

Avalon Regional Government Consultation: Carbonear
June 18th, 9:00 a.m-12:30 p.m.

The meeting started with Robert Keenan, Community Cooperation Officer (CCO) with MNL, addressing the municipal officials. Mr. Keenan opened with a presentation on Regional Government and regionalization. In the first part of the presentation, he addressed the reasons for why MNL is examining regional government, and why they are examining it now. It was pointed out that these consultations are a follow-up to the three regional government discussion papers released by MNL in 2010 -- *Continuities and Discontinuities*, *Searching for a Purpose*, and *The Umbrella of Protection*.

The CCO officer advanced MNL's position that the current municipal structure needed to be reformed. The purpose of this much-needed reform would be to increase the efficiency, feasibility, and sustainability of municipalities, while protecting municipal autonomy. The CCO officer emphasized the need for reform at this time because municipalities need:

- to become better organized
- to find ways to maintain and improve aging infrastructure
- to address the demographic difficulties that exist for many small towns; and
- to account for the reduced financial and technical support available to municipalities from the provincial government.

Mr. Keenan pointed out that neither the provincial nor federal government has a plan for local government in Newfoundland and Labrador. Such a plan, however, is warranted, and municipalities ought to take the lead in putting forward ideas and suggestions to make them (municipalities) better and more sustainable. Mr. Keenan noted that municipal leaders are local leaders dealing with local problems. Further, it is local leaders, not provincial government officials, who are better positioned to address the problems with the province's local government system.

Finally, the CCO Program Officer explained the purpose of the consultations and the workbook. Participants were informed that workbooks had been sent to all municipalities in the province, and they were encouraged to complete the workbooks as a council and as individual councils. After this brief presentation, the consultation moved to a question-and-answer session; a summary follows.

Question 1: What do you think is your region? Why do you think this is your region? And what do you estimate to be the population of your region?

This question created debate and generated many comments:

- One region was suggested from Holyrood to Georgetown, encompassing a population of seven thousand people
- Many respondents suggested that their region was intertwined with regional services such as waste management and fire fighting

- Another respondent indicated that Long Harbour-Mt. Arlington Heights made up their region with a population of 300 people and 22 school-age children. This respondent presented two options for future regions: Norman's Cove-Long Cove to Chapel's Cove as one option; the other option for a larger region ranged from Long Harbour-Mt. Arlington Heights to Fox Cove. This respondent discussed previous amalgamations in this region
- Another respondent believed that Whiteway was their region. This region supplied regional services-waste management to the larger area and described the difficulty dealing with Local Service Districts (LSDs) and unincorporated areas in a region
- Many questioned the appropriate size of the region. One respondent detailed the problems of being a community without water and sewer between two towns with these services. This respondent stated that currently there was regional cooperation, but many problems were inevitable arising from different needs and views. The respondent then questioned how regional government would provide services for 50 towns without incident.
- Many respondents highlighted the difficulties of regional cooperation with LSDs and unincorporated areas; the fact that LSDs and unincorporated areas did not pay for services was a highly contested issue. Respondents argued that it was also difficult being an unincorporated area surrounded by incorporated municipalities who had more services to offer their residents.

At this point in the consultation, many respondents presented their views towards regional government. They stated that they were currently involved, and firmly believed, in regional services and regional cooperation. Several respondents mentioned that they were suspicious of regional government and were intrigued by what the consultation would present. Others were adamantly against regional government -- particularly, the creation of another level of bureaucracy and taxation. Questions and concerns were raised on the difference between amalgamation and regional government. The CCO officer answered these questions and stated that many of the concerns that the participants raised would be addressed later in the break out sessions/question period. The CCO officer also clarified misused terminology, indicating that regional government and amalgamation were two separate terms. When pressured on what this difference entailed, the CCO officer explained that amalgamation involves dissolving existing municipalities into a larger community, as opposed to regional government that aims to preserve all communities. After this lengthy discussion, the CCO officer returned to a question-and-answer period.

Question 2: How would you rate the level of cooperation that currently exists in your region?

