
Working together for vibrant and sustainable communities

WHAT WE HEARD



Vibrant and Sustainable
Communities



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**Environment and Local Government
2021-2022**

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Table of Contents

A message from the Minister	1
A summary of what New Brunswickers shared	3
New Brunswick’s current structure	6
Regional collaboration	10
Land use planning	14
Financing New Brunswick’s local governance system	16
Next steps - a call to action for change	18

A message from the Minister

The places we call home are important to us. They're where our children go to school, where we build friendships, and where we work, play and rest. Local governance plays an essential role in everyone's quality of life regardless of where you live.

We started a conversation in the spring about how to modernize a decades-old local governance system to better meet the needs of New Brunswickers.

We have far too many entities, which creates duplication, and some areas of our province are having difficulty maintaining basic services, such as fire protection. That's why we have embarked on reform to improve our system and I'm so pleased to see such a high level of engagement.

About 1,100 New Brunswickers took part in our 25 engagement sessions. In addition, we received close to 120 briefs, almost 120 emails and more than 1,200 people completed our online survey.

Local governance reform is not just about cities, towns and villages. Residents and community leaders in local service districts clearly expressed that they want their voices heard and to be part of the solution. I welcome their engagement.

We've compiled many shared comments and suggestions in this document, which I hope you will read. This is yet another important milestone as we journey towards modernizing our local governance system. Together, we will have more vibrant and sustainable communities, stronger regions and a stronger province.

Additional resources can be found on our local governance reform website where you can find this report, *Working together for vibrant and sustainable communities: a green paper*, along with community profiles, studies, reports and timelines.

We will be making important decisions on the plan for reform in the coming months, which we will publish in a white paper. It is time now for every community to start having honest discussions on where you are and where you want to be in future years, so that your community is poised to benefit from progressive change. We will have a renewed and modern local governance system that works for New Brunswickers and New Brunswick.

I want to thank everyone who has taken part. Your input is invaluable. I hope you will continue to be involved in your communities and take an active interest in this important process.

A handwritten signature in grey ink, appearing to read 'D. Allain'.

Hon. Daniel Allain
Minister of Local Government and Local Governance Reform

A summary of what New Brunswickers shared

This document is a snapshot of the information, comments and data shared throughout the engagement process, during which many New Brunswickers took the time to communicate their insights and ideas. It is a summary of what was heard through the engagement sessions, working committees, submitted briefs, survey responses and emails as well as comments from many informal conversations that took place. All of the feedback received during the engagement process has been reviewed by the Local Governance Reform team, however, not every idea or comment is captured within this summary document or is a verbatim or inclusive account of every idea shared.

While the general consensus was that reform needs to happen, there was little consensus on the right approach.

The following is a list of thoughts that were heard frequently:

- For a province of our size and population, New Brunswick has too many entities.
- Regional collaboration is important for the viability of our province but depending on the region the priorities for collaboration differ as there is no “one-size fits all” approach.
- Some people suggested that the government implement all of the recommendations contained in the Finn Report while others said the status quo is working for them. Some stakeholders advocated for stronger service hubs and others said they prefer the British Columbia model for regional representation and service delivery.
- Changes are required to the property tax and assessment process to make it more fair, and increase clarity and transparency.
- Enhancements to land use planning are needed to support investment and growth, to protect the quality of life, and to balance interests in natural resources and environmental protection.
- New Brunswickers want elected representatives at the local level.

Engagement approach

Local Government and Local Governance Reform Minister Daniel Allain officially launched local governance reform in January 2021 by laying out the process for public engagement that would continue over the next several months.

In early April, a green paper entitled *Working together for vibrant and sustainable communities* was released to stimulate discussion and generate ideas on how to improve New Brunswick's local governance system. The green paper was structured around four pillars, and a series of opportunities were presented under each pillar. The opportunities were not exhaustive and New Brunswickers were encouraged to provide feedback on what was presented as well as additional thoughts on the reform process.

In keeping with COVID-19 guidelines, engagement sessions were conducted virtually. It is important to acknowledge that this resulted in some constraints for those with limited access to technology and/or a reliable internet connection. However, a variety of methods were offered to provide feedback to ensure that their voices were heard as part of the engagement process.

