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# NEWS RELEASE

## **BUDGET 2020 DELIVERS POSITIVE INVESTMENTS IN LOCAL COMMUNITIES, MAINTAINS FREEZE ON MUNICIPAL OPERATING FUNDING**

**March 19, 2020** - The Association of Manitoba Municipalities (AMM) welcomes today's presentation of [Budget 2020](#) at the Manitoba Legislature.

Budget 2020 delivers several positive investments that will directly benefit municipalities across Manitoba. Effective July 1, 2020, the PST rate reduction will result in approximately \$4.7 million in savings for municipalities while the Manitoba Green Levy will exempt certain types of commonly used fuels, thereby reducing financial burdens resulting from the federal carbon tax. An increase in payroll tax thresholds effective January 1, 2021 will also provide tax relief to some municipalities.

In addition, the AMM commends the Province for establishing a new fund that allows municipalities to more effectively respond to smaller scale floods and emergency events. "As municipalities cannot fight floods alone, these additional dollars further help underscore the importance of the provincial-municipal partnership," stated AMM President Ralph Groening. "Enhancing municipal capacity when responding to flood threats not only saves money in avoided flood damages and helps municipalities better prepare, but also builds resiliency for future floods," added Groening.

Provincial investments to support policing and public safety measures will also benefit municipalities. "The AMM welcomes the \$6 million investment to help fund 27 additional police officers across Manitoba as well as the \$2.3 million to support the provincial government's Policing and Public Safety Strategy. Public safety is always among the top priorities for local communities," noted Groening.

The AMM is disappointed that municipal operating funding has again been maintained at 2016 levels. "Municipalities are fueling economic growth across Manitoba, but growth costs money," underscored Groening. "This four-year freeze does not recognize inflationary increases and puts greater financial and administrative pressures on municipalities."

Budget 2020 also contains no commitment to share cannabis taxation revenues with municipalities despite anticipated provincial revenues starting this year. A revenue-sharing model must be co-developed that respects municipal authority and recognizes increased municipal policing and administration costs since all orders of government have a shared responsibility to protect and grow communities.

The AMM will continue to track and analyze this year's budget as well as advocate on issues highlighted in our [pre-budget submission](#).