

INTRODUCTION

A NOTE ON THE COMMISSION'S PROCEDURE AND THE STRUCTURE OF THE REPORT

1. Before turning to the main body of the report, we shall review briefly the procedures adopted by the Commission and the structure of the report itself. The purpose of this review is to assist the reader to evaluate our various recommendations.

2. After an organizational meeting in March, 1962, the Commission held a series of meetings with provincial cabinet ministers. Subsequently there were meetings with the senior permanent officials in the numerous provincial government departments and agencies whose business brings them into contact with local authorities. Both series of meetings were conducted informally and privately, with the objective of ensuring a free and frank expression of views by everyone concerned. Although the anonymity of those who met with us and our staff must be respected, we have no hesitation in saying that full use was made of their ideas wherever possible. At the same time we have freely rejected those proposals with which we could not agree. There was never any pressure on us to do otherwise.

3. In May, 1962, the Commission's staff began field work and other research studies for the purpose of obtaining the best possible factual basis for the formulation of recommendations. These investigations included discussions and correspondence with private and public agencies both in Canada and in other countries.

4. An extensive Questionnaire on Municipal Finance in New Brunswick was distributed to each municipality in May, 1962. However, most municipalities were late in filing their replies, and despite a number of follow-up letters some municipalities did not reply at all. There was a somewhat better response to the Questionnaire on Municipal Assessments issued in January, 1963. A full report on the number and timing of replies received from each municipality and the text of the Questionnaires are contained in Appendix D. What this Appendix does not and cannot show is the poor quality of many of the replies received. The lack of information and in some cases the misinformation in these replies, coupled with the delay in replying, hampered the Commission in its work. It also made impossible more extensive use of the questionnaire technique.

5. Apart from general questionnaires, correspondence was used to collect special data from a number of municipalities. The Commission's staff also made field trips to municipalities for a num-

ber of purposes, and each municipality was visited at least once. In most instances of personal visits and letters Commission staff received full co-operation from the municipal officers concerned.

6. The Commission also had conducted special studies of the levels and efficiency of property assessments in the province. These studies are explained in detail in Chapter 13 and in Appendix G. We believe it is sufficient here to point out that our judgments of assessing practices are based on an expert study of nearly 3,000 individual cases.

7. Because New Brunswick's requirements in the field of public administration are changing so rapidly, it was decided to send Professor Boudreau of the Commission to Sweden to study the very advanced techniques of public administration in use there. His report was received in April of 1963 and proved very useful to the Commission. As we believe that Professor Boudreau's findings will be of interest to others as well, we are pleased to attach his paper as Appendix H.

8. The Commission's extensive public hearings began in September, 1962, and continued until June, 1963. There were nine sittings in all, each widely advertised in advance with the hope of obtaining a good sample of public opinion. The Commission also gave wide publicity to its policy of accepting representations by correspondence from any interested party unable to arrange for a public hearing. This latter avenue of approach remained open until June, 1963. While we are disappointed that more interested parties did not come forward, we must thank the 100 local authorities, business concerns and individuals who did submit briefs. A detailed list of these representations is contained in Appendix C. A few of the briefs did little more than rehash old arguments, while others were outside our terms of reference, but by and large the briefs were both thoughtful and thought-provoking. As a source of factual information and as a guide in assessing probable public attitudes toward our recommendations, these submissions were very useful indeed. It is unfortunate, therefore, that so many other parties who should have been interested remained apathetic about the Commission's work and the very serious problems which now confront government in New Brunswick. We are particularly concerned that the Union of New Brunswick Municipalities did not see fit to present a brief, although we did receive a submission from Rural Muni-

palities Association. Every reasonable effort was made to obtain the opinions of interested organizations and citizens.

9. Research and field work begun in 1962 was completed during the summer of 1963. when drafting of the report began in earnest. We should emphasize that this drafting did not begin in a vacuum, since various proposals had already been examined in some detail. Once initiated, the drafting proceeded at a rapid rate, thanks to the efficiency of the Commission's consultants. By August 12 our work had progressed sufficiently to permit making an interim report, a copy of which we have attached as Appendix B. Unanimous agreement on the contents of the final report was reached in September, and drafting completed a short time later. Because of our time table we have not been able to take account of developments between late September and the date on which the report was signed.

10. Study of our report will make it amply clear that we consider the main recommendations to be inter-related, and if they are accepted they should be implemented jointly. It should not be assumed that we would favour adoption of any particular recommendation or any group of recommendations regardless of what is done about the others. Great care would have to be used in selecting among our recommendations, because to choose some and not others might have the effect of destroying the comprehensive programme which we attempted to design. In simple terms careless selection could well make things worse rather than better: our report should be considered as a "package deal".

11. The Commission hopes that this report will be studied in its entirety and decisions based on the over-all approach. For many readers the recommendations will at first seem startling, drastic and even radical. We make no apology for this, because we are dealing with difficult problems which are not capable of easy solutions. Indeed we would go so far as to say that half the problems we studied are the result of trying so-called "easy" solutions in the past. We are confident that those who study our report in its entirety and are familiar with present needs will endorse our general approach.

