

MNL mobilizes the municipal sector leading up to 2019 elections.

St. John's, May 10, 2019 - Hundreds of municipal leaders attended the MNL Symposium in Gander last weekend to mobilize the sector and discuss election strategies leading into this year's provincial and federal elections. MNL President Tony Keats says there was a clear message from the membership of the need for a strategic plan to guide the sector into the next decade and beyond.

MNL is calling on all provincial parties to investigate giving municipalities access to fairer taxes like income and sales tax. A one-point share of both the provincial portion of the HST and personal income tax would provide an additional \$205 Million annually to the sector. That's only 2% of the provincial budget, but it would increase overall municipal budgets by 36%.

Raising property taxes to generate the kind of revenue would put thousands of taxpayers in perilous situations. A recent Mowatt Centre report from the University of Toronto confirmed that, as we move to a knowledge economy, land-based taxes are not sufficient – municipalities must have access to income and sales taxes.

"We need a commitment from the provincial government to work with MNL in exploring alternative sources of revenue such as access to income and sales tax to alleviate the burden currently placed on property tax," said Keats. "All three levels of government have to work together to develop a serious plan for building Newfoundland and Labrador's future by increasing municipal capacity so we can take on our \$1 billion infrastructure deficit and this 2% solution would allow us to do that."

Federal wastewater regulations were also a hot topic at the MNL Symposium. Local leaders once again called on members of Parliament and of the House of Assembly to work with the municipal sector to deal with the \$600 million burden the regulations are placing on residents of Newfoundland and Labrador. Dozens of municipalities have already gotten enforcement letters threatening years of jail time and millions of dollars in fines for not meeting these regulations.

MNL Symposium delegates repeatedly questioned how the municipal sector will manage its ageing infrastructure, specifically public drinking water assets and the federal wastewater treatment regulations and once again called on the federal and provincial governments to join the sector in creating a joint municipal infrastructure investment plan.

Keats believes a regional approach to local government is the only way to increase municipal capacity and start finding solutions. "The structure of government in this province has to change. A regional system would provide greater local democracy and enhanced government efficiency."

MNL is also looking to get a seat at the table with the provincial and federal governments. "Whenever legislation or regulations affecting municipalities are changed, when new federal-provincial funding agreements for municipal infrastructure are negotiated, municipalities are often on the outside looking in." Keats continued, "sometimes we're consulted as a stakeholder, but we are not a partner in these important discussions."