



The AMM prepares a Federal Budget Submission each year as part of its federal lobbying activities. The following is a summary of the 2009 submission.

In Canada, the municipal infrastructure deficit is in excess of \$123 billion for current needs—a number that has doubled over the last five years. Equally alarming, the \$123 billion is only for the upgrade and repair of current municipal infrastructure. Another \$115 billion is required for new infrastructure. In Manitoba alone, the AMM estimates the total municipal infrastructure deficit to be in excess of \$11 billion. To put it into perspective, this is over \$10,000 per Manitoban.

The federal government has taken positive steps to help municipalities, most notably the Gas Tax Agreement and more recently the Building Canada Fund (see sidebar). However, when evaluated in comparison to the overall municipal infrastructure deficit, much more work is needed. The piecemeal approach to funding—a grant here, a pot of money there—simply is not working.

Of course, no one program will fix such a dire situation, nor is it going to be fixed overnight. What is needed is a long-term coordinated approach from all three orders of government. To truly avert a national crisis, the federal government must work with the provincial/territorial and municipal governments to create a strategy to meet the challenges of this ballooning municipal infrastructure deficit. Municipalities cannot meet this challenge on their own, nor can the provinces.

Another way to relieve the pressure on municipal governments is to put an end to the off-loading of responsibilities. Too often municipalities are left to deal with responsibilities that have never been municipal responsibilities, such as health care and policing. For example, across Canada the federal share of the cost of RCMP contract services has gone from 50 per cent in 1976 to zero since 1992.

Another concern for municipalities is the practice of developing new requirements and mandates for municipalities without accompanying financial support. One example is the Federal Government's intention to implement new regulations for the management of municipal wastewater across Canada. Although it is estimated the regulation will impact 4,000 wastewater treatment facilities, there was no mention of any new funding to offset the substantial costs such a regulation imposes on municipalities. Who will pay for this?

In every infrastructure funding program in Manitoba, demand has far outstripped available funding. There simply is not enough money in current programs to handle the

added costs new regulations will bring. The net result is a further financial burden on municipalities.

One way to address some of these issues is for the federal government to develop a new portfolio specifically tasked with championing the issues of small rural communities at the cabinet table. Too often the unique needs of small rural municipalities are either dismissed or completely overlooked in discussions of how to solve the issues facing municipalities. For the first time in Canadian history rural Canada's share of the national population fell below 20 per cent. This has left municipalities with shrinking tax bases, limited revenue sources and an aging infrastructure. Rural Canada needs a champion.

Building Canada Fund

The Government of Canada and Province of Manitoba signed the Building Canada Framework Agreement on September 5, 2008—less than a week into the AMM's 2009 fiscal year.

On January 13, 2009, the Government of Canada and the Province of Manitoba announced the Communities Component of the Building Canada infrastructure plan was now "open for business" in Manitoba. Communities with a population of less than 100,000 were invited to apply for funding for their important public infrastructure projects. The hope was that work could begin as soon as the 2009 construction season began.

The extremely tight deadline of February 23, 2009 was of great concern to the AMM, and we were also disappointed in the lack of communication regarding this long-awaited announcement. The AMM was also informed there would be no municipal representation on the selection committee, unlike the previous consultative committee that was established for the Municipal Rural Infrastructure Fund (MRIF).

The AMM raised these concerns with Minister Vic Toews and Premier Gary Doer, as well as Infrastructure and Transportation Minister Ron Lemieux and Intergovernmental Affairs Minister Steve Ashton.

To date, there is still uncertainty about how much funding is flowing to Manitoba, and the AMM remains concerned with the lack of municipal representation.

However, we are pleased the process is finally underway and we will continue to request municipal representation in future intakes.