

Local Governance in New Brunswick : the Need for a 21st Century Framework

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Looking back: Byrne & local governance

❖ Structures:

- ✓ Abolition of county governments
- ✓ Establishment of LSDs (serving multiple isolated small communities)
- ✓ Creation of Metropolitan Councils, arrangements for the sharing of services/costs among adjacent local entities

❖ Organization & functions:

- ✓ No proposal dealing with number & size of local governments (no change to existing cities, towns & villages)
- ✓ No criteria (population or tax base) governing the creation of local governments
- ✓ No functional classification of local governance entities (city, town, village)
- ✓ Local government responsibilities defined simply as *services to properties* (only 2 compulsory services: policing & emergency measures)
- ✓ No permanent mechanism to oversee adjustments of municipal boundaries to reflect future demographic & economic changes

Equal Opportunity (EO)'s choices regarding local governance

- ❖ **EO ignored Byrne's recommendations regarding compulsory sharing of certain services (no Metropolitan Council created)**
- ❖ **EO did not heed Byrne's warning that '*.... failing to integrate the development of contiguous urban areas inevitably results in fragmented, often chaotic and always costly consequences*'.**
- ❖ **EO failed to put in place a general framework capable of dealing with basic issues of local government organization & land use planning (*laissez-faire* prevailed)**

Legacy from Byrne & Equal Opportunity (EO)

❖ Revolution in municipal finances:

- ✓ Single/integrated system of property assessment (properties assessed on a common set of criteria all through the province)
- ✓ One system of property tax collection (Province exclusively responsible for billing & collection)
- ✓ Provincial-municipal financing arrangements recognizing uneven fiscal capacities of local governments (unconditional grant formula contains equalization component)

❖ New distribution of responsibilities:

- ✓ Province becomes exclusively responsible for education, health services, justice, social services (reduces duplication & conflicts between Province and municipalities)

Byrne/Equal Opportunity (EO): an unfinished local governance reform agenda

❖ On the one hand:

- ✓ Much improved & better distributed essential public services (health, education, justice & social services)
- ✓ A more efficacious & more equitable property tax system
- ✓ A more modern & considerably stronger provincial public administration

and

❖ On the other hand:

- ✓ A weak, fragmented local governance system that proved incapable of adapting to changing demographic, economic, social & technological circumstances
- ✓ Local governance, as presently structured, constitutes the single most important barrier to development and growth all over New Brunswick

Evolution of local governance absent a suitable provincial framework

❖ 101 municipalities, made up of cities (10,000 pop), towns (1,500 pop), villages (no criteria) & regional municipality (15,000 pop & 1 municipal entity). Since 1966, most villages established based on local initiatives.

Population range:

- cities (8) 7,400 to 68,000
- towns (26) 950 to 18,000
- villages (66) 155 to 4,600 (most of them created between 1966 & 1990)
- regional municipality (1) 15,800

❖ 25% of municipalities with pop of less than 1000

❖ 7 rural communities (since 1995) - guidelines: 3000 pop & \$200 millions property assessment

❖ Some 240 local service districts representing 35% population & approx 90 % of territory (90 DSLs created in the 1970s, some with population larger than certain cities, others counting less than 50 residents)

❖ Of these 348 local entities, 80% have less than 2000 residents

❖ Several hundreds local single purpose agencies (most of them operating within and around the 8 cities, St John alone has 39 such agencies)

Changes in NB internal environment (since *EO*)

- ❖ Residents of multiple small & isolated local communities have migrated within the province to form fewer, but larger, population centres
- ❖ The province's traditional rural economy, based on extraction of natural resources, has been largely transformed into a service economy (more urban, knowledge & technology driven). Cities are the central organizing unit in the knowledge economy
- ❖ Gravel & chip seal rural roads have been replaced by modern highways in large sections of the province
- ❖ Satellite communication, wireless telephone & the internet have replaced multiple users telephone land lines & allow for instantaneous, reliable, communication with most households
- ❖ The most essential public services (justice, health, education, social services) have gone from being locally organized & delivered to being provincially funded and regionally administered

Demographic conditions (2015)

- ❖ Based on Stats Can's definition, 48% of NB pop classified as rural (2011 census)
- ❖ However, we know that:
 - Just over $\frac{1}{2}$ (51%) of NB territory is Crown land, meaning no inhabitant
 - 26% of DSLs' population within 20 km radius of 8 cities
 - 70% of DSLs' population within 50 km radius of 8 cities
 - 8 cities + 50 km radius = 85% of NB population
- ❖ This indicates that in large geographical areas of New Brunswick, the old urban & rural divide has given way to a more blended concept of community (urban/semi-urban/rural) that is not reflected in how we govern ourselves

