

Joint Working Group on Regionalization

Report and Recommendations

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Joint Message from Presidents of Municipalities NL and Professional Municipal Administrators NL

The topic of regionalization has been discussed, researched and studied over the course of many years in Newfoundland and Labrador. Municipalities Newfoundland and Labrador (MNL) and the Professional Municipal Administrators (PMA) welcome the release of the Regionalization Joint Working Group report and its recommendations for moving forward with regional governance in our province. As demographics change, populations shift and decrease, and service needs increase, a collaborative, regional approach is required to ensure continued economic development and community growth. A community-based approach, based on a strong plan, is key to ensuring the success of Newfoundland and Labrador communities.

This report is the result of a collaborative effort. We are pleased to have had the opportunity to work closely with the Department of Municipal and Provincial Affairs. Critical issues like the future of the municipal sector in this province require partnerships. We look forward to continuing our work with the Department and with Minister Krista Lynn Howell. Most importantly, we are excited to work with our members to bring recommendations in this report to fruition. We know that it will be a rewarding process and one that will have positive outcomes for the municipal elected leaders and staff who are already working hard on behalf of their communities.

Amy Coady, MNL President

Brian Hudson, PMA President

Acronyms

MPA – Municipal and Provincial Affairs

MNL – Municipalities Newfoundland and Labrador

PMANL – Professional Municipal Administrators Newfoundland and Labrador

LSD – Local Service District

UIA – Unincorporated Areas

RAnLab – Memorial University's Harris Centre Regional Analytics Laboratory

Executive Summary

In February 2020, Municipalities Newfoundland and Labrador (MNL) wrote to the Minister of Municipal Affairs and Environment with a proposal to form a Joint Working Group on Regionalization (the Working Group). The purpose of this Working Group would be to build on the significant consultations and research undertaken and conducted in Newfoundland and Labrador in recent years, and to make recommendations to the Minister on a plan for implementing regionalization. The Minister agreed. The Working Group on Regionalization formed with representation from the Department of Municipal and Provincial Affairs (MPA), MNL and the Professional Municipal Administrators of NL (PMANL). The COVID-19 pandemic delayed the commencement of the formal establishment of the Working Group.

In fall 2020, the Working Group members reviewed dozens of consultation and research reports. Consultations occurred with experts from across Canada for their views on the best path forward to make the local governance sector more sustainable through regional approaches. Municipalities, joint councils, and residents in Local Service Districts (LSDs), and Unincorporated Areas (UIAs) were surveyed regarding current service levels and ongoing collaboration efforts. The MNL Symposium and the PMANL Annual Conference featured regionalization feedback sessions. In addition, several additional stakeholders have been asked to provide their feedback on regionalization. Regionalization was the topic of the 2021 Premier's Forum on Local Government, which resulted in additional input from municipal leaders.

The result is a pragmatic and thoughtful approach to working with the local government sector towards a regional governance model that is inherently flexible enough that it can be applied across the majority of the province. The approach is based on clear, measurable targets in relation to three key categories: compliance, capacity and collaboration.

The recommended approach is based on the following guiding principles:

1. The provision of good local government for all residents;
2. Better and more efficient local services;
3. More transparent and accountable local government;
4. Greater cooperation;
5. Equitable taxation;
6. Enhanced municipal administration;
7. Integrated planning; and
8. Potentially achieving regional economic development.

Key recommendations include:

- Establishing a regional governance structure in the province to provide regional services to communities in order to achieve economies of scale.
- Municipalities will retain autonomy and provide local governance and services to the residents within their boundaries. Residents in municipalities to continue to pay taxes only to their municipal councils.

- Most regions will encompass a population range of 5,000 to 50,000 residents. Provisional regional boundaries will be developed, which will involve stakeholder input and the unique geographical landscape of the province.
- Representation, including the number of seats, wards and decision-making process, will be determined by a provisional regional advisory committee.
- Regional bodies will provide some services, such as land-use planning, economic development, emergency planning and by-law enforcement to all communities in the region.
- Regional bodies will be given taxation authority for properties in former LSDs and UIAs and charge user fees for services provided to municipalities.
- A multi-organization transition team comprised of staff from MPA, MNL and PMA will support communities during the transition period.
- Provincial Government should provide financial and administrative support during the transition period.
- Implement regional governance following a three-phase process over a period of three (3) years:
 - Phase I – Identify local governance capacity, regional boundaries and begin legislative development;
 - Phase II – Regional governance design; and
 - Phase III – Regional governance implementation.

A more detailed list of recommendations appears throughout the Report.

It should be noted that the recommendations address formal governance structures and processes only. Many communities in this province have healthy volunteer and community groups that provide necessary social and community services. These recommendations in no way put these critical community assets at risk. In fact, greater collaboration in governance and services through this process will provide community groups with greater access to administrative and technical support as well as funding opportunities.

Similarly, the Working Group does not recommend renaming any communities. Community identity and pride is important. It is an essential element in building economic development and social capital based on the unique nature of our province.

The Working Group is also recommending that exceptions and special considerations for this process be made for most municipalities in Labrador, Indigenous communities, the urban core of the Northeast Avalon, and large urban municipalities with more than 11,000 residents.

The Working Group recommends that the Provincial Government consult with the Office of Indigenous Affairs and Reconciliation, as well as Indigenous communities and groups to engage them in this process.

The Working Group recommends the provincial government take the recommendations of this report into consideration regarding the regional service boards and the implementation of the **Report on the Review of the Provincial Solid Waste Management Strategy**.

Context

The Joint Working Group on Regionalization (the Working Group) was established by the Minister of Environment, Climate Change and Municipalities in the fall of 2020, in response to a request from Municipalities Newfoundland and Labrador (MNL) to resume discussions and efforts to move forward regionalization in Newfoundland and Labrador. The Working Group includes representatives from the Department of Municipal and Provincial Affairs (MPA), MNL and the Professional Municipal Administrators Newfoundland and Labrador (PMANL). (See Appendix A)

Over the past 70+ years, considerable research and extensive consultations have been completed by both MPA and MNL in relation to regional governance. See Appendix B for a detailed list of publications and research. Most recently, in 2017, the province undertook a major public engagement initiative on this issue. Various stakeholder and public consultations supported insights into elements of a regional governance model and services that residents of the province preferred. The process included 22 in-person engagement sessions, an online questionnaire, and opportunities for residents to provide feedback via email, mail and phone. Over 700 residents participated in the in-person engagement sessions and nearly 6000 individual ideas and comments were collected. Details regarding the process and the results of the engagement can be viewed in the **Public Consultation on Regional Government - What We Heard** report found on the EngageNL website.¹

The Working Group was tasked to build upon the results of the 2017 consultations and research in order to provide the Minister with recommendations for action on a plan forward.

The objectives of the Working Group were to:

- Establish a baseline for the state of the municipal sector today based upon primary/secondary research;
- Review relevant research literature for potential models of regionalization;
- Determine the most relevant best practices in regionalization;
- Engage joint councils, LSDs and other groups of communities; and
- Prepare a report based on results of research with recommendations.

The Working Group strived to identify and recommend a regional governance model that provides a local voice for all residents, while also addressing the unique challenges of Newfoundland and Labrador, such as our geography and rapidly changing demographics. Recommendations are based upon best practices and lessons learned, with the ultimate goal of recommending a flexible model that makes sense for all communities, and reflects input from stakeholders across the province.

The Working Group reviewed dozens of consultation and research reports. Experts from across Canada were consulted for their views on the best path forward to make the local governance sector more sustainable through regional approaches. Municipalities, joint councils, and residents in Local

¹ www.engagenl.ca/sites/default/files/regional_government_consultation_discussion_what_we_heard.pdf

Service Districts (LSDs), and Unincorporated Areas (UIAs) were surveyed regarding current service levels and ongoing collaboration efforts. See Appendix C for a summary of findings for each initiative. Feedback sessions were held at the MNL Symposium and the PMANL Annual Conference. Several additional stakeholders have been asked to provide their feedback on regionalization. In addition, regionalization was the topic of the 2021 Premier's Forum on Local Government, which resulted in additional input from municipal leaders.

