

Meeting of the
**Association of
Manitoba
Municipalities**



with

The Honourable Tim Sale

Minister of Health

January 31, 2006

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A) Executive Summary

Departmental Issues

1. RHA Review and Election of RHA Boards

- The effective delivery of health care services is paramount to community sustainability, but RHAs are falling short since they do not respond to local community needs.
- Communities are increasingly expected to contribute to the cost of health care services, and should have greater direct input into RHA Boards.
- With supportive legislation in place, increasing accountability by creating locally elected RHA Boards is a policy decision of the Provincial Government that must be implemented.

Therefore, the AMM urges the Provincial Government to review the RHA structure in order to achieve greater accountability and transparency and to allow the election of RHA boards.

2. Physician Recruitment, Training and Retention

- There is a critical shortage of medical professionals throughout this province, and a coordinated effort must be undertaken in order to counteract this trend.
- Without relaxing the entrance requirements, the number of medical school spaces must increase. Another aspect of this issue is to ensure that rural students and those likely to practice family medicine are adequately represented in medical studies.
- There is widespread concern that Manitoba's entrance procedures are too time-consuming and administratively burdensome to a point where international medical graduates are deterred from seeking employment in this province.
- Any effort to recruit medical professionals, whether locally or from abroad, must be complemented with efforts to retain these professionals in Manitoba.

Therefore, the AMM urges the Province to ensure that Manitobans have local access to physicians by providing additional support for locally trained students; by facilitating the recruitment of international medical graduates; and by contributing to retention strategies to keep physicians in Manitoba.

3. West Nile virus Funding and Response

- To ensure that residents are adequately protected, Manitoba must have an effective surveillance and prevention strategy, and the Provincial Government must be prepared to cover the costs associated with these additional health services.
- The incidence of human WNV cases demonstrates the importance of this issue in terms of maintaining the health of Manitoba's residents.

- As part of the prevention strategy, communications must be facilitated in order to inform municipalities of required mosquito control services in a timely manner.

Therefore, the AMM urges the Provincial Government to take a proactive stance on West Nile virus prevention and to absorb all related surveillance and mosquito control costs.

4. Inter-Facility Patient Transfers

- Many rural patients face the burden of traveling large distances to access medical care and the increased costs of this transportation.
- All health care costs should be covered by the Provincial Government and concessions must be made for rural and remote areas that do not have local access to both basic and specialized services.
- The Minister has indicated publicly that the inter-facility transfer policy must be reviewed and that individuals should not be responsible for bearing these costs.

Therefore, the AMM urges the Provincial Government to fully fund the ambulance costs of the inter-facility transfer of patients across Regional Health Authority boundaries.

5. Pandemic Response Planning

- An emerging issue for maintaining healthy communities is the need to establish practical response strategies for major health emergencies, such as a pandemic influenza.
- While municipalities are responsible for emergency management and would certainly have to take a responsive role at the local level, a pandemic influenza is also a serious public health concern.
- The Provincial Government must ensure that Regional Health Authorities and other stakeholders fulfill their duties in planning for and responding to a pandemic influenza.

Therefore, the AMM urges the Provincial Government to work with municipalities to prepare for a pandemic influenza and to establish effective response mechanisms.

General Issues

1. 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. RHA Review and Election of RHA Boards

The Regional Health Authorities (RHAs) system was formalized in 1997 with a mandate to assess and prioritize needs and health goals, and to develop and manage an integrated approach to their own health care system. The initial creation of RHAs dramatically altered the delivery of health care services in Manitoba, and the amalgamation of some RHAs has created further difficulties. Municipalities are committed to seeking effective ways to deliver health care services, but RHAs are not adequate since they do not respond to local community needs. As such, the Provincial Government should undertake an extensive review of the RHA structure in Manitoba, with particular attention to improving the accountability structure of RHA Boards.

