



NOVA SCOTIA FEDERATION OF MUNICIPALITIES

Service Exchange Renegotiation and Municipal Government Act Review: Municipal Survey Results

October 2022

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Preamble

In order to better understand the needs and ambitions of Nova Scotia’s municipalities, the Service Exchange Renegotiation and Municipal Government Act Review (SERMGAR) Committee developed a survey to gather input from the Nova Scotia Federation of Municipality (NSFM) members. This survey was circulated on May 16th, 2022, with the aim of collecting data for the Fall of 2022 when the SERMGAR committee would be advising on the Provincial government’s discussions.

This report shares the opinion of municipalities that completed the survey. The survey reflects feedback received from 39 (80%) municipalities in Nova Scotia. Due to the open-ended nature of the survey questions, please be aware that responses may have been moved under a more appropriately fitting question. The survey produced qualitative and quantitative data; the analysis aimed to highlight the main themes mentioned by municipalities. The analysis also mentions individual opinions while maintaining anonymity.

Service Responsibilities

Question 2&3 (Open-ended)
Which responsibilities does your council believe municipalities or the Province should maintain or assume and why?

Table 1 &2) Provincial and Municipal Service Responsibilities

Current Provincial Responsibility	Province Keep	Municipality Take
Public Health, Long-Term Care, Healthcare	27	0
Social Services	25	0
Justice/Corrections	26	0
Environment	21	0
Highway Police	21	0
Provincial Highway	20	0
Education	23	0
Housing	21	1
Trails	0	2

*Questions 2&3 were open-ended questions; therefore, these numbers represent the number of municipalities that mentioned the responsibility or change in responsibility out of 39 respondents. A municipalities lack of mention for a responsibility does not have a direct interpretation. *

Current Municipal Responsibility	Municipality Keep	Province Take
Land-use Planning	30	0
Building Inspections	28	3
Sidewalks	25	0
Recreation	24	0
Local Police	23	10
Public Transit	19	4
Weed Control	11	12
Water and Wastewater	10	2
Solid Waste	9	2
Economic Dev.	4	1
Libraires	3	4
Emergency Services	1	4
Surplus Schools	0	2
Fire Inspections	0	2
Coastal Protection	0	2

Acceptance for local and provincial services distinction: Survey respondents generally express acceptance of municipal responsibilities allocated through the 1994 Service Exchange Agreement (See Table 1&2). Many respondents state that municipalities should tend to local responsibilities, while the provincial government should tend to responsibilities that benefit Nova Scotians broadly. By thinking in terms of local and general, municipalities can focus on localized needs, and the Provincial government can focus on province-wide standards in areas

such as: Education, public health, and social services. The people/property distinction is sometimes mentioned by survey respondents.¹

Provincial weed control: There is a need for a comprehensive and effective provincial weed control program. Several municipalities indicated they were not aware who was responsible for weed control (Table 2).

Public Transit: Several municipalities call for the development of a cohesive province-wide transit system (Table 2).

“Inter-regional transit is critical from an economic development perspective for emission reduction, to improve access to health care services, and as a counter to systemic barriers for people with disabilities. Municipalities can and should be developing local public transit networks, but these should be in coordination with a provincial network, which is critical to the success and connectivity of locally planned and operated systems.”

Emergency services: Municipalities asked for support from the Province for Emergency Medical Services (EMS) recruitment, as well as compensation for fire departments as first responders. (Table 2)

Police: 23/39 (59%) of municipalities indicated they would like to maintain responsibility for police services (Table 2). Seven (30%) of these 23 municipalities indicated they needed additional financial support to do so, as the costs of these services are increasing. Policing is indicated most frequently as a budget constraint in Question 5. On the contrary, there were 10 respondents that indicated the Province should provide quality policing services that are delivered by a central force.

Table 3) Roads in Towns

Town Answers	#	%*
Continue Responsibility for Local Roads	4	21%
Need Support for Town Roads	12	63%
Implement Roads Report	1	5%
No Mention of Roads	2	11%
Total Town Respondents	19	100%

*% of towns that responded to the survey.

Town Roads: 12/19 (63%) responses from towns express concern that their local roads, along with other infrastructure and services, are relied on by populations that exceed those who pay taxes (See Table 3). Several respondents from towns suggest that either all municipalities should have the responsibility to maintain local roads, or none should.

¹ Historically, this distinction has been dispensed with in favour of the local/general distinction since the Graham Commission of 1971. Research shows the local/general distinction often provides a slightly clearer basis for differentiating what services and responsibilities should be delivered by municipalities and provincial governments.

