



NOVA SCOTIA
FEDERATION OF
MUNICIPALITIES

NEWS RELEASE—CLARITY OF NAME A SMALL STEP IN THE RIGHT DIRECTION

TO: Mayors/Wardens, Councillors, All Units

CC: Chief Administrative Officers/Clerk-Treasurers, All Units

MEDIA RELEASE

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FOR IMMEDIATE RELEASE

Clarity of Name a Small Step in the Right Direction

Halifax, April 4, 2019 – Renaming of an operating grant from the Province to Nova Scotia’s municipalities is a welcome first step in addressing municipal funding concerns according to the Nova Scotia Federation of Municipalities (NSFM).

“Before you tackle any problem, you need to first have clarity of the issue. Confusion between the federal equalization grant to the province and the provincial equalization grant to municipalities was slowing progress on meaningful change to the funding formula. Renaming it the *Municipal Financial Capacity Grant* eliminates that confusion,” says NSFM President, Waye Mason.

While both programs are intended to help government deliver services, the programs are fundamentally different. The federal equalization program is funded through general revenues and is intended to help provinces deliver comparable levels of services across the country. The provincial program is two thirds funded through a tax agreement with Nova Scotia Power and one third from the province and is intended to help municipalities deliver relatively the same levels of service for the same levels of taxation.

Members of the NSFM Board met with Finance Minister Casey last fall asking for clarity around the name of the operating grant. “While a small step, it is a positive sign that the provincial government has heard the concerns of our members and are willing to work with us to resolve it,” says Mason. “The bigger ask that we continue to work on is for more money to be put into the grant”.

NSFM has been advocating for changes to the funding formula to better reflect the operating costs of municipalities. At its annual conference in the Fall of 2018, municipal funding was identified as one of their top five priorities. NSFM is asking the Province to increase funding for the program by \$20 million over three years and freeze mandatory education payments to 2017 levels.

More information on NSFM's resolution can be found <https://www.nsfm.ca/resolutions/2018-resolutions/983-3-municipal-funding-passed/file.html>

Along with municipal funding, NSFM continues to advocate on behalf of its members on four other annual resolutions: reform of the CAP, Extended Producer Responsibility for consumer packaging, modernization of municipal governance, and a new funding model for roads.

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About NSFM: The Nova Scotia Federation of Municipalities (NSFM) has been the collective voice for municipal governments across the province since 1906. With 379 members comprising Mayors, Wardens and councillors, NSFM represents the interests of municipalities on policy and program matters that fall within provincial jurisdiction. Members include all 50 of Nova Scotia's municipalities.

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