Municipal and Regional Governance

The Working Group fundamentally defines municipal governments as incorporations of people in a specific geographical area, with democratically elected representation. At their core, the role of local governments is to provide good governance, services and facilities to residents, and ensure sustainability into the future. In addition to these core roles, municipal governments are empowered to act by way of policies, resolutions and by-laws. They play an active role in coordinating development, protecting the environment, supporting wellness and economic development, and creating communities attractive to both residents and businesses.

Globally, the most successful and prosperous municipal governments function within a collaborative regional approach. Across Canada, municipal regional governance and service sharing exists on a spectrum. Within that spectrum, there are various models with different forms of governance/representation and service provision.

There is no limit to potential configurations of regional governments and/or service sharing. Ideally, models should be flexible enough to address the unique needs of all local communities. Including such flexibility allows for a model that addresses the needs of both urban and rural areas. Preferably, a model should allow for a collaborative approach, which includes, and empowers, community leaders, stakeholders and residents.

Importance and Benefits of Municipal Regional Governance

Healthy, sustainable communities are the essential building blocks of a prosperous province. Regional governance will help support and build prosperous communities, and as a result contribute to a prosperous province for all Newfoundlanders and Labradorians. There are several benefits to regional governance. They include, but are not limited to:

- Good local governance and a local voice for all residents of the province;
- Better and more efficient local services;
- Ability to deliver local services at the appropriate economies of scale;
- More transparent and accountable municipal governments;
- Increased community cooperation and collaboration;
- Fair and equitable taxation;
- Improved administrative and operational capacity;
- Professionalized municipal service delivery;

- Better integrated planning;
- Increased potential for successful regional economic development opportunities;
- Increased social and cultural diversity ;
- Increased ability to attract and welcome new residents, professionals and tourists to rural regions of the province (e.g. newcomers, doctors/nurses, etc.); and,
- Better health outcomes and increased ability to achieve age-friendly communities.

Background

A Brief History of Municipal Government in Newfoundland and Labrador

The municipal sector in Newfoundland and Labrador is relatively young. The first municipal incorporation was St. John's in 1888. The next municipal incorporation in Newfoundland and Labrador after St. John's wasn't until 1938. That year, Windsor Station was incorporated, and was later renamed Windsor. It eventually amalgamated with the Town of Grand Falls.

Most of the municipalities we know today were incorporated in the 1960s and 1970s. At one point there were well over 300 municipalities and over 1,000 communities. This accelerated pace of development, after fifty years of dormancy, was driven primarily by the financial supports that appeared in the initial decade or so after Confederation with Canada. Funding was available to support much-needed infrastructure work, but few communities had the organizational capacity to receive or manage this financial support. Hence, municipal councils became the primary means of receiving funds and incorporation was encouraged across the province.

Today, most municipal governments play a much more complex and embedded role in the lives of the residents they serve. Residents expect more from municipal governments than simply managing money distributed from the provincial or federal governments. They expect good governance, with modern and progressive services. They expect municipal governments to develop a vision for the community and to plan for the resources needed to meet that vision. They expect to be actively engaged in government decision-making. They expect municipal governments to be professional, accountable, and transparent.

In addition, the legislative and regulatory environment in which municipal governments operate has become much more complex and demanding. Many simply do not have the administrative, financial and/or technical capacity to comply with legislative requirements, such as financial reporting, by-law enforcement, federal wastewater effluent regulations, workplace health and safety regulations, and drinking water and wastewater system requirements.

A legislative review of municipal legislation in the province is currently underway. It is anticipated that the new legislation will be enabling for municipal governments to act on ever-evolving issues raised by residents.

Current State of the Sector

In Newfoundland and Labrador, with a population of approximately 520,000, there are 275 municipalities. Three are cities, five are Inuit Community Governments (ICGs), and 267 are towns. Approximately 90 per cent (90%) of the province's residents live in municipalities. Municipalities provide local governance by an elected council and get their authority from the **Municipalities Act, 1999**, and other municipal legislation, such as the three **Cities Acts**, and the **Urban and Rural Planning Act, 2000**. Municipalities collect municipal taxes or poll taxes from residents within their boundaries, and provide various municipal services, such as water and sewer services, recreation, fire services, by-law enforcement, and land use planning. Seventy-eight per cent (78%) of municipalities have populations of less than 1,000 residents.

Approximately 6.5 per cent (6.5%) of the population live in one of the 172 LSDs. LSDs are incorporated entities, administered by elected committees. LSDs may, but are not required to, provide a limited number of services to residents, such as water supply, sewer systems, fire services, garbage collection/disposal, street lighting, animal control and road maintenance. LSDs cannot levy taxes, and are limited to cost recovery on a fee for service basis. There are only two LSDs that have a population of more than 1,000 residents.

The remaining three per cent (3%) of the province's residents live in approximately 120 UIAs. UIAs have no local representation or governance. Residents do not pay any municipal taxes or receive local services, unless arranged privately. Ninety-seven per cent (97%) of UIAs have a population of less than 500 residents.

By way of comparison, in New Brunswick there are currently 104 municipalities and 236 LSDs, which are actually considered unincorporated areas and may elect Advisory Committees, for a population of over 748,000. However, New Brunswick is currently restructuring its local governance system to result in 78 municipalities and 12 LSDs, which will continue to be administered by the province. New Brunswick also has 12 regional service commissions that provide both mandatory and optional services. Every property owner in New Brunswick pays municipal or provincial taxes, and pay both for secondary properties. The administration of and service provision to LSDs is financed through provincial property taxes.

Likewise, in Nova Scotia with a population of over 970,000, there are 50 local governments. In addition, there are only 4 local governments with less than 1,000 residents. Finally, all residents pay property taxes.

Newfoundland and Labrador is the only Canadian province that does not generate any provincial revenue from property taxation, and residents in LSDs and UIAs do not pay any property taxes.

Community Classification	Communities with Populations under 500 and 1,000				Total Communities*
	Pop'n < 500	% of Total	Pop'n < 1000	% of Total	
Municipalities (Cities & Towns)	148	55	210	78	270
ICG	3	60	4	80	5
LSD	161	94	170	99	172
UIA	116	97	119	99	120**

Source: 2016 Statistics Canada.

* Data modified to reflect municipalities and LSDs that have become inactive since the last census period.

** The exact number of UIAs is unknown but is likely higher than the figure in this table. This figure is based on Statistics Canada Census data.

Need for Regionalization

According to population projections by the Department of Finance, under a medium-growth scenario, the median age in Newfoundland and Labrador is projected to increase from 45.4 in 2016, to 50.2 by 2036. Median age refers to the point where half the population is younger and half the population is older.²

Community viability, from a taxation and economic development basis, is at significant risk in the province due to several factors. Financial demands are increasing, particularly in rural regions, due to things like increasing infrastructure deficits, out-migration, reduced population density, and aging populations. It is essential that the province have mechanisms in place to support changing demographics.

With changing demographics come significant social and economic developments that have made local governance more complex and costly. Moreover, many communities continue to experience challenges in meeting new legislative and regulatory requirements, delivering local services, and attracting a diverse mix of candidates to run for office.

As the province's population ages there will continue to be fewer residents willing, or perhaps able, to run and govern municipalities, and to volunteer to deliver municipal services. Given the population of the province and the sheer number of local government entities (over 400 municipalities and LSDs), each requiring councils and committees, the strain is being felt.

The **Municipalities Act, 1999**, requires town councils to consist of five (5) to nine (9) persons. Based on population size, smaller communities struggle more than larger communities to meet required quorum following normal elections.