“Make all municipalities responsible for [local roads] or subsidize the costs. Arterial Roads that run through Towns should be funded through payments to the Town who maintain these roads that are provincial in scope and use.”

Table 4) Roads in Counties and Districts

County & District Answers	#	%*
Continue Responsibility for Local Roads	8	50%
Greater Responsibility for Roads	2	13%
Not Satisfied w/ Arrangement	1	6%
Towns Need Support	1	6%
Pay for Roads w/ Taxes	1	6%
No mention of Roads	3	19%
Total County & District Respondents	16	100%

*% of rural municipalities that responded to the survey.

County & District Roads: In the responses coming from counties and districts, 8/16 (50%) express a desire to continue responsibility for local roads (See Table 4). 2/16 (%) indicated they would be interested in taking on greater responsibility of local roads to improve conditions if this financial burden was appropriately accounted for. One respondent stated that local roads should be paid for using taxes.

“Council is open to further discussion about municipalities assuming greater responsibilities for local roads and sidewalks. Current road conditions on secondary and subdivision roads maintained by the province do not meet acceptable standards.”

Roads in Regional Municipalities: All four (100%) of the regional municipalities indicated they would like to continue responsibility for local roads. Two of these municipalities indicated concerns for changes to the J-class roads system.

Table 5) Mandatory Contributions

Mandatory Contribution	Continue Contribution*	Cease Contribution*
Corrections	10	16
Housing	2	14
Education	1	14

*# of respondents that mentioned continuing or ceasing contribution.

Cease Mandatory Contributions: A trend in responses to this question is the suggestion that some or all mandatory contributions, or handover agreements, to corrections, regional housing authority operating deficit, and education should be discontinued (See Table 5). Respondents express the most support for continuing to make payments to corrections because of its relation to policing.

Responsibility for services municipalities can control: Survey respondents consistently state that municipalities should only oversee services and regulations that they can control or have a say in. Reasoning be that services intended to be consistent across the province should not be, or become, a municipal responsibility.

“Municipalities should only be in charge of things that they control and should be able to recover the costs for those that they don’t control.”

Municipal capacity exceeded: Ceasing mandatory contributions, specifically education, is justified in the responses with the reasoning that municipalities have increased responsibility in areas that are exceeding their capacity. There are already large financial constraints due increases in the cost of policing, transit, libraries, fire services, water and wastewater (Also see Questions 4,5,7).

“What we are seeing is an increased dependency on municipal government to address problems of a national scale. Population increase, homelessness, housing crises, climate change mitigation and adaptation, asset management etc. These issues are extraordinarily complex, and each municipality has but a limited capacity in many cases to tackle these issues head on.”

Question 6 (Open-ended)

What new service responsibilities would your municipality find unacceptable?
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No additional service responsibilities: Many respondents (21%) answer this question by simply saying “Anything” and express that any offloading of responsibilities without considering all municipalities or additional funding, would be unacceptable.

Not acceptable new services: Specifically, respondents state that new responsibilities in the following areas would not be acceptable:

- Provincial roads.
- Health care, physician recruitment, and long-term care facilities.
- Education.
- Housing.
- Social services and child welfare.
- Coastal and shoreline protection and enforcement of provincial regulations.
- Environmental Health Services.

Discretionary Abilities

Question 7 (Multiple choice)
 Please indicate the discretionary abilities that your council believes are useful for your municipality.

