

UPDATE ON NEW DEAL DISCUSSIONS

IMPORTANT & URGENT:

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

November 15, 2005 - As of today there is no New Deal agreement in Manitoba. The AMM has been discussing possible compromises with representatives from the City of Winnipeg and the Federal and Provincial Government; however, as of yet no agreement has been reached or signed.

As you know, the AMM's position throughout the negotiations has been a straight per capita formula. While we still believe this is the best scenario, we understand the need to find a solution to get a deal signed and money flowing into Manitoba. A number of our membership has expressed this desire to us, including the City of Thompson, the City of Brandon and others who have asked for a deal to be signed that includes transit funding.

After much discussion, on October 27, 2005 the AMM board of directors suggested a compromise that included the following:

- A straight per capita distribution of the New Deal funding in years one and two of the five-year agreement;
- Years three, four and five would include a 10% transit allocation from those years, 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.

It currently appears that the October 27, 2005 compromise proposal by the AMM (with respect to the allocation formula) has not been accepted by all parties.

As a result, any proposal we receive from this point forward will be taken to our convention.

This has been a very difficult issue for our Association and it is time we heard from you, the membership. We are proposing that a full discussion on the New Deal take place on:

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

This session will replace the scheduled Round Table Sessions

WE URGE ALL DELEGATES TO ATTEND THIS VERY IMPORTANT SESSION.