

Meeting of the  
**Association of  
Manitoba  
Municipalities**



with

The Honourable Jim Rondeau

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Minister of Industry, Economic Development  
and Mines

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# Table of Contents

A) Executive Summary .....	3
B) Departmental Issues .....	7
1. Mining Community Issues.....	7
2. Ethanol Expansion in Manitoba.....	10
3. Increasing Manitoba's Slaughter Capacity.....	14
4. Contaminated Sites.....	16
C) General Issues .....	15
5. Education Funding.....	20
6. Land Use and Water Resource Planning.....	22

## A) Executive Summary

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### 1. Mining Community Issues

- Mining is a primary industry, which has and will continue to have a tremendous impact on all of Manitoba.
- Incentives such as exploration and prospecting grants as well as mining tax incentives are necessary to promote northern Manitoba as an attractive investment environment for the mining industry.
- With the Mineral Exploration Assistance Program and the Manitoba Prospectors Assistance Program scheduled to expire in 2005, there will be a greater need for provincial assistance to attract prospectors and increase mineral exploration in Manitoba.
- The Province can also create a more conducive environment for mineral exploration in Manitoba through strategies such as increasing contributions to geological survey work.

**The AMM encourages the Provincial Government to increase its financial support for the Mineral Exploration Assistance Program as well as increase funding for mapping mineral occurrences and mineral deposits in order to increase mining investment in Manitoba.**

### 2. Ethanol Program

- The AMM is pleased with the Provincial Government's commitment to develop renewable energy sources such as ethanol, wind power, hydro and bio-diesel in Manitoba, as this new focus can have a very positive economic impact across the province.
- The AMM is pleased that the Province has established the Manitoba Ethanol Office to guide the development of this important initiative, and believes that Manitoba is in an ideal position to capitalize on this growing industry, as it is clear that demand for alternative energy will continue to increase in the future and will help to diversify rural economies.
- When proclaimed, the Biofuels Act will mandate a ten per cent ethanol blend in gasoline, which will require approximately 150 million litres of ethanol production per year. The AMM believes this target can be achieved through incentives and financial assistance, and an educational campaign targeted at agricultural producers that would increase the supply of feed grains, straw and other raw materials needed to produce more ethanol.
- The AMM views the expansion of ethanol production plants as major economic development opportunities, particularly in rural areas of the province, and encourages the Province to ensure their benefits are felt across all areas of Manitoba.

**Therefore, the AMM urges the Provincial Government to devote the necessary funds to cultivate Manitoba's ethanol production potential across Manitoba, and to continue to explore options for increasing alternative energy production in Manitoba.**

### 3. Increasing Manitoba's Slaughter Capacity

- Before the closing of international markets to live Canadian cattle, nearly 100% of Manitoba's ruminants were slaughtered outside of the province. According to Statistics Canada there is a 10% increase in Manitoba's cattle, a surplus of animals requiring disposal and creating a serious health issue prompting the need to explore new options for disposal.
- The AMM appreciates the commitment on the part of the Provincial Government to participate in the regional meetings to provide information to municipalities about the disposal of dead stock, offal and butcher waste and to begin the discussions about the regional disposal sites.
- It became evident at these meetings that an immediate solution was needed for the disposal of material that was currently being stored on-farm and the AMM was pleased to see the Province take a leadership role in announcing the collection program to deal with this material.
- The AMM was pleased the Government acknowledged this and has invested in Manitoba's livestock producers with the financial investment in the Rancher's Choice slaughter facility.
- Although it will be beneficial to restore trade activity with the US, Manitoba requires a long-term strategy, which includes continued investments in increasing Manitoba's slaughter capacity. The Province needs to play a major role in this initiative to be successful.