Here are some of the responses:

- There was widespread support for current and future regional services and cooperation
- Many respondents indicated that they were currently involved in regional services such as fire protection, water, and animal control
- Several municipal officials raised concerns that there were too few individuals to properly perform full regional services — one respondent discussed how their area was rich economically, but poor in terms of human resources
- Several respondents maintained that they did support regional services and cooperation, however, they were against regional government and another level of government
- In many instances, the problems with the Avalon Regional Waste Management program were illustrated. Some respondents cited the perceived failure of equality under this program for their suspicion of regional government and its success
- One respondent argued that the provincial government should be more proactive and engaged in dealing with municipalities when it comes to regional services
- The majority of respondents believed that currently regional cooperation was working very well. One respondent argued that with successful joint councils and joint services that regional cooperation in the Northeast Avalon was among the strongest on the island
- Some respondents felt that there was still room for improvement in regional cooperation, evidenced by the Avalon Regional Waste Management program.

Question 3: What services presently performed by municipalities should be conducted regionally or should never be conducted regionally?

Prior to this question, several respondents indicated they did not support regional government. They stated that they would support regional service boards, optional for towns. Municipalities could partner on these boards when it made sense to create more efficient regional services such as fire, water, animal control, and sewer. Municipalities would not be bound to enter into all service boards, rather those boards that would help service delivery. These boards would not add another level of taxation or government-- instead the boards would be run by the participating municipalities. After this discussion, the question was answered. Here are some the responses given:

- A consensus was reached that fire, waste management, and animal control should be performed regionally
- Some respondents felt that economic development could also be shared regionally

- Services that could not be administered regionally included roads, water-and-sewer, and tax collection
- Several respondents took issue with the wording of the question, and recommended “sharing of services” instead of perceived leading questions concerning regional government
- One respondent suggested that every service would have to be examined on a case-by-case basis pending the size of the municipality.

Question 4: Are you aware of the regional council option set out in Part II of the *Municipalities Act*? If so, have you ever considered establishing a regional council in your area?

This question created a great deal of debate and discussion on amalgamation and the difference between regional government and regional councils. There was some confusion over the difference between the *Regional Services Boards Act* and the *Regions* section of the *Municipalities Act* proposed in question 4. The CCO officer explained that the *Municipalities Act* enables municipalities to create regional councils and regional government. He stated that only Fogo Island had ever undertaken this process, which recently ended with amalgamation on the island. The CCO officer then answered questions concerning the difference between this section of the Act and amalgamation, illustrating that the word amalgamation was not even present in this section of the Act and did not involve the dissolution and combination of communities. The Act enabled communities to participate in regional government without amalgamation. After this clarification, it was revealed that none of the respondents were aware or considered establishing a regional council. Although no respondents considered establishing regional councils, many municipal officials admitted that there were problems in their areas and that they would be open to exploring further regional collaboration.

Question 5: Should regional government be municipally controlled or a partnership between municipalities and the provincial government and/or other regional bodies?

Here are some of the responses:

- Several respondents noted that the answer to this question varies given the situation and size of the municipality and its economic means
- One respondent felt that this was a loaded question and inquired about the cost that regional government would entail for taxpayers. The CCO officer explained that there was no accurate estimate of what the cost would be because regional government does not exist presently in NL and is still at a stage of being imagined
- Some concerns were raised about whether regional government would be forced upon municipalities

- At this point, one respondent stated that the questions seemed to illicit a yes-or-no response—either you were for regional government or against it. This respondent suggested that with concepts such as municipally-controlled boards, there is an area in between the yes-or-no, and that most individuals would fall under this category
- One respondent suggested that there should be an option C, “not entertaining regional government at this time.”
- The vast majority of respondents felt that regional government must be municipally controlled
- One respondent suggested a pilot program in certain areas to see the benefits of regional government before committing to supporting regional government.

Question 7: Do you think that regional government should be optional or mandatory?