² www.gov.nl.ca/fin/economics/pop-overview/

In the most recent 2021 municipal election:

- 26.6 per cent (26.6%) of municipal elections were acclaimed;
- 12.4 per cent (12.4%) of municipalities required a by-election to fill remaining vacant seats; and
- 6.6 per cent (6.6%) of municipalities required a special election.

Contested elections are important to the political process and engaging residents in local decision-making. When town councils and LSD committees are unable to hold competitive elections, or establish and maintain required quorums, the ability for communities to independently perform local governance duties is at risk. Moreover, residents' concerns may not be well-represented and critical decision-making processes at the local level may not occur. As such, finding a way to increase the possible pool of candidates and ease the burden on smaller municipal governments, while maintaining representation is essential.

The existing municipal governance system is structured such that residents of UIAs have no local representation or legislative framework, and no formal governance structure. In addition, although LSDs have the authority to elect Committees to manage their communities, they do not have the same legislative authority to tax residents, and to provide services and governance to residents as municipalities.

From a service delivery perspective, Newfoundland and Labrador is lacking a consistency in both the type and level of basic local services. In addition, many municipalities are unable to comply with budgetary and other financial reporting requirements, are in violation of federal wastewater effluent regulations, and are unable to fully comply with drinking water system regulations. This is likely due to the large number of small municipalities with varying levels of administrative and financial capacity. For example, as of October, 2021, there were 210 boil water advisories in place in Newfoundland and Labrador affecting 171 communities. This equates to 13.19 per cent (13.19%) of the population serviced by Public Water Supplies. Of the 210 boil water advisories, 106 are in municipalities and 104 are in LSDs. Approximately 195 (92.86 per cent) of the boil water advisories are in place for non-microbiological reasons, such as operational problems, no disinfection system, chlorine issues or broken systems. The majority of boil water advisories are for systems servicing 500 people or less, or unknown populations.

As the total population of the province declines, the per capita cost of delivering existing, and supporting new, local services will become more expensive if communities maintain their current structure. Finding ways to reduce the duplication of services, improve access to, and consistency, of basic services in communities is critical for sustainability.

A regional governance model will ensure that the costs and benefits for municipal services are shared by all residents, and that all residents are represented by a local governance structure.

Existing Regionalization and Collaboration in the Sector

Community cooperation and collaboration is not a new concept in the province. Some municipalities already collaborate or share services regionally. Currently, there are three formal mechanisms by which municipal governments collaborate regionally: joint councils (including one Joint Mayors Association in Trinity Bay North), inter-municipal agreements and Regional Service Boards.

Joint Councils

Joint councils are municipal organizations that serve as venues for discussion on regional issues and, sometimes, develop regional positions. There are 17 joint councils across the province, with about 12 functioning regularly. The joint councils vary significantly in their activities and administrative sophistication. However, they are valuable for sharing information and discussing regional issues. In some cases, joint councils will undertake lobbying efforts or program delivery, but this is not their primary function. The Combined Councils of Labrador is an exception in that it has annual core funding from the Provincial Government, has a rigorous governance model, and represents municipal and non-municipal communities.

Inter-Municipal Agreements

Many municipal governments have agreements, formal and informal, to share specific services. Animal control, waste collection, fire services, and recreation are fairly common examples. In some cases, local governments sign Memoranda of Understanding as a means of encouraging broader service sharing and collaboration. On the Northeast Avalon significant regional delivery efforts are managed through a regional fire department, a regional water treatment system, and a regional wastewater treatment system.

There is little to no consistency in the design or administration of these agreements across the province. Outside of the Northeast Avalon, organizational capacity to manage service-sharing agreements is extremely rare. In fact, our research has shown that a common complaint about the service-sharing approach is the administrative burden associated with managing these agreements above and beyond the already challenging work associated with running municipalities with over extended human resources capacity.

That being said, recently, municipalities in Conception Bay Centre signed a Memorandum of Understanding in relation to cost sharing services aimed at accomplishing just that. With some early success, the initiative is still underway, but has reached a point where it requires more administrative support to reach its full potential. The Working Group believes that a formal municipal regional governance structure could provide consistent administrative support needed to maintain these types of agreements and ensure their success while allowing municipalities to maintain their autonomy.

Regional Service Boards

Regional Service Boards (RSB) were created in 2012, under the authority of the **Regional Service Board Act, 2012**, to provide and deliver regional municipal services. While the legislation was established to allow the RSBs to provide several services at a regional level, such as waste management, public transportation, recreation, and fire services, many of the active RSBs only provide waste management services. While the RSBs do have the authority to charge fees on a cost recovery basis for services provided, they are unable to directly tax residents. In addition, the governance structure does not provide representation for residents living in UIAs and at times, the board membership structure is too large to allow for good governance. Boards with more than twelve (12) members create conditions where consensus becomes difficult to achieve and important decisions may be delayed or abandoned.

Based on the results of a municipal services census conducted by MNL as part of the Working Group's efforts, approximately half of the municipalities that participated in the census are engaged in at least one formal collaborative arrangement with another municipality. This collaboration is usually focused on one specific task or goal outlined in an inter-municipal agreement. The Working Group sees value in building upon existing collaborations to inform new regional governance initiatives.

Considerations

Previous Regional Governance Efforts and Consultations

Regional governance is not a new concept to Newfoundland and Labrador. Discussions regarding regional governance have been ongoing periodically since the 1950s. (See Appendix B for a detailed list of past research and consultations). A tremendous amount of research and public consultations have led to several commissions, task forces and reports. Each suggested a regionalization model that would apply to every region in the province. Responses to these earlier suggestions for regionalization have not moved forward, primarily due to concerns raised by the public, such as increased costs, fear of a loss of identity and control, and fear of an added level of government and bureaucracy.

Much of the debate in the past has focused on issues of structure, authority, and services. No doubt these issues are important for effective regional governance. However, the key questions that receives less attention, and is arguably more important in terms of deciding whether to move forward with regionalization, is: what are we trying to achieve with a regional approach? What does success look like?

Many other Canadian provinces, and jurisdictions worldwide, experienced great success in implementing regional governance approaches. Provincial governments in British Columbia, Quebec, Alberta, and New Brunswick, have pushed the creation of regional government and service-sharing with much more force than Newfoundland and Labrador, and their efforts have been rewarded with great success.³

³ Keenan, Robert and Philip Whalen. (2010) Continuities and Discontinuities; A Brief History of Local and Regional Governance in Newfoundland and Labrador. p 18.

Dr. Heather M. Hall, Assistant Professor at the University of Waterloo's School of Environment, Enterprise and Development, presented to the Working Group that her research with Dr. Gerald Hodges and Dr. Ira Robinson, on regional governance structure, suggest that in order for regional governance structures to succeed, the following five resources must be provided:

1. Regulatory Resources – these provide the power to regulate private and public activities. They vary in scope and strength, and determine whether the region can develop and enforce regulations effectively.
2. Financial Resources – the capacity to raise funds needed to carry out regional activities. This might include taxes, fees for services, borrowing, grants or all four (4) as opposed to relying on higher orders of government for funding.
3. Political Resources – the power to make decisions, and the way those decisions are made, in particular whether the representatives on the regional body are elected directly or indirectly by the residents, versus being appointed by a higher order of government.
4. Professional Resources – having the necessary professional staff, skills and competencies to carry out regional activities without relying on other levels of government.
5. Planning Resources – the authority to develop a long-term policy agenda for the region.⁴

The presence or absence of any of these resources has frequently explained the success or failure of regionalization initiatives across the country.

The Working Group believes that a more community-based approach is required. Given a clear set of goals, parameters, expectations, and adequate support, municipalities, LSD committees, and residents of UIAs can achieve a progressive regional approach to municipal governance that allows communities in a specific region to come together in order to discuss and resolve common issues, and regionalize services to prevent service duplication and inefficiency.

