



December 7th, 2021

Hon. Daniel Allain
Minister of Local Government and Local Governance Reform
Marysville Place
P.O Box 6000
Fredericton, NB E3B 5H1

Submitted via email to Daniel.allain@gnb.ca

Dear Minister Allain,

The Union of Municipalities of New Brunswick wishes to commend you and your team for your work in tackling local governance reform. As the first major municipal restructuring since the late 1960s, this reform is critical to creating vibrant and sustainable communities in our province.

Based on the many failed attempts to transform local government in the past 60+ years, we knew this task would be risky and difficult, but your government has taken on a bold and meaningful approach. We appreciate your openness and your willingness to work with us on this important initiative. Thank you for your leadership on this important file.

We recognize that the release of the white paper is not an end, but a beginning of the local governance reform process. UMNB and its members want to continue our participation in the development process to ensure that the voice and experience of our membership is reflected in a new and modernized system. UMNB also recommends that the Provincial Municipal Council be reconvened to assist the department and the transition teams as we move into these structures so that we can provide feedback and address challenges up front.

Since the release of the white paper, our association has been meeting with municipalities to get their perspectives on the proposed reform. Below, we have identified some of their questions and concerns regarding the plan laid out in the white paper. We share them here in the continued spirit of collaboration.

STRUCTURES:

- We are optimistic about the proposed restructuring plan. The White Paper has sought to balance the many factors that create a community beyond tax base and population, such as linguistic profiles, school



catchment areas, and geography, which is insightful. We welcome the addition of rural districts to ensure rural areas have municipal representation. Many communities throughout New Brunswick will be impacted, and we hope that steps will be taken to preserve community identities while ensuring the long-term sustainability of local governments. We also hope for the establishment of processes to ease residents and existing municipal entities into their new relationships. We are eager to hear more details on the transition plan.

- Our members have told us repeatedly that they appreciate the flexibility in the criteria in creating the new entities but have some questions about how it was applied. In some cases, neighbouring LSDs have been placed within a rural district, when they are in fact a neighbouring community who are tied into an existing municipality. We recognize that building these maps is a difficult endeavour and would encourage you and the department to listen to the concerned communities as you work to address the many legitimate concerns of our membership.
- In discussion with municipalities of all sizes, there is agreement that more detailed maps of the proposed boundaries would help answer many questions that our members have.
- One of the comments we have heard since the release of the white paper is that there is a lack of information on reform in councils' hands. There is a need to arm councils with as much information as possible to ensure that they can address their concerns and their residents' concerns. We have seen so far that the lack of information can create challenges to the implementation of the white paper.
- Ensuring that all qualified residents in the province will have the opportunity to vote for local representatives has been a priority for our membership. We are strongly in favour of giving permanent residents the right to vote in municipal elections. This is vital to recognizing the contributions of newcomers to this province and to our communities. As the first province to implement such a change, it would also make New Brunswick a leader with an advantage in attracting and retaining newcomers. We urge you to have this change implemented for the 2022 municipal by-elections.
- We are keen to see the details around transition plans and remain willing partners on implementation.

REGIONAL COLLABORATION:

- Our members are concerned regarding the proposed mandating of services through the RSCs. The scope of service delivery in the white paper appears to create an additional level of government, which runs



counter to the goal of building collaborative and vibrant communities and avoiding duplication of services.

- In the Finn report, the presented rationale for the RSDs (or RSCs as they became) were intended to be a forum where municipalities came to make decisions that affected regional issues. It was viewed as a place that enabled collaboration and not duplication, UMNB members strongly support this definition of RSCs.
- A disappointing part of the white paper was the lack of recognition of the strength of the services that are currently offered by Municipalities. Local governments offer many efficient and effective services, these strengths should be leveraged before duplicating any services at the RSC level. The commissions should be required to scan internally to look at what services are being offered before developing any new offerings.
- Municipalities are also concerned about the roles of the RSC and the linkages with the provincial government. On page 29, the report identifies that the facilitators will create linkages between departments, stakeholders, and the RSC. Our association is concerned that this could create an unnecessary barrier between those who set the policy and those municipalities on the front line.
- We also have concerns about how the opt-in and opt out process will work around services offered by the RSC's. If services are to be mandated through RSC's, when will these begin?
- How will funding of the new services mandated in the white paper to the RSC work? Will these services be funded by the provincial government? If so, what mechanisms will exist to ensure that each region will have access to similar service standards?
- Earlier in this process, the re-aligning of provincial maps was flagged as a priority by the department. It was mentioned at that time that new maps would be based on the RSC maps. Is this still an intended part of the municipal reform process?
- The selection of the new CEOs for the Regional Service Commissions is also of concern to our members. There is a strong feeling that the Boards of Directors should be the final authority on who will lead their local RSC, as ultimately the commission leaders will be accountable to the board of directors and not the transition leader. We believe strongly that ensuring municipalities have responsibility for this process will lead to greater transparency and more cohesion in the new RSC.