Some of the highlights include:

- Many respondents felt that it should be optional as mandatory restricts options. This attendee explained that in order for regional government to work, LSDs and unincorporated areas must be addressed and brought under some tax structure
- Again, several respondents stated that they could not answer these questions until they knew the cost of regional government on taxpayers
- Finally, several respondents mentioned that they were unsure on where to stand on regional government, given many were against it.

Question 8: How do you propose giving voice to the interests and concerns of LSDs and unincorporated areas within a regional government?

- Some respondents believed that LSDs and unincorporated areas should elect community councils, which in turn would have representation on the regional government
- Others argued for self-determination and believed that they had no power to influence LSDs and other unincorporated areas. They also argued that there was no incentive for LSDs to get involved
- One respondent suggested that although they were against regional government, they argued that the question should read “do you support the idea of LSDs or unincorporated areas” to which they answered that they should have community councils
- Another group of respondents argued that amalgamation or annexation was needed for LSDs and unincorporated areas to either form their own municipalities or to join an existing municipality – only after this process could they enter regional government.

Question 9: Should a regional government have: A. Specific legislatively prescribed responsibilities; or B. Only those responsibilities delegated to it by the municipalities and communities in the region?

- Most respondents agreed with option B feeling that the municipalities should set the rules
- There was a small faction who felt that option A, specifically legislation, would be a more efficient model for regional government.

Question 10: Should a regional government be: A. Flexible: able to perform any municipal service that a municipality or group of municipalities wants the regional government to perform; or B. Inflexible: perform only those responsibilities granted to it upon its creation?

- All respondents agreed that the regional government should be flexible in order to address exceptionalities and unique conditions within specific conditions in municipalities.

Question 11: How should the costs of regional services be set: A. All residents within a region pay the same fee; or B. Fees would vary depending on which services you receive from the region?

- Most respondents favoured B; however, some argued that A would be a more fair option.

Question 12: How do you think a regional government should raise revenue: A. Invoice municipalities for the costs of regional services; B. Regional government should impose and collect its own tax; C. Regional government should work with municipalities to set appropriate tax rates to cover the cost of regional services; D. Each household pay a fee for service to the regional government for each service it receives from the regional government?

- Respondents were split on this question between option A and D
- It was argued that although a regional service may be administered not all households would avail of the services; hence, they should not be invoiced
- Several respondents argued that LSDs should be charged individually.

Question 13: If a regional government were to use some form of taxation, what type should it use: A. Property tax: regional government rate added to the municipal rate; B. Income tax: a regional government would receive a portion of the income tax from the provincial government; C. Sales tax: a regional government would receive a portion of the sales tax from the provincial government; D. Fee for service; E. Combination of the above options?

- All respondents agreed that option D, a fee-for-service, would be the best option for taxation
- While many respondents participated in this discussion, the overall message was for no additional tax.

Question 14: If regional government results in the establishment of a two-tier system, how should regional councils be selected: A. Directly elected; B. Appointed by municipal and community councils; or C. Other?

- Many respondents chose option B, arguing that this option would be the most efficient
- Some respondents felt that option A, directly elected, would be more democratic.

Question 15: If regional government results in the establishment of a two-tier system, how do you think a regional government should make decisions: A. One vote per representative with majority rules; B. Weighted voting with majority rules - the number of votes a representative can cast is determined by the population of the representative's municipality; C. Double majority - support is needed by a majority of municipalities/communities representing a majority of the population in the region; D. Double majority based on incorporation - support is needed by a majority of municipalities and a majority of LSDs in a region?

- Respondents were split between option A and option B
- Many respondents argued that the elections and voting power should be based on a per capita basis, one that appropriately represents the population of the Avalon Peninsula -- unlike the failure of the Avalon Waste Management system.

The consultation ended with the CCO officer thanking all participants and urging them to complete the workbook.

General findings from this consultation include:

- There is widespread support for regional services; however, many respondents were undecided about regional government
- There is significant opposition against regional government
- More information is needed for many officials to make a choice on regional government
- All attendees were against further taxation
- Some respondents had problems with the wording and purpose of the questions.