**The AMM appreciates the Province's commitments thus far to Manitoba's ruminant industry, however, the Province must continue to play a leading role in creating a Manitoba slaughter industry and a safe, self-reliant, ruminant industry in Manitoba.**

### 4. Contaminated Sites

- Across the Prairies are numerous contaminated sites requiring clean-up. They include both mines and abandoned petroleum sites. The Petroleum Site Remediation Initiative (PSRI) is aimed at facilitating the clean-up of abandoned petroleum tanks.
- The AMM encourages the Province to commit to this program development and implementation and redevelop municipal brownfield projects. Redeveloping brownfields presents many advantages over the development of 'greenfields' because they are often already connected to existing infrastructure, thus reducing infrastructure costs, discourage urban sprawl, and revitalize run-down neighbourhoods.

- These sites are often in the possession of the municipalities because a business has failed or has been abandoned, and the only recourse for municipalities to recover lost costs is to sell these sites in tax sales. However when the sites are contaminated, this requires that the municipalities pay to have the sites cleaned up.
- The Federal Government recently committed \$4 billion to the clean-up of contaminated sites. The Provincial Government needs to take the same initiative and invest in the long-term clean-up of contaminated sites.
- The Atomic Energy of Canada Limited (AECL) is planning to decommission the Whiteshell Laboratories by sealing up the site and postponing major work, imposing liabilities for future generations and raising safety concerns.
- Requests to the Canadian Nuclear Safety Commission (CNSC) to move the public hearings on the AECL plan from Ottawa to Manitoba have been refused. The Province needs to work with Natural Resources Canada to compel the CNSC to Manitoba so that the people who will be affected by the plan can take part in the proceedings.

**Therefore, the AMM would like to see a commitment from the Province, similar to the Federal Government's commitment, to clean up and redevelop contaminated sites in Manitoba for the environmental and economic health of Manitoba's municipalities.**

## 5. Education Funding

- Education remains the number one concern for municipalities as the current model of taxation is not sustainable and a new taxation model is needed
- While the AMM was pleased to see the Province recognize the importance of this issue with the recent commitment in the Throne Speech of an immediate reduction in education taxes on farmland, municipal property taxes should be used to fund strictly municipal services, and a complete removal of education funding from all property classes is needed.
- The AMM strongly supports the need for high quality education in all areas of the Province, yet maintains that other sources of Provincial revenue are more appropriate than property taxation to fund education. While every citizen should contribute to education funding, this does not occur under the current regressive system of property taxation.
- The AMM was pleased with the commitment of further reductions in the 2005 Budget beyond the 50% reduction on farmland and believes relief is needed on all property classes, as at present, there is an unfair reliance on property owners to fund an education system that contributes so much to the prosperity of Manitoba.

**Consequently, the AMM would like to see the Province take the opportunity presented by Budget 2005 and make a clear policy statement on its intended direction regarding the removal of education funding from property. The AMM believes a clear five-year plan is needed where the end result is the total removal of education funding from property.**

## 6. Land Use and Water Resource Planning

- Since new water legislation is forthcoming and the Planning Act is currently under review, a municipal perspective must be represented as legislation is formulated.
- The first municipal priority for land use and water resource planning legislation is to recognize local authority.
- The need to recognize local interests pertains to the inclusion of consultation processes within land use and water resource planning legislation.
- The second municipal priority relates to the responsibilities held by the Provincial and municipal governments regarding effective land use and water resource planning.
- The AMM is concerned that municipalities, conservation districts and planning districts will be expected to take on significant administrative and financial obligations in order to provide additional services.
- The Provincial Government must consider the impacts of adding new responsibilities to their own operations since requiring all municipalities and planning districts to create a development plan will increase the demand for the ministerial approval process.
- The Provincial Government must provide support for municipalities that lack the resources to meet the new legislative requirements.

