

**Mayor Billy Joe MacLean Speaking Notes
Protest of Bill 27 - Financial Measures Act
Law Amendments, May 4, 2011**

I am here today on behalf of the UNSM and all 55 municipalities across the Province to protest Bill 27 which proposes to dismantle the MOU between the UNSM and the Province.

I want the Government to know that municipalities are devastated by the Province's decision to proceed in this fashion.

The MOU would have saved municipalities over \$100 million over seven years by the Province assuming costs for Corrections, Public Housing, and limiting increased municipal costs to public education at CPI.

Now with this reversal, municipalities will be on the hook for an additional \$27 million annually beginning in 2012.

In my 40 years in municipal politics, never before has all 55 municipalities demonstrated this much unity on a single issue.

On April 15, myself and Mayor Peter Kelly organized a march and rally to the Legislature in protest of the Province's decision to dismantle the MOU. With the slogan *Deal Axed, Residents Taxed - Right the Wrong*—over 80 municipal officials from 46 municipalities were represented at this rally. This illustrates how important this issue is for municipalities.

During the rally, we received strong support from the leaders of both opposition parties.

The MOU was ten years in the making—from the years of service exchange leading up to UNSM's Fair and Equitable Funding Report released in 2005. It was a proud moment for the UNSM and municipalities and helped foster a strong working relationship with the Province.

With no consultation with the UNSM or municipalities, the Province gutted the MOU in a press conference on March 23rd. The UNSM Executive was notified two hours prior to the media release. This is simply unacceptable.

The MOU speaks to robust two-way communication between the two parties as a way to promote openness and transparency. This clearly was not followed.

The dismantling of the MOU will result in higher taxes for our residents. In order for municipalities to make up for this financial download, we will either have to raise taxes or cut services. Neither choice will be popular among our citizens or Councils.

Dismantling the MOU is not just a financial issue for municipalities. It also represents a principled approach to service exchange. The MOU provided a formal mechanism for the Province to acknowledge responsibility for areas of provincial jurisdiction—that of Corrections and Public Housing.

The UNSM recognizes the fiscal challenges facing the Province. However, downloading costs onto municipalities will not help our citizens, families or communities.

There is only one taxpayer to support the three orders of government. Citizens' needs are best served when governments communicate and work to find mutually beneficial solutions to the difficult fiscal issues facing Nova Scotia.

During the April 15th rally, I presented a letter to Premier Dexter requesting a meeting with the UNSM Executive to look at alternatives to achieving "Back to Balance" rather than dismantling of the MOU. This offer still stands.

I am requesting that this Bill be tabled until the requested meeting takes place.

Thank you for your time.