



ASSOCIATION OF MANITOBA MUNICIPALITIES

Meeting with

**PREMIER GREG SELINGER and THE PROVINCIAL CABINET**

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## THE CORE CHALLENGES FOR MUNICIPALITIES

Today's municipal government plays a greater role in the lives of Canadians than any other time in history. Municipalities no longer simply plow the streets and pick up the garbage. Certainly today's municipal corporation still cleans the streets and collects garbage (and recyclables), but it also is sustainably managing growth through everything from state of the art transit systems to environmentally conscious land use and water planning. The pioneers of municipal government would be astonished to see today's council agenda where elected officials are doing everything from recruiting doctors from around the world to providing funding for daycares.

These new realities are having serious repercussions for municipalities as they diligently try to balance growing responsibilities with stagnant revenues. Every day municipalities are facing new demands from both citizens and other orders of government and must try to balance these with existing priorities and scarce revenues that remain overly reliant on the ebb and flow of grant programs. The current challenges facing municipalities are overwhelming and there must be a greater effort to address these if we want to see strong vibrant communities throughout our province.

While municipal concerns cut across every provincial department, there are two core issues that are most pressing for municipalities today - the ballooning municipal infrastructure deficit and the growing mandate of municipal government, either through intentional and unintentional offloading of responsibilities from other orders of government and unfunded mandates. These two challenges are crippling municipal government and keeping Manitoba communities behind.

Now that the provincial election is finished, it is time to form a plan to address these core challenges.

### *Municipal Infrastructure Deficit*

It is no secret that municipalities are facing nearly insurmountable infrastructure challenges. We only need to take a look around our communities to see the deteriorating state of our infrastructure. Roads that are nearly impassable due to potholes and heaving, drafty libraries with crippling heating bills, recreation complexes with leaking roofs and water and sewer treatment plants that are running beyond capacity. These are the very foundation of a community, yet their current state leaves communities with little hope for prosperity. For Manitoba communities to thrive in the future these worsening infrastructure challenges must be addressed.

In Canada the municipal infrastructure deficit was estimated in 2007 to be in excess of \$123 billion for current needs. Most alarming is how quickly the deficit has been compounding, as it has doubled over the previous five years. Equally alarming, the \$123 billion is only for the upgrade and repair of current municipal infrastructure, with another \$115 billion required for new infrastructure.<sup>1</sup>

These national trends hold true for Manitoba as well. The City of Winnipeg has recently calculated its infrastructure deficit at \$3.8 billion for existing infrastructure and \$3.6 billion for new strategic infrastructure.<sup>2</sup> Historically the municipal infrastructure deficit outside of Winnipeg has been double that within Winnipeg so it is fair to extrapolate that the deficit outside Winnipeg for existing infrastructure is over \$7.5 billion, putting the total municipal deficit for existing infrastructure in Manitoba in excess of \$11 billion, or a staggering \$10,000 per Manitoban. It is certainly an insurmountable amount for municipalities to tackle on their own since the total municipal taxes levied in 2008 were just over \$760,000,000.<sup>3</sup>

There is no doubt the current infrastructure deficit is crippling Manitoba's economy. Adequate infrastructure is an obvious prerequisite for economic development and unfortunately it is greatly lacking in many communities. FCM has investigated this principle in depth and found that an increase in municipal infrastructure spending of \$1 billion in 2008 (at nominal process and allocated to a representative mix of infrastructure) would increase the size of the real economy by roughly 0.13 percent or \$1.3 billion in nominal terms. While this would erode slightly over time with consistent investment, over a four-year period it would still result in meaningful gains to the economy, dropping to a 0.6 percent increase in the final year. The resulting investment would be felt in the employment sector as well, since a great number of industries would benefit. A \$1 billion investment in 2008 would add 11,500 new jobs, which would be felt in industries from labour and material suppliers through to architects and engineers.<sup>4</sup>

Providing adequate infrastructure has both direct and indirect benefits for private-sector manufacturing. Infrastructure is an intermediate input into the production process, with businesses locating where there is access to water, hydro and transportation. New roads reduce fuel costs and haul times. Access to high quality (and adequate) water reduces input costs.

