



A NEW PARTNERSHIP WITH ALBERTA'S MUNICIPALITIES

Strong communities are the building blocks of a successful province, and municipalities are the vehicles through which we build them. Local government is closest to the people and it is their actions that most closely affect our daily lives. Road maintenance, water delivery, snow removal, sewers, hockey rinks, local arts and culture, fire-fighting and policing: these services are crucial for building strong communities and are provided by local governments.

Municipal governance has become increasingly complex in recent years, yet the relationship between our communities and the provincial government has not kept pace with these changes. For decades, our cities and towns have been taken for granted as smooth running operations that are able to provide the core services and infrastructure Albertans rely on. Yet growing

populations, coupled with increased demand for expanded services, are placing new pressures on our municipalities. They're struggling to keep up.

Despite its importance in our everyday lives, local government in Alberta is not seen as an independent order of government. Instead, it must yield to the province for funding, supervision and approval. Provincial and federal governments capture \$0.92 of every tax dollar collected in Canada, leaving municipalities with only the remaining \$0.08 to provide the wide range of essential services citizens expect in their communities. This revenue imbalance means municipalities are unable to provide the services their residents need, forcing them to depend on ad-hoc and one-off grants from other levels of government to fill in the gaps. This doesn't make sense and it isn't sustainable.

ALBERTA PARTY VISION FOR LOCAL GOVERNMENT

The Alberta Party believes our communities will be better served by a new partnership between our local governments and the province. The Alberta Party envisions a municipal government structure in which:

- Local government is able to rely on long term, stable funding to meet its social, economic, cultural, environmental and governance objectives.
- Local government is respected by both provincial and federal governments as an important order of government.
- Communities are able to effectively deliver the services and infrastructure Albertans expect.
- Ongoing inter-municipal conflict is a thing of the past.
- Our provincial government consults and works in cooperation with the local officials we elect to represent our communities on the issues that affect their long-term sustainability and success.
- Albertans are engaged and take an active, participatory role in the governance of their communities.

Local government leaders, and other Big Listen participants province-wide, expressed a growing concern that Alberta's municipalities can no longer sustainably maintain a subordinate relationship with the provincial government, or provide necessary services to their citizens. The world around them is evolving, yet our communities are struggling to break free from the past.

Canada's *Constitution Act*, 1867, first designated municipalities as wards of the Provinces, and little in Alberta has changed since. The current paternal relationship between our provincial and local governments leaves municipalities largely subject to the whim of the provincial government's political agenda, in addition to erratic and unsteady funding and a lack of respect for local initiatives. Local government is not recognized as an effective and respected order of government within the greater operation of the province, and this is to the detriment of Alberta's communities.

The Alberta Party believes that the Legislature should not have so much say over the role of local communities. Instead, we need a provincial government that works with, and supports, our municipal leaders so that they can to provide their

citizens with the best service for their tax dollars. The only way to correct this imbalanced relationship is to remodel the current structure and provide municipal governments with the respect they deserve.

4 PRIORITIES

In order to achieve our vision for an improved municipal government structure for Albertans, an Alberta Party Government would prioritize four different areas for action:

1. BUILDING A NEW PARTNERSHIP WITH ALBERTA'S MUNICIPALITIES

An Alberta Party government will recognize municipalities as a true order of government and foster a new partnership based on mutual respect.

An Alberta Party government will work to create a new relationship with local governments across the province, which will view them as equal partners in effective decision making, rather than as subsidiary and dependent. This relationship will be premised on the principle that local governments understand the needs of their communities best and know the most effective way to achieve their own goals. This newfound partnership will move municipal and provincial government forward in tandem, with the goal of facilitating strong communities and economic growth.

As equal partners with the provincial government, local government and their representative organizations, including the AUMA (Alberta Urban Municipalities Association) and the AAMDC (Alberta Association of Municipal Districts and Counties), will be consulted in all matters directly impacting them. Any amendments or changes to legislation, regulations or procedures relating to municipal government will only proceed once we have enabled the active participation of those affected by the change through meaningful input in a review process.