Any new structure must be evaluated once it has been implemented in order to assess its effectiveness and the extent that it has accomplished its initial objectives. The current RHA system has been in place for nearly a decade and it is time for a complete evaluation. Such a review should include municipal issues such as the lack of effective mechanisms for meaningful feedback from municipalities and their residents within the current RHA structure. The decision-making that is undertaken by RHA Boards has a significant impact on local residents therefore they should have opportunities to provide input into local health service delivery. In addition, communities are increasingly expected to contribute to the cost of health care services and therefore should have greater input regarding the issues that affect them. For instance, the Assinboine RHA recently required municipalities to cover the cost of ambulances that attend fire scenes. This is clearly a downloading of Provincial services to the municipal level and municipalities have no authority to negotiate or provide meaningful

feedback on such changes. A further example is the practice of requiring local communities to contribute to the costs of health capital projects. To ensure that municipalities can provide the health infrastructure and professionals required by their communities, the Provincial Government has begun to increase certain health care costs for municipalities. In order to address these types of issues without relying on municipalities to fund health care, the Provincial Government should undertake a complete review of the RHA structure and incorporate municipal feedback into future decision-making.

Municipalities and the public are also concerned with the lack of access to health officials under the current system. Municipal officials are far more accessible to residents than RHA Boards and consequently become the recipient of complaints regarding local health care services. RHA Boards should be accountable for their decision-making and be available to answer concerns. Instead municipalities are in the position of being held accountable by the public. A key improvement to the accountability of RHA Boards would be to alter the process of board member selection. Currently, RHA Boards are appointed by the Minister of Health leaving local communities without a voice to address their key issues. Municipalities have been encouraged to make nominations for appointments, however a wide range of individuals interested in and involved with health services make nominations each year. Therefore, this process does not guarantee that local interests will be adequately represented and the Provincial Government should implement a change to this process. There is currently sufficient flexibility in the legislation since Section 14(1) of *The Regional Health Authorities Act* indicates that the prescribed number of directors will be “appointed or elected in accordance with this Act and the regulations.” Therefore, the Minister of Health is authorized to determine the process for selecting the RHA Board. Since the supportive

legislation is in place, increasing accountability by creating locally elected RHA Boards is a policy decision of the Provincial Government. The demonstrated need for increased responsiveness to local communities and enhanced accountability necessitates a review of the current procedure and a thorough examination of electing RHA Boards.

Therefore, the AMM urges the Provincial Government to review the RHA structure in order to achieve greater accountability and transparency and to allow the election of RHA boards.

AMM Resolution Number 61 – 2004

Topic: RHA Review

Sponsor: RM of Pipestone (Western District), RM of Winchester (Western District)

Department: Manitoba Health

WHEREAS since the beginning of September 2004, some Regional Health Authorities have been attempting to download ambulance costs and services onto municipalities;

AND WHEREAS although Regional Health Authorities have assured municipalities that they will not shut down volunteer ambulance services, they have shown by policy set in mid-September in a particular RHA, that it will be extremely difficult to recruit and retain enough volunteer attendants to keep the service going;

AND WHEREAS municipalities are not being consulted in an open and honest manner of the plans of the Regional Health Authorities that are affecting our citizens;

THEREFORE BE IT RESOLVED that the Association of Manitoba Municipalities lobby the Provincial Government to do a full review of the Regional Health Authorities functionality, staff morale, and spending accountability.

AMM Resolution Number 54 – 2003

Topic: Election to the Regional Health Authority Board

Sponsor: Town of Rivers (Western District)

Department: Manitoba Health

WHEREAS the Board members of the Regional Health Authorities are appointed by the Provincial Government at present;

AND WHEREAS communities would be better represented if Board members of Regional Health Authorities were elected by the people;

THEREFORE BE IT RESOLVED that the Association of Manitoba Municipalities lobby the Provincial Government to have Board members on Regional Health Authorities elected not appointed.

2. Physician Recruitment, Training and Retention

For several consecutive years, the AMM membership has passed resolutions regarding the need to improve health services by training, attracting and retaining medical professionals for all Manitoba communities. There is a critical shortage of medical professionals throughout this province, and a coordinated effort must be undertaken in order to counteract this trend. Municipalities have identified three key areas where targeted improvements are necessary: increasing the number of spaces at the University of Manitoba's medical school; reducing the obstacles associated with recruiting international medical graduates (IMGs); and providing incentives for retaining medical professionals in Manitoba.