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<sup>1</sup> Mirza, Saeed, "Danger Ahead: The Coming Collapse of Canada's Municipal Infrastructure", November 2007 (available at [www.fcm.ca](http://www.fcm.ca))

<sup>2</sup> City of Winnipeg Administrative Report, "Infrastructure and Possible Funding Options" Tabled at July 22<sup>nd</sup>, 2009 Council Meeting (available at [www.winnipeg.ca](http://www.winnipeg.ca))

<sup>3</sup> Province of Manitoba, "Statistical Information 2008 – Municipalities of the Province of Manitoba", P.17

<sup>4</sup> Sonnen, Carl, "Municipal Infrastructure- Macroeconomic impacts of spending and level-of-government financing" May 31, 2008 (available at [www.fcm.ca](http://www.fcm.ca))

There is also evidence that increased investments in public infrastructure allow private companies to use labour inputs more intensively, translating into more jobs.<sup>5</sup>

While the numbers are staggering, of far greater concern is the very real impact this infrastructure deficit is having on the people who live in Manitoba. Manitobans are experiencing longer commutes to work either because of impassable roads or slower speeds. We are also spending more time traveling to neighbouring communities to access recreation opportunities. Many have seen the outmigration of neighbours and friends who tire of dealing with these daily challenges.

Municipal councils want to create vibrant, welcoming communities, but this is nearly impossible with the state of infrastructure today. For example, there remain 167 boil water advisories in Manitoba, many in Manitoba municipalities.<sup>6</sup> This means today, thousands of Manitobans do not have access to safe drinking water when they turn on the tap. It is unreasonable to think these communities can realistically compete with the rest of Manitoba and Canada if they do not have this essential infrastructure.

### *Ever Increasing Responsibilities*

A second core challenge for municipalities is ever increasing responsibilities. Municipalities are continually being asked to do more and more, either through the intentional or unintentional offloading of responsibilities from other orders of government or through new unfunded mandates being forced on municipalities by the provincial and federal governments. These new responsibilities do not come with new revenue sources and result in municipal budgets being stretched thinner and thinner. The sad reality is that as municipalities are being forced to take on more, the core municipal responsibilities suffer.

Municipal officials believe in their community. It is where they live, where they raise their families, where they work and for many where they were born. They care greatly about their community and when they see a need they will do everything they can to address it. Often municipal officials are their own worst enemy, as they step in and act where other orders of government have abdicated their responsibilities. Municipalities step up and do repairs on provincial roads, they recruit physicians from all corners of the world, and they help fund community health facilities. In some cases municipalities are just filling gaps in service unintentionally left by other orders of government and other times municipalities are stepping

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<sup>5</sup> Brox, James A. "Infrastructure Investment: The Foundation of Canadian Competitiveness - IRPP Policy Matters 2008" August, 2008 (available at [www.irpp.org](http://www.irpp.org))

<sup>6</sup> Province of Manitoba "Provincial Boil Water Advisories" – October 19<sup>th</sup>, 2010

in because the provincial and federal governments have made it clear their community will not get the service or investment unless they do.

Compounding this is the growing trend of unfunded mandates being heaped on municipalities by the provincial and federal governments. Too often new rules are implemented without adequate thought to how they can possibly be implemented. These unilateral decisions leave municipalities in the untenable position of either scarifying core programs and services or being in non-compliance with provincial rules. Unfortunately we are hearing more and more from municipalities that they are being forced to opt for the latter.

Municipalities cannot keep pace with the rapid increase in offloaded responsibilities and unfunded mandates. These challenges are pushing municipalities further and further behind.

### *Alternate Revenues*

Now more than ever municipalities need new tools to deal with new responsibilities and new expectations. Currently Manitoba municipalities are more reliant on provincial and federal grants than any other province in Canada<sup>7</sup>. While in some cases these types of programs are necessary (for example large-scale infrastructure projects), it leaves municipalities having to compete against each other for limited dollars and restricts a municipality's ability to properly plan for much needed investment. The amount allocated to grant programs like the recent Municipal Rural Infrastructure Fund or community infrastructure funding under the Building Canada Fund is nowhere near the total demand, meaning there is no guarantee much-needed projects will ever receive funding.

Over-reliance on grants and transfers leave municipalities without the tools required to meet demands. Many municipal issues, when stripped down to their core, are really issues of access to revenue. For example, the need to remove education tax from property is really a municipal revenue issue, as municipalities see education tax as eroding the property tax base, which is the single greatest source of municipal revenue. Over the last number of years we have seen more and more municipalities speaking out on the need for greater municipal revenue sources.

It is important that the federal and provincial government contributions to municipalities are not forgotten. Federally, municipalities have benefited from a GST rebate, the sharing of the federal gas tax and the Building Canada Fund as well as Stimulus Funding. Provincially, municipalities have benefited from the sharing of provincial income tax, the Building Manitoba Fund, and supports in several other areas. We also appreciate the Province stepping up with

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<sup>7</sup> Slack, Kitchen, McMillan, Vaillancourt, "Roles, Responsibilities, Resources and Relationships – Report to the Provincial and Territorial Municipal Associations" June 15<sup>th</sup>, 2007.

their one-third share of recent federal programs. The message the AMM is hoping to convey is not that either order of government has completely forgotten about municipalities, but that despite these efforts municipalities still face enormous challenges and more support is needed.

