

Commentary: *Municipal government is growing up*

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With all eyes on the Provincial Election campaign currently taking place, it is easy to forget that municipal government in Manitoba is growing up. At the same time that election promises come at us from all directions, municipalities are going about their day-to-day business, while quietly taking on more responsibilities.

There was a time when your municipality was in charge of not much more than picking up the garbage and plowing the streets. Municipalities still plow the streets and collect the garbage (and recyclables in many cases), in addition to providing many, many more services. In fact, today's councils are involved in nearly every aspect of Manitoban's lives.

Not sure how your local council plays a role in your everyday life? Take, for example, a typical spring Saturday for a Manitoba family – and how the decisions of your council may affect its course.

You get the family up in the morning for your child's hockey game. You take a quick shower, where the water first comes from a municipal water plant or reservoir, and then is returned back to a municipal wastewater treatment facility. You head off to the game at the municipally owned, operated and funded community recreation complex. It's a nice day so some family members decide to bike along the new municipal bike path, while the rest travel along the recently patched municipal road to the arena.

Regrettably, during the game your child is injured, and it is off to the nearest clinic. You've heard about doctor shortages and are hoping that you don't have to wait forever to see a physician. Luckily, there is a new doctor on call, who was recruited with financial assistance from the municipality.

After the doctor treats your child and sends him on his way, it's off to the municipally owned and maintained park for a family picnic. You check out the playground equipment that was recently installed, by municipal staff, to replace the aging swings and slides. You also notice the lack of mosquitoes, before recalling that the municipality began a mosquito control program this year.

Now consider, just for a moment, another scenario.

You begin your day by filling the kettle several times - your community has been under a boil water order for several weeks. You find out that this morning's hockey game has been cancelled because an engineering report has deemed the local arena unsafe (as recently occurred in Rivers, Manitoba.) So you drive to the park instead, slowly, because the potholes seem to be growing larger by the day.

At the park, your child falls off of the aging teeter-totter and must be rushed to the emergency room – but it is closed. The local doctor relocated, and the community is having trouble recruiting a new physician. And on it goes...

I wish I could say this is an extreme example, but it is not - these situations are all outcomes of the decisions municipal councils have to make, as their citizens demand more and better services.

Hence the expression “municipal government is growing up”. By taking on additional responsibilities, in areas ranging from health care to environmental protection and beyond, local councils are maturing into a more essential producer of necessary services than ever before.

Problem is, municipal revenue streams haven’t caught up with the growth spurt they have experienced in service delivery. This creates what is called a “fiscal imbalance” resulting in councils having to make decisions that may have detrimental effects on their communities – much like those in the above story.

“Isn’t that what my property taxes are for?” you might ask. Well, yes, in fact that is crux of the matter. Municipalities rely almost solely on property taxes to fund everything they do, but property taxes do not grow with the economy. You might say municipalities are living on a fixed income.

The Federation of Canadian Municipalities estimates that municipalities receive only eight cents out of each tax dollar. And then there is the reliance of education funding on property tax. Once the education tax portion is removed, only about half of the property taxes you pay make it into municipal coffers.

Because of this shortfall, municipalities have become increasingly reliant on grants, funding programs and other transfers to deliver services and replace aging infrastructure. There is no doubt that in some cases, these programs are essential. A small community of 500 people would be hard pressed to ever generate enough money for a community centre if left to rely solely on property taxes.

Wouldn’t it make more sense, though, for municipalities to have the resources they need to deliver the services expected of them at the front end? Why not provide municipalities with a steady, predictable revenue stream that will grow along with the economy, and allow us to provide the services and facilities our citizens want and need?

Other provinces have done just that. Quebec municipalities will soon be receiving an exemption from provincial PST. Ontario and Saskatchewan are both taking a serious look at municipal responsibilities in comparison to municipal revenues. It is time for Manitoba to do the same.

Whichever party is elected on May 22, it is the hope of municipal councils province-wide that they understand this: election promises are nice, grants are good, and funding programs definitely help. But what municipalities really need is a steady, predictable revenue stream that will allow us to build the thriving communities our citizens expect. Only then will Manitoba’s municipalities become all grown up.