12. In numerous parts of the report we refer to difficulties experienced in attempting to obtain accurate, up-to-date information. Indeed it was necessary to base much of our financial analysis on 1961 statistics, because this was the last year for which a complete *Annual Report of Municipal Statistics* was available at the time of writing. For the analysis of some problems no statistical information of any kind was available in either published or unpublished sources. Although in such circumstances it is possible that additional study might lead to slightly different conclusions on a number of points, we remain

confident that our recommendations are the best possible in view of the information which was available to us or which it would be possible to obtain in the immediate future.

13. We must emphasize, however, that public policy is only as good as the factual data on which it is based. If public administration in New Brunswick is to become more efficient, it will be necessary to place a much higher priority on the prompt collection of precise information. This is not a new view -- it has been emphasized over and over again by various royal commissions in the past. Yet little progress has been made in overcoming the very considerable difficulties which confront anyone who wishes to make a purely objective analysis of existing circumstances. Inevitably the considerable ignorance which still exists in the field of public administration will cause serious mistakes to be made and force taxes to unnecessarily high levels. This problem will become increasingly serious as both provincial and municipal governments embark on programmes which are more complex and which involve larger sums of public funds than has been the case at any time in the past. Surely there should be every effort to provide more adequate information-gathering services in the years ahead. If this is done, it could be one of the most profitable investments this province has ever made.

14. Our terms of reference were broad and included "the whole field of relevant facts, issues and legislation relating to public or municipal fiscal matters within the Province of New Brunswick". Unavoidably, therefore, our report is both long and complex. To assist the reader we have arranged it in six parts, as follows:

Part I, consisting of Chapter 1, is a summary of our findings and recommendations. We hesitate to point out the obvious, but nevertheless we must emphasize that Chapter 1 is only a summary and not the main body of the report. Our proposals must be judged on the basis of the detailed discussion contained in the following chapters and not on the basis of the summary alone.

Part II consists of (Chapter 2 and traces the history of municipal government since the establishment of New Brunswick as a separate province. This section is a necessary background for understanding our discussion of present day problems.

Part III, embracing Chapters 3 to 6, discusses present municipal responsibilities in some detail and reviews the steps which the provincial government has taken to assist municipalities in meeting their obligations.

Part IV comprises Chapters 7 to 12. Chapter 7 outlines the compelling reasons why we could not recommend continuation of the present form of organization for local and general services in the province. The

remaining chapters contain our detailed proposals on how to reorganize responsibility for these services so as to better meet the needs of our people in the second half of the twentieth century.

Part V includes Chapters 13 to 17. It begins with a detailed analysis of the failings of the present municipal tax structure. This is followed by a discussion of our recommendations for a new tax structure and proposed improvements in the techniques of debt management. We also recommend a number of devices to achieve better control over the total level of public expenditures and hence the level of taxation in the province. In the concluding chapter we offer suggestions for achieving the best long-run solution to the taxation problem: the attraction of new industry to expand the tax base so that necessary additional revenue can be raised without resorting to higher tax rates.

Finally we have included as *Part VI* a number of appendices which contain detailed information necessary for a proper understanding of our report. This material has been included in appendices, some because it is too lengthy for insertion in the main narrative and some because it is of a general nature and could not properly be placed in any particular chapter. The length of the body of the report has required that *Part VI* be printed as a separate volume.

15. In his foreword, the Chairman has paid tribute to our consultants, Professors John Graham, Milton Moore and Philip White, and to our secretary, Mr. James F. O'Sullivan. We will not repeat the Chairman's tribute here, but we do endorse it whole-heartedly. To each of these men we offer our sincere thanks for a job well done.

16. There are others whose help we must gratefully acknowledge at this time. We are indebted to Professor Hugh Whalen of the University of New Brunswick for allowing us to make full use of his excellent paper on the historical development of local government in New Brun-

swick. Professor Whalen's careful study will be very helpful to those who wish to consider present problems in their proper historical context.

17. We wish to thank our office staff for the skill, discretion and plain hard work which they invariably demonstrated, often against difficult deadlines. Particular mention must be made of Miss Lucette Nadeau, who served the Commission throughout its studies and during preparation of the report. Miss Nadeau performed varied office tasks and translations with equal amounts of efficiency, industry and good humour, a very welcome combination. The value of her services cannot be over-estimated. The Commission was also fortunate to have for shorter periods the valued assistance of Miss Margaret Bradley, Miss Madelyn Ellegood, Mrs. Sylvia Plume, Mrs. Margaret Forestell, Mrs. Bridget Henderson, Mrs. Alice Doyle, and Mrs. Grace McManus.

18. We must also thank our statistical staff for their fine work. Throughout our investigation they made the best possible use of available information, which, it must again be emphasized, was none too good. Mr. David Chase was with the Commission from the outset and contributed significantly by uncovering inconsistencies and errors on numerous occasions. His energy, imagination and good judgement in tracking down alternative and supplementary sources of information are greatly appreciated. Without his fine work the completion of many sections of this report would have been impossible. We also wish to acknowledge the valuable assistance of Mr. John Harris and Mr. Robert Thompson.

19. However, when all is said and done, this report was made possible through the efforts of the many hundreds of persons and organizations with whom we came into contact during the past year and a half. In the body of the report, we have tried to name those who made direct contributions, but to identify all of them would have been impossible. We would therefore like to take this opportunity to offer a general expression of gratitude to all who helped and to apologize to those whose names must be excluded because of space limitations.