



Member Advisory

UPDATE ON NEW DEAL

IMPORTANT & URGENT:

Please distribute to each member of council prior to the AMM Convention.

November 18, 2005 – This morning, the Government of Canada and the Province of Manitoba signed an agreement for the distribution of federal gas tax revenues to Manitoba municipalities over the next five years. The agreement includes \$167.3 million in federal funds as well as an additional \$1.4 million from the province for transit improvements.

The AMM was not present for the signing of the agreement, which mirrors the compromise that the AMM Board of Directors determined on October 27, 2005 and that the AMM proposed to all parties shortly after.

Since November 15, 2005, our intention has been to bring this compromise proposal to our membership at next week's Annual Convention in Brandon. This was a commitment to our members and as such we did not agree to participate in the signing of today's agreement.

The agreement signed today appears to be based on the compromise the AMM proposed several weeks ago, which includes:

- A straight per capita distribution of the New Deal funding in years one and two of the five-year agreement;
- A 10% transit allocation from years three, four and five, with the remaining 90% allocated on a per capita basis;
- A guarantee that this formula will be revisited at the end of year five; and
- No administration fee charged by the Province for administering the program.

While negotiations have been lengthy and difficult, we are pleased to receive stable funding from the Government of Canada. This funding will help Manitoba municipalities address their infrastructure needs over the long-term and help us to remain sustainable and prosperous. For our communities to be healthy we need to address these evolving needs and this funding will assist us in doing just that.

To further explain the details of today's agreement, and to give our membership an overview of the negotiations process that took place leading up to this point, we will go ahead with the special session at next week's Convention as planned. This session will take place:

**Monday, November 21, 2005 at 3:15 pm
UCT Pavilion - Keystone Centre**

**WE URGE ALL DELEGATES TO ATTEND THIS VERY IMPORTANT
SESSION.**