In late April, a series of thematic engagement sessions with targeted stakeholder groups began. The stakeholders involved included:

- land use planners and developers;
- recreation, culture, arts and tourism groups;
- first responders;
- post-secondary education representatives;
- natural resources, agriculture, and environment stakeholders;
- businesses and economic agencies; and
- multicultural agencies and representatives of newcomers.

These sessions were followed in mid-May by **four public sessions**, two in each official language. These two-hour sessions focused on the green paper's pillars: structure and finance, as well as regional collaboration and land use planning.

Throughout June, a series of 12 regional engagement sessions were held with elected officials, municipal administrators, local service district (LSD) advisory committee members, and representatives from the regional service commissions (RSCs). There were some concerns raised about the timing of these sessions as they were held shortly after the results of May's municipal elections were announced and the appointment of some local service district advisory committees.

In addition to these formal sessions, residents and stakeholders were invited to submit their ideas, opinions, and concerns in writing to the Minister of Local Governance Reform and to the Local Governance Reform team.

Summary of engagement activities



25 engagement sessions at which, in total, more than 1,100 people attended



4 working groups composed of subject matter experts from municipal associations, local service districts, regional service commissions and provincial government departments reviewed opportunities for each pillar



Close to **120 briefs** submitted by New Brunswickers, local governments, stakeholder organizations, and LSD advisory committee



Approximately **120 emails** received



Over **1,200 responses** to the online survey

New Brunswick's current structure

New Brunswickers closely identify with the communities in which they live. Throughout the engagement process residents spoke proudly or wrote passionately of raising their families in the same community in which they were raised. However, this passion and pride has not blinded them to the fact that some things need to change. While some individuals prefer to maintain the status quo, there was a strong acknowledgement that the current local governance structure is unsustainable.

Participants acknowledged that there are too many governance structures, and that consolidation is necessary, but that does not mean communities will lose their identity. As one group put it *“community identities (names, history, culture, and language) can be retained while at the same time reducing the number of local government entities.”*

In fact, several local leaders have identified that they want to be part of the solution. They have voiced that the status quo is not an option, and that progressive change is required. These local leaders have been asked to dialogue with their constituents, on a path forward. Examples of community restructuring projects that are being contemplated at the local level include:

- The village of Stanley, and the local service districts of Saint Mary's, Estey's Bridge, and Stanley.
- The local service districts of Douglas, Keswick Ridge, Bright, and a portion of the local service district of Queensbury.
- The town of Caraquet, village of Bas-Caraquet, village of Bertrand, village of Maissonnette, village of Grande-Anse, village of Saint-Léolin, the local service districts of Pokesudie, Saint-Simon, Blanchard Settlement, Évangéline, Poirier, Dugas, Anse Bleue, and a portion of the local service districts of Pokemouche, Landry Office, parish of Caraquet, and New Bandon.

WHAT WE HEARD...

“People associate with the towns and cities they live near. Balancing the needs of the rural areas with the needs of the cities will be challenging, but would allow areas to have more of a vision for an area. It's too fragmented for good decision making.”

WHAT WE HEARD...

“LSDs should pay for the services they use and furthermore, citizen participation would be greatly enhanced if people living in LSDs could democratically participate in their local governance.”

- The town of Grand Falls, village of Drummond, and the rural community of St. André.
- The city of Campbellton, town of Dalhousie, the local service districts of McLeods, Dalhousie Junction, Pointe la Nim, and a portion of the local service district of Dalhousie.
- The rural community of Cocagne and the local service districts of Grande-Digue, Shediac River and Dundas.
- The village of Alma, village of Riverside-Albert and village of Hillsborough and the local service districts of Hillsborough, Harvey, Hopewell and Alma. Alternatively, discussions to restructure the above-mentioned communities with the town of Riverview have also occurred.
- The village of St. Martins with the local service districts of Simonds, Fairfield and St. Martins.
- The village of Bath, town of Florenceville-Bristol, village of Centreville, local service districts of Glassville, Upper Kent, Wicklow, Peel, Wilmot, Lakeville and portions of the local service districts of Aberdeen, Kent and Simonds.

WHAT WE HEARD...

