



MEMBER ADVISORY

PROVINCIAL BUDGET 2007 – MUNICIPAL HIGHLIGHTS

April 11, 2007 – President Ron Bell attended the reading of Budget 2007 last week at the Manitoba Legislature. Following are the municipal highlights from this year's budget:

BUDGET 2007 HIGHLIGHTS

Education Tax – The Province promises a new 5-year plan to move to increase provincial funding to 80 per cent of total public schools education expenditures. This matches the AMM's position of an 80:20 split. The Budget also increases the education property tax credit from \$400 to \$525. In addition, the farmland rebate will be increased 65% for 2007 and up to 80% over the next four years.

Safe Communities – Budget 2007 commits to 30 new police officers, including 14 in Winnipeg and 2 in Brandon. The budget also doubles its support for Manitoba's Integrated Organized Crime Task Force to tackle gang activity and drug-trafficking, and commits new funds to the Province's crystal meth strategy.

Building Manitoba Fund – According to the Province's "Budget Highlights" news release, Budget 2007 provides municipalities a 5 per cent funding increase and a 17 per cent increase in rural community development grants for local priorities such as public safety and infrastructure through the Building Manitoba Fund. *(We will continue to monitor this fund to see exactly how it will impact municipal budgets.)*

Housing – Budget 2007 commits to a \$104-million, multi-year plan for safe, secure and affordable housing for Aboriginals, seniors, the inner city and northern Manitoba.

OTHER HIGHLIGHTS

- More spaces for international medical grads
- \$12.6 million for transit systems in Winnipeg, Brandon, Flin Flon and Thompson.
- Wind energy and bio-diesel commitments
- Five additional communities - Dauphin, The Pas, Flin Flon, Portage la Prairie, and Selkirk – added to the Neighbourhoods Alive! program
- Improved and increased access to healthy foods for Northern Manitobans

WHAT WASN'T IN THE BUDGET

Water – This budget fails to deliver a clear, adequate financial commitment to implement the requirements of the Water Protection Act. While the \$10 million committed to water initiatives is positive, more is needed. The AMM will continue to lobby for a serious funding plan for water.

Infrastructure – The \$33 million committed for infrastructure projects is lacking in light of the total needs of communities. Budget 2007 failed to deliver the long-term plan needed to address the province's growing infrastructure deficit.

While this budget is lacking in the areas of water and infrastructure, it does contain firm commitments in several other areas of key importance, particularly education tax on property.

It is important to note that these are early observations from this year's budget. Often over time we find further information that may not be evident at first glance.