In order to increase the number of practicing medical professionals in Manitoba, it is necessary to ensure that there are sufficient opportunities for Manitobans to attend medical school in this province. Without relaxing the entrance requirements, the number of medical school spaces must increase. In 2005, the University of Manitoba enrolled the highest number of students in the past 20 years and this is a valuable step forward for medical training in Manitoba. The Provincial Government has committed to increasing the number of medical school spaces to 100 by 2006-2007 and the funding for these spaces must be maintained in order to continue training a sufficient amount of Manitoba doctors. Another aspect of this issue is to ensure that rural students and those likely to practice family medicine are adequately represented in medical studies. Such target groups are crucial since rural students are more likely to practice in rural areas and family physicians are in high demand throughout rural areas. The number of rural students has been rising along with overall enrolment and this is a positive trend. Increasing the number of doctors trained in Manitoba should be a high priority for the Provincial Government since it will encourage

students to remain in the province after graduation and begin to address the severe shortage of physicians.

The second key area requiring attention is the process for licencing IMGs to practice in Manitoba. There is widespread concern that Manitoba's entrance procedures are too time-consuming and administratively burdensome to a point where IMGs are deterred from seeking employment in this province. Manitoba must endeavour to remain competitive with Canadian and American neighbours regarding licencing procedures and ensure that there are no additional barriers to entering this province in comparison with these other jurisdictions. To date, the Clinician's Assessment and Professional Enhancement (CAPE) testing has not met this criteria. The time delays associated with obtaining results are detrimental because candidates must wait until they receive the results before applying for a visa. As a result, communities relying on IMGs to fill vacancies must wait even longer before these positions can be filled. International physicians have the potential to make a valuable contribution to Manitoba's health care system and their participation in this province's labour force should be strongly encouraged. Therefore, the Provincial Government should address the barriers associated with IMGs becoming licenced to practice medicine in Manitoba.

The AMM has previously received indications that the CAPE process is being reviewed and that key changes are being considered. Municipalities are in favour of attracting knowledgeable and experienced health care professionals and excessive restrictions should not hinder this process. To improve the current process, the Minister has indicated that the testing process could be held in a candidate's country of origin, through Canadian embassies. This would benefit the candidate by minimizing the travel time required and also benefit

Manitoba's RHAs, which currently cover the travel costs for candidates to write exams in Canada. Seeking these types of efficiencies will not only reduce expenses for Manitoba's health care system, but will also provide opportunities to reduce the time required to complete entrance testing requirements.

The Provincial Government has demonstrated a strong commitment to these issues by announcing the \$155 million Wait-Time Reduction Strategy, including \$2.1 million annually for four years to assist foreign doctors in obtaining licences to practice in Manitoba. Several other aspects of this strategy will enhance medical services across the Province and it is crucial that the strategy be pursued in an efficient and expedient manner. Furthermore, the needs of all Manitoba communities must be considered by this strategy since medical professional shortages exist in all areas of the province. The Wait-Time Reduction Strategy must also be adequately staffed in order to address all aspects of the strategy in a timely manner. In general, this strategy is a positive step forward and the AMM looks forward to the beneficial impacts for all Manitoba communities.

Finally, any effort to recruit medical professionals, whether locally or from abroad, must be complemented with efforts to retain these professionals in Manitoba. Municipalities have a strong role to play by providing local services and welcoming medical professionals to their communities. The Provincial Government has also recognized the need for retention strategies by implementing the Medical Student/Resident Financial Assistance Program that provides conditional grants to students studying medicine in Manitoba or to physicians establishing a practice in Manitoba upon graduation. However, greater action must be taken to retain medical professionals in Manitoba. A study published by the Health Council of

Canada in 2005 found that physicians are being attracted to wealthy provinces, resulting in a significant threat in other, less wealthy provinces. According to the study, Manitoba saw a net loss of 185 physicians to other provinces between 1999 and 2003. Although the AMM is aware that Manitoba has observed a net gain of 139 licenced doctors since 1999, stemming the outflow of Manitoban physicians to other provinces would assist in further increasing that figure.

Innovative practices should be devised to effectively attract and retain medical professionals to practice throughout Manitoba. The Provincial Government, as the order of government that is responsible for health care, should allocate additional funding to these important measures. The health of Manitoba communities has wide-ranging effects on the competitiveness and sustainability of all communities, and providing local access to high quality health care services across the Province is a vital part of this process.