Municipalities must have access to new revenue sources. A greater reliance on property taxes and provincial and federal grants has created an ever-widening chasm between municipal revenues and needs, leaving future generations with what is quickly becoming an insurmountable infrastructure deficit. Municipalities are struggling to deliver core services as their budgets begin to crack under increased demands.

The reality is the property taxation system cannot meet the new demands facing municipalities. Municipalities have been increasing taxes to try to meet these demands however they are falling further and further behind. Over the last 10 years municipalities outside the City of Winnipeg have increased their own taxes levied by over 4 percent a year on average. In 2009 only 13 municipalities outside Winnipeg decreased taxes, while 183 increased taxes, 22 of them by over 10 percent. Every year municipalities are going to citizens in their communities and asking them for more and more, yet the infrastructure deficit and budgetary demands continue to rise.

A new approach is needed, and for this reason we are advocating for a one-cent municipal tax to be allocated to municipalities for infrastructure and split among municipalities on a per capita basis. This will provide municipalities with in excess of \$200 million a year. For a community of 1,000 people, this means roughly an investment of \$185,000 in their local infrastructure, or \$370,000 for a community of 2,000 people. A community such as Thompson could see close to \$2.5 million, while Winnipeg would expect to see over \$117 million. Although this funding alone will not erase the infrastructure deficit in Manitoba, it is a positive first step.

While the AMM is not necessarily asking for a new tax, there is support among Manitobans for a new tax dedicated to municipal infrastructure. Polling done by AMM in 2008 found that 94 percent of Manitobans see infrastructure as a high priority, including a 94 percent positive response rate in Winnipeg. The poll also found that 55 percent of Manitobans think that municipalities do not have the revenue sources needed to cover infrastructure costs alone, including 50 percent in Winnipeg. Most interestingly, the poll found that 54 percent of Manitobans, including 51 percent of Winnipeggers, support an additional one percent municipal tax dedicated to infrastructure renewal projects<sup>8</sup>. As the infrastructure deficit continues to grow, support for this will only increase. The AMM is also asking for other revenue sources for municipalities, such as a rebate of the Provincial Sales Tax as well as increases to existing

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<sup>8</sup> Probe Research "Public Attitudes on Infrastructure Renewal Funding in Manitoba" September, 2008.



sources such as VLT revenues. We would also ask that any new mandates for municipalities be accompanied by corresponding financial support.

The sad reality is that while the Province of Manitoba has been a leader in some municipal areas, it has not been enough. We have the opportunity to visit every municipality in Manitoba within the four year election cycle and it is clear our communities are struggling and we are falling behind.

We understand that providing additional revenues to municipalities may become more difficult as the economy continues to fluctuate. While economic projections can never be taken as absolute fact, they are often a prophetic divining rod on economic times. However, what should not be lost is the positive impact infrastructure investment would have for the provincial and national economy. Furthermore, delaying investment in these critical infrastructure projects will have serious long-term consequences for Manitoba's economy.

Municipalities are not looking for new revenue sources to store money away for a rainy day. The storm has arrived. With a national municipal infrastructure deficit in excess of \$123 billion, and Manitoba's share in excess of \$11 billion, there is no shortage of work to be done. If municipalities are left to deal with this ballooning deficit alone armed only with property taxes and grants, it will continue to grow exponentially. Alternatively, providing municipalities with new revenue sources will not only begin to address this growing deficit, but will help build and strengthen our economy.

The time has come for a new approach to municipal funding. The expectations of today's municipalities are greater than any time in history. Regrettably, so are the financial challenges facing municipalities. For municipal government to be sustainable into the future, and for Manitobans to have access to the quality of life they deserve, municipalities need to have access to sustainable growth revenues. This is the only way municipalities will be able to even begin to address the core challenges they face.

**Therefore the AMM would like to see a commitment to:**

- 1. Make a greater investment in municipal infrastructure**
- 2. End the downloading of responsibilities to municipalities and require that any new mandates come with new funding**
- 3. Provide new growth revenues to municipalities**

## **AGRICULTURE, FOOD AND RURAL INITIATIVES**

### *National Water Supply Expansion Program*

The National Water Supply Expansion Program was discontinued in March 2009, leaving many municipalities with partially completed rural water infrastructure projects. Many communities are still in need of rural water pipelines and AMM appreciates the Provincial commitment to provide funding on a one-third basis. The AMM would also appreciate provincial support with securing another third of the funding from the federal government.

