AMM LOBBY DAY

On April 22, 2015 the AMM held its annual Lobby Day event to provide an opportunity for provincial political parties to share their perspective on the myriad of challenges facing municipalities.

The morning kicked off with a meeting between the AMM and Liberal Leader Rana Bokhari. Given Manitoba's \$11.4 billion (est. as of 2011) municipal infrastructure deficit, the AMM was very pleased to learn that the Manitoba Liberal Party would dedicate a true 1% of the PST toward municipal infrastructure.

The AMM then met with the Progressive Conservative Party of Manitoba, where Leader Brian Pallister underscored that a Progressive Conservative government would focus on sound fiscal management,

strategic infrastructure investments, tax relief, and reviewing regulations on a sector-by-sector basis.

The event concluded by meeting with the NDP caucus led by Minister of Municipal Government Drew Caldwell, who fielded questions from the AMM Executive and Board of Directors. The Minister stated investing in municipal infrastructure would be a top priority for the NDP in the upcoming election. However, the notion of a PST rebate for municipalities found a less favourable response as the Minister stressed overall support is far more important.

As the AMM is committed to serving its members, leading up to and beyond the next provincial election the AMM will be continuing to actively encourage political parties to incorporate municipal issues into their electoral platforms and ensure the Province of Manitoba addresses municipal priorities.

For comparative purposes, please see below for the responses by the three parties to the six questions asked by the AMM during our consultative meetings.

1. According to a recent survey conducted by Probe Research, Manitobans perceive infrastructure as the most significant top-of-mind issue facing local communities. Will investing in municipal infrastructure be a top priority for your party in the upcoming election?



Budget 2015 maintains the Province's commitment to invest in programs and initiatives that are important to Manitobans, providing all municipalities with long-term, predictable and sustainable funding to support municipal infrastructure and service needs.

We will continue to invest in major highway upgrades across the province, including projects that should be completed this summer such as paving 17 km along the South Perimeter, upgrades to the Trans-Canada Highway close to Portage la Prairie and our continued paving and widening of =15 kms along Highway 10.

Municipal infrastructure is a priority for Manitoba. Continued investment is critical for vibrant, strong municipalities, economic prosperity and job creation. Through the Building Manitoba Fund, the Province will invest approximately \$324M

province-wide in 2015 - representing one-seventh of the provincial sales tax - to address infrastructure and transit p1iorities that benefit municipalities.

This funding is part of the Province's new 5-year, \$5.5 billion core infrastructure plan, including \$1.5 billion to be invested in municipal roads, water, sewer, and other municipal infrastructure to help meet the needs of Manitoba's communities.

Overall 2015 provincial funding to Manitoba municipalities outside of Winnipeg totals \$ 1 34.8M - a \$4.1 M or 3% increase over the level provided in 2014.

Pe Progressive CONSERVATIVE

Absolutely. In fact, it already is. Manitobans should be concerned because we have an enormous infrastructure deficit. The PC Party firmly believes in investing in strategic infrastructure that will help grow our economy and provide a good return on investment for taxpayers. The approach must be consistent investment - not just something that is ramped up in the months preceding elections.



Yes, the Manitoba Liberal party will create a municipal infrastructure fund to provide accountability and transparency to

Manitobans so we can be sure that the money from the PST increase is truly going towards fixing our roads and highways.

2. The AMM believes one order of government should not tax another. Will your party return the millions of tax dollars incurred by local communities through a full PST rebate for municipalities?



We know supporting municipal governments is critical to the long-term success to our province, so that's why we continue to invest one-seventh of all revenue in municipal priorities. Our investments into municipalities have almost doubled - increasing by \$200 million - from \$215 million in 2005, when we dedicated 1% of the PST to municipalities, to \$426 million in 2014.

We are in the process of reviewing the results of our policy consultation process and are considering an array of policy positions for our party including some



found in the AMM's submission. There's been less to go around for Manitoba families and Manitoba municipalities, for one reason: government waste. The PC Party is committed to rescinding the NDP's PST increase within our first term in government. Our focus will be on seeing our existing commitments through, like raising the basic personal exemption and rescinding the PST hike, restoring it to 7%.

LIBERAL MANITORA

The Manitoba Liberal Party plans to create a dedicated municipal infrastructure fund that will mean:

- All of the 1% increase in the PST will go into that fund.
- It is to be used exclusively for the infrastructure needs of municipalities.
- The money will be allocated on a per capita basis.
- This is in addition to existing base funding of over \$300 million.

The Liberal plan to build a better Manitoba would have already provided municipalities over \$200 million more this year. Not only will this plan mean more money for municipalities, it will also mean greater transparency for Manitobans.

