



Municipal Government Act

The new Municipal Government Act came into effect in December 2017 and replaced three very outdated acts. The new Act addresses many concerns with the old legislation and balances increased powers with greater accountability and transparency.

The Municipal Government Act enables municipalities to represent their residents with expanded powers.

- Limited powers under the old legislation tied the hands of municipalities, large and small. All Island municipalities now have the same powers. Under the Municipalities Act, many rural municipalities only had a few powers and couldn't provide common municipal services such as parks, libraries, assistance to community organizations, and many others.
- The new legislation allows municipalities to adopt bylaws related to the general health and welfare of their residents, bringing PEI in line with municipalities across the country.

The Municipal Government Act includes new requirements to increase transparency and accountability, including:

- Rules for awarding of grants and selling of land below market value;
- Required audited financial statements each year;
- Required liability insurance to protect municipal assets and council members and taxpayers;
- Rules for procurement ensuring transparency in awarding of contracts;
- Enhanced access to information and protection of privacy requirements;
- Election campaign rules including spending limits and public disclosure;
- A requirement that all meetings to be open to the public, except to discuss specific topics outlined in the Act; and
- Codes of conduct for Council and staff.

The Municipal Government Act brings decades of needed and overdue changes. The Federation continues to consult with members municipalities, monitor best practices across the country, and work with the provincial government to ensure municipalities have progressive and effective legislation.