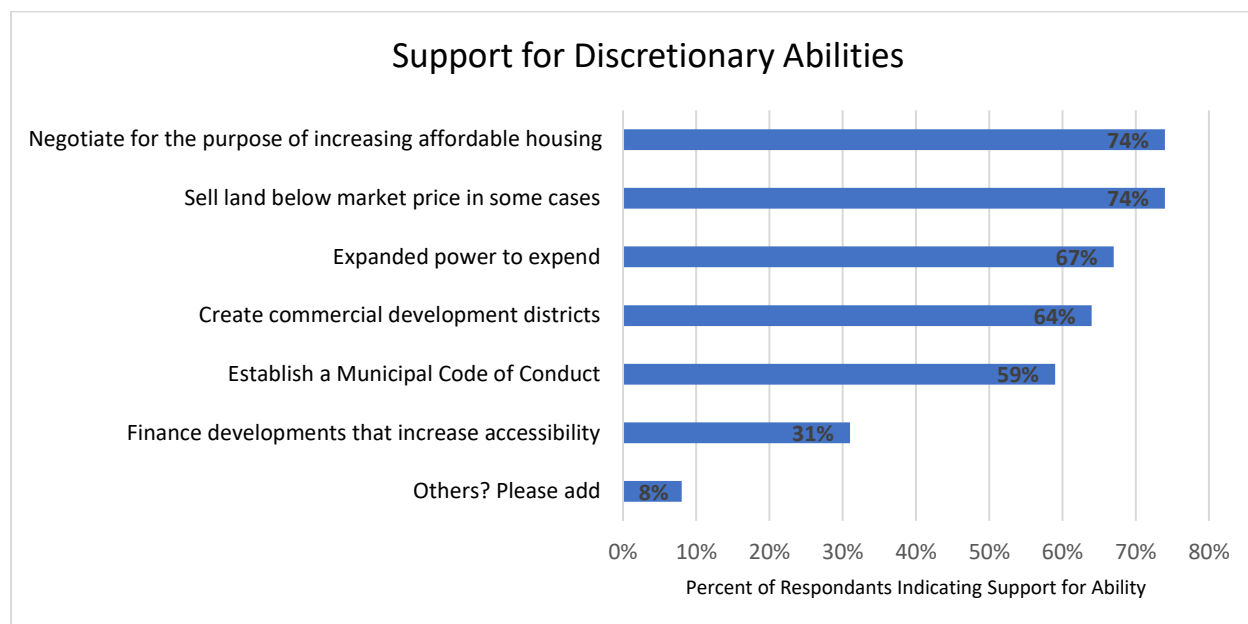


Figure A: 39 respondents answered the question. The bar graph above shows the percentage of municipalities which consider each discretionary ability to be useful. As shown, many respondents find new (since 2015) discretionary abilities granted in the MGA to be useful. One respondent stated that none of these new discretionary abilities have been helpful.

Reduced support for: In Figure A, the only case in which less than a majority of respondents express support is ability to finance developments that increase accessibility. See “Resulting in downloaded responsibilities” in Question 7 for a possible explanation.

Discretionary abilities receiving the most support: These discretionary abilities included the ability to sell land below market price, and the ability to engage in negotiation for the purposes of increasing housing.

“Other”: Responses include some explanation for selecting certain discretionary abilities, reducing a carbon footprint, and responses better placed with forthcoming questions included below.

Question 8 (Open-ended)
 What discretionary abilities conferred by the Municipal Government Act (MGA) does your municipal council believe are not useful and why?

No issues with new discretionary abilities: Approximately 40% of respondents expressed that they have no issues with discretionary abilities granted in the MGA since 2015.

Resulting in downloaded responsibilities: Survey respondents frequently mention that enabling legislation can have the same outcomes as downloaded responsibilities. Specifically, the ability to fund accessibility improvements was mentioned as a budget constraint by approximately 39% of survey respondents. In such cases, the public or business community is led to expect a service that is not always financially feasible for municipalities. Respondents explain that all MGA discretionary abilities require capacity (financial, personnel, scale etc.) to be effectively implemented. These discretionary abilities can create competition between municipalities. In these cases, more affluent and financially stable municipalities have the advantage.

“Ability to finance developments that increase accessibility - There is some concern that this will create an expectation to fund businesses who are required to comply with a provincial mandate.”

Beyond scope: Survey respondents often state that enabling legislation can also cause “scope-creep” and accumulation of costs that interferes with the fulfillment of core municipal responsibilities. This sentiment is supported by the theme “Capacity exceeded” in Question 2&3.

Antiquated abilities: Survey respondents occasionally mention that discretionary abilities have become outdated and unnecessary, such as provisions regarding dangerous or unsightly premises, grants to the private sector, or selling deeds for cemetery lots.

Question 9 (Open-ended)
What additional discretionary abilities does your municipal council believe should be granted by changes to the MGA?

No additional discretionary abilities: Approximately 36% of respondents stated “nothing at this time” in response to Question 9.

Discretionary abilities with more than one mention:

- The increased ability to engage in private public partnerships, partner with private enterprises, and engage in business ventures (Also described as natural person powers).
- Expanding 51B: this allows CBRM to sell eligible municipal property below market price, there is support to expand this to all municipalities.

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- Expanding 71C: This allows the ability to phase in taxation on commercial developments, there is support to expand this to residential developments.²
- Amend 71C to include areas not currently serviced by a water system for rural municipalities to make use of this ability.
- Increased authority over speed limits, road safety, and rules of the road.
- New revenue raising capabilities (also discussed in Question 16):
 - Ability to tax owners of vacant homes.
 - Ability to apply marketing levy to additional short-term rentals (i.e., Airbnb).
 - Ability to charge levies on events and marketing.
 - Allowing municipalities to receive royalties for the extraction of natural resources (e.g., forestry and mining).
 - Ability to set or lift seasonal commercial tax rates independently.