Our Objectives for Regionalization

Fundamentally, the Working Group believes that healthy, sustainable communities are the essential building blocks to a prosperous Newfoundland and Labrador. This is more than platitudes about communities being “the heart of our province” or “the closest to the people.” Good municipal governance is foundational to our economic, social and health well-being. Economic development happens in communities and in regions. It relies on efficient services and modern infrastructure provided by local governments. Without either, development will not take root. Many municipal governments play a critical role in supporting social development organizations, either through direct support or as a valuable partner in delivering services. Community health is impacted greatly by both land use and strategic planning through zoning, active transportation, and recreation. In short, effective and sustainable municipal governments mitigate the basic challenges that many provincial organizations are faced with when trying to implement provincial strategies. Unfortunately, the current local governance system and sector are not widely capable of fulfilling this role. The broad goal of regional government is to remedy this situation.

⁴ Hodge, Gerald, Heather M. Hall, and Ira M. Robinson (2016). *Planning Canadian Regions* (2nd ed.). UBC Press.

The Working Group has identified three objectives we believe must be met if the challenges facing the local governance sector, and by extension the province, are to be addressed: capacity, compliance, and collaboration.

Capacity

The **Municipalities Act, 1999**, is the oldest local governance legislation in the country and is prescriptive in nature. In 2017, the Minister of Municipal Affairs and Environment, along with the President of MNL, the President of PMANL, and the Mayor of St. John's, launched consultations to modernize municipal legislation. It is anticipated the new municipal legislation will be enabling in nature, and will provide municipal governments with more autonomy, flexibility, and the ability to address new challenges and opportunities as they arise.

One of the proposed key changes to the municipal legislation will be the introduction of municipal purposes to guide municipal government decisions and authority. Municipal purposes at their most basic level are providing good governance and services and facilities to residents, and ensuring sustainability of the municipality. This new approach provides far more freedom and flexibility for municipal governments to address the very particular needs of their communities in a fashion that makes most sense to them. In addition, the new municipal legislation may include the introduction of sustainability criteria for new incorporations and annexations.

Without a regional governance structure in place to assist municipalities in addressing their capacity gaps, municipal governments could find themselves facing significant increases in costs to address. The Working Group believes these capacity thresholds should be catalogued and benchmarked. We value the importance of community self-assessments based on sustainability criteria.

Compliance

Currently, the municipal sector faces challenges in meeting reporting and compliance requirements associated with legislation and funding sources. Budgets, audits and other forms of reporting are often late or insufficiently detailed. The 2018 Harris Centre report, **Demographic Change and Regionalization of Public Services**, points out:

“Enforcing compliance is within the legislative and regulatory authority of the province – the failure to ensure compliance in the past is no reason to not do so in the future. Doing so would result in several critical outcomes. It would raise the bar on municipal performance, compelling local leadership to enhance their governance approaches and in some instances allocate realistic resources to ensure that compliance obligations are met. It would ensure equity in compliance across all municipalities and LSDs. For some municipalities, the burden of meeting compliance requirements might lead to recognition of their own community's weaknesses and capacity, allowing greater consideration of potential regional alternatives. Perhaps most importantly, enforcing compliance, and establishing a public disclosure process, would provide greater awareness, accountability and transparency on the efficacy of the current local government model, not just among municipal leaders but the general public.”⁵

⁵ www.mun.ca/harriscentre/PopulationProject/Regionalization_Report_2018-07-29.pdf

Regionalization

Many municipal governments need financial and professional support in meeting their compliance requirements. The regulatory burden is only increasing. A focus on deeper and wider accountability and transparency in both federal and provincial programming means greater compliance requirements for municipal governments.

The Working Group believes these compliance requirements should be catalogued and benchmarks should be set for municipal governments to meet. Meeting these compliance requirements is fundamental to the delivery of municipal governance and services to residents. If a municipality cannot, over a reasonable amount of time, meet these basic requirements then the existence of a regional government to provide the necessary administrative or technical support to do so is the preferred solution.

Collaboration

Ultimately, increased collaboration is one of the primary reasons regionalization is being explored. It is anticipated that with regionalization, there will be increased collaboration with existing RSBs and within Joint Councils. It is also anticipated that a regional government would provide better administration and consistency across the region, as the region could assist with preparing and administering inter-municipal agreements, in addition to, contracting for services with other entities, such as the RSBs. There is also the potential for better coordination with various government departments.

Principles of Local Governance

The Working Group has identified eight principles that we believe should be the foundation for a regional governance structure in Newfoundland and Labrador.

1. The Provision of Good Local Government for All Residents

As stated earlier, approximately 300 communities in this province are not served by a municipal government. The provision of essential services such as fire services, drinking water, and wastewater management is rare and inconsistent in these communities. There is no reason to continue with this outdated approach. In modern, western democracies, all residents, no matter where they live, benefit from and have representation from some form of municipal government.

2. Better and More Efficient Local Services

The capacity to provide services and good governance varies widely across the province. For example, only half of municipalities in the province have a municipal land use plan and development regulations to control and direct development. A municipal land use plan lays out the physical and collective vision for the community. Without a municipal plan, councils have very little authority or capacity when it comes to development and the activities of property owners within the community.

Essential services such as public water supply protection and drinking water treatment would benefit immensely from a coordinated, regional collaborative approach. Animal control, building inspections

and municipal by-law enforcement are additional basic municipal services that could be effectively delivered through a regional body.

3. More Transparent and Accountable Local Governments

It is often said that residents have quicker, more immediate access to their municipal representatives than their provincial and federal counterparts. While this is undoubtedly true, many municipalities struggle with institutional transparency and accountability. Again, the fault is not with municipal elected officials and staff, but with the lack of administrative and technical capacity to deliver on the promise of accountability and transparency.

The Provincial Government has been, for many years, raising concerns with the inconsistency in required reporting from municipalities and LSDs. Annual budgets, audits, capital works funding reports, and many other reports required under provincial legislation are frequently late. In some cases they are consistently late.

Municipal compliance with provincial and federal legislation is also a challenge facing municipalities and LSDs. Many municipalities are non-compliant with federal wastewater effluent treatment regulations, drinking water permits, and workplace health and safety regulations. It is unacceptable that many local governments are unable to meet these important public safety requirements.

Citizen engagement and residents' expectations for engagement has grown exponentially in the last ten years. While larger municipalities are managing the transition to new, innovative approaches to engagement, the majority of smaller municipalities are struggling to meet residents' expectations, this could be improved through regionalization.

4. Greater Cooperation

Research indicates that greater cooperation between communities on services and policy goals improves outcomes for residents. Cooperation is common in the sector, but as noted earlier, it is typically focused on a specific objective. As also noted earlier, the administrative burden associated with managing too many of these single purpose inter-municipal agreements is a challenge for municipal administrative staff. A regional entity could take on the management of these collaborative arrangements on behalf of the municipalities involved.

5. Equitable Taxation

Some residents of LSDs and UIAs benefit from neighbouring municipal services at no cost, such as parks and walking trails. Hundreds of thousands of dollars are spent annually to maintain roads in UIAs and LSDs. In the 2021 Budget Speech, the Provincial Government committed to "move towards a structure in which everyone pays a fair share toward the cost of providing and maintaining such services."⁶ Implementing an equitable taxation structure will require a mechanism to collect property

⁶ www.gov.nl.ca/budget/2021/wp-content/uploads/sites/5/budget-speech-2021.pdf

taxes from all property owners, not just those living in municipalities. As noted earlier, Newfoundland and Labrador is the only jurisdiction in Canada that does not collect provincial property taxes.

6. Achieving Regional Economic Development Potential

Economic development does not respect municipal boundaries. Labour markets and most economic catchment areas are regional in nature. The Regional Analytics Laboratory (RAnLab) at Memorial University of Newfoundland and Labrador (MUN) has identified 29 “functional regions” that delineate the areas in which people live and work based primarily on commuting patterns. It is primarily within these functional regions that the biggest impact on a region’s economic development potential can be realized. It is also within these functional regions that municipalities can have the greatest impact on development potential given the role they play in the regulatory and planning foundations of a strong economic development strategy.⁷

A regional approach will eliminate the problem of many municipalities in the same region competing against each other to attract new development, industries and businesses. Economic development within the region will benefit all residents through increased tax bases and job creation or expansion.

