

**THE BIRTH OF  
THE CAPE BRETON REGIONAL MUNICIPALITY**

**MPA RESEARCH PROJECT**

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Richard Ramsay, Student #6471056

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## **INTRODUCTION:**

The fabric of local government in Canada is being continuously reviewed and altered, as financial and economic pressures become exaggerated in Canadian communities. Public demands for less government, increased services, and maintaining, or reducing the tax burden also has had an impact on the role and structure of local governments. As the millenium approaches, economic advantages occur in Eastern Europe, economic union occurs in Western Europe, the potential new centre for economic power transpires in Asia, and increased democracy occurs in other parts of the world - all these are trends which, although not acknowledged by most local governments, are affecting the manner in which governments, in total, are doing business in the 1990's.

Municipal consolidations, amalgamations, cooperative service delivery plans, multi-tiered local governments, and restructuring of administrative systems are all attempts to make local governments more effective and less fragmented in the provision of services to citizens and in governing communities.

The Government of Nova Scotia, in 1992, facilitated this process of fiscal reorganization by promoting the rationalization of provincial/municipal functions, as well as the rationalization of municipal boundaries, by setting up a Task Force on Local

Government. The Task Force, in its report to the Government of Nova Scotia, included a recommendation that several contiguous municipal units in the most populated areas of the Province should amalgamate into single-tier regional governments.<sup>1</sup>

The report concluded that the eight municipal units in the County of Cape Breton should be amalgamated into one "unitary" government.

The objective of this research paper is twofold: 1) to report on the amalgamation, and 2) to determine whether or not the causes of this amalgamation are similar to or different from causes which have driven similar amalgamations, or whether it contains some particular peculiarity. In other words, the research attempts to discern if the issues which led to the amalgamation were anomalous or typical.

In order to conclude on these issues, Part 2 provides a review of some literature dealing with local government structuring.

Part 3 provides an overview of certain amalgamations in the Maritime Provinces, in order to provide the reader with some comparative information.

An understanding of the historical significance of attempts to bring about municipal reform in Cape Breton County is contained in Part 4, which will provide an

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<sup>1</sup> Task Force on Local Government - Report to the Government of Nova Scotia, April 1992

understanding of the depth and longevity of the issue of municipal government restructuring in industrial Cape Breton.

The process of the eventual amalgamation is related in Part 5 beginning with the report of the Implementation Commissioner through the actual formation the Cape Breton Regional Municipality. This part of the research portrays the very volatile positions of the eight municipal units, along with the adamant position of the Government of Nova Scotia to amalgamate those units.

Part 6 is intended to provide an analysis of the cause of this amalgamation and its parallelism or peculiarity to other amalgamations. The research analysis compares the Cape Breton experience to other recent amalgamations in the Maritime Provinces.

Finally, I do not believe the research report would conclude properly without a brief reflection on the consequences, as well as a brief commentary on "whence from here?" to assist the reader, and in particular the citizens of the new region, to realize the great challenge which is theirs to achieve. The final Part gives some commentary in relation to those issues.

## A REVIEW OF THE LITERATURE DEALING WITH LOCAL GOVERNMENT

### RESTRUCTURING:

In order to better understand the phenomena of local government restructuring in Canada and in Nova Scotia, one should examine the history and foundation of local government.

Local government was derived from the need for some form of local decision making in early Canada in response to patterns of settlement. Municipal government evolved as a result of urbanization and was shaped by the culture and heritage of our ancestors, particularly by the French, British and Americans.

One of the most significant influences on modern day municipal government in Nova Scotia was the immigration of the United Empire Loyalists, with their demands for a democratic process, brought with them from the New England States. They had some experience in local government processes and demanded representation and some input into local affairs. However, British rulers were reluctant to create similar town meetings as in New England because they were considered "mob rule".

In the late 1830's, Lord Durham was sent to Canada as High Commissioner to determine the type of government which should be put in place in the British "Provinces". He stressed the importance of local government. K. Grant Crawford referred to Durham's Report:<sup>2</sup>

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<sup>2</sup> *Canadian Municipal Government*, K. Grant Crawford

“In discussing local management and the distribution of funds for local purposes, he advised that it would be far better, in point of efficiency and economy, that this power should be entrusted to municipal bodies of smaller districts; and the formation of such bodies should, in my opinion, be an essential part of any durable and complete union.”