“Our entire province is really only the population of a mid-sized city. Our problems are not so large that they couldn’t be solved if we worked together and got out of our own way.”

One of the key points raised in the green paper was that New Brunswickers who reside in local service districts (30 per cent of the population) do not elect local representatives who have authority over decision making. This point was discussed in the majority of the stakeholder sessions and in many written briefs. Although some said they are happy with the current system, there was a consensus that all New Brunswickers should be able to elect their local representatives in a process similar to those in local governments.

The green paper listed seven opportunities related to structure. The options ranged from restructuring the entire province into regional municipalities to combining local service districts into larger local government entities, with several options in between. Some groups were supportive of full municipalization of the province, however, many shared that this was not their preference and felt that grouping local service districts together would be a better option.

WHAT WE HEARD...

“NB cannot continue to have a system with incorporated and non-incorporated areas. It must also build sustainable communities with financial stability. Currently there are too many inequalities.”

Representatives from the province's cities said that any changes to municipal structure and governance must consider the impact upon economic growth and investment attraction; that cost-sharing provisions be contemplated in any reforms that would have New Brunswickers paying for the infrastructure they use and the services they receive, and that the current infrastructure deficit must be addressed.

WHAT WE HEARD...

"New Brunswick is a diverse and complex set of entities living wildly different lifestyles. Lowering the amount of governance entities will result in more restrictive umbrella policies that destroy the diversity that is currently available."

Individual local governments said they are prepared to work together within their region to strengthen the local governance system. They want to explore what new governance entities could look like. Some are taking the step to formally present options for their communities and are asking the government to support their vision before the white paper is even released.

WHAT WE HEARD...

"Maintaining a highly granular local government structure encourages local participation in our democracy and facilitates meeting local needs and differences. It also allows local input on services to be provided and taxation needs to support those services."

The concept of strengthening service hubs gained traction during the consultation process from a variety of stakeholders. They acknowledged the greater communities of interest, economies of scale and the benefits for the surrounding entities.

The province's shifting demographics are widely understood. Many see enhanced collaboration as a means of helping to secure the viability their communities.

WHAT WE HEARD...

"Too much centralization means local voices can easily be lost."

Some respondents urged that any restructured local governance entities be built on a minimum tax base and population to ensure they are viable now and into the future. It was recognized that the current viability criteria of 4,000 residents or \$200 million in tax base may no longer be considered sufficient for determining viability.

WHAT WE HEARD...

"New Brunswick has a very diverse population. It is my fear that without individual governance some parts of New Brunswick would be forgotten about."

A concern raised by many representatives from local service

districts was having to pay for services they do not want or need. They were concerned about how this could impact their tax rate now and into the future. Residents want to have a say on where and how their tax dollars are allocated and have input on what services would benefit their communities. For example, a common question was “if local service districts were brought together as part of larger communities, would they have to pay for sidewalks, streetlights, or recreation facilities in other parts of the community, or in their own?” The message was clear that differential tax rates need to continue based on the services offered in different areas of a community.

WHAT WE HEARD...

“Rural residents want lower taxes and freedom of personal choice regarding what they do with their property. We are willing to pay for the necessities (fire, police, garbage, dog catcher). We are not willing to pay for luxuries (civic centres, arenas, etc.) out of our property taxes.”

One idea that was raised several times during the stakeholder engagement sessions was the idea of representative regionalization based on the British Columbia model. This idea would provide unincorporated areas in the province with directly elected local representation in proportion to their population; provide greater tax fairness for urban, suburban and rural residents; help manage growth around urban centres and create more effective local governance. This option could involve the regional service commissions in an administrative role.

Regional collaboration

While at present there is no formal incentive to foster collaboration, there are countless examples of communities throughout New Brunswick working together to help make regions stronger. Some of this has happened out of necessity because a community wanted to pursue an initiative that it was unable to achieve on its own, and in other instances it happened organically out of a true desire to work together to achieve a shared vision.

Regional service commissions are seen as a valuable asset in many parts of the province, but concerns were raised about their structure. Many feel there is an imbalance in membership and in the number of residents each member represents, especially when it comes to large local governments and/or local service districts. There were also concerns raised about how communities opt-in or opt-out of services on a case-by-case basis. This creates a fragmented system which further exacerbates inefficiencies and makes it difficult to plan in the long-term and to retain staff.