FINANCE:

- UMNB recognizes that new financial models remain undefined, but we believe that waiting until 2024 is a missed opportunity to improve community viability through municipal revenue generation. These delays leave our association, concerned about municipalities being under-resourced to serve their new structures, and worried that a delayed transition may prove difficult to initiate in the future. We have momentum supporting reform now and encourage meaningful change in this area be implemented without delay. If there is concern that a transition to a full “pay for the services you receive” model will be too onerous to do immediately, that such a system be introduced straightaway but on a transitioned basis as opposed to waiting several years to start.
- We are concerned that there continue to be areas of the province where residents will not be fully responsible for the costs of the services they receive. This will continue to disincentivize collaboration, again running counter to the goal of creating sustainable and vibrant communities.
- The cost and responsibility of roads is a specific concern that has emerged through the white paper. Keeping the responsibility for local roads with DTI is concerning to many municipalities, especially without changing the subsidy that we know does not address the current infrastructure deficit. This two-level of road management will pose challenges in municipal management.
- There is little in the white paper affording municipalities the opportunity to generate additional revenue for the provision of their vital service offerings.
- Some municipalities have asked questions regarding how CCBF fund will work going forward. How will the split work between RDs and municipalities?
- Our members were pleased to hear that the community grant and equalization program will be looked at to better reflect updated realities. This is an important asset for many communities, and we encourage you to engage in consultations with our association as well as municipalities to ensure the new formula is better representative of the needs of communities considering new structures.

LAND USE PLANNING:

- We are pleased to see commitments to Statements of Public Interest and a province-wide land use plan in place by 2027. However, we are concerned about the service standards for planning. There is certainly a need for such services in the many communities where the standard of land use planning is insufficient, but that is not the case in all corners



of the province. Will municipalities that already have robust and cost-effective land use planning services be able to continue to provide such services under the proposed model? If not, we again emphasize concern that mandating such services under an RSC model will create a duplication of services in areas of the province where it is not necessary.

- Some of our members have questioned about what will happen between now and the period when land use planning will be adopted in 2024. How will development be regulated until then, especially in areas that currently have no or few regulations?
- We are pleased to see the availability of inclusionary zoning by-laws for municipalities, however for this to work the province will need to be an active player in affordable housing development.
- Creating a requirement for municipalities and the province will have a mutual duty to consult on provincial buildings within town limits is a positive initiative that is well received by our membership.

The Union of the Municipalities of New Brunswick is pleased to have been involved throughout the consultation process, and we remain advocates of and partners in bold and meaningful reform. We have cultivated years of experience and expertise in local government and are ready to collaborate with your department through the implementation process.

There will be many challenges in the coming months with implementation of the White Paper. Your department has leaned on us and the other municipal associations for expertise and guidance at every phase in the development and we want to continue to advise you through the transition period. The Provincial Municipal Council is a meaningful way to ensure that the department can leverage all our expertise in this field and help us keep our membership informed of key developments.

We were happy to hear you refer to the white paper as a “living document” and welcome the opportunity to discuss our questions and concerns at your convenience. We deeply appreciate that our local government system must change, and we look forward to working with you to achieve meaningful reform. Thank you for your continued attention to these matters, and please do not hesitate to reach out for should you need further information.

Sincerely,

A handwritten signature in black ink, appearing to read 'Alex', with a long horizontal flourish extending to the right.



Alex Scholten, President
Union of Municipalities of New Brunswick

CC: Premier Blaine Higgs
Ryan Donaghy, Deputy Minister, Local Government and Local Governance
Reform