Therefore, the AMM urges the Province to ensure that Manitobans have local access to physicians by providing additional support for locally trained students; by facilitating the recruitment of international medical graduates; and by contributing to retention strategies to keep physicians in Manitoba.

AMM Resolution Number 34 – 2005

Topic: Physician Recruitment Strategy

Sponsors: Town of Churchill (Northern District)

Department: Manitoba Health

WHEREAS Manitoba is experiencing a chronic shortage of medical professionals and doctors throughout the Province, affecting the ability of all Manitobans to access adequate medical services;

THEREFORE BE IT RESOLVED that the AMM lobby the Provincial Government to aggressively recruit medical professionals and doctors through marketing, recruiting incentives and all other means available to the Province.

AMM Resolution Number 22 – 2004

Topic: Physician Recruitment

Sponsors: RM of Alexander (Eastern District)

Department: Manitoba Health

WHEREAS municipalities are very concerned that the pre-emptive practice imposed by the College of Physicians & Surgeons resulting from a complaint to the Human Rights Commission of requiring all potential physicians to write an exam prior to practicing medicine here is damaging this Province's ability to attract doctors, especially in rural areas;

AND WHEREAS the municipality certainly recognizes and appreciates the College of Physicians and Surgeons for the critical role they play in protecting and establishing the medical standards for all Manitobans, it remains disappointed that this decision was arbitrarily imposed and not discussed with stakeholders and that consideration of a phasing in of required testing was not considered;

THEREFORE BE IT RESOLVED that the Association of Manitoba Municipalities lobby the Provincial Government to reconsider this matter in order that Manitoba becomes consistent with other provinces, where the above noted requirement is not yet required until determined by virtue of law.

AMM Resolution Number 28 – 2003

Topic: Doctor Training in Manitoba

Sponsors: Town of Arborg (Interlake District), RM of Bifrost (Interlake District)

Department: Manitoba Health

WHEREAS the non-availability of doctors in rural Manitoba has reached crisis proportions;

AND WHEREAS spaces at our universities are very limited with no guaranteed accessibility for Manitoba students;

AND WHEREAS Manitoba students consequently need to go to other countries to train in the medical profession;

AND WHEREAS Manitoba students who train in other countries are required to write special tests to return to set up practice in Manitoba even though they are permitted to practice in the United States and some other Canadian provinces without these entry tests;

THEREFORE BE IT RESOLVED that all necessary steps to ensure and increase spaces at Manitoba universities for doctor training be immediately implemented to adequately address the needs of rural Manitoba;

AND BE IT FURTHER RESOLVED that the Provincial Government be aggressively persuaded to help make doctor training more affordable for Manitoba students;

AND BE IT FURTHER RESOLVED that if entry tests are deemed necessary for Manitoba doctors trained out of country, that the appropriate governing body ensure that the tests be set up in such a manner that those new doctors can write the tests and have the results within 10 days to alleviate additional expenses incurred attributable to that delay in obtaining results.

3. West Nile virus Funding and Response

The summer of 2005 demonstrated that West Nile virus (WNV) remains a major health priority in Manitoba communities. To ensure that residents are adequately protected, Manitoba must have an effective surveillance and prevention strategy, and the Provincial Government must be prepared to cover the costs associated with these additional health services. Municipalities will have a role in communicating prevention activities to their residents, however the Provincial Government must maintain the primary responsibility for health care by funding WNV surveillance and prevention initiatives.

Trends have indicated that the WNV threat only increases over time and therefore will pose a growing threat to Manitobans. Although there was a low incidence of human cases of WNV in 2004 due to cooler weather conditions, evidence of WNV was persistent throughout southern Manitoba during 2005. With the exception of northern Manitoba, birds across all regional health authorities tested positive for WNV suggesting that the threat will remain in Manitoba for years to come. More importantly, seven of Manitoba's eleven Regional Health Authorities reported cases of humans exhibiting WNV symptoms and one Manitoban death occurred in a patient with WNV infection. The incidence of human WNV cases demonstrates the importance of this issue in terms of maintaining the health of Manitoba's residents. Municipalities do not have the resources to fund the additional costs that are required for increasing mosquito surveillance and control, therefore the Provincial Government must commit funds to fully cover these costs in 2006.