Crawford suggested that local government was indispensable and essential to the life of the nation.

Following Durham's report to Britain, the British Parliament dropped the clauses relative to local government in the Draft Act Of Union, and the rest is history. Incorporation of a few cities, towns and counties took place before Confederation, but municipal government was given no formal recognition in the Constitution. In fact, municipal government became the responsibility - the creation - of the provinces.

During the years since Confederation, there have been significant changes affecting local government - an increase in responsibilities delegated to the municipalities by Provinces, shifting settlement patterns, an increase in social and environmental problems, a system of conditional grants which only patches the financial problems while skewing

municipal priorities, an increase in local demand for services - but with little change in structures.

More recently, in 1967, the Smith Committee Report (Ontario Committee on Taxation), stated "the prime value for whose fulfillment local government exists (are) access (and) service". Smith went on to define "access" as the need to make public contact and participation possible by the citizens. The "service" value is referred to as meaning the economical provision in accordance with the citizens' needs and desires.

However, many people believe that local government is greatly impacted by the role and decisions of provincial governments. T. J. Plunkett referred to a 1976 Federation of Canadian Municipalities paper entitled "Puppets on a Shoestring" and stated:

"it concluded that grants from senior levels of governments 'come with so many strings attached and represent such a large part of municipal budgets, that municipalities are becoming puppets in a show run mainly by provincial governments'. I have some doubts if they really are accountable and responsive governments."

Those comments lead one to conclude that the role of municipal governments has become confusing to both elected officials and to the public, thereby causing all levels of government to re-examine the roles and foundations of municipalities.



In another article, T. J. Plunkett and Katherine Graham state "What now exists may not be local government so much as a complex form of local administration."<sup>3</sup>

Therefore, the role of local government, and hence, its structure, may be distinctly different from the historical references, or is it? Local governments today are not comfortable with the perspective that they are "creatures of the Province". Instead, numerous local government associations are attempting to have Provincial Governments more formally recognize the foundation and role in municipal charters. In fact, the Governments of Alberta and Manitoba have amended their legislation to more formally recognize local government. The Province of Nova Scotia has prepared draft legislation of a new municipal government act which more formally recognizes the role of local governments. This action has led most provinces and local governments to develop constant dialogue to discern the proper form of local governments in Canada.

Mr. A. William Cox, Q. C., a well-respected advisor to the Union of Nova Scotia Municipalities, in a paper "Development of Municipal Provincial Relations", in 1989, stated "There are now unmistakable signs that an increasing number of Nova Scotians recognize that the structure, responsibilities and financing of municipal governments are unsuited to present needs". He went on to quote the Attorney General in 1989, who said that the County Incorporation Act of 1879 only accommodated the existing districts without consideration of their appropriateness.

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<sup>3</sup> *Whither Municipal Government*: Canadian Public Administration, 1982

In discussing the role of the Union of Nova Scotia Municipalities, Cox stated "the rural-urban split of the membership has made it difficult to take definite positions on matters such as amalgamations or annexations. Localism and parochialism have weakened the Union's voice and eroded its credibility with the Provincial government."

Cox's perception that the resulting fragmentation has militated against the quality of service being up to modern expectations, and has largely prevented regional problems from being solved on a regional basis, is based on his hands-on involvement in municipal/provincial relations. The lack of meaningful dialogue among municipal units themselves, and between the municipal units and the provincial government has precipitated this lack of foresight of a more feasible structure for local governments in Nova Scotia.

Michael Keating, in "*Comparative Urban Politics*", suggests that fragmented local government structures negatively affects a country's economic development. "In Canada, the culture supports broader challenges to business dominance and commercial values.---So reform movements tend to be fragile and rather heterogeneous."

Andrew Sancton argues that Canadians have not yet accepted the implications of the fact that Canada is a highly urbanized country.<sup>4</sup> In 1941, 26.7 per cent of Canadians lived in urban areas of over 100,000 people; by 1986, the comparable percentage was 59.9 per cent. This fact has a significant impact as Canadians conceptualize the structures and functions of the various levels of government. He maintains that restructuring and modernization of local government has been unsuccessful in that systems were ineffective for large metropolitan regions - "the establishment of metropolitan and regional government in various Canadian provinces was once seen as an indication of our recognition of the importance of urbanization. Paradoxically, the general failure of such governments to live up to their initial expectations can be explained by that same process of pervasive and extensive urbanization."

