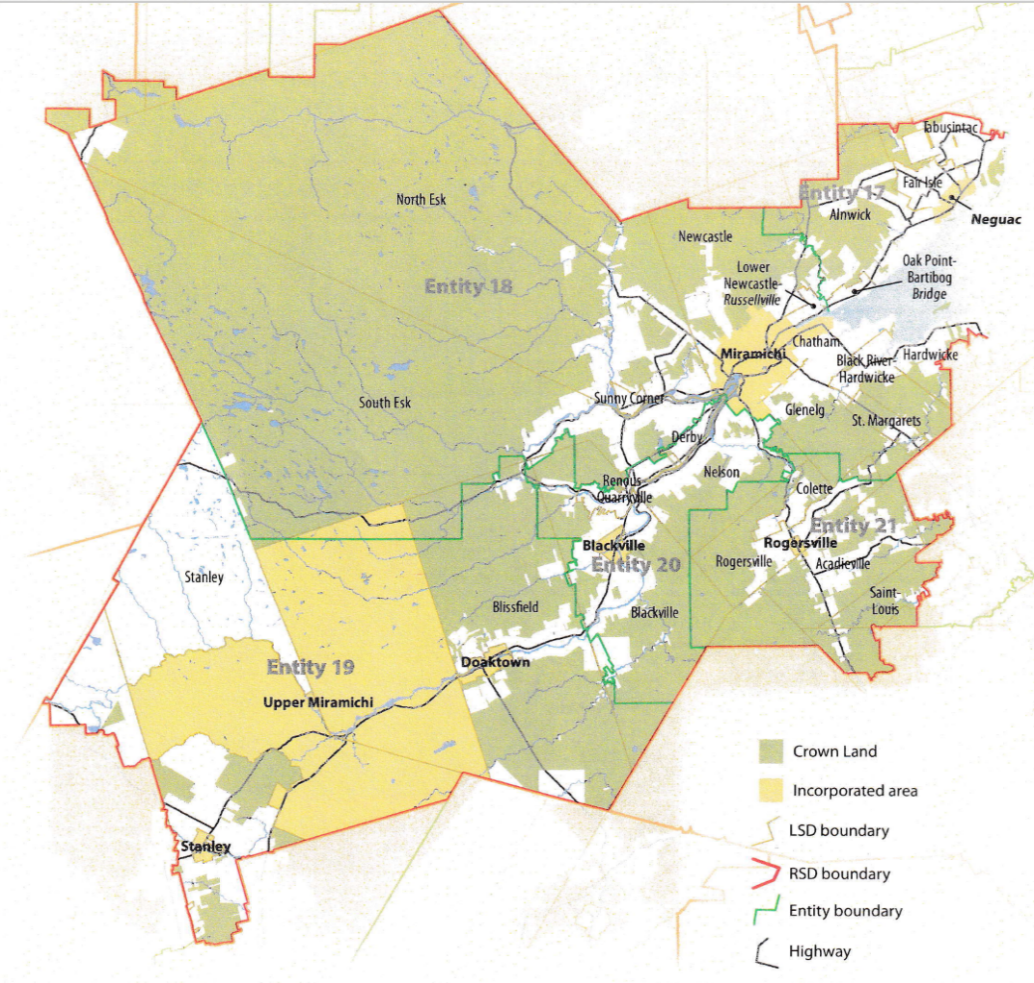
An Image of the Future – Entity 18 and Regional Service District 5

To illustrate the benefits of this new framework, take the example of Entity 18. For the duration of this discussion the municipality shall be referred to as Entity 18, as while the municipality could conceivably adopt Miramichi or any other name, the naming of the 53 municipal entities remains a task for the citizens of each proposed entity.[[1]](#footnote-2) Leaving the name of each entity undetermined is an important measure for the development of sustainable new municipal identities to compliment those of the existing towns, villages, and LSDs.