### *Ecological Goods and Services*

An issue that has long been discussed in Manitoba is the need to provide incentives for landowners to encourage ecologically beneficial practices. Many municipalities have benefited from participation in conservation districts and water management authorities and understand the importance of a healthy ecosystem. The AMM was pleased with the policy framework document developed by the EG&S Policy Working Group and urges the Province to translate this document into a province-wide program as soon as possible.

### *Land Use Planning*

Land use planning remains one of the most important responsibilities of municipal governments, and Manitoba municipalities have been leaders in land use planning. While agriculture is an important part of the planning process, it must be balanced with all aspects of planning. Building strong and vibrant communities across Manitoba will benefit the agriculture sector as well. It is important for the department to view land use planning as a part of rural development and adopt a more cooperative approach. The AMM hopes the new Provincial Planning Regulation will help to clarify agricultural land use planning and remedy some of the ongoing issues.

## **CONSERVATION**

### *Household Hazardous Waste and Electronic Waste Programs*

A long standing issue for municipalities is the proper disposal of household hazardous and electronic waste, as they pose serious environmental liabilities when dumped in municipal landfills. The AMM has appreciated the commitment in recent years to temporary drop off sites and one day round ups, as this has led to the proper disposal or reuse of some of these materials, and has diverted them from landfills. The AMM was also pleased with the consultation process and approval

of the industry steward recycling plans for these waste streams, and looks forward to their full implementation.

### *Waste Reduction and Recycling Support Levy*

An issue that remains an irritant for many of our members is the Waste Reduction and Recycling Support Levy. The AMM appreciates the efforts by the Department of Conservation to provide information to municipalities on the levy, and understands the purpose of creating incentives to promote recycling. However, it is critical that the system does not punish those municipalities that are behind the curve on recycling efforts. The levy may in fact become a disincentive by taking dollars out of the community that could be used to improve their recycling program. A better approach would be to target those municipalities with below average programs and work with them to make improvements.

### *Beaver Management Program*

Beavers are incredibly destructive and in many areas of the province pose a real threat to municipal infrastructure. AMM appreciated the increase to the tag amount per beaver to \$50 this year, as well as the funding for pilot programs for beaver management however it is also important to increase the amount of tags available. AMM hopes this funding increase will be sustained in future years and we will continue to work with Manitoba Conservation to maximize the limited resources available. AMM also urges the Province to develop processes for beaver management on Crown lands, as municipalities can incur significant damage due to beaver activity on Crown lands but cannot manage beavers in these areas.

## **CULTURE, HERITAGE AND TOURISM**

### *Support for Libraries*

Throughout Manitoba, municipalities rely on public libraries to promote literacy and support educational opportunities for their residents. However, the changing pressures on public libraries require increased provincial investment. Moreover, the funding formula must be reviewed as the existing per capita funding formula penalizes public libraries located in communities affected by depopulation. This makes it difficult for these libraries to cover operating costs while maintaining a high standard of programming and service.

Another challenge for public libraries is achieving increased usage, and the AMM supports the development of new mechanisms to promote both greater municipal and individual engagement. For instance, allowing portions of a municipality to join a neighbouring regional library would allow residents to access the most convenient services and would allow

municipalities to invest in more than one public library, an option many municipalities would prefer. A province-wide universal library card could also increase library usage and ease of access while eliminating the need for municipalities to choose a particular library to support.

### *Increased Funding for Tourism and Community Museums*

Tourism is an excellent economic development option for many communities and it is critical that this potential is supported and developed. The AMM urges the Province to showcase more community attractions by recognizing them through the Manitoba Star Attraction program. Local community museums are excellent examples of potential tourist attractions. These museums help build a sense of community and keep the history of the local area alive for future generations. Unfortunately funding for Manitoba museums has remained stagnant over the last number of years, threatening the sustainability of these important local institutions as their operating costs continue to increase.

## **EDUCATION**

### *Reduction of Education Tax from Property*

The need to modify education funding mechanisms has been a top municipal concern for several decades and municipal officials from all areas of the province consistently raise this issue. The two primary issues with the current structure are that it is inequitable for ratepayers and does not allow municipalities to control the level of property taxation. AMM appreciates the recent reductions of education taxes on property through the elimination of the residential ESL, and the commitment to completely remove education tax for seniors and on farmland. However there are further opportunities to minimize property taxes such as addressing the level of education taxation on commercial property. Even with the recent progress, these actions do not fully address the problem: education taxes on property currently account for approximately half of all property tax bills. As long as education taxes on property remain high, municipalities will not have sufficient control over local property tax levels. Since property taxes are the primary mechanism for generating municipal revenues, the current limitations on setting local tax rates restrict a municipality's ability to provide a wide range of necessary municipal services.

