Eastern Regional Government Consultation: Port Blandford
March 31st , 1:00 -3:30 pm.

The meeting started with Robert Keenan, Community Cooperation Officer 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 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 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 into 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 garnered a lot of feedback -- highlights include:
- Individuals debated on what constitutes a region. This debate covered issues of regional services and the size of regions (with no clear consensus on what is better -- small or large).
- Trinity Bight was described as a natural region – population, 1500 – with 12 communities from New Bonaventure to Trinity to English Harbour to Port Rexton.

- Another participant expanded on the region, stating that Trinity Bight to Bonavista -- population of 12, 000 to 13,000 -- would constitute a bigger and more functional region. This region included the Cabot Loop, Port Rexton, King's Cove, Trinity and down the Bonavista Peninsula. This individual suggested incorporating more towns to make this region larger.
- Another individual clarified the population size of the region as 14,000.
- The Isthmus was also suggested as a region.
- Others suggested Arnold's Cove-four towns: Come by Chance, Sunnyside, Arnold's Cove, Southern Harbour -- population of approximately 2400.
- Others supported the idea of larger regions, stating that larger regions would receive more funding and money for fire fighting and other services.

At this point in the consultation, there were a lot of questions regarding what MNL envisioned for regions and how their specific region could achieve regional government. Mr. Keenan used British Columbia as an example to demonstrate that communities separated by great distances still worked under regional government. Mr. Keenan also informed the respondents that it did not matter what MNL envisioned as a region. He pointed out that MNL did not have any regions outlined in their minds.

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

Here are some of the responses:
- Many participants stated that regional cooperation was occurring in Eastern Newfoundland.
- The Isthmus Regional Committee, comprising Arnold's Cove, Come-by-Chance, Sunnyside and Southern Harbour reported that their joint council was working on a joint plan for tourism, fire and communication services.
- In the Bonavista area, participants stated that recreation, Chamber of Commerce, climate attention and tourism were all examples of initiatives/services undertaken cooperatively.

Throughout these first two questions, participants wondered how LSDs would hear the message and expressed their dissatisfaction with LSDs. Municipal leaders voiced their displeasure over not being heard on waste management. Many individuals admitted that they had talked at length with the provincial government but none of their suggestions were implemented.

Question 3: What services presently performed by municipalities should be conducted regionally or should never be conducted regionally?
- Many respondents were non-committal stating that it is impossible to say what can and can not be achieved regionally. They felt the response to this question must be decided within the regions.

- Waste management, fire protection and recreation, economic planning and animal control were cited as good possibilities for regional control.
- Land use-planning, water and sewer systems, collecting taxing and local infrastructure could not be conducted regionally.
- Clarenville's administration of recreation was cited as a success story.

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 elicited few responses, including:
- Trinity Bay North formerly composed of Melrose-Port Union-Catalina-New Catalina is an amalgamated municipality. Individuals shared that it is working well financially.
- Similarly, the amalgamation of Clarenville-Shoal Harbour has worked out well. Despite initial difficulties, the amalgamation has been mutually beneficial for both parties.
- Bonavista had been approached about a potential amalgamation with Elliston; however, it has not happened.

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?

Many respondents were not familiar with this section of the Act -- here are some of the responses:
- One individual became aware of this provision in the Act from reading the regional government papers MNL put out in 2010.
- Many wondered about Fogo -- the only municipality to use this option -- as a model of success. They inquired if this was the reason why they amalgamated.
- Some individuals inquired about the power that the Act actually held.
- Mr. Keenan explained that the Act is flawed and described it as a "toothless tiger" -- municipalities often do not buy in and ignore some aspects of tax collection and funding.

Question 6: Should regional government be municipally controlled or a partnership between municipalities and the provincial government and/or other regional bodies?

Points raised on this question include:
- The vast majority of participants opted for regional government to be municipally controlled.
- Some respondents added that while it should be municipality controlled, regional government would be strengthened by a partnership between the provincial government and municipalities.

Question 7: Do you think that regional government should be optional or mandatory?
Highlights from this question include:
- The majority agreed that regional government should be mandatory.
- They suggested that if regional government was not mandatory, there would be no way to ensure that towns are participating. This would create inequality in services and tax structure.
- Some suggested that every municipality in the Province should be under some form of government -- this mandatory approach would help make the idea a reality.
- Some respondents favoured the optional approach to regional government. They stressed that stronger legislation from government is needed to ensure that LSDs and unincorporated areas work closely with municipalities.

Question 8: 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?
This question caused some difference of opinion, including:
- Many selected A -- specific legislatively prescribed responsibilities. Those who supported this option argued that this would create a more efficient system and would effectively compartmentalize regional responsibilities.
- Others selected option B -- only those responsibilities delegated to it by the municipalities in the region – because of flexibility. They argued that different regions are unique and hence, option A would be too rigid in terms of regional services/responsibilities. Nonetheless, with option B. municipalities can be flexible and address more needs.

Question 9: 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?
Points from this discussion:
- A clear majority of respondents selected option A -- flexible: able to perform any municipal service that a municipality or group of municipalities wants the regional government to perform. The reasoning here speaks to the unique needs of specific municipalities.
- Some felt *flexibility* is a better option, allowing the ability to deal with conditions and circumstances that suddenly arise.
- Some respondents chose option B -- inflexible: perform only those responsibilities granted to it upon its creation. Supporters of this option again referred to their earlier response in Question 8 that this option would create greater effectiveness.

