

## Analysis

# Municipalities watching both campaigns

By: Chris Goertzen

With a federal election campaign underway and a provincial election to follow next spring, it seems a good time to remind people their decisions at the ballot box will ultimately affect their municipal government. Municipalities — arguably the most important order of government — deliver the services citizens use every day, as well as build and maintain the infrastructure needed to deliver those services. But we can't do it alone.

The Association of Manitoba Municipalities will be watching closely for a number of municipal priorities to be addressed throughout the upcoming election campaigns.

We will be looking for more partnerships, which are essential for municipalities that mostly rely on property taxes to pay for larger projects. Communities receive only eight cents out of every tax dollar, with the rest going into provincial and federal coffers. We count on partnerships to create and maintain the communities our citizens want to live in.

Partnerships fill a valuable need and create goodwill between governments. Last month, 23 projects across Manitoba were announced under the \$1-billion New Building Canada Plan's small communities fund. The AMM is the only association in Canada working alongside the federal and provincial governments to help select the important public infrastructure projects financed under this program. Municipal roads and bridges also benefit from cost-sharing programs with the Manitoba government.

Yet, more partnerships are just one part of the funding puzzle. For every dollar in infrastructure funding awarded, many more are needed to address Canada's \$123-billion infrastructure deficit. The good news is each dollar invested also generates up to 17 cents in cost savings for the private sector. Good roads reduce fuel costs and haul times, and adequate water reduces input costs. Businesses locate where there is access to these amenities, and the resulting job creation fuels the local economy.

What Manitoba's municipalities need is a source of funding dedicated to their infrastructure, and the logical source would be the provincial sales tax. The AMM, the Manitoba Heavy Construction Association and others have argued for a greater share of the PST for years, and Winnipeg Mayor Brian Bowman reiterated this call shortly after being elected. Our lobbying efforts on this issue will certainly continue to be a priority.

But what we also need — and a quicker and easier fix, to be sure — is a rebate of the more than \$25 million communities pay to the province through the PST. One order of government should not tax another, and this burden became greater with the PST increase. A rebate would help municipal governments chip away at Manitoba's \$11-billion municipal infrastructure deficit by redirecting these funds toward fixing our roads and bridges more quickly.

Another priority for municipalities is the need for a comprehensive, long-term economic development plan for the province, including Northern Manitoba, which has been without a strategy in this area for far too long. Economic development is the lifeblood of municipalities, and the return on investment is undisputable. However, the piecemeal approach to economic development in Manitoba hinders the growth of our communities. The AMM lobbied for, and received, increased funding in recent years through the successful Partner 4 Growth program, but this followed funding cuts to regional economic development corporations in 2011 that municipalities are still recovering from.

Finally, we need to have a discussion about regulation. Often, governments propose sweeping mandates without accompanying funding. Forcing amalgamation on municipalities, banning cosmetic pesticides and downloading Dutch elm disease management all come to mind (although Municipal Government Minister Drew Caldwell has since committed to review some of the costs associated with amalgamation). Even though some of these regulations may be created with the best of intentions, in each case, inviting municipal input on the proposed changes (and providing funding to pay for them) would have gone a long way to smooth the process.

If there is a common thread among these priorities, it is really about three orders of government working together for one taxpayer. Municipalities are open to partnerships. In fact, we embrace them. We are also in the best position to know what our communities need the most. Municipal government is closest to the people in that we live and work in the communities we represent. Finding ways to successfully work together for our citizens should be a priority of all governments, before, during and after election day.

*Chris Goertzen is the president of the Association of Manitoba Municipalities. He has been mayor of Steinbach since 2006.*