**The AMM urges the Provincial Government to ensure that legislation and regulations related to land use and water resource planning are responsive to municipal concerns, including the need for local authority and a balance between Provincial and municipal government responsibilities.**

## **b) Departmental Issues**

### **1. Mining Community Issues**

Mining is a primary industry, which has and will continue to have a tremendous impact on all of Manitoba. However, the face of mining is changing, as are the overall economies of today's industrial communities. Northern Manitoba has long been seen as a pioneer and leader within the mining industry in Canada, and Provincial Government support has been a crucial component. It is imperative that the mining industry, government agencies and community stakeholders form partnerships to attract mining investment. Continued support of mineral exploration and development is essential. Incentives such as exploration and prospecting grants as well as mining tax incentives are necessary to promote northern Manitoba as an attractive investment environment for the mining industry.

The AMM has heard many community leaders express concern for a reduced level of mining exploration in Manitoba. Although nickel mining appears to be growing stronger, the rest of the mining industry is struggling as mining companies are moving to other countries such as South America, Mexico, and even other Canadian provinces, such as Saskatchewan and Alberta. The Province of Manitoba offers valuable incentive programs, such as the Mineral Exploration Assistance Program (MEAP), which provides financial assistance for non-fuel mineral exploration in Manitoba in order to encourage the growth of this industry; however, this program has not reversed the interprovincial and international loss of mineral exploration contracts. Furthermore, with the MEAP and the Manitoba Prospectors Assistance Program (MPAP) scheduled to expire in 2005, there will be a greater need for provincial assistance to attract prospectors and increase mineral exploration in Manitoba. Therefore, the Provincial

Government should extend the MEAP and the MPAP in order to promote the prosperity of the mining industry across Manitoba.

The AMM strongly believes that the Provincial Government can do more to promote the growth of the mineral industry in northern Manitoba. In addition to extending the MEAP and the MPAP, the Province can create a more conducive environment for mineral exploration in Manitoba through strategies such as increasing contributions to geological survey work. By providing information to mineral companies on potential areas of mineral occurrences and mineral deposits, mining companies would have greater incentive to explore in Manitoba as opposed to other jurisdictions. From 2001 to 2004, mining exploration expenditures across Canada have increased, however in 2004, expenditures in Manitoba remained among the lowest in any province or territory. The announcement of the five-year extension and improvements to the Manitoba Drilling Incentive Program are beneficial and this commitment must be complemented by further assistance to encourage growth in this sector. As well, devoting additional funds to mapping mineral occurrences and deposits will position the Province to attract more mining investment in Manitoba.

The importance of mining to the northern Manitoba economy cannot be overstated. In fact, in communities such as Flin Flon, Thompson and Snow Lake, mining is the predominant industry. However, municipal governments require substantial help from both the Provincial and Federal Governments, as well as community organizations, to sustain and further develop this important industry. The Provincial Government has made a concerted effort to attract new mining investment through its various incentive programs, however Manitoba continues to lose investment to other countries and Canadian provinces. Therefore the AMM

encourages the Provincial Government to extend mining incentive programs through increased financial support and to devote additional resources for the mapping of mineral occurrences and deposits.

**The AMM encourages the Provincial Government to increase its financial support for the Mineral Exploration Assistance Program as well as increase funding for mapping mineral occurrences and mineral deposits in order to increase mining investment in Manitoba.**

## 2. Ethanol Expansion in Manitoba

The AMM is pleased with the Provincial Government's commitment in the development of renewable energy sources in the Province, among them ethanol, wind power, hydro and bio-diesel. During a presentation at the Municipal Officials Seminar (MOS) on February 24, 2004, Minister Sale (Energy, Science & Technology) informed AMM members that the Province has taken many positive steps toward the development of the alternative energy industry. The AMM encourages the Province to continue investing in the development of renewable energy as it is clear that demand for alternative energy will continue to increase in the future and will help to diversify rural economies.