Municipalities would like to see a different funding mechanism for education, but they believe it is important to maintain a high-quality education system, which means no reduction in education spending. Education should be funded equitably by all Manitobans through an appropriate Provincial funding system. The complex nature of this task requires a long-term plan to address the extensive changes that are required. For this reason, the AMM appreciated

the Provincial Government's five-year plan to achieve an 80:20 funding formula for education and the recent commitment to a four-year capital program for new schools and renovations to existing facilities. However, to ensure education funding remains adequate and equitable, the 80:20 ratio must apply specifically to operating costs and not to all education expenses. As well, a commitment to fund all future increases at 80 per cent is required to ensure the 80:20 ratio continues. Otherwise, the education funding system will continue to rely too heavily on property taxes and municipal concerns will remain unresolved.

## **ENTREPRENEURSHIP, TRAINING AND TRADE**

### *Apprenticeship Model for Water and Wastewater Operators*

This issue demonstrated the importance of improving training capacity and training programs to respond to the introduction of more stringent certification requirements by the Province for an occupation that was already experiencing shortages. The AMM was pleased that water and wastewater operation was successfully made an apprenticed trade, and that the apprenticeship program has begun training its first group of students.

### *Trade Agreements and their Impact on Municipalities*

An issue AMM has raised in the past is the need to work together as the Province explores new trade agreements with other provinces and even other countries. Municipalities have an interest in the outcome of these discussions and should be included in the process, despite not being signatories to the agreement. The AMM believes including municipalities early in the process is important to help avoid any negative impacts on municipalities from Provincial trade agreements.

## **FAMILY SERVICES AND CONSUMER AFFAIRS**

### *Survey Monument Restoration Program*

An issue that is frequently raised by our members is the cost of restoring survey monuments. Replacing several monuments in one year can quickly become very expensive, and it is impossible for municipalities to budget for these sometimes significant expenses. With significant oil exploration going on in certain areas such as southwest Manitoba, some municipalities receive high bills for survey monument restoration even though these surveys benefit the oil industry, not ratepayers. While these monuments are still the most reliable means of ensuring the accuracy of property boundaries, survey work can often be done without

having each monument replaced. Many municipalities have done extensive mapping however individuals rarely approach the municipality to see if the information is already available. The AMM believes that if the cost of restoration was passed on to the individual, alternative options would be explored more often, resulting in overall cost savings. Municipalities appreciate the Survey Monument Restoration Program as this helps municipalities with the cost of monument restoration. However it is critical that enough funding is available in the program to meet demand in order to ease the financial burden of monument restoration on local taxpayers.

### *Public Utilities Board*

Municipalities continue to express frustration to AMM with the Public Utilities Board (PUB). While the mandate of the PUB is to regulate rates for municipally owned and operated water and sewer utilities outside the City of Winnipeg, municipalities are finding the orders issued by the PUB increasingly cumbersome and invasive. Municipalities are also concerned that the PUB is becoming too involved in policy setting, and therefore operating outside its mandate. Many municipalities have found the PUB overbearing and believe the PUB could be more effective in an advisory capacity rather than as a regulator. The AMM would like to see an expansion of communication options for the PUB to ensure a more cooperative approach with municipalities.

### *Home Warranty Legislation*

The AMM appreciates efforts by the Province to engage and inform municipalities as it moves forward with new home warranty legislation and believes this legislation will ultimately be beneficial for consumers and communities in Manitoba. In order to ensure it is implemented smoothly and effectively it is important that municipalities are provided with sufficient information. Any role for municipalities should be kept as simple as possible, and Provincial resources should be dedicated to provide appropriate support to municipalities. The AMM would also like to stress that the warranty requirements must be reasonable in order to keep the cost of the warranty affordable and avoid exacerbating the shortage of affordable housing.

## **HEALTH**

### *Health Practitioner Recruitment, Training and Retention*

Throughout Manitoba, ongoing shortages of health care professionals present challenges that must be addressed through a comprehensive Provincial strategy focused on training, recruitment and retention. Even with existing Provincial funding and programming there continues to be major gaps in health care services and municipalities are forced to bid for physicians to work in their communities by offering financial or other incentives. This creates a

significant disadvantage for communities that lack the financial resources to attract physicians, and AMM believes a Manitoban's access to health care must not be determined by their municipality's ability to pay. The AMM welcomes the Province's plan to ensure that every Manitoban has access to a family doctor by 2015, and appreciates steps taken to improve health care training, starting with the additional funding promised to educate and hire more doctors and nurses. Training plans must be prepared for increased retirements due to aging physicians in Manitoba, and must address the challenge of attracting health professionals to rural and northern Manitoba.