As part of the prevention strategy, communications must be facilitated in order to inform municipalities of required mosquito control services in a timely manner. Municipalities are

expected to disseminate information regarding the occurrence of larviciding and adulting, therefore communication from the Provincial Government is essential. In the past, there have been issues regarding mandatory mosquito control in certain areas and inadequate communication with municipalities. There have been improvements to the communications systems in recent years and the AMM recognizes that the WNV Communications Subcommittee is working to maintain a dialogue with municipalities to provide detailed information for local residents. The Provincial Government must also provide timely responses to municipal requests for information and approvals for applications. Prevention initiatives must be undertaken in an expedient manner in order to provide maximum protection to local residents. Therefore, the Provincial Government must ensure that sufficient staff is available to respond to concerns and conduct approvals.

The increasing incidence of WNV elevates Manitoba's mosquito concerns from a municipal nuisance issue to a provincial health issue, yet municipalities are currently required to contribute 25 per cent of mosquito control costs. Municipalities are willing to facilitate mosquito surveillance and control, but as a health issue, should not be responsible for providing funding.

Therefore, the AMM urges the Provincial Government to take a proactive stance on West Nile virus prevention and to absorb all related surveillance and mosquito control costs.

AMM Resolution Number 33 – 2005

Topic: West Nile virus Response

Sponsors: RM of St. Andrews (Interlake District)

Department: Manitoba Health

WHEREAS the threat of West Nile virus is a great concern in the Province of Manitoba;

AND WHEREAS municipalities, because of the above threat, have made supplemental applications to the Province of Manitoba to larvicide additional areas;

AND WHEREAS the Province of Manitoba did not make a timely decision on these applications;

THEREFORE BE IT RESOLVED that the AMM lobby the Provincial Government to become more proactive in the West Nile virus program to ensure the safety of the residents of the Province of Manitoba.

AMM Resolution Number 23 – 2004

Topic: Full Provincial Funding for West Nile virus

Sponsors: City of Dauphin (Parklands District)

Department: Manitoba Health

WHEREAS West Nile virus (WNV) has been spreading across Canada in the last few years;

AND WHEREAS all viral issues are health concerns and are therefore the jurisdiction of the Province of Manitoba;

THEREFORE BE IT RESOLVED that the Association of Manitoba Municipalities lobby the Provincial Government to fully fund all prevention and treatment costs associated with West Nile virus.

4. Inter-Facility Patient Transfers

Health care costs for individual Manitobans are increasing since the Provincial Government is not bearing the full cost of health care provision. This is a particular concern when individuals must be transported outside the local Regional Health Authority (RHA) to access specialized medical services. When such transportation is required, health insurance will cover the costs only when the patient returns to the originating RHA within 24 hours. As a result, many rural patients face the burden of traveling large distances to access medical care and the increased costs of this transportation. This travel is necessary in order to receive specialized treatment or diagnostic testing and in some cases occurs due to closures of local and regional services. Furthermore, this concern extends beyond patient transfers, since some patients are charged for ambulance transfers to hospitals just to see a physician. This situation is especially frustrating since in many cases, the required facilities exist in the community of origin but emergency rooms have been closed and services have been discontinued. All health care costs should be covered by the Provincial Government and concessions must be made for rural and remote areas that do not have local access to both basic and specialized services.

The AMM is aware that the Provincial Emergency Medical Services Framework Steering Committee has been reviewing this issue. The 2005 Throne Speech indicated that the Provincial Government will act to address issues of fairness and equity regarding ambulance costs and fees. The Minister has also indicated publicly that the inter-facility transfer policy must be reviewed and that individuals should not be responsible for bearing these costs. This is particularly important since ambulances are increasingly used for performing procedures and providing services, rather than simply transporting patients between hospitals. As an

integral component of the health care system, the cost of ambulance transportation should not be the responsibility of the individual. Therefore, the Steering Committee's recommendations must preserve the fundamental principle of equality. The current system unfairly penalizes individuals based on place of residence since there are no fees for transportation from the north to Winnipeg, but individuals from southern Manitoba are subject to transportation costs. Manitobans deserve equal access to health care and the health insurance system should promote this equality. The Provincial Government has the resources to pay 100 per cent of these costs and should accept this responsibility. The Minister has indicated that this policy will change in the near future and the AMM looks forward to achieving equal access to health care for patients requiring inter-facility transfers across RHA boundaries.