The establishment of the Manitoba Ethanol Office has been a positive move for the Province to guide the expansion of ethanol in Manitoba. Research supports the view that Manitoba is in an ideal position to capitalize on this growing industry, and ethanol production will have a positive economic impact throughout the Province. From Minister Sale's presentation, the AMM learned that ethanol production adds value to corn and wheat, and 70 per cent of the revenue generated by an ethanol plant is spent within a 150 kilometre radius of the plant. Additionally, the Manitoba Ethanol Advisory Panel reports that Manitoba is the lowest cost producing area for ethanol in North America. Such knowledge is encouraging, and the AMM views the expansion of ethanol production plants as major economic development opportunities, particularly in rural areas of the province. The AMM hopes that the Province will work to maximize the impact of these plants in all areas of Manitoba.

The AMM is pleased with the Province's willingness to develop Manitoba's ethanol production capacity as we believe the Provincial Government has a key role to play in

developing Manitoba's ethanol potential. The AMM was pleased that the Biofuels Act passed through the Legislature and is anticipating its proclamation. Its mandate of a ten per cent ethanol blend in gasoline by 2005 is an important feature. It is also positive to see a declining tax preference for Manitoba-made ethanol. Presently, the production plant at Minnedosa is the only ethanol producing plant in Manitoba. Although this plant produces an impressive ten million litres of ethanol each year, Manitoba requires approximately fifteen times this amount to meet the ten per cent mandated by the Biofuels Act. This is a lofty goal but the AMM believes this target can be achieved through incentives and financial assistance, and an educational campaign targeted at agricultural producers that would increase the supply of feed grains, corn, straw, and other raw materials needed to produce more ethanol. The AMM has been lobbying the Federal Government to increase funding for ethanol production and was pleased with the federal announcement in February 2004 to provide over six million dollars in funding to Husky Energy for expansion of its production facility. This is a step in the right direction, but the AMM believes further expansion is warranted.

The AMM strongly believes that ethanol production will have long-term benefits for Manitoba communities, and believes that an investment in ethanol is an investment in Manitoba's future. In addition, the AMM believes this investment should be spread out across Manitoba so that many communities will benefit directly from this growing industry. Furthermore, the environmental benefits of ethanol cannot be overstated; ethanol blended gasoline is cleaner burning than pure gasoline, reducing greenhouse gas and tailpipe emissions as well as CO emissions by up to 25% and will help Canada to meet its Kyoto commitments.

**Therefore, the AMM urges the Provincial Government to devote the necessary funds to cultivate Manitoba's ethanol production potential across Manitoba, and to continue to explore options for increasing alternative energy production in Manitoba.**

**AMM Resolution Number 07-2001**

**Topic:** Conservation and Economic Development

**Department(s):** Manitoba Agriculture, Food and Rural Initiatives; 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.

**AMM Resolution Number 53-2002**

**Topic:** Ethanol Program

**Department(s):** Manitoba Agriculture, Food and Rural Initiatives; 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.

### 3) Increasing Manitoba's Slaughter Capacity

Prior to May 2003, nearly 100% of Manitoba's ruminants were slaughtered outside of Manitoba. The closing of international markets to live Canadian cattle has created a new reality however, and Statistics Canada has reported that there is one million more cattle in Canada than there was a year ago, including a 10% increase in Manitoba. This surplus of animals requiring disposal creates a health issue and the need to explore new options for disposal. Over the past year, the AMM and the Provincial government have worked both to provide information to Manitoba municipalities about the disposal of dead stock, offal and butcher waste and to begin the discussions on regional disposal sites for this material. The AMM appreciates this commitment on the part of the Province to participate in those meetings and believes it has been a worthwhile exercise.

Last year the Province committed funds to a no-charge cleanup program to help cattle producers with the removal of dead stock, a program that received positive response from the AMM membership. Further to this, the Province has been a financial supporter of the Rancher's Choice slaughter facility in Dauphin. This investment demonstrates the Province's commitment to creating within Manitoba a self-reliant ruminant industry.

Although it will be beneficial to restore trade activity with the US, this problem is multi-faceted and requires a long-term strategy whereby Canada is capable of being self-reliant. This necessitates the continued investments in increasing Manitoba's slaughter capacity. The recent discoveries of BSE in more Canadian cattle demonstrates Manitoba's vulnerability to the market and to the decisions of other governments. Although it appears the US will be re-

opening the border in part to Canadian livestock, Manitoba needs to create a self-reliant industry.