2. STABLE AND PREDICTABLE FUNDING

An Alberta Party government will work to create a fiscal structure for local governments that includes a stable and predictable funding plan.

An Alberta party government will secure stable and predictable funding for municipal government by modifying the current funding model to put aside secure, legislated funding for municipalities. The method by which this

is to be achieved will be determined through extensive consultation with municipalities and municipal groups across the province, in order to determine the best funding model available.

In particular, an Alberta Party government, in concert with local government, will revise the municipal funding structure. We need to review and improve the current property assessment system in Alberta to ensure that it reflects the true value of property in today's market. We will also review any financial inequities between urban and rural municipalities including the shared benefits of linear taxation.

The Alberta Party will ensure municipalities have full access to their property tax base, including the education tax. The Alberta Party will ensure this change will not impact education funding in the province. Although providing municipalities with exclusive access to property taxes is an important first step forward, the Alberta Party also recognizes that sole reliance on property tax may be flawed and we would explore longer-term solutions of stable revenue creation that move beyond this paradigm.

3. CREATING A LOCAL GOVERNMENT CHARTER THAT ADDRESSES ALBERTA'S ANTIQUATED MUNICIPAL GOVERNANCE STRUCTURE

An Alberta Party government will address and modernize Alberta's antiquated municipal governance structure.

The structure of local government in Alberta is out of step with the realities of how people live their lives today and the wide variety of demands placed on modern municipalities. The province's two largest cities need the flexibility to compete on the world stage. There must also be recognition of an urban agenda outside of Edmonton & Calgary. Smaller municipalities need to have access to the resources required to provide a meaningful level of service to their community.

In order to begin addressing these issues, an Alberta Party government will strike a Premier's Council on Local Government to review the

status of local government and municipal structures in the province. The Council will be comprised of municipally elected leaders and experts in the field and will amend the Municipal Government Act to include a Local Government Charter. This Charter will take a new view of municipalities- as entities capable of autonomous and responsible action – while recognizing that one size does not fit all. The Council will also make recommendations to the government on municipal funding mechanisms, autonomy and structure.

These updates to the current municipal government system will restore balance between local and provincial governments in Alberta.

4. INCREASING PARTICIPATION IN LOCAL GOVERNMENT

An Alberta Party government will strive to strengthen Albertans' participation in local government.

An Alberta Party government will make it easier for all Albertans to participate in the governance of their communities. We will support initiatives that lead to increased youth and female participation in local government and pilot internet-based voting during municipal elections. An Alberta Party government will also work with municipalities to implement campaign finance reforms, in order to make spending and contributions more equitable to other levels of government, and reduce the barriers to running for public office at the local level.

An Alberta Party Government will extend the term of elected municipal officials to four year terms, moving them more in line with our provincial elected representatives. This will allow municipalities to more effectively plan for and implement initiatives that meet the needs of their citizens.

An Alberta Party government will also establish the *Innovation in Municipal Government Program*, which will provide financial assistance and/or technical support for municipalities undertaking citizen engagement and participation projects. The program will support pilot projects that improve local government's ability to serve and connect with citizens.





CONCLUSION

Strong communities are the foundations of a prosperous province, and successful local governments help them thrive. Local governments provide essential services that are used in daily life and provide governance closest to the people. They should be treated with the respect they deserve.

The challenges highlighted in this document are important but not insurmountable. We can learn from our mistakes, and we can also move forward in fixing them. We can turn our vision into a reality. The Alberta Party invites all Albertans to join us in creating new solutions to improve the relationship between the province and local government. If we partner together, there is no limit to what we can achieve.

THANKS TO

... the local leaders involved in drafting this document and the over 1500 Albertans who provided the direction, ideas and inspiration through the Big Listen process.

This policy statement is the second in a series of policy briefs the Alberta Party is developing with the help of Albertans through our Big Listen process. The content reflects what we've heard at house meetings and meetings with municipal leaders from across the province. We want to ensure that our policies continue to reflect Albertans' priorities: please share your thoughts on this document by visiting our website at www.albertaparty.ca.

alberta party
common ground. common sense.

