



**Written Submission for the Pre-Budget
Consultations in Advance of the Upcoming
Federal Budget**

By: Association of Manitoba Municipalities (AMM)

August 2, 2024

Recommendations

Modernized Funding Model & Core Infrastructure Investments

- **Recommendation 1:** *Commit to a modernized Municipal Growth Framework to give municipalities 21st century tools to grow local communities.*
- **Recommendation 2:** *Permanently double the Canada Community-Building Fund (CCBF) transfer to provide municipalities with long-term predictable funding.*
- **Recommendation 3:** *Establish a dedicated federal funding program for water and wastewater infrastructure to ensure municipalities can respond to priorities and fuel economic development.*
- **Recommendation 4:** *Streamline federal infrastructure program application processes, speed up project approvals, and increase flexibility for both applicants and funding recipients to better address municipal priorities.*

Public Safety & Sustainable Policing

- **Recommendation 5:** *Implement tougher bail reform measures to hold repeat offenders more accountable while also prioritizing crime reduction programs.*
- **Recommendation 6:** *Provide immediate assistance to municipalities facing increasing and unsustainable policing expenses.*
- **Recommendation 7:** *Meaningfully engage and consult contract partners in advance of any round of RCMP collective bargaining negotiations and discussions regarding the future of contract policing beyond 2032.*
- **Recommendation 8:** *Utilize the allocated \$238.5 million in already approved federal funding to fully absorb body-worn camera costs to assist municipal contract partners.*

Responsive Development

- **Recommendation 9:** *Respect local authority and establish federal housing targets in close consultation with municipalities in each jurisdiction, avoiding a one-size-fits-all approach.*

Modernized Funding Model & Core Infrastructure Investments

Municipalities in Manitoba—and across Canada—are contending with 21st century challenges while outgrowing the 19th century fiscal framework within which they are currently operating. Our members urgently need a fairer distribution of tax revenues between orders of government to keep up with the demands of economic and population growth and service delivery mandates. That is why we support the call of the Federation of Canadian Municipalities (FCM) to develop a modernized Municipal Growth Framework.

Meanwhile, local governments own and manage approximately **60%** of public infrastructure in Canada yet receive **less than 10 cents** from every tax dollar. Municipalities are also unable to legally run deficits – they must balance their books every year. Given the state of aging infrastructure and overwhelmingly need to invest roads, bridges, public transit, and water systems critical for job creation and economic growth, we strongly encourage the federal government to boost investments to support local communities.

For instance, Manitoba municipalities have identified over 300 shovel-ready water and wastewater projects to grow local communities totalling over **\$976 million**, a **\$224 million increase** from 2022 projections. With Investing in Canada Infrastructure Program (ICIP) funds fully allocated and other federal programs nearing expiration, next-generation federal infrastructure programming must be more flexible and responsive to better address the diverse needs of all provinces.

The AMM understands that implementing a modernized Municipal Growth Framework will include discussions about the Canada Community-Building Fund (CCBF). We call on the federal government to maintain the CCBF as a direct, predictable funding source for local priorities without new conditions or added red tape. Further, the AMM supports the FCM's call to double the CCBF to \$4.4 billion annually with a 3.5% indexation, a \$1 billion annual investment for a federal water and wastewater infrastructure program, and \$500 million annually for community, culture, and recreational infrastructure.

For these reasons, we are proposing the following to the Government of Canada; that it:

- *Commit to a modernized Municipal Growth Framework to give municipalities 21st century tools to grow local communities.*
- *Permanently double the Canada Community-Building Fund (CCBF) transfer to provide municipalities with long-term predictable funding.*
- *Establish a dedicated federal funding program for water and wastewater infrastructure to ensure municipalities can respond to priorities and fuel economic development.*
- *Streamline federal infrastructure program application processes, speed up project approvals, and increase flexibility for both applicants and funding recipients to better address municipal priorities.*

Public Safety & Sustainable Policing

Municipalities have been ringing the alarm on increasing crime rates in their communities since the prairie provinces experience higher rates of rural crime compared to other areas of the country. Further, in 2023, the AMM commissioned a poll by Probe Research which revealed that only **5%** of Manitobans feel safer in their community than they did three years ago while **56%** of Manitobans feel decidedly “**less safe**” in their community.