3. As the AMM continues to urge the Province to proactively develop and implement a province-wide economic development strategy, how will your party foster economic growth, attract investment and generate jobsin local communities?



Manitoba's economy is strong and we expect it to continue to grow. The Conference Board of Canada forecasts Manitoba's average rate of economic growth to lead the country for 2015 and 2016 combined. We are creating jobs faster than any other province – more than 18,000 new jobs since the last provincial budget with three out of every four new jobs are in the private sector and four out of five are full time.

We will be moving forward with a rural economic development strategy.

We committed this to AMM in February. We want to establish an advisory committee of which AMM would be a key stakeholder. Manitoba is a leader in Canada at securing funding for rural community projects through the New Building Canada Plan, and we will be working with communities and the federal government to identify more priority projects.

We are building on last year's record \$1 billion dollar core infrastructure investment, with hundreds of investments that will change the face of Manitoba and create jobs and economic benefits. Manitoba Hydro is creating thousands of jobs across the province, and the construction of Keeyask and Bipole will boost the provincial economy by more than \$1.5 billion in total.

Education goes hand in hand with our infrastructure investment plan, and we have doubled the number of active apprentices since we f01med government to over 10,000 in over 55 trades. We provide a \$1,000 bonus for businesses that hire apprentices and we increased the Apprenticeship Tax Credit to up to \$5,000 for every apprentice that businesses hire.

Manitoba remains the only province to eliminate the small business tax. This year over 2,000 additional small business will pay no income tax as we change the Corporate Income Tax threshold. The Community Enterprise Development Tax Credit encourages investment in specific community enterprises in Manitoba, offering a tax credit of 30%. Our Small Business Venture Capital Tax Credit is being enhanced to further stimulate economic growth and promote job creation, by increasing the maximum number of employees from 50 to 100, to be consistent with Industry Canada's definition of small business; and broadening the list of eligible business to include non-traditional farming ventures and brew pubs. And our R&D tax credit, the best in Canada, will now allow us to carry forward credits for 20 years instead of 10, allowing innovators to realize profits.

Pe Progressive CONSERVATIVE

Last fall's Progressive Conservative Alternative Throne Speech outlined a number of initiatives we will implement. It can be found on our party's website



and we invite you to have a look. To summarize our plan: Manitoba is overburdened with red tape; we need a more competitive tax environment to attract and grow private enterprise; and Manitoba needs to join the New West Partnership. We are also committed to developing a Northern Strategy for Manitoba. The consultations around this will ensure the north reaches its potential. A healthy northern economy is essential to the entire province, not just from a financial perspective, but equally as important, it forms a fundamental pillar of a larger strategy to address social issues as well. These measures will grow our province, attract jobs and talent from all over Canada and convince our children to stay here and call Manitoba home.



We will repeal the job-killing payroll tax by phasing it out in a balanced and practical manner. This will create more jobs and opportunities for Manitobans.

We will reduce the amount of red tape businesses have to deal with, which will make a significant difference in ensuring that they stay competitive and stay in Manitoba. That is why – as we move towards total repeal of the payroll tax – we will allow businesses to remit the payroll tax annually rather than monthly.

We will exempt first-time homebuyers from the land transfer tax. As the state of Manitoba's finances becomes clearer, we will be proposing additional ways to make the land transfer tax fairer and more practical.

We will raise the small business tax rate threshold to \$500,000 in stages. We are committed to attracting more businesses to Manitoba by raising the threshold.

4. How will your party increase the supply of affordable housing while fostering partnerships with municipal and private stakeholders?



We remain committed to building safe and affordable housing for Manitoba families who need it. That's why our government has committed to add 500 new affordable housing units and 500 new social housing units over a three-year period, in addition to the 1,500 social housing and 1,500 affordable housing units that were completed on schedule in spring of 2014. Our government also understands that fostering good relationships with municipal and private stakeholders is one of the keys to ensuring that every Manitoban in both urban and rural areas has safe and affordable housing.

That's why we are committed to continued investment in rural Manitoba through housing subsidies, repair and renovation of provincially-owned social housing, construction of new housing, and; investment in locally-identified revitalization projects. In rural southern Manitoba we have made repairs and renovations in almost 700 housing units in a variety of communities, including major hubs such as Selkirk, Morden, Neepawa, Dauphin, Russell and Emerson.

Manitoba Housing and the NHO branch have been aggressive in identifying the need for new northern housing, and have applied significant resources to address this need in recent years. Manitoba Housing has built 168 units in northern Manitoba communities in the last four years.