**The AMM appreciates the Province's commitments thus far to Manitoba's ruminant industry, however, the Province must continue to play a leading role in creating a Manitoba slaughter industry and a safe, self-reliant, ruminant industry in Manitoba.**

**AMM Resolution Number 05-2003**

**Topic:** Dead Stock Removal Due to BSE

**Sponsor(s):** RM of Argyle

**Department(s):** Manitoba Agriculture, Food and Rural Initiatives

WHEREAS the Bovine Spongiform Encephalopathy (BSE) situation has forced Rothsay to change its practice for the pick-up of ruminants resulting from extra costs and charges being forced on them;

AND WHEREAS these charges are being passed on to individual farmers, as Rothsay will now charge \$20 per stop in the country plus between \$80 and \$150 per Metric Tonne collected depending on the region of pick-up;

AND WHEREAS this may lead to improper disposal of dead stock as some producers will not be willing or able to pay this fee for dead stock pick-up;

THEREFORE BE IT RESOLVED THAT the Association of Manitoba Municipalities lobby the Provincial and Federal Government to subsidize the cost to provide effective and efficient disposal of the culls, the dead and the offal from the livestock industry.

## 4. Contaminated Sites

Across the Prairies are numerous contaminated sites requiring cleanup. They include both mines and abandoned petroleum sites. The Petroleum Site Remediation Initiative (PSRI) is aimed at facilitating the cleanup of abandoned petroleum tanks. In 2002, the Province commenced a review of abandoned tank programs in Alberta and Saskatchewan and estimated the number of abandoned petroleum tank sites in Manitoba at over 240. The program was to establish clean-up parameters and determine cost estimates for program delivery and was to be cost-shared between municipal and provincial governments, as well as the petroleum industry. Each site was estimated to have 3.75 tanks, each costing between \$10,000 and \$15,000 for an average cost of over \$46,000 for their removal per site.

The AMM encourages the Province to commit to this program development and implementation and redevelop municipal brownfield projects. Brownfields are vacant or abandoned sites where past use of the property has left real or possible environmental contamination. These sites exist where municipal services are available and represent an economic loss to municipalities. Redeveloping brownfields presents many advantages over the development of 'greenfields', or undeveloped sites, because in most cases, brownfields are already connected to existing infrastructure. This will reduce infrastructure costs and also discourage urban sprawl. Redeveloping sites that have been abandoned has the added advantage of revitalizing run-down neighbourhoods. Until these sites are cleaned up, municipalities continue to lose property tax revenue and in some cases, potential economic activity because of the perceived blight of some of these sites.

Often these sites pose an additional cost to municipalities as typically municipalities take possession of these sites because a business has failed and stopped paying taxes or when the sites become abandoned. The only recourse for municipalities in these situations to recover lost costs is to sell these sites in tax sales. However, when these sites are contaminated, this is not a possibility. Often municipalities are left having to pay to have the sites cleaned up.

In the 2004 federal budget, the Federal Government committed \$4 billion over the next 10 years to the clean-up of contaminated sites across Canada. While some of these funds are already earmarked for federally owned sites, the AMM is pleased some funding will be available for provincial and municipal sites. This investment in the environmental and economic health of Canada's municipalities is an excellent beginning and the AMM would like to see the Manitoba Government follow with a similar commitment. Communities such as Lynn Lake are extreme examples of the danger such sites can result in if left without aid.

In addition, Atomic Energy of Canada Limited is planning to decommission the Whiteshell Laboratories by sealing up the site and postponing major work for decades. This imposes huge liabilities on future generations and raises significant safety concerns. The Canadian Nuclear Safety Commission has refused the Manitoba's Minister of Conservation's request as well as requests from local communities to move their public hearings on the AECL plan from Ottawa to Manitoba. It is of significant importance that Natural Resources Canada and the Manitoba Government compel the Canadian Nuclear Safety Commission to hold public hearings in Manitoba so that Manitobans, the people the plan will be affecting, can appear in person before the Commission and witness the hearings, and determine the fairness and transparency of the hearing process for themselves.