**Geographic Boundaries**

Entity 18 would be comprised of the City of Miramichi, the Black River-Hardwicke, Chatham, Glenelg, Lower-Newcastle-Russellville, Newcastle, Northesk, Southesk, St. Margarets, and Sunny Corner LSDs,

**Demographic Base**

The total population of the municipality would be approximately 25000 people. Since 2011, this number has remained relatively stable, declining only 2%. In accordance with the *Official Languages Act*, Entity 18 would not be required to operate bilingually because nearly 90% of the residents are Anglophones.

|  |  |  |
| --- | --- | --- |
| **Voter Turnout by Existing Municipality** | | |
| **Municipality** | **Voter Participation 20121** | **Voter Participation 2016** |
| Miramichi | 56.0% | 55.5% |
| 1. Elections NB | | |

While only 30% of the proposed entity’s population currently live in unincorporated areas, that population is spread out over the majority of Entity 18’s landmass. That population and the land they inhabit are accordingly without representative local government. In addition to the lack of democratic institutions, the lack of incorporated municipal entities means that there is no land use planning to coordinate economic development. Amalgamation into Entity 18 would therefore benefit the residents of the effected LSDs by enabling them to use the resources they possess and control this development through local representative institutions. Miramichi’s democratic institutions are in good health with consistently high voter turnout and few by-elections. If the surrounding LSDs were incorporated into the proposed Entity 18, the good health of Miramichi’s democratic institutions would do well to encourage voter participation in the rest of Entity 18.

**Financial Base**

Entity 18 will also have a financial base capable of service provision beyond a simple aggregation of the assessed value of each constituent municipality and LSD. Under the new framework, municipal revenues will come from a combination of equalization payments from the provincial government, municipal property taxes, and other user fees related to services like water and wastewater usage.

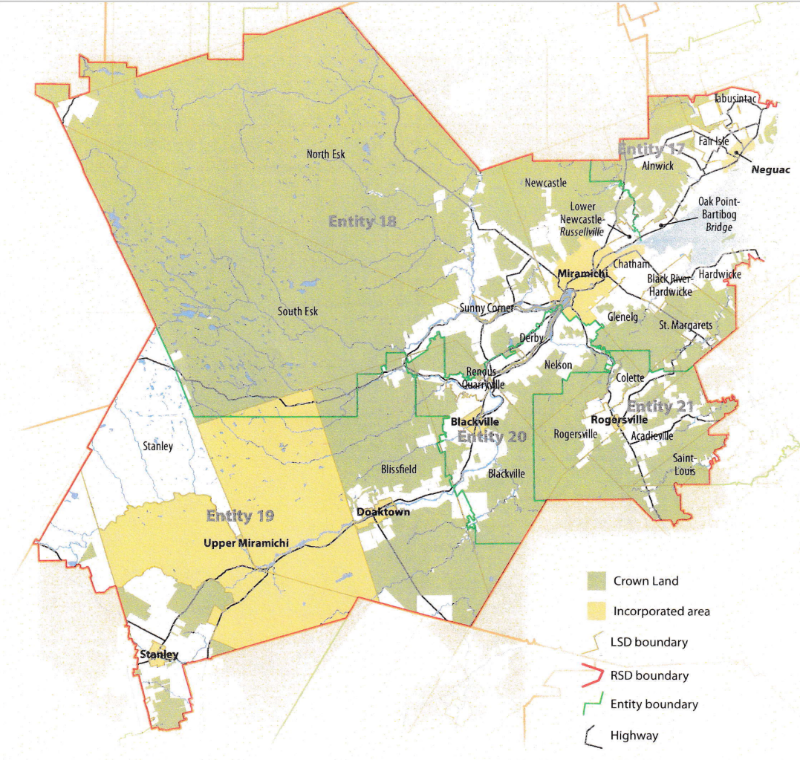
Because its population is above 10000, Entity 18 would qualify as a ‘Group B’ municipality. As Entity 18’s assessment base per capita would be lesser than the group average, it would be entitled to an annual equalization grant of $1,502,668 to ensure equal opportunity among the 53 municipal entities. With the tax room transfer from the provincial government to municipal governments included in the proposed new framework, Entity 18’s assessment base of $1,849,871,600 would also be able to yield more revenue than it could under the current local governance regime. Equal Opportunity among municipalities remains a priority in the new framework, but the primary guarantor of said equality is now tax warrants rather than equalization payments.