AMM was pleased that the Province provided funding for a study of medical education in Brandon and health care needs in rural and northern Manitoba. Since rural students are more likely to practice in rural areas, it is important to continue recruitment and training incentives to continue the positive trend of rising enrollment by rural and northern students. The AMM also appreciates the Province's effort to hold regional training programs outside of Winnipeg, as well as innovative approaches to health care service such as the QuickCare clinics and primary-care health bus. However, it is important to emphasize that municipal efforts to welcome medical professionals and provide local services cannot be the only incentives to remain in Manitoba. A comprehensive strategy to address the shortage of medical professionals must also include recruitment and retention initiatives to ensure medical professionals remain in Manitoba.

### *Capital Contributions to Health Capital Projects*

Municipalities continue to struggle to contribute funding to projects whose design and cost are determined by the Province. The policy states that communities are required to fund at least 10 percent of all local health capital projects, and municipalities are typically expected to make a portion of the local contribution. This policy exemplifies increasing concerns about municipal involvement in health care, which is a clear provincial responsibility. The AMM has repeatedly lobbied to change this policy, as it is inequitable and inappropriate for local communities to contribute to the provision of health care services. The Province has indicated the policy is in place to ensure requests for facilities only come from communities that are genuinely in need, however there is no evidence to suggest that communities request facilities unnecessarily. Furthermore, this policy does not allow for any local input or consideration of ability to pay, thereby putting some communities with legitimate needs at a disadvantage if they have insufficient resources to contribute a 10 percent share.

## *RHA Review Update*

Municipalities continue to express disappointment with the state of communication between them and their Regional Health Authorities. The AMM appreciates the commitment to improve communication with municipalities as it was one of the main themes in the RHA Review report. Communication is essential to meet community health service needs and to facilitate a good working relationship with community leaders. AMM would also like to see an elected board of directors for RHAs to ensure there is representation from each area within the RHA.

## **HEALTHY LIVING, YOUTH AND SENIORS**

### *Increased Operating Costs for Recreation Centres*

For many communities the challenge of finding funding to build needed community recreation centres is only half the battle. Once the facility is built, ongoing funding is needed to ensure the centre remains open. While new centres are being built to energy efficient standards that save operating costs, many of the older centres are finding operations costs are becoming an impediment to keeping the doors open. Manitoba Hydro has done great work with many centres and has been successful in reducing their heating costs which helps improve the bottom line, however heating is only one of the main cost drivers. The AMM believes a support program from the province would be beneficial to ensure recreation centres can remain open for as many hours as possible and user fees charged at these centres remain reasonable.

## **HOUSING AND COMMUNITY DEVELOPMENT**

### *Increased Funding for Housing*

The importance of housing cannot be understated and it is critical that both current and future needs are identified and coordinated with other departments. The availability of housing has a huge impact on the growth potential of a community and there is demand for housing – particularly affordable housing – throughout Manitoba. As the Province moves forward with the implementation of its housing strategy, it is essential to ensure that programs are accessible in all areas of the province in order to effectively address the needs of all Manitobans. Rural and northern Manitoba is particularly in need of funding supports to increase its housing supply in order to grow the local economy and the local population. Manitoba also has increasing populations of seniors and immigrants, which has increased demand for specific housing types such as rental and supportive housing. The shortage of affordable housing is a complex social issue that municipal governments cannot address on their own with the current revenues and



policy tools that are available at the local level. Furthermore, it is important to involve non-profit, community-based groups as well as Regional Health Authorities, in order to ensure the specific needs of every community are addressed. A comprehensive strategy should be developed with the cooperation of the Federal, Provincial and municipal governments to encourage flexible, local, long-term solutions so that all Manitobans can be assured decent, affordable housing.

### *Community Places Program*

A long standing issue for our organization has been the need to boost funding for the Community Places Program (CPP). This is a great program but unfortunately the maximum grant allowable from the program does not provide enough support, especially as construction costs continue to rise. The current funding limits are 50% of the first \$15,000 of a project and up to one-third of the cost after that, up to a maximum of \$50,000. Lack of sufficient funding can affect the ability of communities to complete major capital projects, and the declining purchasing power of \$50,000 means that the CPP contributes a diminishing proportion of the total project costs. The CPP is a valuable program however it is in need of greater funding in order to make a real impact in communities.

## **INFRASTRUCTURE AND TRANSPORTATION**

### *Internet and Cellular Service*

Many regions in Manitoba still do not have reliable high speed internet or cell service. Not only is this an impediment to attracting new businesses and encouraging economic growth, it also affects the safety of people who live and work in these dead zones and their ability to contact someone in an emergency. This danger was evident during the recent wildfires in southeast Manitoba, particularly for residents and firefighters in the rural municipalities of Piney and Stuartburn who had no cell coverage. The AMM would like to see the development of a plan for improving wireless communication and internet services in rural and northern Manitoba.