What became clear throughout the engagement process is that New Brunswickers are willing to work collaboratively in some areas and that they want communities to work together to offer services in a cost-effective way. Some regions have already naturally come together to address issues such as

WHAT WE HEARD...

“Entice and/or force cooperation and collaboration between communities on infrastructure funding and by establishing minimum standards required for service levels (fire, policing, land use...) that would better protect residents while also forcing smaller, unsustainable communities to merge or better cooperate.”

tourism, and economic and community development at a regional level. While not unanimous, there was a significant level of discussion about expanding the role of the regional service commissions to deliver these types of services at a regional level, although it was clear that any movement in this direction must be supported with the proper resources. It was also suggested that any changes to service delivery, including the regionalization of any services, be recognized and reflected at the provincial level. One proposal was to align regional boundaries to streamline service delivery within the province and to avoid duplication.

Throughout the engagement process, it was frequently observed that while cooperation and cost-sharing of services is important, there is no “one-size fits all” approach and, in some cases, decisions should be made at the regional level to determine the best approach regarding service delivery models.

The following services were noted as having the potential to be delivered or shared regionally, and are listed in no particular order:

- economic development;
- regional transportation;
- housing;
- tourism;
- recreation and cultural facilities;
- population growth;
- libraries;
- immigrant settlement services;
- policing;
- fire protection;
- garbage collection and recycling;
- emergency planning;
- protection of the environment; and
- local road maintenance.

On numerous occasions it was noted that urban, suburban and rural communities are frustrated with the process of proceeding with projects which are labelled as major regional infrastructure. People in suburban and rural areas often feel they are pressured into supporting construction of new “regional” infrastructure that is located in the heart of urban areas. They feel that the urban area labels it as “regional” to access regional cost-sharing. Representatives from urban areas have argued that such infrastructure is used by and benefits the region as a whole as it attracts more people into the region. In light of these differing perspectives, some asked that the reform process help clarify how projects could move ahead on a regional basis and help define what is regional versus local.

Access to broadband, high-speed internet in all parts of the province continued to be identified as a challenge that needs to be addressed. This was particularly relevant given that the 25 engagement sessions were held virtually. The lack of connectivity in some areas posed a challenge for some residents.

The issue of policing was raised on several occasions with concerns expressed regarding cost, the adequate presence of police officers in various communities and perceived increases in reported and unreported crime rates. There is support in certain regions to look at regional policing models, shared resources and bulk buying power as well as sharing specialized services to reduce duplication.

The same idea was raised regarding the provision of fire protection service. However, it was strongly recommended that cooperation be promoted for specialized services and mutual aid, but that regionalization of the fire service could simply increase costs and dissuade volunteerism.

There were also discussions regarding the possibility of allowing New Brunswick's three municipal electric utilities to compete in the energy market in the same manner as private-sector companies by amending the 'for-profit restrictions' in legislation. Representatives of these utilities suggested the potential impact of reorganization and regionalization on their territory should be considered, as well as their role in offering municipal services.

Youth representatives brought forward the idea of "Bâtissons autrement" [Build Another Way], which prioritizes using sustainable building materials, utilizing existing infrastructure differently and more completely, and ensuring just, equitable and inclusive access to infrastructure for the entire population. They also suggested that including young people in decision-making that affects their communities would benefit

WHAT WE HEARD...

"Several schools have shifted their strategy to become community schools. Other schools have integrated health care centers, daycare services, or have transformed their libraries into public libraries. By bringing essential services to communities, especially rural ones, under one roof, government and municipalities have the opportunity to reduce the maintenance costs of many public buildings over the long term."

all New Brunswickers. One suggestion was to directly involve young people on municipal councils by ensuring that each local government establish a seat for a youth representative to ensure their full participation.

In light of the consultations and engagement happening simultaneously in the health care and education sectors in New Brunswick, it was noted that local or regional entities may have a role to play in the recruitment of health-care professionals. It was also expressed, both through local governance reform engagement and separate targeted engagement undertaken by the Department of Education and Early Childhood Development, that there is a desire to enhance collaboration between local governments and schools. Some respondents and stakeholders believe that school priorities and student demographics are meaningful to the local planning process and that local governments should be engaged on matters relating to the needs of local schools such as recreation, infrastructure and safety. Additionally, communities would like better integration to fully utilize the school infrastructure at their disposal.