7. Enhanced Municipal Administration

Many challenges faced by municipalities today can be traced back to a long-term lack of professional and technical support and staff. In most provinces and territories, municipal governments have support from professionally accredited administrative, financial, planning and engineering staff. This leads to better, more informed and transparent decision-making by municipal governments. The tenuous nature of municipal financial resources, and the sheer number and variety of municipal governments makes this impossible given the current structure of the sector.

For example, as per the recent municipal census results, three-quarters of municipal councils report having no more than one full-time equivalent staff person. According to the **Municipalities Act, 1999**, municipalities must employ, as a minimum, a Town Clerk. What this means in practice is that the majority of municipalities only have a Town Clerk, and many of those are part-time staff, working one or two days a week. It is not reasonable to expect these staff, no matter how committed, to deliver the kind of administrative support a modern municipal government needs. Support from a regional entity could ease the burden on these staff and deliver better advisory and administrative services to municipalities.

A regional approach can also play a significant role in augmenting the skills of existing municipal government staff. It could provide career development opportunities to expand skill sets. It could also expand the training opportunities available to municipal staff. Most councils are not currently able to provide the training and professional development opportunities that attract or retain high performing staff.

⁷ www.mun.ca/harriscentre/reports/research/2011/DefiningRegionsEDCWeb.pdf

8. Integrated Planning Approach

Currently, approximately half of all municipal governments have no municipal land use plan and development regulations. Without these legal documents, municipalities cannot zone land, direct development, or effectively guide the future development of their community. The lack of planning regulations has negative implications for property values and can impede development. In addition, it frequently leads to land use conflicts between neighbouring property owners. Further, formal land-use planning does not exist outside municipal boundaries, except where municipal planning area boundaries take in other communities, or are subject to protected road zone plans. LSDs do not have the authority to engage in land use planning; therefore, residents and property development in LSDs and UIAs are most times not subject to land use planning requirements.

As one of the five necessary resources for successful regional development outlined by Hodge and Hall, it is imperative that each region of the province have a development plan. Regions could develop several types of interrelated plans with respect to development, including, land use, strategic, economic development, and infrastructure. In addition, if a region has the capacity to do so, it could also play a more integrative role in addressing social, health, and other needs for the region.

Regional Governance Models

The Working Group considered a number of regional governance models. Models considered included core elements, such as representation, financing, size of regions, and service delivery. While this is not an exhaustive breakdown of all the elements of a regional government; it does however, provide an overview of the major elements that should be considered in the formation of a regional governance structure.

Upon review of the extensive research and consultations completed since 2017, as well as additional consultation and data collection from various stakeholders and subject matter experts, the Working Group recommends the province implement a regional governance structure that balances the elements that meet the specific needs and challenges discussed earlier in this report, while providing flexibility to communities to ensure local autonomy and identity remain intact.

The Working Group believes a municipal regional governance structure should:

1. Address the need for capacity, compliance and collaboration;
2. Have adequate resources necessary for successful implementation;
3. Have flexibility to best address the scale and scope of any particular region's self-identified needs;
4. Provide local governance to residents living outside a municipal boundary; and
5. Address the need for integrated regional planning.

Therefore, the Working Group recommends a regional governance structure be established to undertake the following:

1. Develop and manage an integrated regional plan;
2. Provide municipal services to residents in LSDs and UIAs; and
3. Provide support services to municipalities, as deemed appropriate by the region through a phased implementation process.

The design of regional governance model should address the following issues:

1. Municipal representation: municipal councils would appoint representatives to the governing boards or Councils, either individually or through wards;
2. Non-municipal representation: LSDs and UIAs should be organised into one or more wards so that residents may directly elect representatives; and
3. Revenue generation: authority to levy property taxes on properties outside municipal boundaries, and charge fees to municipal governments for services rendered either collectively or individually.

It should be noted that residents in municipalities will only pay taxes levied by their individual municipal council.

Recommendations

The Working Group recommends that a regional governance structure be implemented as soon as possible. A regional governing body, for a broader geographical area, would serve as a forum for cooperation that ensures all areas of the region have a voice. Its purpose would be to provide certain mandatory services to all residents within the region, and to provide local services to residents in LSDs and UIAs. In addition, it would act as the local government for residents living in LSDs and UIAs. Municipalities would retain their autonomy and provide municipal governance and services to the residents within their boundaries.

The Working Group recommends that if any municipality that is not financially or administratively viable as determined by sustainability self-assessments, wishes to dissolve, they may do so by a two-thirds majority vote of the sitting council. Residents of the former municipality will receive local governance and services from the regional body. This would allow any smaller, struggling municipalities to take advantage of the cost and administrative benefits of a regional governing body.

The Working Group also recommends strong viable LSDs be assessed for municipal incorporation. This would allow for residents of LSDs to main their autonomy as a municipal entity and enjoy the same benefits as municipalities, including the ability to control and direct development.

Regional Local Governance Structure

As a minimum, the Working Group recommends the regional governance structure incorporates the following core elements.

Structure:

- Local governance structure for LSDs and UIAs;
- Municipalities maintain autonomy and not be directed by the regional government; however, they participate in the regional council;
- If smaller, struggling municipalities wish to relinquish their autonomy and dissolve into the regional council, they may do so;
- If strong viable LSD wish to be assessed for municipal incorporation, they may do so; and
- Be supported by a Chief Administrative Officer (CAO) and additional professional staff.

Size:

- Encompass a population of a minimum of 5,000 residents and no greater than 50,000 residents, with some exceptions;
- Assessed property tax base be a minimum of \$200 million;
- Boundaries be drawn for approximately 25 regions;
- Provisional regional boundaries to be drawn based on further analysis and review as well as in consideration of our unique geography; and
- Communities be consulted and given an opportunity to provide feedback on provisional boundaries.

Representation

- Governed by an elected regional council;
- The number of seats on the regional council should not exceed 15;
- The number of seats and wards within the region be determined by a provisional advisory committee for the region. The committee will ensure that the number of seats and wards encompasses equitable representation of the communities within the boundary;
- Residents of LSDs and UIAs be represented by the regional council only;
- Residents of municipalities continue to be represented by their own municipal council. In addition, the provisional advisory committee will ensure that there is municipal representation at the regional council level; and
- Provisional advisory committees determine the decision-making criteria that best suits the needs of communities within the region to ensure equitable representation of all residents of the region.

Service Delivery

- Provide municipal services as outlined in the **Municipalities Act, 1999**, to all residents within the region currently living outside of the boundaries of a municipality (i.e. residents of LSDs and UIAs);
- Provide land use planning, economic development, emergency planning, and by-law enforcement to all communities within the region;
- Deliver other municipal services where financially feasible and communities within the region agree. Municipalities may also provide these services within their boundaries; however, they must still contribute to region for mandatory services. Municipalities will continue to retain the authority to provide additional services as they see fit. Municipalities may still enter into cost-sharing agreements with other municipalities with respect to services;
- Administer and oversee all inter-municipal agreements within the region; and
- Inherit all capital assets and infrastructure located in LSDs and UIAs.

Finances

- Tax authority to determine and collect taxes on properties in LSDs and UIAs;
- Ability to charge user fees for services in municipalities (mandatory services and/or requested services only), LSDs and UIAs;
- Authority to determine the mil rates for the areas in which they impose a property tax;
- All properties in the region be assessed by the Municipal Assessment Agency to determine assessed value;
- Residents of municipalities only pay taxes to their local municipal council;
- The regional council bill municipalities for their share of costs for mandatory regional services; and
- The Provincial Government fund the initial start-up of the regional government.