Discretionary abilities with individual mention:

- Update public notification and consultation requirements.
- A broader delegation of responsibilities and powers by subject area, or instead, a list of items municipalities cannot do.
- Establish a process of consultation or create by-laws for issues that impact individual municipalities.
- Ability to run lotteries on behalf of community groups and non-profits that are struggling to fundraise.
- Require hydrological study in legislation rather than Development Agreement.
- Ability to create water lots and act as a harbour management authority.
- Power to protect old forests, lakes, rivers, wetlands, and other natural resources.
- Ability to change Fire Commission and District Boundaries.
- Relating to land/planning/property:
 - Ability to acquire Crown land.
 - Ability to regulate the location of homeless shelters.
 - Collection of an open space contribution where multi-unit buildings are constructed and drive costs.
 - Ability to regulate trees on private property if preservation is a priority or if it is a public safety concern (extending 63 (11) to private property).
 - Additional capabilities to address property owners in arrears.
 - Density Bonusing/incentives for residential developments in serviced areas.
- Tax:
 - Tax incentives for fully accessible residential units.
 - Increased abilities to use funds from a tax sale.
 - Reform 147(5) of MGA to provide the ability to use tax sale surplus before 20 years.
 - The ability to provide incentives to attract businesses/development (related to 71C).
- Green energy:

² There is large support for the expanding of 71C, but one municipality indicates concerns including but not limited to: less commercial tax revenue, increased tax burdens for others, municipal infrastructure relying on these taxes, and competition among municipalities.

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- The Province should ensure that Nova Scotia Power provides market access for municipal green energy projects.
- In municipalities where federal and provincial government green energy initiatives are taking place, provide benefits with respect to land, agreements (including with the private sector) and revenue streams.
- Council changes:
 - Enable delegation of responsibility to CAO, to make decisions on behalf of council. e.g., allow approved borrowing rather than council decision every time.
 - Extend S.31 (2) in MGA to CAO – to allow them to negotiate leases less than a year.
 - Ability to pass deficit budgets in some cases.
 - Ability for council to designate a Freedom of Information and Protection of Privacy Administrator.
 - Expand grounds for councils to go in camera.
 - Allow of the absence of CAOs during times of performance review.
 - Set a uniform pay scale for council members.

Financial Considerations

Question 4 (Open-ended)

What discretionary expenditures by your municipality does your council believe should be better supported by the Province?

Survey respondents express the belief that more support for the following discretionary expenditures is necessary to create healthy communities (See Table 6). They reason that recognition and support for these costs will help to devise a fiscal framework that enables municipalities to respond to these issues.

Table 6) Discretionary Expenditures Needing Support

Discretionary Expenditure	#	% *
Health and Long Term-Care	29	74%
Housing	24	62%
Economic Development	18	46%
Emergency Health Services & Public Safety	13	33%
Recreation & Arts & Culture	13	33%
Wastewater and/or Solid Waste	5	13%
Transit Across Boundaries	4	10%
Local Roads	4	10%
Trans Canada Trail & Bridges	2	5%

*N=39, % of respondents indicating the expenditure needs support.

Healthcare support needed:

- Recruiting and retaining physicians, and health care workers.
- Funding long-term care facilities.
- Mental health and addictions services.
- Rural walk-in clinics to remove pressure on emergency room.

“Physician recruitment and retention should be led by municipalities but should have better financial support from the Province to obtain/retain resources in order to be successful.”

“All aspects of public health, long term care and physician recruitment should be carried out by the province. Local municipalities only get in this game when the province drops the ball.”

Housing support needed:

- Greater reasonability for housing as a human right and an increase in affordable housing.
- Providing services to those experiencing homelessness, including emergency shelters.
- One municipality mentioned that with an improved plan in place, municipalities could properly utilize their using planning resources for emergency housing.
- Additional support when rent cap is lifted.

“Affordable housing is currently a pressing need in Nova Scotia. While subsidized housing should continue to be provided through Housing Nova Scotia, municipal councils are well positioned to be aware of needs, opportunities, and partnerships in our communities. Funding programs should be available to help municipalities drive the creation of more

affordable housing stock to address economic development, labour supply, human rights, and quality of life.”

Support for Economic Development: Respondents mentioned the need for additional support on planning and implementing economic development initiatives for businesses and tourism, especially rural municipalities. Including but not limited to support for Regional Enterprise Networks (RENS), increasing commercial growth, and investment in infrastructure.