**Therefore, the AMM would like to see a commitment from the Province, similar to the Federal Government's commitment, to clean up and redevelop contaminated sites in Manitoba for the environmental and economic health of Manitoba's municipalities.**

**AMM Resolution Number 44-2001**

**Topic:** Contaminated Sites

**Sponsor(s):** RM of Woodworth (Western District)

**Department(s):** Manitoba Conservation

WHEREAS certain properties which were once operated as service stations or businesses which marketed petroleum products using underground tanks are now abandoned;

AND WHEREAS the properties are left without owners who can be held responsible for maintenance, cleanup and remediation costs;

AND WHEREAS these contaminated sites then fall into arrears of taxes, are subsequently offered for sale at a Tax Sale, are not purchases because of the perceived risk of contamination and the potential cost of initial site cleanup and testing, and thus remain on the Tax Rolls, revolving through the Tax Sale process indefinitely, accruing arrears of taxes and costs annually, all the while becoming more unsightly;

AND WHEREAS the Contaminated Sites Remediation Act does not address remediation of sites where the owners/contaminators are deceased;

THEREFORE BE IT RESOLVED that the Association of Manitoba Municipalities lobby the Province of Manitoba to ensure that the Contaminated Sites Remediation Act be amended to define remediation to include all actions required to restore the site to its original state, which includes removal of all foreign materials and equipment and final site testing;

BE IT FURTHER RESOLVED that the responsibility for the amended remediation of such sites be the responsibility of Manitoba Conservation.

**AMM Resolution Number 12-2004**

**Topic:** Clean up of Contaminated Sites

**Sponsor(s):** Town of Lynn Lake (Northern)

**Department(s):** Manitoba Conservation; Manitoba Industry, Economic Development and Mines

WHEREAS numerous mining communities within the Province of Manitoba are left with environmental hazards from mine tailings and abandoned mine sites when mines are closed;

AND WHEREAS the environmental concerns for these areas are a high priority for the health and well-being of the communities and the Province as a whole;

AND WHEREAS the Province of Manitoba has committed to cleaning up the environment;

THEREFORE BE IT RESOLVED THAT the Association of Manitoba Municipalities lobby the Provincial Government to take a pro-active stance with the environmental remediation of these contaminated sites by provision of funding and the development of a strategy to deal with site remediation in a timely fashion.

#### **AMM Resolution Number 06-2004**

**Topic:** Federal Public Hearing in Manitoba

**Sponsor(s):** LGD Pinawa

**Department(s):** Natural Resources Canada; Manitoba Conservation

WEREAS AECL's plan to decommission Whiteshell Laboratories by sealing up the site and postponing major work for decades imposes huge liabilities on future generations and raises significant safety concerns;

AND WHEREAS the Canadian Nuclear Safety commission has refused a request by the Manitoba Minister of Conservation and other local communities to move their public hearings on the AECL plan from Ottawa to Manitoba;

AND WHEREAS decision with huge implications for the people of Manitoba need to be discussed and witnessed by Manitobans;

THEREFORE BE IT RESOLVED THAT Natural Resources Canada and the Manitoba Government compel the Canadian Nuclear Safety Commission to hold public hearings in Manitoba so that Manitobans can appear in person before the Commission and so that affected Manitobans have the opportunity to witness the hearings and determine for themselves the fairness and transparency of the hearing process;

AND BE IT FURTHER RESOLVED that all senior levels of government host public hearings on all matters of concerns to large groups of Manitoba citizens at the location of greatest socio-economic impact.

## c) General Issues

### 5. Education Funding

For 2005, the AMM has identified education funding to be its top priority. The ongoing need to shift education funding away from property taxes was demonstrated when our membership passed a resolution requesting that the Province develop a new taxation model that removes school tax levies from all properties. The current model is not sustainable and further action must be taken to relieve the pressures on municipal property taxes.