Of course, this tax room transfer does not necessitate that property tax rates will increase by $1.50 per $100 of valuation across Entity 18, nor does it indicate that the entire municipality will operate with one uniform property tax rate. Because Entity 18 would be composed of suburban and rural populations and since the level of local services may vary considerably within the same municipality, existing provisions regarding differentiated tax rates within the same municipality would need to be used. Residents within each municipality should be taxed for the level of services they receive.[[2]](#footnote-3)

As has been seen in many municipalities around the province, municipalities can adopt differing tax rates for different areas under their jurisdiction. For example, while Eel River Crossing’s property tax rate in 2011 was $1.32 per $100, each former LSD had different, lower property tax rates appropriate to their circumstances. Similar situations can be found across the province, with some cities even imposing different tax rates for those inside and outside the urban center. Entity 18 could easily implement a two tiered property tax regime similar to Fredericton and Dieppe where those inside the urban area and those outside are charged substantially different rates.

Overall, then, Entity 18 would have a financial base appropriate to its size and population. With such a financial base, the municipal entity could be as ambitious or cautious in its service provision as its residents please.

**Division of Municipal and Provincial Responsibilities**

In addition to policing, emergency measures planning, fire prevention and suppression, roads, and garbage disposal, a municipality may choose to enlarge its role and provide a great number of other services. Many municipalities also take responsibility for local arts and culture, parks and recreation, public transportation, and more. Whether or not this sort of expansion is done is entirely up to the residents of Entity 18, and the tax rates of the entity would reflect this level of service.

Many of these services, however, would be better served being provided at the regional rather than local level. Rather than leaving some services in the care of the province, the new framework provides Regional Service Districts within which municipalities can collaborate on such basic services as policing, waste management, economic development, and land-use planning. Collaboration on these issues will further reduce cost for services, allowing property tax rates to remain at a reasonable rate.

Entity 18 would belong to RSD 5 along with its neighbours Entities 18, 19, 20, and 21 covering portions of Northumberland, Kent and York counties. As with each municipal entity, RSDs could conceivably be named, but this would be left to each to determine for itself. All 5 entities would be partners in the provision of regional services, with each contributing in accordance with their respective demographic and tax bases.

While this region is far too large to be incorporated into a single municipality, the populations nonetheless have a great deal of shared experiences and challenges. Overall, 49% of RSD 5’s residents live and work within their own municipal entity. A further 40% work in a different community within their own county, but these numbers change dramatically depending on which municipal entity is examined. Entities 19 and 21 contain existing municipalities in counties other than Northumberland. Accordingly, their reported inter-county commuter rates are far higher than their neighbours’. Approximately 25% of both entities’ commuters need to lerave their county of residence in order to find work, indicating that despite crossing traditional county lines, the borders of RSD 5 better reflect the needs of its residents.

By better enabling municipalities to provide the services their citizens require through cooperation in service provision, the new framework would therefor clarify the distinction between municipal and provincial responsibilities. While today the service provision of roads, animal control, and policing is dependent on whether or not you live in an incorporated or unincorporated local governance entity, in the new framework, all of these services will be provided by the municipal government. When the residents know exactly who is accountable for what, services will improve.

**Summation**

Overall, Entity 18 would allow all residents to enjoy a comparable level of service in correlation with their level of taxation, to feel represented at a local level and have a real say in how their property tax dollars are being spent, and create a municipal entity that is sustainable enough to navigate the demographic and economic challenges of the 21st century.

1. Finn, 111. [↑](#footnote-ref-2)
2. Finn, 90. [↑](#footnote-ref-3)