Therefore, the AMM urges the Provincial Government to fully fund the ambulance costs of the inter-facility transfer of patients across Regional Health Authority boundaries.

AMM Resolution Number 35 – 1999

Topic: Inter-Facility Patient Transfers

Sponsor: City of Brandon (Western District)

Department: Manitoba Health

WHEREAS hospitalized patients of rural Manitoba do not have immediate access to specialized medical treatment equipment in their own Regional Health Authority Hospitals;

AND WHEREAS these patients must be transferred by land/air ambulance to a Health Centre in order to receive the necessary specialized treatment or diagnostic testing;

AND WHEREAS insured health benefits for the costs of the land/air ambulance are only covered if the patient returns to the transferring Regional Health Authority Hospital within a twenty-four hour time frame;

AND WHEREAS such inter-facility transfers are a direct result of doctor referrals and depend on the availability of equipment and scheduled use of such equipment which is not within the control of the patient;

AND WHEREAS such costs continue to escalate and cause undue hardships on vulnerable Manitobans;

THEREFORE BE IT RESOLVED that the Association of Manitoba Municipalities strongly urge the Minister of Health to immediately investigate and address this situation in order to allow for all Manitobans to receive the best possible level of care available without incurring additional costs for inter-facility transfers whereby Manitoba Health would cover 100 % of all costs for inter-facility transfers.

5. Pandemic Response Planning

An emerging issue for maintaining healthy communities is the need to establish practical response strategies for major health emergencies, such as a pandemic influenza. Such an emergency would require response from all orders of government in order to ensure that the health and safety of Manitobans is protected. Therefore, response strategy development requires joint planning by municipalities and the Provincial Government.

While municipalities are responsible for emergency management and would certainly have to take a responsive role at the local level, a pandemic influenza is also a serious public health concern. The vast majority of Manitoba municipalities have established emergency management plans and pandemic response planning should certainly be incorporated into these planning strategies. At the same time, the significant impact on public health requires the Provincial Government to take on a proactive role in preparing for a pandemic influenza. For instance, Manitobans must have access to consistent informational resources to ensure that individuals and municipalities are aware of the steps they can take to minimize the impacts of a pandemic. The Provincial Government has taken an important and proactive role by engaging municipalities in pandemic planning sessions along with Regional Health Authorities (RHAs) and partners involved in emergency preparedness. Understanding the scope of a pandemic is a necessary first step and further discussion should focus on key components of a strategic pandemic response. This type of dialogue is imperative in order for municipalities to be aware of the specific demands they will face during a pandemic influenza.

To coordinate pandemic response action in Manitoba, the roles of all response entities must be clear. As a public health concern, the Provincial Government must provide funding for the costs associated with containing an influenza outbreak and protecting the health of Manitobans. Municipalities cannot effectively respond to such an emergency using current funding resources, and Manitoba's health care system should be prepared to accommodate pandemic response. The municipal role in emergency response is limited and should not be extended to include the responsibilities of RHAs and other Provincial Government departments. For this reason, the AMM would like an update regarding the extent that further action is required at the municipal level and details regarding how the Provincial Government's strategy will unfold.

Managing and containing a pandemic influenza in Manitoba will require thorough planning and province-wide response initiatives. Each order of government must be involved in ensuring that resources are in place to provide Manitobans with the best possible care under pandemic conditions.

Therefore, the AMM urges the Provincial Government to work with municipalities to prepare for an influenza pandemic and to establish effective response mechanisms.

C) General Issues

1. 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 and the New Deal for Communities or 'Gas Tax Rebate.' Community issues have become front and centre on the nation 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 level 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 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. Many municipalities have gone to great lengths to help provincial RHAs recruit physicians. 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 have it better than almost every other province when it comes to funding transfers from provincial governments. However, this discussion is meaningless without also discussing what municipal governments are responsible for. If municipalities are expected to take on additional responsibilities it is imperative that new revenue sources are made available.

For example, a major concern for municipalities 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 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 principle source of revenue for municipalities. However, this tax base is diminished when education tax takes up well over 50%. Equally concerning is the continuing increases year after year which force municipalities to seriously 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 freeing up valuable funding for other areas of need. This would represent a significant shift away from the current tax and return system to 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 first hand 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 what are 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.