Recommended Implementation Process and Timelines

The Working Group recommends the following three-phased approach for the implementation of regionalization. (Start dates may vary)

Phase I: Identify local governance capacity, regional boundaries and begin legislative drafting changes													
		2022				2023				2024			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1.1	Establish transition teams												
1.2	Complete community sustainability and viability self-assessments												
1.3	Establish and confirm regional boundaries												
1.4	Draft and introduce new regional governance legislation												

Phase II: Regional Local Governance Design													
		2022				2023				2024			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
2.1	Establish provisional regional advisory committees for each region												
2.2	Provide administrative support to each provisional regional advisory committee												
2.3	Provisional regional advisory committees' decide on the representation structure (i.e. number of seats, wards and decision making) and scope of optional services for the region												
2.4	Identify elements of integrated regional plan												

Phase III: Regional Local Governance Implementation													
		2022				2023				2024			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
3.1	Elect regional council officers												
3.2	Transition of LSDs & UIAs to regional councils												
3.3	Recruitment and selection of regional council CAOs and additional professional staff												
3.4	CAO training and phasing out of transitional facilitators												
3.5	Development an integrated regional plan												
3.6	Mandatory regional service delivery commences												
3.7	Evaluation												

Phase I: Identify Local Governance Capacity, Regional Boundaries and Begin Legislative Changes

The Working Group recommends the establishment of a transitional team comprised of staff from MPA, MNL and PMANL to support the regional governance transition process. Implementing regionalization will be no easy feat, and will require several well thought out steps, time and funding. The purpose of the transitional team would be to provide operational guidance to the process, determine milestones and review progress as regions move through those milestones. The transitional team would provide administrative, facilitative and analytic support to the provisional advisory committees and communities. This group will be responsible to ensure the tools, information and resources are available for a smooth transition.

The Working Group recommends the following staffing resources for the transitional team:

- Executive Director to lead the regionalization initiative and ensure the project scope and milestones are achieved;
- Financial Analyst to provide advice and assistance to communities in costing out specific services and governance options;
- Policy Analysts to provide support in drafting regional governance legislation, advice and assistance to provisional advisory committees, and analysis on the impact of regional governance to local governance or service delivery options;
- Administrative support to assist with the day-to-day operations of the transitional team; and
- Regional Facilitators for each region to provide face-to-face administrative support to the provisional advisory committees and regional councils through the implementation process until the recruitment, selection and training of a regional council CAO is in place.

The Working Group recommends the transitional team report to a Steering Committee comprised of the Deputy Minister of MPA, the President of MNL and the President of PMANL. The Steering Committee would guide the overall progress of regionalization and report back to the Minister.

The Working Group also recommends the identification of current local governance capacity in the municipal sector as it is today. A significant amount of research and consultation has already been completed in recent years. The Working Group recommends that municipalities and LSDs be mandated to complete a sustainability self-assessment tool to be developed by the transitional team. The intent of a sustainability self-assessment tool is to provide municipal councils, administrators and LSD committees with a tool to evaluate and understand their current fiscal, administrative and legislative compliance situation. The tool would provide both municipal councils, LSD committees and MPA with the ability to identify strengths and areas of improvements, specifically areas that will most benefit from greater collaboration.

The data gathered from the self-assessment sustainability tool would serve the following purposes:

- Allow municipalities to reflect upon their current and future sustainability. This exercise will increase awareness of municipalities in regards to their fiscal, administrative and legislative compliance.

- Will be used in conjunction with other data (e.g. municipal assessment data, current boundary alignments, population movement patterns, school catchment areas etc.) to identify proposed regional boundaries. Data gathered would include information on already established regional cooperation initiatives (e.g. joint councils, inter-municipal agreements, etc.), and highlight municipal councils with the capacity to deliver regional services on behalf of a regional governance body.
- Allow MPA, regional councils and municipalities to track sustainability over time, which will provide benchmarks for success.
- Inform the development of criteria for Minister mandated feasibility studies when required for new incorporations, relocations, annexations, etc.

The size and arrangement of administrative regions has long been an obstacle to successful regionalization in this province. The 20 economic zones were the closest to enjoying widespread acceptance. Since then, discussions on regions have varied between one based on population and assessed value to one based primarily on population. During the 2017 public consultation on regional government, 22 draft regions were presented. Feedback gathered during that process indicated that the draft regions required more fine tuning. The vast majority of participants advised that the draft regions were geographically too large.⁸

It must be noted that the nature of settlement patterns in Newfoundland and Labrador, as well as the extreme geographic dispersion of many of our communities will make it challenging to meet the population and assessed value thresholds in every case. Regions must be able to adapt their boundaries when it is not feasible to achieve these thresholds.

It is for this reason the Working Group recommends engaging RANLab to assist the province in the drafting of proposed municipal regions. Data in relation to functional regions as mentioned previously, as well as other data provided by MPA (e.g. tax base assessments, municipal budgets, legislative compliance reports, etc.) will be helpful in drafting provisional regions for discussion with communities.

The Working Group recommends the final step in Phase I would be to draft new legislation to establish regional local governance and layout their powers and responsibilities. This should happen in conjunction with ongoing efforts to modernize municipal legislation.

Phase II: Regional Local Governance Design

In Phase II, the Working Group recommends that the transition team will assist each provisional regional advisory commission with the establishment of a provisional regional advisory commission. Membership will derive from representatives from municipalities, LSD committees and residents of UIAs. The provisional regional advisory commissions will use the analysis from the self-assessment tool to determine the elements of the regional governance structure's representation, such as the number of seats, elections, voting structure that best meets the needs of the communities within their region.

⁸ www.engagenl.ca/sites/default/files/regional_government_consultation_discussion_what_we_heard.pdf

Regionalization

The provisional regional advisory commission will be the interim decision-making body that will ensure the regional governance structure meets the needs of all residents of the region.

It is recommended that a transitional facilitator from the transition team be assigned to each of the provisional regional advisory commissions to help facilitate the regional council design. The facilitator's role will be to provide sound advice, broker a collaborative development of the model and ensure tasks are completed on schedule. In addition the facilitator will help the region address capacity gaps, compliance challenges, and begin planning more effectively for the future.

The support system introduced in year one should continue to be available as the provisional regional advisory commissions move into a more deliberative phase of the process.

The Working Group recommends that the provisional regional advisory commissions develop an implementation plan for each region that clearly shows how the regional council will address the eight principles of regional governance as well as the compliance and capacity issues identified in their analysis. The work of the provisional regional advisory commission should be transparent and available to the public. The plan must lay out the way the regional council will organize itself to administer, fund and plan their activities, and how these activities will make concrete progress in addressing the eight principles as well as the compliance and capacity gaps.

It is critical that clear goals for regionalization be provided to the sector by the transition team. The three categories of objectives outlined earlier in this report should be adopted for this purpose. In addition, clear, measurable indicators for each region must be adopted in order for regions to monitor their progress and compare their results to other regions. Baseline research must be completed on the regulatory compliance of communities in each region, their administrative and professional capacity, and their status as per the collaboration objectives in order to provide useful benchmarks. Staff from the transitional team, in addition to the transitional facilitator, will assist the provisional regional advisory commissions in meeting these objectives.

Phase III: Regional Local Governance Implementation

During Phase III, it is recommended that the provisional regional advisory commission will implement the regional governance structure developed in Phase II. Specifically they will conduct election of officers to the regional councils, hire administrative staff to support the regional council (e.g. CAO, Executive Director, etc.), transition capital assets and infrastructure, and begin the development of integrated regional plans. Advisory support will continue to be provided by the transitional facilitators and the transitional team, but the regional councils will be expected to hire and train their own administrative support. During this phase, the Provincial Government support should shift to ongoing measurement and evaluation, assisting the regions in measuring their progress. The regional council would be expected to provide regular reports on progress towards outputs and outcomes, including an evaluation, which would include recommendations on their activities, structure and scope. Based on this evaluation, the regional council would adjust their integrated plans as necessary and establish a permanent regionalization approach.

