is the financial implications of the recently passed Water Protection Act. While the intent behind this legislation is laudable, the overwhelming lack of detail, especially in the area of responsibilities and finances, has many municipal governments concerned. Municipal governments cannot take on the financial costs

associated with implementing and enforcing this Act. The Municipal budget is already stretched too thin.

The current municipal infrastructure deficit in Manitoba further compounds the need to re-examine the resources available to municipalities. Communities are facing crumbling roads, deteriorating community centres and inadequate water treatment facilities. It is estimated that Manitoba's infrastructure deficit is \$7.4 billion, which includes \$2 billion in rural municipal infrastructure and \$1 billion within the City of Winnipeg. These are staggering numbers when compared to the revenue streams available to these municipalities. When only 7 to 8 cents of every tax dollar goes to municipalities, it is evident there is a lack of resources to deal with this deficit.

This is why the AMM has been advocating for a 5-year plan to significantly reduce the reliance on property tax to fund education. Currently the property tax base is the principal source of revenue for municipalities. However, this tax base is diminished when education tax takes up well over 50 per cent. Equally concerning is the continuing increases year after year which force municipalities to seriously re-consider any municipal tax increases, as there are limits to what local residents are able to withstand. The AMM fully supports maintaining and improving the quality of education in Manitoba, however the current system of education taxation is not sustainable and in reality it is hurting local communities by limiting municipal resources.

In addition to the removal of education tax from property, there are other options to provide greater revenue to municipalities. For example, the Provincial Government can follow the

lead of the Federal Government with the GST and exempt municipal governments from the Provincial Sales Tax. Not only would this leave more money in the hands of municipalities, but it would significantly reduce the costs of many major infrastructure projects, thereby freeing up valuable funding for other areas of need. This would represent a significant shift away from the current tax and return system toward a new system that allows municipalities to retain resources for community needs.

Strong communities are the foundation of a strong province and a strong Canada. As the Association that represents all incorporated municipalities in Manitoba, we understand this. The AMM has long been advocating for municipal governments to look at ways of improving how they do business to ensure strong, sustainable communities across Manitoba. We also hear firsthand the challenges communities are facing and we see the implications provincial actions are having on municipalities. It is for this reason that we believe it is time to take a closer look at the resources available to municipalities and take stock of the roles and responsibilities of municipal government in Manitoba.

**The AMM urges the Province to work with municipalities to seriously examine the roles, responsibilities and resources of municipal governments in Manitoba.**