There is a strong desire to have inclusive and welcoming communities. This was particularly expressed by representatives of multicultural groups and newcomers. They suggested that collaborative equity and diversity policies could be implemented at the regional and local level.

With respect to provincial and locally relevant service standards and metrics, there was a lack of consensus on whether services should be measured and delivery levels tracked. Those who supported establishing province-wide standards believe it is important to be consistent, at a minimum level, regardless of what part of the province a person lives in. It was also recognized that setting benchmarks may help improve performance and clarify expectations for residents. This was raised as an important consideration with respect to all services that can be shared regionally. A few of the services mentioned specifically include: regional transportation, immigration, water system operations, geographic information systems (GIS), and engineering. Those who were not in favour of establishing service standards were primarily concerned about the financial impact, particularly where some services are not widely delivered today.

WHAT WE HEARD...

“Improve collaboration between communities and foster partnerships through a structured process. This would be best done outside the RSC model in smaller groups within a region. LSDs need elected representation and to be responsible for cost.”

Land use planning

Community or land use planning can be defined as managing the development of land and resources. The process balances the interests of individual property owners with the wider needs and objectives of the community, while also protecting the environment. It provides a long-term path to guide change and growth.

Organizations representing the farming, fishing, and forestry industries expressed a consistent view that any changes to the local governance system must ensure that the development of agricultural land, waterways and forests continue to be managed at a provincial level. This could

WHAT WE HEARD...

“SPIs are required to facilitate a more sustainable and planned approach across New Brunswick. This, in turn, assists with better land use planning at the local / municipal level.”

potentially be accomplished with the adoption of a provincial policy framework, which includes Statements of Provincial Interest (SPIs), layers of land use plans, and the use of new and enhanced planning tools. It may help communities and regions find a balance between development, environmental assets and resource uses that reflect local needs and values while also being sensitive to the broader provincial interests.

New Brunswickers clearly expressed a desire to have a land use planning system that treats everyone fairly across the province, which is perceived to be lacking today. Many participants felt that tools such as Statements of Provincial Interest and regional planning can be used to help address the issue of urban sprawl, by creating a more coordinated and collaborative approach to managing development.

Statements of Provincial Interest were suggested for the following inter-related land-use topics:

- coastal development;
- climate change;
- flooding;
- natural resource development;
- natural assets;
- agriculture;
- settlement patterns and healthy built environment;
- forestry;
- mobility, public transit, and transportation;
- strategic infrastructure; and
- historical sites and archaeology.

Stakeholders working in economic development noted that the adoption of municipal and rural plans covering the entire province can help support investment attraction efforts by better understanding what types of lands are available for what types of development.

Representatives from many smaller communities said that in terms of professional resources, they cannot afford to engage planners, building inspectors and development officers who are certified with mandatory minimum standard qualifications, but added that regional service commissions with these resources could step in to fill that gap. In the interests of providing fair and equitable service to all New Brunswickers, a minimum suite of services could be mandatory for all planning authorities and that “minimum suite” could include building, subdivision, planning and zoning services.

Several local governments want to have more of a say in the location of things such as schools or other provincial government infrastructure. Some local governments are seeking to have the province abide by local land use plans and zoning.

Representatives from a number of local governments said that they are looking for options to help mitigate issues such as the availability of affordable rental housing. This could be accomplished using new tools such as inclusionary zoning.

The Wolastoqey Nation in New Brunswick expressed concerns that the green paper does not address the need to protect Aboriginal and treaty rights, nor did it address how Indigenous people will be involved in determining future land use. Their response called for increased collaboration and co-management and recognition of their claimed Aboriginal title.

WHAT WE HEARD...

“Inclusionary zoning has been raised as one possible tool that would help local governments ensure a portion of the rental housing stock remains affordable.”

WHAT WE HEARD...

“A local government can impose strict land use controls to increase density and maximize efficiency, but looser land use and taxation rules in local service districts makes it enticing to develop outside the municipality. The cost to the property owner greatly decreases, but the financial burden on the municipality and province increases.”