“A good example of the need [for rural] economic development is when looking at the Develop Nova Scotia site. There is much more content about Halifax than other parts of the province.”

Support for Emergency Health Services & Public Safety:

- Improving reducing emergency response times.
- Medical training for volunteer fire fighters.
- Increased search and rescue.
- Senior safety.
- Public safety, implementing community officers (no uniform, not armed) to deal with community issues and low-level crime.

Question 5 (Open-ended)
 State the top three municipal expenditure responsibilities that your municipal council believes should be reviewed and why?

Table 7) Expenditures Listed in Top Three to Review

Expenditure to Review	#	% *
Policing	23	59%
Contributions to Education	22	56%
Local Roads	18	46%
Housing, including contributions	17	44%
Corrections, including contributions	12	31%
Wastewater and/or Solid Waste	8	21%
Health	6	15%
Public Transit	4	10%
MCFG	3	8%
Fire and Emergency Services	2	5%
Public Works & Infrastructure	2	5%
Recreational Assets	1	2%
Weed Control	1	2%
Grants-in-Lieu	1	2%
Building Inspections	1	2%
Coastal Protection Act	1	2%
Tourism Industry Grants	1	2%

*N=39, % of respondents with expenditure in their top three.

Priority expenditures to review: The most frequently stated top priorities are policing, education, roads, and housing (See Table 7). These priorities common across municipal unit types, with the expectation of roads which is common among towns. Survey respondents regularly mention the need for more financial support to afford the growing cost of core services and regulatory compliance.

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- **Policing:** Respondents express their concerns for the increasing cost of policing, as well as lack of services and accountability provided by the RCMP. Municipalities describe that officers are often fulfilling the role of social services, and the need for unarmed community officers. Policing concerns described by respondents often connect to concerns regarding corrections, and the need for systemic change.
- **Contributions to Education:** Respondents consistently state that education should be funded by the Province entirely.
- **Roads:** Respondents describe the high costs associated with local roads in Towns. These roads are used as connecting arteries to Towns as well as connections to other areas. Respondents call for the equalization of costs between service centres and rural municipalities.
- **Housing:** There are many financial and operational concerns expressed about housing. It is frequently stated that the Province should assume the full cost, and that operating deficits and handover agreements should be reviewed.

Question 10 (Multiple choice)

Please indicate which regulations or responsibilities your municipal council finds to be causing considerable pressure on your budget and capacity to accomplish core goals.

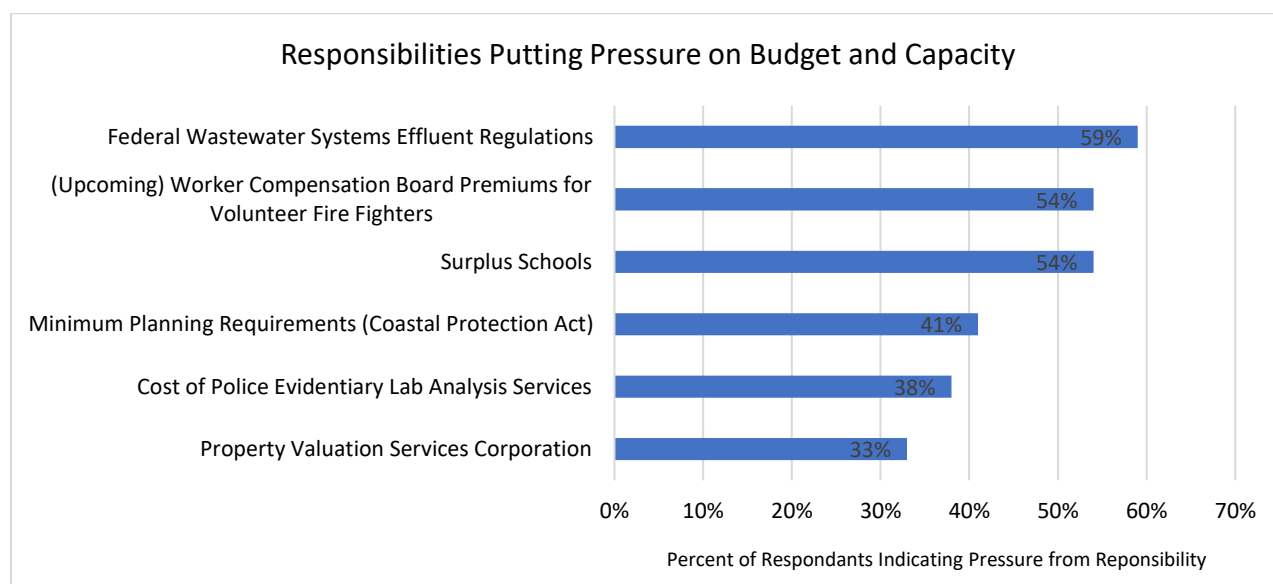


Figure B: Through the 39 respondents it is indicated that all regulations and responsibilities mentioned are causing pressure on municipalities. Property Valuation Services Corporation (PVSC) received the lowest number of affirmative responses, meaning it is generally viewed as being reasonable and acceptable. Based on question 11, it could be inferred that budget pressures from PVSC are related to CAP and appeals.