Perogressive CONSERVATIVE

It's important first of all to draw attention to one of the major planks our party committed to years ago, that the government is finally implementing, on the subject of affordable housing, and that's an immediate raising of the rental allowance portion of employment and income assistance to 3/4 of the average market rent – that's a commitment that will make a real difference to those looking for the rental allowance. Our party is very supportive of partnerships with entities outside of government. One specific example on the housing front is a program called Tipi Matawa, a partnership between the Assembly of Manitoba Chiefs and the Manitoba Real Estate Association that seeks to promote home ownership. The NDP cut the funding to that program and that's not something we support. One thing is for sure: the

provincial government's plan that sees Manitobans pay more and get less isn't working. In 2005 there were just over 400 people on provincial wait lists for public housing. By this January that number had exceeded 3000. The PC Party wants to hear your ideas on addressing the need for public housing and we are committed to listening to you and implementing solutions.



We are working on a comprehensive housing plan that will be part of our poverty reduction strategy and we look forward to announcing more details in the weeks and months ahead.

We have announced that – to make housing more affordable – we will exempt first time homebuyers from the land transfer tax.

5. What steps will your party take to further attract and retain health care professionals in rural, remote and northern communities?



The Government of Manitoba is focused on making sure there are more doctors practicing in Manitoba, not less. We have expanded medical school seats and are providing medical students with free tuition if they practice in an underserviced community and have expanded the amount of rural residencies available for new doctors.

Thanks to these efforts and others, last year saw the largest one-year increase in doctors, with 83 new doctors practicing in our province. Manitoba has 665 more doctors practicing today than we did in 1999.

Last year, we added 143 more nurses and nurse practitioners, bringing the total to 17,795. That's an all-time high and 3,702 more than when we took office.

We know that a lot of rural communities are learning first-hand how talented practitioners are and we are working to bring more NPs to rural communities. Nurse practitioner students



who agree to work in rural communities after graduating will be eligible for return-of-service grants to fully cover their tuition

We are also investing in more paramedic resources. Today, we have over 1,540 fully trained Primary Care Paramedics (PCPs) versus 280 in 1999, and over 180 trained Advanced Care Paramedics(ACP) compared to just seven in 1999.

The province has also built or renovated hospitals in 13 communities and built our first QuickCare Clinics outside of Winnipeg in Steinbach and Selkirk.

Perogressive CONSERVATIVE

No doctors in rural communities means no access to badly needed health care. In the past 15 years we've lost 2,300 doctors to other jurisdictions and Manitoba has the worst record of physician retention in the country. Just this past February, the Northern Health Region had 15 vacancies for doctors, the Interlake-Eastern RHA was short 30 doctors, and the Prairie Mountain Health Region was short over 40 doctors. We find this worsening situation unacceptable and will address this growing problem. The PC Party believes every Manitoban should be able to get the right care at the right time in the right place. We are committed to partnering with and walking alongside our frontline workers, community members and municipalities to find the necessary solutions. Right now we are also working with a group of health care experts to generate the solutions to this pressing need.



We will invest \$20 million over four years to train, recruit, and retain new psychologists in Manitoba.

Additionally, we will take action to address the mental health crisis – by ensuring that critical priority areas such as services for children, pregnant women and individuals with depression and PTSD would be covered by Medicare.

We look forward to announcing more details of our comprehensive healthcare strategy in the weeks and months ahead.

6. Given the recent federally announced changes to cost-sharing threshold for DFAA that could negatively impact municipalities, how will your party ensure any additional financial costs will not be downloaded on municipal budgets?



The Government of Manitoba is aware of the positive impact the provincial DFA program has on municipal governments' ability to rapidly recover from disasters.

The Government of Manitoba continues to analyze the impact of the revised federal Disaster Financial Assistance Arrangements (DFAA) cost-sharing formula with Provinces and Territories (P/Is).

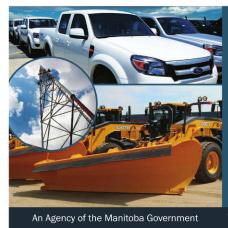
Provincial officials are currently considering how this may affect provincial DF A programs going forward.

Perogressive CONSERVATIVE

Manitoba has been subjected to disastrous flooding over the last number of years and the provincial government has done a poor job handling these crises. The government needs to act more decisively and we need more proactive measures aimed at building flood protection before an emergency occurs. Productive cooperation with neighboring jurisdictions is an important first step. The government's own numbers show that spending on flood protection only significantly increases during a flood year and this government has been procrastinating on finishing the outlets from Lake St. Martin and Lake Manitoba - this important protective infrastructure needs to be completed now - not after the next flood.

LIBERAL MANITOBA

We will make sure that municipalities have the resources they need. That is the vision behind our plan for a Municipal Infrastructure Fund, ensuring that the provincial government supports municipalities. We will bring that same vision to our overall approach to government – an approach that works collaboratively with municipalities.



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