### *Rural and Northern Airport Funding*

Rural and northern airports provide a vital transportation link to many Manitoba communities and they require increased provincial assistance in order to keep up with rising operating and infrastructure costs. These airports already rely on community donations and volunteers, and more provincial funding is needed to ensure the safety and continued operation of these facilities.

### *Municipal Bridge Renewal Program*

Many Manitoba municipalities depend on bridges to provide links between communities for residents and businesses. Therefore the AMM was pleased when the Province announced funding for municipal bridges in 2010. This summer AMM compiled responses received by our membership regarding the bridges in their community needing repair or replacement in order to help prioritize bridge projects. These communities are anxiously awaiting further information as bridge replacement can take several years.

### *Provincial Roads Maintenance Agreements*

AMM has been hearing concerns recently from municipalities about the terms of renewal for the Provincial Road Maintenance Contracts with Manitoba Infrastructure and Transportation (MIT). Municipalities require sufficient support to maintain Provincial Roads at an acceptable standard. If funding is frozen at current levels, these roads will not receive adequate maintenance, and they will continue to deteriorate at an accelerated rate, especially if maintenance expectations are reduced as MIT has proposed. The affected municipalities are not willing to undertake maintenance without sufficient funding; however they are equally concerned that maintenance will decline further if they return responsibility for these roads to the Province.

### *Authority to Set Speed Limits in School Zones*

School zones and other areas for children can be dangerous if there is a high amount of traffic. As a result, municipalities would like the ability to set speed limits within their municipalities. The AMM understands the desire to have uniform standards across the province however the safety of children should be the highest priority. Municipalities and school divisions are willing to take measures to increase awareness of the need to drive with care in school zones although there are limits to how effective these can be on their own. Municipalities understand that speed is only one factor in accidents; however it is important that every option be used to ensure safety.

### *Greyhound Bus Service*

For many Manitobans transportation by bus is their only means of connecting to larger centres. Bus service provides Manitobans with a link to larger commercial centres like Portage, Dauphin or Thompson, as well as centres like Brandon and Winnipeg for necessary medical appointments. Bus service is also used to move goods across the province connecting smaller centres with the rest of the world. The AMM appreciated the commitment to extend the service agreement with Greyhound until March 31, 2012 to ensure continued bus service, however the long-term future of bus service in Manitoba remains unclear. The AMM supports the

recommendations in the Transportation Consultation document to encourage local transportation networks to ensure continued availability of bus services in rural and northern Manitoba.

## JUSTICE

### *Peace Officer Training and Validation*

An issue of great concern to the AMM is the inability of municipal by-law officers to issue a valid common offense notice as this and several other by-law enforcement methods require a peace officer. A peace officer must be designated by the Province after the successful completion of a multi-level training program however it is not necessarily feasible for all municipalities to employ a peace officer for by-law enforcement. It has become clear that the complexities involved with this issue must be better communicated to municipalities and AMM is pleased to be working with the Departments of Justice and Local Government to resolve ongoing issues with by-law enforcement.

### *Enforcement of Parking Violations*

Current legislation allows municipalities to issue tickets for parking and traffic violations, but does not offer sufficient authority to collect these fines. If collected, the revenues from these fines could contribute to spending on municipal service provision. Because mechanisms for collection are inadequate, municipalities must often spend much more than the value of the fine without necessarily collecting the fine. The magnitude of this problem illustrates the need for a more productive and efficient means of collecting these fines.

### *Municipal Policing Costs and the 2012 RCMP Contract*

Although community safety and crime prevention are among the top priorities of communities across Manitoba, the current funding structure for police services is unsustainable. There are widespread concerns with the lack of control over rising policing costs, reduced service levels and the RCMP's limited ability to respond to local policing priorities. Under the current structure, municipalities have little influence over the level of police service obtained yet are required to provide funding as determined by the RCMP. AMM appreciates the commitment by the Province to include municipal concerns in the negotiation process for the 2012 Provincial Police Service Agreement, such as the need to maintain appropriate staff levels and maximize available resources. Municipalities have also expressed concerns about possible changes to what will be covered and to the population thresholds in the 2012 agreement. AMM appreciates efforts by the Province to keep our association informed as negotiations continue.