Responsibilities causing the most pressure: These received affirmative responses from a majority of respondents (See Figure B):

- Surplus schools
- Federal Wastewater Systems Effluent Regulations

- Upcoming presumptive coverage for volunteer fire fighters

Question 11 (Open-ended)

Are there any other responsibilities brought about by statutes or regulations not mentioned above that add significant pressure on your budget?

Nothing currently: 21% of respondents state that currently there are no additional budget variables to add to the those above.

Accessibility requirements: It is notable that survey respondents frequently continue to mention the pressure created by the ability to finance accessibility requirements (Also see Question 7&8).

Budget pressures with more than one mention:

- Transfer of provincial roads to municipalities.
- Regulation on disposal of surplus commodities.
- Municipal Code of Conduct enforcement.
- Upcoming diversity and inclusion legislation.
- Achieving targets and regulations under the Department of Environment and Climate Change (e.g., Wastewater sampling, new well development, Extended Producer Responsibility, litter, illegal dumping).
- Coastal Protection Act and other regulations of coastal developments under the Department of Fisheries.
- Emergency Management procedures are difficult to support.
- Regulations around financial models that treat towns and rural municipalities differently when it comes to roads, infrastructure, and services. Towns provide centralized infrastructure/services that benefit their residents as well as those in the neighboring rural municipality.
- Non-enforcements of provincial and federal regulations and divestment in infrastructure (e.g., airports, ferry terminals, wharves, schools).
- Utilities are frequently mentioned as a budget constraint, specifically:
 - Disadvantage of municipal electric utilities in comparison to Nova Scotia Power under the Electricity Act.
 - Provincial roadblocks regarding renewable energy such as large scale solar and wind.
 - Accounting requirements, especially for municipalities that manage utilities.
 - Nova Scotia Utility and Review Board studies.
 - Section 59 and Section 60 of the Education Act in conjunction with Section 81(4) of the MGA , which grants an exemption from taxation and utility charges to schools.

Budget pressures with individual mentions:

- Drinking water regulations.
- Taxes on fuel.
- Capping the height of landfills.
- Employee compensation.
- Increased costs associated with leasing parkland from the province due to change in lease fees.

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- Obligation for municipalities to maintain waterways after 100-series highways are built in their area under the Department of Environment and Climate Change.
- Lack of sufficiently detailed notice of upcoming changes.

Question 16 (Open-ended)

What new or expanded revenue sources or tools does your municipal council believe to be most viable?

Revenue sources with more than one mention:

- Changes to Utility Revenue:
 - Ability to invest in or tax renewable energy sources such as solar and wind generation.
 - Shared tax revenue from municipal utilities.
 - Establishing a level playing field between municipal utilities and Nova Scotia Power.
 - Rebates on green energy.
- Changes to Property tax:
 - Property tax autonomy for municipalities.
 - Taxation on vacant homes.
 - Taxation on short-term rentals and other emerging industries.
 - Lifting seasonal business tax exemptions.
 - Additional room to increase deed-transfer taxes.
 - Specific commercial district taxation
 - Lifting the Capped Assessment Program (CAP).
- Municipal income tax.
- Designating a portion of sales tax to municipal revenue.
- Double the Gas Tax/Canada Community Build Fund for municipalities.
- Ability to engage in profit-oriented business endeavours/direct investment or ownership of a local business.
- Area rates or other new streams of revenue based on proximity of rural residents to regional community services or another stream of revenue for towns that provide services to those outside their municipality.
- Improving the Municipal Financial Capacity Grant (See Question 17).
- Decreasing or eliminating mandatory contributions.
- Eliminating or increasing “Resource” tax and treating unused lands as commercial or residential.
- Revenue from the sale of cannabis.
- Royalties on natural resources (e.g., mining & forestry).