Process Support

The regionalization process will require administrative, facilitative, technical and analytical support. The function of this support is outlined in the previous section. Below is an outline for how the Working Group recommends the support be provided.

Technical Support

Timely, accurate and regionally focused technical and analytical support will be critical to the success of this process. The regional provisional advisory commissions must have good information on the social and economic nature of their region, as well as expert opinions on trends. MUN's RAnLab is well-placed to provide this kind of support, including, but not limited to:

- demographic information and trends;
- economic information and trends; and
- regional impact analysis.

Communications

The transition team will be responsible for maintaining a communications plan designed to keep everyone involved up to speed on the progress within regions as well as across the province. The transition team will also prepare a plan for delivering webinars and workshops for staff and provisional regional advisory commissions. These will be an opportunity for training, ideas exchange and team building. Once a year, until the regions are fully established, the Steering committee will convene all participants for a conference to review progress, discuss the process and any improvements required.

Exceptions and Special Consideration

As with any process, there will be cases where exceptions must be made due to geography or pre-existing systems and structures. In the case of the implementation of regional governance, the Working Group makes the following recommendations:

1. Most municipalities in Labrador are remote with the exception of the cluster of communities in the Labrador Straits region. In addition, the Inuit Community Governments are already an integral part of the Nunatsiavut self-government. For that reason, the Working Group recommends that communities in Labrador receive special considerations.
2. There are several small communities on islands around the coast of the province. The Working Group recommends that these small island communities be included in the nearest regional council for the purposes of governance and service provision.
3. The Northeast Avalon region is one of the most integrated in the province. Among the larger, urban centres and the smaller urban-adjacent municipalities in the region, shared services are common. Regional structures already exist for the sharing of core municipal services, such as fire services, drinking water, wastewater and solid waste management. Several of the municipalities in the

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region are already piloting a joint approach to economic development. For this reason, the Working Group recommends that the Northeast Avalon region receive special considerations. Similar considerations would also be given to large urban municipalities with a population of more than 11,000 residents.

4. There are twelve (12) Regional Service Boards in the province. Three (3), the Eastern, Central and Western Boards, have considerably more administrative and technical capacity than the remaining nine. The entire solid waste management system was reviewed in 2019 by Anne Marie Hann, and the Provincial Government is reviewing the recommendations of that report, "Solid Waste Management in Newfoundland and Labrador: Finishing What We Started." including reducing the number of authorities from twelve (12) down to two (2). These discussions are ongoing within the Provincial Government. The Working Group recommends that the Provincial Government take the recommendations of this report into consideration when deciding which recommendations to implement from the Hann report.
5. Indigenous communities across the province are engaged in a complex and meaningful process of establishing their own governance and management mechanisms. Each will need to consider how they want to engage in this specific regionalization process. The Provincial Government should consult with indigenous communities and leadership on how they see themselves in this process.
6. Prior to implementing regional governance, the transition team should engage and consult with the Labrador Affairs Secretariat; the Office of Women and Gender Equality; the Interdepartmental Working Group on Changing Demographics (Seniors and Aging); Health in all Policies; and the Department of Children, Senior's and Social Development's Disability Policy Office and Poverty Reduction and Community Sector branch to ensure regional councils and their boundaries are cognizant of any unintended bias or harm.

Appendix A – Joint Working Group on Regionalization Membership

Steering Committee

Municipalities Newfoundland and Labrador:

Amy Coady, President

Trina Appleby, Vice-President

Department of Municipal and Provincial Affairs:

Ted Lomond, Deputy Minister

Working Group

Municipalities Newfoundland and Labrador:

Craig Pollett – CEO

Deatra Walsh – Director of Advocacy and Communications

Department of Municipal and Provincial Affairs:

Bren Hanlon – Assistant Deputy Minister

Mary Oley – Director of Policy and Strategic Planning

Christie Meadus – Manager of Community Cooperation

Professional Municipal Administrators NL:

Brian Hudson – President

Connie Reid – Treasurer

Tammy Davis – Executive Director

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Appendix C – Summary of Municipal, Joint Council, Local Service District and Unincorporated Areas Surveys.

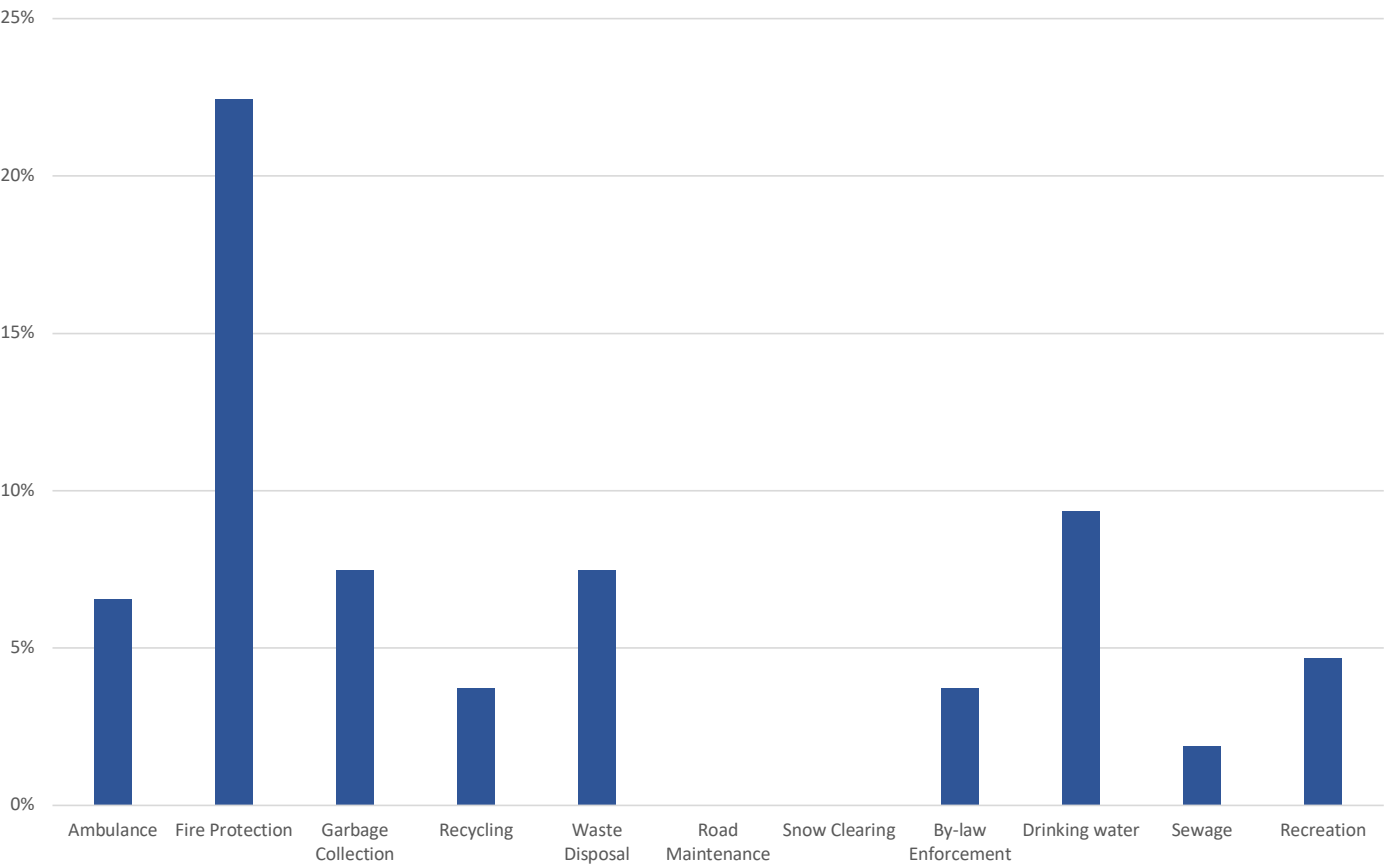
Municipal Census Project 2021

MNL and PMA launched its Municipal Census Project 2021 on May 3, 2021. The survey instrument featured 188 questions across 11 thematic areas. The Census Project targeted municipal administrators as respondents, rather than elected officials. 107 municipalities are represented in the dataset across geographies, regions and community sizes. The survey asked a series of questions specific to municipal service sharing, equipment sharing and regional collaborative activities.