### *Mandatory Police Boards*

Municipalities with their own police force continue to express concern with the mandatory police board requirement in the new Police Services Act because an appointed board takes direct responsibility for policing out of the hands of those elected to run the police force. Although municipalities understand the need to be transparent in their decision making process, it is difficult to see how moving the oversight of the local police force away from the elected council and into the purview of an appointed board will deliver a more transparent and accountable system. The AMM feels police boards are unnecessary and will only create further complications. In addition, the boards should not be required due to the other positive changes in the new Act, including the creation of the Manitoba Police Commission and an Independent Investigative Unit. As well, unlike a municipal council, an appointed board is not directly accountable to the community which is a concern since they will have a considerable amount of responsibility. Moreover, although final responsibility for the police budget lies with council, there is potential for conflict with other community priorities if council feels pressure from the police board. The AMM would like for municipalities with their own police force to be allowed to establish police boards on a voluntary basis.

### *Traffic Control at Accident Scenes*

Municipalities fully understand their responsibility to provide fire prevention services to their communities. However, at issue is the expectation that volunteer firefighters perform traffic control at accident scenes, something that is not a municipal responsibility. The AMM recognizes that traffic control is not always a high priority for the RCMP, nor is it necessarily the best use of RCMP resources. Nevertheless, if municipal firefighters are expected to take on this added responsibility, full training and compensation must be provided. The Office of the Fire Commissioner and the RCMP have assisted with the training issue but the cost issue has not been addressed. Preliminary research suggests the costs of traffic control performed by firefighters can be significant for municipalities. In addition, the AMM has found that compensation has been provided to municipalities for these services in other provinces, which could be used as a model for a Manitoba solution. As MPIC maintains it cannot provide compensation for traffic control under the current legislation, a solution may also require changes to *The Manitoba Public Insurance Act*. AMM believes it is time that Manitoba municipalities were provided with compensation for a service that both the Province and the RCMP have acknowledged is not a municipal responsibility. Municipalities would also like to see greater efforts to raise public awareness of the need to slow down at accident scenes as well as the introduction of a maximum speed when passing emergency personnel to ensure they can safely do their jobs.

## LABOUR AND IMMIGRATION

### *Accessibility Advisory Council*

Every community in Manitoba can benefit from improved accessibility, and AMM supports the development of measures to prevent and remove barriers throughout the Province. It is important that these measures respect municipal jurisdiction and that there is a plan to provide sufficient funding to municipalities to ensure goals for accessibility are achievable. AMM is pleased to be able to contribute to this initiative through the Accessibility Advisory Council.

## LOCAL GOVERNMENT

### *Equal Rights for Municipal Officials*

Members of Parliament and members of the Manitoba Legislature have immunity from the process of liability as a result of any debate or discussion that occurs while they are in session. However, because municipal councils do not have this same immunity, they are vulnerable to legal action resulting from statements made in session. In addition, there is no deterrent against unfounded or trivial complaints, which can result in significant costs. AMM also believes legislation should not create additional disincentives to participation in municipal council. The AMM was pleased to hear of plans for further research into this issue in other jurisdictions, and hopes this will lend authority to our recommendation.

## WATER STEWARDSHIP

### *Funding for Conservation Districts*

Everyone is able to see the value in the work of conservation districts (CDs) and our hope is that with a revised vision and a clear determination of how to maximize resources there is a strengthened case for new funding from the Province. Through many measurable successes, CDs have demonstrated positive contributions to local watersheds, and with additional resources they will be in a better position to expand on their success. Municipalities are willing to come to the table with their matched share of any new Provincial funding, and believe that CDs are a worthwhile investment.

### *Drainage Issues*

Water management affects all municipalities, therefore the AMM appreciates the Province's past actions to improve drainage processes in Manitoba. However, ongoing drainage issues continue

to rank among the top concerns of municipal governments. The need for adequate drain construction and maintenance is a major concern for municipalities, however the Province has not committed sufficient resources to fulfill these needs and establish coordinated drainage systems for Manitoba. Municipalities also continue to raise concerns regarding the minor works drainage policy due to delays and inconsistent application of the rules by department officials. AMM hopes to improve the minor works issues through its involvement in a recently formed technical advisory committee.

### *Water and Land Use Planning*

In order to support the coordination of drainage operations, the Province must implement a province-wide water management strategy to guide drainage works throughout Manitoba. Municipalities share the Province's interest in a coordinated water management system, however water systems extend well beyond municipal boundaries and municipal drainage works must occur within a broader plan that incorporates water beyond Manitoba's borders. Such a plan will also be useful in guiding the strategic allocation of Provincial and municipal drainage funding. Both orders of government will be better able to identify and prioritize required construction and maintenance projects, leading to more effectively managed drainage infrastructure. In addition, confusion remains for municipalities regarding the interaction between Manitoba Infrastructure and Transportation and Manitoba Water Stewardship where drainage is concern, and an overall plan would assist greatly in clarifying the Province's approach to water management and drainage.