Revenue sources with an individual mention:

- Increasing support for policing costs (i.e., increased cost sharing or grant).
- 100% exemption from HST for municipalities.
- Revenue from motor vehicle speed enforcement.
- Road tolls.
- Taxation on casinos.
- Density based taxation.
- Funding for service extensions when deemed appropriate.

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- Events and Marketing levies.
- Congestion pricing authority.
- Accessibility Grants.

Question 17 (Open-ended)

What grants has your municipality received for operational/capital expenses and how could these grants be improved?

Table 8) Frequently Used Grants

Operational	Capital
Municipal Financial Capacity Grant	Canadian Community Building Fund
Emergency Services Provider Grant	Provincial Capital Assistance Program
Fire Protection Grant	Flood Risk Infrastructure Investment Program
Towns Foundation Grant	Municipal Flood Line Mapping Grant
Community Works Program	Investing in Canadian Infrastructure Program
911 Grant	
Grants-in-lieu (Aliant, NSPI, Federal, and Provincial)	
Municipal Innovation Program	

Update the grant application process:

- Respondents occasionally brought up accessibility issues with multiple online platforms and redundancies that could be eliminated to make applying for grants easier.
- Respondents suggest streamlining unnecessary administration of application-based grants by replacing them with allocation-based grants. If grants were more predictable and less application-based it would be helpful to municipalities. e.g., a standard grant for recreational services for each municipality that has a recreation strategy in place.
- Support for grant applications was suggested as it is becoming the responsibility of Municipal Advisors.

Municipal Financial Capacity Grant: Updating and improving the Municipal Financial Capacity Grant is a common suggestion. Respondents often express gratitude for the doubling of the Municipal Financial Capacity Grant last year and explain the significant difference this made for their budgets.

Canada Community Building Fund formula: Many respondents from towns state that the Canada Community Building Fund formula should be based on infrastructure costs, not population or standard operating expenditures.

Allow grant stacking: Many respondents suggest restrictions should be removed to allow for the ability to stack grants.

Grants-in-lieu: Respondents suggest that Grants-in-lieu of taxes should be equal to the property tax that would otherwise be raised, and that Grants-in-lieu of taxes should be provided for all provincial properties (e.g., school and hospitals). Modernization of the Bell Aliant Grant-in-Lieu was also called for, this grant is currently calculated on the basis of assessment and a percentage of sales from land lines.

Municipal structure

Question 12 (Open-ended)
 If your county or district municipality elects a warden, please indicate whether, in the opinion of your municipal council, the warden system should be replaced by the mayoral system.

Not applicable: 24 (62%) of respondents did not respond to this question as they do not have a warden in their municipality.

Support for self-determination: Out of the 15 municipalities that answered the question, 0% of respondents expressed a desire to replace the warden system. The overall sentiment of responses was that flexibility and self-determination should be allowed.

Warden system reviews: One respondent stated that they are currently conducting a review, two respondents state that they recently changed to a mayoral system, and one respondent said that they maintained the warden system following a recent review.

Question 13 (Open-ended)
 In the view of your municipality, should villages be consolidated with districts and counties? Please explain why or why not.

Table 9) Response to Village Consolidation

Response	#	% *
NA	14	36%
Support for consolidation	9	23%
Support for villages to remain, or choice of village	10	26%
Remain if viable or be treated as towns	5	13%
Other	1	3%
Total	39	100%

*N=39, % of total respondents that completed the survey.

Absence of opinion: 14 (36%) of respondents did not have an opinion at this time or answered with “not applicable.”

Support for consolidation of villages: 9 (23%) of respondents demonstrated full support for the consolidation of villages (See Table 9). Municipalities stated this would help to reduce costs, simplify government, increase fiscal capacity with a sufficiently scaled government, and establish common standards of responsibilities.

Support for villages to remain or choose: 10 (26%) municipalities said that villages should remain and indicate that villages provide valuable services and can be helpful partners (Table 9). To consider consolidation an option it would require the province to provide compensation and support. Respondents noted that municipalities often take on debt and increased costs because of village dissolution. Several responses indicated it should be the choice of the village. It was expressed that villages should have the option to decide at the local level. Indicating they

would support dissolution if villages wanted to consolidate but would not support amalgamation.

Remain if viable or treated as a town: 5 (13%) of municipalities stated that if villages are viable, meaning financially stable and compliant with reporting requirements, they should remain in place or be allowed to incorporate as towns (Table 9). This theme and the one above, form a total of 15 (38%) municipalities opposed to consolidation of villages with municipalities.