WHAT WE HEARD...

“Allowing unlicensed or untrained individuals to approve plans and guide public processes comes with increased risk to public safety, liabilities, project complications, and decisions that do not reflect the public interest.”

Financing New Brunswick's local governance system

There is a direct relationship between the structure of local governance in New Brunswick and how it gets financed. If the structure is changed, the financing must also be reformed.

Local governments and local service districts are united in their view that they should be aware of how a new governance structure would be financed before a decision is made on which structure is implemented.

Throughout the engagement process, it was reiterated that the primary source of revenue for local governments is property taxes. Many local governments have been holding their rates steady for years but have seen an increase in their budgets due to growth in property assessment values. It was understood that taxation should be based on the services that are received. The idea of differential tax rates being utilized effectively should be mandated in any restructured community.

WHAT WE HEARD...

"The current reform must be an opportunity to reduce the fragmentation of local governance, to put in place structures adapted to the realities of the 21st century, to reduce financial inequities and to give the tools and means to all communities, to all regions, to assume their development."

There is consensus that the provincial property taxation on non-owner occupied residential and non-residential properties should be reduced or be eliminated. This view was shared by housing groups, building owners, and business groups. It was strongly argued that this would help encourage more construction of affordable multi-residential units throughout the province. In addition to their concerns regarding property taxation, business groups are also concerned about the overall tax burden.

Some stakeholders urged more flexibility in tax rates and classifications to discourage industrial and commercial development on unserviced rural land just outside of local government boundaries.

WHAT WE HEARD...

"An imbalance currently exists in New Brunswick that results in municipal resident taxpayers paying more than their fair share for key infrastructure and services that benefit the majority of New Brunswickers. This has created a financial crisis in some of our municipalities that is having a negative impact on the entire province."

There was strong agreement with the idea that all property types in local service districts should contribute to the costs of local roads through property taxation.

Residents and organizations representing downtowns suggested that more can be done to bring vibrancy and sustainability to urban areas. Feedback was received on the way property assessments are conducted in the province, including the assessment of vacant land and under-utilized properties within business improvement areas.

WHAT WE HEARD...

“Absolutely no structural change should be considered without an overhaul of the financing structure, specifically the establishment of property tax rates and the allocation of revenue.”

Stakeholders suggested there is an opportunity for greater financial flexibility for local governments, including the potential transfer of tax room and greater flexibility at the local level in terms of tax rates and property classifications. Revenue sharing opportunities related to fines, the carbon tax, and the cannabis excise tax were also identified.

It was also suggested that property tax reform or changes to provincial and local tax systems or rates could be designed to be compatible with any long-term growth strategies in New Brunswick.

WHAT WE HEARD...

“In principle I like the idea [of reform], but these mergers always result in higher taxes. We cannot afford more taxes.”

While not directly related to financing the local governance system, there were discussions regarding the processes in place for local governments to manage conflicts of interest as well as the financing of municipal elections.

Next steps - a call to action for change

All of the feedback received is being analyzed by the Local Governance Reform team and will be considered by the government as the plan is drafted to strengthen and modernize the local governance system.

Local governance reform requires progressive change. The status quo is no longer an option. Detailed in this summary report are examples of the types of things that could and should be improved or adjusted. The next step for the government is to finalize a plan detailing the changes that will be published in the upcoming white paper. The white paper will include bold and progressive changes to New Brunswick's local governance landscape.

Opportunities discussed as part of the engagement process as well as in previous exercises over the last several decades will be pursued by removing inefficient and dated structures and practices. Local governance and the forthcoming changes will impact all New Brunswickers.

Change is never easy. It requires an openness to the possibilities of improvement. It challenges everyone involved to step out of their comfort zone and embrace opportunities to advance the community and provincial interests above their own. To some, change is made easier when they are able to contribute to the future state. If you have a project in mind, now is the time to raise it for consideration. While this does not apply in all circumstances, as a starting point, there is general acknowledgment that to be sustainable, a new or strengthened local government should be able to rely on a minimum of 4,000 people or \$200 million in tax base.

Over the coming months and years, it will be up to New Brunswickers to take up the challenge of reimagining their communities to fit within the renewed local governance system.