Question 10: How should a regional government be structured: A. two-tier government body; B. Single tier county system; C. Amalgamation or D. Other?

This question garnered different responses, including:
- Some respondents stated that they could not really decide, as there were no universal regions -- responses indicated that it all depends on the region and on the service.
- Some participants preferred option A -- the two-tier government body. They argued that this system would provide better management for the responsibilities of regional government.
- Other respondents selected option B -- the Single-tier county system. Their argument was that this system would be the most effective in tax collection.

Question 11: So you support including LSDs and unincorporated areas into a regional government system?

All respondents agreed that LSDs and unincorporated areas must be included in regional government in order for it to be successful. Most respondents agreed that they should be included in regional government and taxed like all other municipalities.

Question 12: How do you propose giving voice to the interests and concerns of LSDs and unincorporated areas within a region government? A. Have these areas be governed directly from the regional government on which they have representation; B. Require LSDs and unincorporated areas to elect community councils, which in turn would have representation on the regional government; C. Incorporated LSDs and unincorporated areas into existing municipalities.

This question did not elicit definite answers; most respondents were undecided about which method to employ. Here are some of the highlights:
- Some individuals selected option A -- direct governance by the regional government on these areas. Nevertheless, they were unsure if this option would work.
- Others chose option B -- have these areas elect community councils which would be represented on the regional government.
- In selecting option B, many wondered about the power these councils would have -- for example, if there were many councilors representing these areas in the regional government, they worried that the LSDs and unincorporated areas could make the major decisions of regional government.

Question 13: 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?

The focus then shifted to how the regional government would raise funds -- points discussed include:
- The overwhelming majority of participants selected B -- fees would vary depending on which services you receive from the region.
- The answer to this question was based on interpretation of the question. Some took this to mean that all individuals would receive the same

services from the outset, while others believed it was tied to what services were offered to a specific region.
- Those who chose B indicated this would be the most fair as individuals would receive the same amount of services from the beginning.
- Others chose B but said that it was due to the uniqueness and particular services that each region receives.
- Some respondents selected A. They interpreted the question to mean that all regions have the same services; therefore, they felt that this option, all residents paying the same fee, would be appropriate.

Question 14: How do you think a regional government should raise revenue: A. Invoice municipalities for the costs of regional services; B. Regional government impose and collect its own tax; C. Regional government 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 services it receives from the regional government?

Consensus was obtained on this question – points raised include:
- All respondents chose option C -- regional government work with municipalities to set appropriate tax rates to cover the cost of regional services.
- Some felt that this would eliminate duplication of services.
- Others thought this was essential, as regions have different concerns. Snow clearing was used an example to demonstrate this difference provincially.

Question 15: 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?

Variable responses were received on this question – pointed include:
- All options, except A, were selected.
- Those who chose option C -- sales tax -- felt that this would be the fairest option for the most people.
- Similarly, those who supported option B -- income tax -- argued that it would be the most fair. They argued that a fee for service would resemble a property tax which they perceived to be double dipping. They also considered either taking the money from existing income tax or creating a new tax, entitled regional government tax.
- Others argued that an income tax or sales tax would not be fair to regions where some towns had lower incomes. They chose option E -- a combination of options. Further, they suggested that there should be a fee for service and some sort of property tax placed on LSDs and unincorporated areas.

Question 16: 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?

This question required participants to imagine going forward with a two-tier system of regional government. Some of the highlights of the discussion include:

- All possible answers – options A, B and C -- were all selected by various respondents.
- Those who selected option A felt that it was the most democratic option. The supporters of this option outlined the difficulty in selecting a response, as it would relate to the composition and size of regions. If a region was smaller, then the answer would be much easier to derive; however, in the case of the large mega-regions, it is more difficult to decide.
- Those who favoured option B stated that a good strong council will be needed in regional government, one that will have to deal with multiple issues. They believed that by appointing officials from councils, the best representatives would be selected.
- Finally, those who chose option C argued that neither option A or B could compensate for many communities being represented by few officials. They did not offer another option but disapproved of options A and B, stating that if 25 municipalities were only represented by one regional official, this would be problematic.

Question 17: 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?

A multitude of responses were given for this question; points raised include:

- All options, except B, were chosen.
- Most respondents selected option A -- one vote per representative with majority rules. Many perceived this option to be the most efficient and most fair in regional government voting.
- Others supported C -- Double majority. They believed that this option would truly speak to what the majority of the populace of the region wanted.
- Finally, option D -- double majority based on incorporation -- was chosen, as they argued that this would be the only way for every participant in regional government's voice to be heard.

Closing Remarks

The consultation was perceived to be a success by MNL and the majority of the participants. MNL informed the audience that smaller follow-up consultations could be

arranged upon request. These follow-up consultations could be held close to the town of those who requested the follow up.

General findings from this consultation include:
- Many officials are still unsure of how best to approach regional government, particularly how to give LSDs and unincorporated areas a voice in regional government.
- There is wide support for regional government, however, issues around proximity and the size of the region needs to be further clarified.
- What constitutes a region and how best to move forward with regional creation is still a topic to be investigated.
- Variability exists on issues of governance within the regions.