Divided opinion among applicable municipalities: Looking specifically at the 10 respondents with villages within their municipal boundaries, responses remain divided. There were three (30%) municipalities that believe it should be decided at the local level and be the choice of the village. Two (20%) respondents believe that villages should be able to remain as they add value and representation. One (10%) respondent stated that they should only remain if they financially stable and compliant. Two (20%) believe that they should be dissolved as a rule. It should be noted that two (20%) municipalities that have villages within their boundaries did not have an opinion at this time.

Other: One respondent stated:

“Villages should be disbanded and replaced with a local identity committee (Community Council) that can provide the Council with local input but have no spending authority. There is too much governance in Nova Scotia and village commissions contribute to this.”

Question 14 (Open-ended)
 Under what conditions does your council believe municipal consolidation is advisable?
 Reasons could include fiscal insolvency, limited access to qualified personnel, infrequency of competitive elections, or an effort to decrease costs.

Table 10) Reasons for Municipal Consolidation

Reasons to Consolidate	#	%*
Fiscal Insolvency	18	43%
Reduce Costs & Eliminate Duplication	18	43%
Limited Access to Qualified Personnel	13	34%
Infrequency of Competitive Elections	11	29%
Create Regional Assets/ Streamline Decision Making	6	16%
Reduce Competition Among Municipalities	6	16%
Increase Level of Service	5	13%
If there is Provincial Leadership to do so	3	8%
To Create Power in Numbers	1	3%
Always Advisable	1	3%

*N=38, % of respondents that indicated the reason.

Support for all listed conditions: There was frequent support for all listed conditions, with fiscal insolvency, reducing costs, and eliminating duplication being the top answers (See Table 10). It is acknowledged that additional reasons to consolidate may have overlapping sentiments, reiterating the theme of “creating regional services through consolidation” discussed below.

Creating regional services through consolidation: Through the reasons to consolidate, there is the shared theme of creating or improving regional services. Several respondents believe consolidation would be advisable to make progress in regional decision making such as planning and creating regional assets. Consolidation could allow for allocated costs related to commercial service centres in a way that is fair. The sentiment that municipal consolidation should be a collaboration is found in many responses, maintaining representation of communities and equity-seeking groups needs to be considered as part of consolidation.

“There are currently significant discrepancies in who pays for the services provided in commercial service centers.”

“If a municipality has maximized taxes and is not yet providing acceptable service levels to its taxpayers, then a municipal consolidation is advisable.”

Table 11) Opposing Municipal Consolidation

Consolidation not Advisable	#	%
Amalgamation not Consolidation	5	13%
Not advisable or Should be Regional Shared-Service Agreements	6	16%

*N=38, % of respondents that indicated the reason.

Regional shared-service agreements without consolidation or amalgamation: A slightly smaller group of respondents, which included counties and districts, stated that consolidation is never advisable, and that shared-service agreements or formalized partnerships provide a better option as it does not include the pitfalls of consolidation or amalgamation (See Table 11).

“Forced amalgamations have only resulted in higher costs for everyone as merged units see collective agreements and salaries rise to the highest denominator. Merging three unhealthy municipal units with one healthy municipal unit could only result in one larger unhealthy unit...”

Question 15 (Open-ended)

What incentives could be put in place to make amalgamation a viable option?

Responses to this question are more focused than those to the prior question.

Financial incentives: Respondents note that financial incentives would need to be in place and provide the following examples:

- Provincial government taking responsibilities for certain services, infrastructure costs, debt, and other liabilities.
- Additional funding such as an Amalgamation Transition Grant to cover unexpected expenses and investment in new technology.
- Receiving support from highly trained personnel to assist with the consolidation process.
- Increased opportunities for regional activities and service delivery improvements (as discussed in Question 14).
- New sources of revenue (see tax tools in Question 9&16).

Question 19 & 20 (Open-ended)

Is there anything about your municipality that your council believes deserves special consideration in terms of expenditure responsibilities, legislation, or financial support? Is there anything else that your municipal council would like to share?

The final two survey questions received a wide range of unique but nonetheless valuable responses. Much of the sentiments expressed in these questions echo the responses to prior questions. To maintain anonymity of this report specific examples have not been included but will be shared in relevant discussions with the SERMGAR Committee.

Responses are generally grouped under the following themes:

- Unique and underfunded infrastructure issues.
- Vulnerability to the impacts of climate change.
- Long-running exclusion from royalties on natural resources.
- Concentrated demographic shifts (e.g., aging population, accessibility needs).

Conclusion

The responses from the 39 municipalities will help provide a sense of direction to the SERMGAR Committee when advising during discussions with the Provincial government. The responses ensure the committee is communicating with a province-wide municipal lens.