The recent Throne Speech included a significant first step that was much appreciated by the AMM membership. A 33 per cent reduction in farmland property taxes will assist an agricultural community that has experienced ongoing pressure as a result of BSE and consecutive years of poor weather conditions. The prospect of a further reduction in the 2005 Budget to 50 per cent will also lessen the negative impact of past years. This commitment of \$33 million over two budget years is an appropriate beginning to the process of separating education funding from property. Municipal property taxes should be used to fund strictly municipal services, and reducing the education portion of property tax will facilitate this process.

The Province has also made reference to further education tax relief being unveiled in the next budget. In order for further action to incorporate municipal interests, education tax relief must equitably be applied to all classes of property. Phasing out the residential Education Support Levy (ESL) is an essential part of this initiative and is certainly beneficial to residential landowners. However, reductions in education tax relief should be available to all property owners since it is incongruous for education funding to be associated with property. At the same, a shift away from property should not justify a reduced investment in the education system. The AMM strongly supports the need for high quality education in all areas of the Province, yet maintains that other sources of Provincial revenue are more appropriate than property taxation. While every citizen should contribute to education funding, this does not occur under the current regressive system of property taxation. At present, there is an unfair reliance on property owners to fund an education system that contributes so much to the prosperity of Manitoba. Consequently, the AMM would like to

see the Province take the opportunity presented by Budget 2005 and make a clear policy statement on its intended direction regarding the removal of education funding from property. The AMM believes a clear five-year plan is needed where the end result is the total removal of education funding from property. Budget 2005 should therefore build on what the Provincial Government has already accomplished to ensure that all Manitobans fund education equitably.

An important aspect of this issue is that municipalities are required to provide a wide variety of services while relying almost exclusively on property taxes as a source of revenue. Until methods of municipal financing are drastically changed, municipalities must be empowered to control the level of local property taxation without having to use this mechanism for Provincial purposes such as education. The current funding system places an unfair burden on property owners and hinders the ability of municipalities to provide property services, such as infrastructure improvements. The AMM appreciates that the Province has begun to take action to improve this situation and looks forward to working with the Provincial Government to develop a long-term plan to shift education funding away from property taxation.

**Consequently, the AMM would like to see the Province take the opportunity presented by Budget 2005 and make a clear policy statement on its intended direction regarding the removal of education funding from property. The AMM believes a clear five-year plan is needed where the end result is the total removal of education funding from property.**

## 6. Land Use and Water Resource Planning

Municipalities are highly involved in planning for both land use and water management purposes. As a main stakeholder in these processes, the AMM has appreciated the opportunity to actively participate in the consultations regarding the legislation that affects these two types of municipal planning efforts. Since new water legislation is forthcoming and the Planning Act is currently under review, a municipal perspective must be represented as legislation is formulated. There are two major municipal considerations that must be given priority in any new legislation and these are consistent for both land use and water resource planning. The first pertains to recognizing local authority regarding planning matters. The second consideration relates to the division of responsibility between municipalities and the Provincial Government.

Municipalities are in the best position to make the majority of planning decisions since they represent a local body of knowledge and expertise. For this reason, the first municipal priority for land use and water resource planning legislation is to recognize local authority. The review of the Planning Act will provide several opportunities to meet this objective, such as ensuring that municipalities have the final say in all land use planning decisions. In order to guarantee local control over land use planning, there should be no appeals process to another jurisdiction that supersedes municipal land use decisions. This is very important to AMM members as councils are elected officials with first hand knowledge of suitable land use within their jurisdiction. They also have a responsibility to objectively consider the consequences for all stakeholders and to establish a plan on that basis. An appeal process beyond this level would undermine the authority of the municipal council. Similarly, appeals to the Municipal Board should only be considered when a critical mass of ratepayers

formally objects to a land use decision. Through these policies, local interests will be upheld based on the authority of the municipal council to undertake effective long-term land use planning.