Manitoba municipalities are also increasingly concerned about insufficient police presence in their communities. This issue is exacerbated by frontline officers being tied up with administrative duties and court appearances for repeat offenders. The persistent cycle of criminals being released by the courts only to reoffend is a significant contributor to rising property crime, petty theft, and violent offences—often perpetrated by the same individuals. The AMM has been a strong voice for stricter bail and conditional release policies targeting repeat offenders. The AMM is pleased to see the successful passage of Bill C-48, which aims to hold violent repeat offenders accountable and provide greater protection for our communities.

Furthermore, the increasing prevalence of homelessness, addictions, and mental health concerns in communities is placing additional demands on local police, who are increasingly tasked with responsibilities beyond law enforcement, such as addressing mental health crises. However, it is not optimal for municipal police forces to undertake this role nor fair for these immense responsibilities to be downloaded onto municipalities. Therefore, it is imperative that the federal government enhance investments to alleviate the burden on local law enforcement.

In Manitoba, there are 21 municipalities across the province with direct federal RCMP contracts. Despite being direct contract partners with Public Safety Canada for the delivery of RCMP services, new agreements, such as collective bargaining, and the procurement of equipment like body-worn cameras, are often negotiated by the federal government with municipal wallets and without meaningful consultation. For example, the anticipated annual cost for body-worn cameras (BWC) is about \$3000 per unit per year. In 2024-2025, the federal government plans to transfer financial responsibility for BWCs to provincial governments and municipalities. However, municipalities already face significant financial strains, making it nearly impossible for them to cover these expenses.

Finally, with the RCMP’s current policing agreements set to expire in 2032, any possible changes to the scope of community policing may have wide-ranging impacts on municipalities that currently contract with the RCMP for policing services. There is also concern that the criteria governing RCMP collective bargaining negotiations focus solely on Canada’s fiscal circumstances, without considering municipal financial conditions, despite municipal partners bearing 70-90% of the costs. For Manitoba’s 21 municipalities with direct federal RCMP contracts, total invoiced contract costs from 2020 to 2023 have increased approximately **35% overall**, with an average increase of **40%**. Therefore, it is vital that the federal government provide immediate assistance to municipalities facing increasing and unsustainable policing expenses.

The Association of Manitoba Municipalities (AMM) therefore recommends the following to the Government of Canada; that it:

- *Implement tougher bail reform measures to hold repeat offenders more accountable while also prioritizing crime reduction programs.*
- *Provide immediate assistance to municipalities facing increasing and unsustainable policing expenses.*
- *Meaningfully engage and consult contract partners in advance of any round of RCMP collective bargaining negotiations and discussions regarding the future of contract policing beyond 2032.*
- *Utilize the allocated \$238.5 million in already approved federal funding to fully absorb body-worn camera costs to assist municipal contract partners.*

Responsive Development

In Manitoba, municipalities play a crucial role in housing and development, while being responsible for creating and implementing local polices and regulations that guide land use, zoning, and building standards. Local governments also swiftly develop and enforce zoning by-laws to designate land for residential, commercial, industrial, and recreational use. These processes are vital as they ensure orderly development and prevent land-use conflicts.

According to the 2022 municipal land use and regulation survey by the Canada Mortgage and Housing Corporation and Statistics Canada, Manitoba has some of the lowest land use regulation scores in Canada. Despite this, municipalities are criticized by major political parties and developers who claim that municipalities are the problem and call for an end to development fees. This narrative does not hold water in Manitoba, since our municipalities are among the fastest growing in Canada and they approve housing developments quickly.

As the federal government moves forward with accelerated housing initiatives and targets, there is concern about increased federal involvement in municipal affairs, especially regarding changes to by-laws and zoning plans to access the Housing Accelerator Fund and other housing programs. An independent poll by Probe Research shows that **61%** of Manitobans prefer elected municipal officials to have the final say on land use planning.

Given Manitoba's quick turnaround with permitting and approvals, penalizing its municipalities—some of the fastest-growing in the country—and painting them with the same brush nationally is not the right approach. Therefore, we urge the federal government to implement housing targets that are responsive to each jurisdiction.

We therefore recommend that the Government of Canada make the following commitment – that it:

- *Respect local authority and establish federal housing targets in close consultation with municipalities in each jurisdiction, avoiding a one-size-fits-all approach.*

The AMM thanks the Standing Committee for its consideration and for the opportunity to submit this brief. We would be happy to elaborate on these issues during in-person deliberations of the committee.

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