Seventy-seven per cent (77%) of respondents indicated that their municipalities are actively participating in regional cooperation initiatives. Based on these data, 39 municipalities are engaged in joint councils; 32 are engaged in service sharing agreements and 45 are engaged in mutual aid agreements. Please note that these categories are also not mutually exclusive.

When asked about whether municipalities engage with neighbouring LSDs and UIAs, 44 per cent (44%) of municipalities represented do engage with LSDs and 25 per cent (25%) engage with UIAs.

Figure 1: Municipal reporting of shared services (%)



Respondents were asked how municipalities deliver a range of key services to their residents. Most municipalities represented in the dataset deliver services either through their own municipal staff or using contractors. In some instances, municipal service sharing occurs. Among the services where respondents indicated a sharing of services, fire protection is the most common (Figure 1).

When asked why a sharing of services occurs, the top five reasons provided by respondents included:

1. to maintain services for existing residents (38);
2. to cut costs (32);
3. to provide new and improved services (22);
4. to establish good relationships (20); and
5. to share information and ideas (14).

Municipalities share service delivery. They also share equipment. 15 per cent (15%) per cent of respondents indicated that their municipalities share equipment, including garbage trucks, fire trucks, pick-up trucks, and pumper trucks.

Joint Councils Survey

In early 2021, on behalf of the Working Group, MNL created and distributed a survey to joint councils in the province as part of its research activity. The survey contained 13 open-ended questions. It was distributed to 13 identified joint council chairs and/or representatives for completion. Two of these joint councils are no longer active and one did not respond to the survey request. All joint councils are found on the island portion of the province. For the purposes of this report, 10 active joint councils are included in the analyses.

Respondents were asked to identify the mandate and purpose of their respective joint council. While some councils appear to operate under more formal and explicitly stated mandates, others are more informal in their expression of purpose. Based on the responses collected, three common purpose or mandate areas were identified, namely to:

1. communicate with and among the communities of the joint council;
2. work together for common purpose or collaborate, and
3. use the joint council as a vehicle of and support for joint advocacy work.

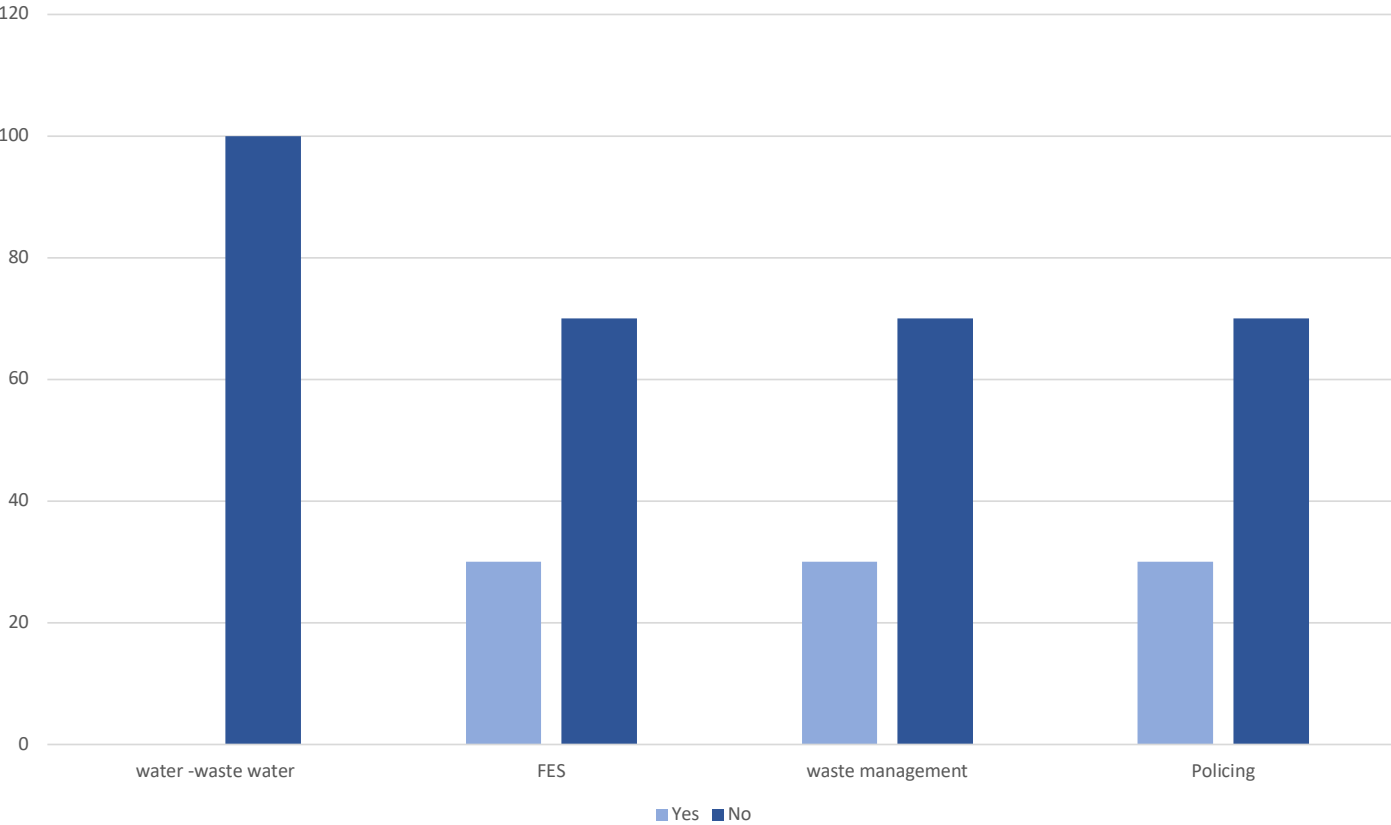
Based upon these broad categorizations, responses from the joint council representatives indicate that communication is the most stated purpose, followed by collaboration and advocacy (Figure 2).

While these identified purposes all connect to working together, several respondents were explicit in their connection of the joint council mandate to a regional approach. In two instances, shared services and the pursuit of efficiencies and effectiveness through sharing were noted. The stimulation of regional growth was also provided as a specific purpose.

Regionalization

Respondents were asked what the most recent projects and priorities were for the joint council. Responses varied but did indicate overlap. Based upon existing and known area for regional collaboration (as per literature and past practice), regional priority categorizations included: water and wastewater infrastructure, fire and emergency services (FES), waste management, policing and other. As Figure 2 indicates, FES, waste management and policing were noted by three joint councils as recent priorities. Water and wastewater infrastructure was not noted at all. Respondents indicated a variety of other priorities including communication and transportation infrastructure, and tourism and recreation. Three indicated specific references to aspects of regionalization including shared services and one referenced the recent example of a formalized approach to this in the province by the communities Colliers, Conception Harbour, Harbour Main-Chapel’s Cove-Lakeview and Avondale. In one instance, a respondent noted that one priority of their joint council is “discussing regionalized services while avoiding regional government”.

Figure 2: Recent Joint Council Priority Identification in Percent (n = 10)



Local Service Districts and Unincorporated Areas Survey

During the summer of 2021, MPA hosted an online questionnaire on EngageNL on behalf of the Working Group to engage residents of LSDs and UIAs on current local service availability, cost, and attitudes toward potential regional services and service delivery. A total of 321 questionnaires and 2 written submissions were received. A summary report of the findings can be found on the EngageNL website at <https://www.engagenl.ca/engagement-initiatives/local-service-districts-and-unincorporated-areas-services-questionnaire>.

