

Regional Government Consultation Thursday, February 24th, 2011.
Labrador Region: Happy-Valley Goose Bay.

The meeting started with Robert Keenan, Community Cooperation Officer with MNL, addressing the delegates. After delegates introduced themselves, 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 be better organized;
- Need new and better ways to maintain and improve aging infrastructure;
- Need to address the demographic difficulties that exist for many small towns; and
- Need to account for the reduced financial and technical support that is available to municipalities from the provincial government.

Mr. Keenan pointed out that neither the provincial nor federal government have a plan for local government in Newfoundland and Labrador. Such a plan, however, is necessary, and it is necessary that municipalities take the lead in putting forward ideas and suggestions to make municipalities better and more sustainable. Mr. Keenan noted that municipal leaders are local leaders dealing with local problems. As a result, it is local leaders, not provincial government officials that 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 were being sent to all municipalities in the province, and they were encouraged to complete the workbooks as a council and as individual councils.

Following this brief presentation the consultation consisted of a series of questions and answers.

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 generated lively discussions on points ranging from the population of the region to what delegates believed their region should look like. Highlights of the responses include:

- The difficulty of establishing a region due to a lack of proper communication and transportation networks in Makkovik and other areas.
- It was suggested that Labrador comprises five separate regions-- three coastal, a central and a western region.
- It is apparent that several regions such as Happy-Valley Goose Bay and the Labrador Straits are afraid of losing their autonomy/independence and identity under regional government.
- When discussing regional government, many speakers emphasized their general fear of loss of their communities.

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

- Many clearly articulated that in various locations -- Makkovik, The Labrador Straits and Happy-Valley Goose Bay -- regionalization already exists but never under the title of regional government. Participants talked at length about how for many years their communities have been cooperating with each other.
- Many regions in Labrador were already cooperating on such crucial services as: recreation, waste management, regional-volunteer fire fighting, rescue services, and the fishery.
- All those who spoke, however, noted that there was room for improvement in terms of cooperation between municipalities.
- Many times it was stated that municipalities did not have a problem in sharing resources. The constant 'fear of loss', however worried communities, particularly, what services may be transplanted under regional government.
- Concerns were also voiced regarding the implications on economic development. The suggestion was made that further collaboration with RED boards and economic development services would benefit municipalities.

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

- Some suggested that fire fighting would be affected (due to problems with proximity to towns), but the major suggestion focused on taxation, specifically, what the tax-structure would look like.
- Several individuals suggested that LSDs should not be taxed like incorporated municipalities because they did not currently pay taxes on par with these municipalities.
- Several delegates voiced their regional concerns. These ranged from the state of the fishery in the Straits, to the lack of an adequate transportation network in the Mary's Harbour area, and to the general fear of loss in many smaller communities.
- There was a suggestion that in the HVGB region in particular, a closer network between economic development boards and municipalities would improve the region.

Question 4: Has your municipality ever participated in the amalgamation process, i.e. been part of a feasibility study, entered into discussions with municipal affairs on amalgamation?

This question evoked a lot of feedback. Highlights include:

- One participant suggested that Fogo Island should be viewed as a shining example of amalgamation due to provincial debt-reduction and greater efficiency.
- Others clearly disagreed with this model, suggesting that the amalgamation created confusion and a lack of autonomy.
- The vast majority of attendees clearly identified themselves as pro-regionalization (or, at least with the concept) and anti-amalgamation.
- Amalgamation was seen to be “a dirty word”, as one participant suggested. It was explained that amalgamation would not succeed due to a general distrust and the fear of loss associated with it.
- One individual suggested regional government would only be considered if no losses could be guaranteed. These losses included: community services, schools, health clinics and other regional amenities.
- Further discussions centered on: the cost of amalgamation on smaller communities; the cost for aging communities; the problems with taxing those who use regional facilities (the HVGB landfill was used as a case study); and the proposed tax structure that would inevitably be problematic.

Question 5: 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?

Participants admitted that they were familiar with this possibility, however none of their municipalities attempted to create these councils.

Question 6: Are participants willing to support considering establishing a system of regional government in Newfoundland and Labrador?

In response, a suggestion was made that instead of the word ‘support’, ‘explore’ should be used. Subsequently, participants indicated that they were ready to consider regional government as a concept.

Question 7: Should regional government be municipally controlled or a partnership between municipalities and the provincial government and/or other regional bodies?

Participants were divided on this question. Some stated that for regional government to work, it would have to be municipally controlled.

Others took the opposite view, saying that a regional government’s success would be tied to its ability to create partnerships.

Question 8: Do you think that regional government should be optional or mandatory?

There was unanimous agreement from the participants that regional government should be optional.

Question 8: How should a regional government be structured?

- Most respondents stated that a flexible structure is warranted.
- There was a firm belief in an official legislating body.
- The delegates stated, however, that more time would be needed to assess which method of governance would be best suited to their needs.

Question 9: So you support including LSDs and unincorporated areas into a regional government system?

The highlights of the discussion on this question are:

- The majority of envisioned problems concerned tax situations – particularly, the concept of taxing LSDs.
- There was no support for taxing LSDs at the same rate as incorporated municipalities. Provincial/federal sales tax and income tax were supported, but no support was given for property tax.
- It was suggested that many volunteers fundraise and operate in smaller communities, and that it is uncertain if individuals would continue to volunteer and fundraise to support an amalgamated or regionalized community.

Question 10: How do you propose giving voice to the interests and concerns of LSDs and unincorporated areas within a region?

- The consensus of the participants was that Local Service Districts (LSDs) needed to be represented, but should not be taxed in the same manner.
- Participants stated that this issue was very difficult to answer. Municipalities did not want to commit to any imposed tax structure, yet they understood that an appropriate tax structure would be essential for effective regional government.

Question 11: Should a regional government be flexible (able to perform different municipal services for different municipalities) or inflexible (perform only those responsibilities granted to it upon its creation)?

There was no opinion given on this question.

Question 12: How should the costs of regional services be set?

The overwhelming opinion was that it would be difficult to agree on any uniform tax structure.

Question 13: How do you think a regional government should raise revenue?

No opinion was given on this question.

Question 14: If a regional government were to use some form of taxation, what type should it be?

No opinion was given on this question.

Question 15: If regional government results in the establishment of a two-tier system, how should regional councils be selected?

No opinion was given on this question.

Question 16: If regional government results in the establishment of a two-tier system, how do you think a regional government should make decisions?

The one vote per-person approach of governance received the most approval. Again, it was suggested that more time and research would be needed to make a firm decision.

Closing Remarks

At the close of the meeting, Craig Pollett, the Executive Director of MNL, emphasized the importance of these consultations. Delegates agreed that these sessions were informative. Several delegates requested that follow-up consultations occur within their region. One individual suggested that the meetings be open to the public.

The meeting was perceived to be a success by both the delegates and MNL. While it is difficult to summarize the content of the discussions that took place, some general findings from this first consultation illustrate that:

- The massive geography of Labrador has an effect on regionalization;
- There is a prevailing fear of loss preventing amalgamation; and amalgamation in Labrador is generally viewed in a negative light;
- All the delegates were open to the idea of regional government, and welcomed more sessions in their regions.