The need to recognize local interests also pertains to the inclusion of consultation processes within land use and water resource planning legislation. Meaningful consultations provide a vehicle for municipalities to express their concerns and ensure that these concerns will be taken into account. Such consultations should occur while developing the legislation and its accompanying regulations. This will be particularly important regarding water resource planning since the regulations are expected to articulate crucial details regarding the implementation of the Water Protection Act. Local expertise should also contribute to the development and implementation of watershed management plans since this type of expertise is based on historical information about the area. In addition, the review of the Planning Act should include public consultation, as it is essential that municipalities have the opportunity to express their specific views and garner a deeper understanding of the specific details of the proposed act.

New procedures within the Planning Act should also allow for public input, such as the environmental approvals processes. While the Province is well-equipped to conduct environmental assessments through the Technical Review Committees, the process would benefit from the inclusion of local input. The ongoing use of public consultation as required under the Planning Act also supports the ability of local authorities to effectively undertake land use planning. Community consultations are therefore critically important to land use

and water resource planning and the inclusion of consultation feedback will strengthen support for legislation and regulations.

The second municipal priority relates to the responsibilities held by the Provincial and municipal governments regarding effective land use and water resource planning. In particular, the extent of new municipal responsibilities remains unclear for the Water Protection Act and the Planning Act review. As a result, the AMM is concerned that municipalities, conservation districts and planning districts will take on significant administrative obligations in order to provide additional services. Due to the limited resources available to these organizations, the AMM cannot support policies that unfairly burden local authorities. Therefore, minimizing the uncertainty surrounding the responsibilities of municipalities, conservation districts and planning districts will clarify the impacts of the new policies and contribute to a greater understanding of the legislation.

The Provincial Government must also consider the impacts of adding new responsibilities to their own operations. For instance, requiring all municipalities and planning districts to create a development plan will increase the demand for the ministerial approval process. Presently, municipalities view the approvals process as too lengthy and the AMM is concerned that an increased demand for development plan approvals will further delay the approvals process and plan implementation. This concern will potentially impact the public hearing process where technical staff from the Province is required to attend. The Province is most appropriately positioned to address environmental concerns, however the presence of Provincial representatives at public hearings will facilitate understanding and acceptance from communities. Development plan approvals and public hearings provide municipalities

with important tools to accomplish community planning, therefore the Province should avoid delays in completing these processes and ensure effective information sharing.

Administrative responsibilities must often be supplemented by additional technical requirements that may not be available to all municipalities. Integrating land use and water resource issues through comprehensive planning will therefore require additional financial resources. In order to undertake the type of detailed planning that is expected, mapping and other technical services will be required. For instance, the Water Protection Act refers to the identification of watershed quality management zones however, in many cases, municipalities do not have the necessary levels of expertise or financial resources to meet this requirement. A similar situation could arise if development plans become mandatory for all municipalities or if the need to map agricultural zones is part of the reviewed Planning Act. For this reason, the Provincial Government must provide support for municipalities that lack the resources to meet the new legislative requirements.

Land use and water resource planning are very important for municipalities since each has wide-ranging impacts on the way municipalities function and the development that occurs within their boundaries. Environmental considerations are very important to municipalities as they strive to balance the protection of natural resources with community development. Both types of planning ensure that municipalities are implementing a long-term approach and considering the impacts of current actions on the future of their communities. The AMM is supportive of the Provincial Government's efforts to improve land use planning and water resource management in Manitoba. Due to the strong interconnection between land use and water resource planning, municipal concerns are consistent across these two issues. The

legislation that is currently under consideration will only be effective to the extent that it incorporates the municipal concerns outlined above.

**The AMM urges the Provincial Government to ensure that legislation and regulations related to land use and water resource planning are responsive to municipal concerns, including the need for local authority and a balance between Provincial and municipal government responsibilities.**