Local governance structures out of step with conditions on the ground

- ❖ **Local governance structures not reflecting transformations that have occurred in demographic, social, economic, technological circumstances, as well as advancements in transportation and communication**
- ❖ **Current municipal & DSL boundaries stand as largely artificial as they do not reflect demographic, social & economic conditions in 21st century in NB**
- ❖ **Many existing local governance entities are empty shells, ineffective (as they lack critical mass of either population or property assessment)**

When more governments = less capacity to govern

- ❖ **Most existing local governments do not have the means (either population or tax base) to govern & provide services effectively**
- ❖ **Local governments think local/parochial when most issues are regional**
- ❖ **Local government boundaries are becoming more and more permeable (i.e., local governments have less & less control on what is taking place within their boundaries -that is also true for provincial & national governments)**
- ❖ **Over the years, *local economies* have eroded (economies now function on a larger scale, i.e., regional, national or global)**
- ❖ **Fewer so called ‘local services’ are delivered strictly within municipal boundaries (transportation & communication technologies have transformed how public services are organized and delivered)**

Profile: Kent-RSC Territory

- ❖ **Pop, including native reserves, approx 33,000 (65 % LSDs & 35 % municipalities)**
- ❖ **Decreasing population (-2.7% between 2001 & 2011)**
- ❖ **35% crown lands & approx 1,500 km of roads**
- ❖ **Low population density (less than 8 residents per sq km)**
- ❖ **30 local governance entities (20 LSDs, 4 villages, 2 towns, 1 rural community & 3 native reserves)**
- ❖ **Of the 20 LSDs, 4 are without an advisory committee**
- ❖ **Language distribution: 74 % francophone & 24% anglophone**
- ❖ **Approx 64 % of the workforce employed within Kent-RSC territory**
- ❖ **Twelve separate fire protection services (departments)**
- ❖ **Property assessment 2015, close to \$2 billions**
- ❖ **Types of properties : 89% resid/recreation, 6% agric & 5% indust/commer/institutionnal**

Weaknesses of current arrangements in Kent-RSC

- ❖ **Lack of critical mass (pop, property assessment) in local administrations, limited administrative capacity**
- ❖ **Lack a centre of attraction, no major population centre**
- ❖ **Fragmented decision-making (too many local entities, multiple administrative maps)**
- ❖ **Resources spread too thinly**
- ❖ **Weak coordination between provincial & local/regional decisions**
- ❖ **Limited concerted actions among provincial elected officials (3 MLAs in Kent-RSC territory, not always of same political party)**
- ❖ **Lack of a regional strategic plan**
- ❖ **Emphasis on sectoral & local development (weak integration of public actions/investments on a regional basis)**
- ❖ **Lack of regional land use planning**

Making sure that governance supports growth of local communities (strategy)

- ❖ **Adopting an *integrated development* approach for Kent-RSC territory**
- ❖ **Building a regional voice that transcends purely local interests & communities (develop regional territorial cohesion)**
- ❖ **Building critical mass at regional level (lacking at local level)**
- ❖ **Putting emphasis on common regional interests as opposed to purely local interests**
- ❖ **Formally recognizing complementarity & inter-dependence between urban, semi-urban & rural settings (economy, transportation, services & recreation)**
- ❖ **Supporting development of a regional public service (local as well as provincial services)**
- ❖ **Ensuring that public services organization/delivery supports development framework (public services organized so as to maximize regional development)**
- ❖ **Building territorial dimension in regional policies (land use planning & development must be closely integrated)**

How it can be achieved (working together within a functional territory)

- ❖ **Expand mandate of Kent-RSC to include: regional planning, economic development, land use planning, policing & fire protection**
- ❖ **Abolish all current local governance entities & replace them with a maximum of 4 larger municipalities (pop between 6000 & 9000) covering entire Kent-RSC's territory**
- ❖ **Make these 4 municipalities share services & do strategic regional planning through Kent-RSC (ensure that municipalities function as an integrated group rather than a collection of individual entities)**
- ❖ **Establish a 5 year integrated regional development plan for Kent-RSC (land use planning, key infrastructures, few major services)**
- ❖ **Establish distinction in infrastructures based on whether they serve local needs (water & sewers), regional needs (hospitals, recreation complexes) or supra-regional needs (airports)**
- ❖ **Establish a single regional development corporation under Kent-RSC**
- ❖ **Make sure that provincial & local/regional decisions are better harmonized & that services as well as infrastructures fit regional development plan**