He concludes that the design of new structures for local government will go a long way in preserving the convention of local government, and unless it occurs, particularly in the urban areas of Canada, the federal and provincial governments will continue to lack confidence in local government.

### **A REVIEW OF SOME AMALGAMATIONS IN THE MARITIME PROVINCES:**

#### **Prince Edward Island:**

In June 1993 the Province of Prince Edward Island issued the "*White Paper on Municipal Reform*". The purpose of the paper was to "facilitate and move forward the Province's

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<sup>4</sup> *Canada as a Highly Urban Nation: new Implications for Government:* Andrew Sancton, Canadian Public

committed objective of achieving municipal reform in the Charlottetown and Summerside areas. The White paper examined historical issues, current deficiencies, finances, objectives and process - including the appointment of a Commissioner who would report to the Minister not later than December 1993.”<sup>5</sup>

The typical issues of artificial boundaries, economic diversification, inequities in service delivery, over governance and several others were identified as the driving force behind the White Paper. The paper concludes that opportunity for economies of scale exist. It also concludes that overall tax levies should not dramatically change as a result of Municipal Reform.

“The Commissioner will address a number of outstanding questions ---- for example, the cost - benefit of amalgamation, regionalization, annexation or combinations thereof which will be a useful tool in determining the degree of reform.”<sup>6</sup>

The Commissioner presented the “*Report of the Commission on Municipal Reform (Charlottetown and Summerside Areas)*” in December 1993. The Commissioner had identified a number of issues or concerns which arose during the private and public consultations and, where he deemed it appropriate, he made comments. The Commissioner examined five different reform models: status quo, annexation,

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Administration, Volume 35.

<sup>5</sup> Government Reform Office of P. E. I., June 25, 1993

<sup>6</sup> Government Reofrm Office of P.E.I., June 25, 1993

regionalization (two-tier), regionalization (inter municipal agreements) and amalgamation.

“He concluded that meaningful reform could only be achieved in the Charlottetown and Summerside areas through amalgamation.”<sup>7</sup>

The Commissioner engaged the services of a Consultant to do a cost/benefit analysis. The Consultant report indicated that cost savings would result from amalgamation, but some areas would experience higher taxes. The benefits of less - government, planning improvements, addressing inequities and economy of scales outweighed the costs.

The Commission report included the proposals for Council size, administration, remuneration and a description of the geographic areas of Summerside and Charlottetown. An implementation plan was included.

Following receipt of the Moase Report, the Provincial Government undertook a more simplified impact analysis to assess cost and taxation, and cost effects based on recent historical data, such as the reaction from stakeholders on the Porter Dillon Report contracted by the Commissioner. The Government's own report showed annual savings of \$4,100,000 compared to Porter Dillons's estimated annual cost savings of \$225,000.

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<sup>7</sup> Lorne Moase, Commissioner, Prince Edward Island, December 29, 1993

Armed with that data, the Honourable Jeannie Lea released a discussion paper outlining the government's position with respect to municipal reform in the Charlottetown and Summerside areas. That document presented 44 Policy Decisions which the Provincial Government was prepared to include in legislation.<sup>8</sup>

The Province of Prince Edward Island tabled legislation May 5, 1994 to amalgamate the City of Charlottetown, the communities of Parkdale, Sherwood, West Royalty, East Royalty, Hillsborough Park and Winsloe into the City of Charlottetown.

### **New Brunswick:**

In December 1992 the Department of Municipalities, Culture and Housing published a document "*Strengthening Municipal Government in New Brunswick's Urban Centers*". It proposed "a process for discussion and consultation with municipalities to determine the directions for reviewing options that could improve services and strengthen local government in the Province's major urban centers - the six city regions and the Mirimichi Region."<sup>9</sup> The plan proposed that an independent body be established to undertake feasibility studies in one or two of the regions and provide the Minister with recommendations on the implementation process.

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<sup>8</sup> New Cities... New Towns, Honourable Jeannie Lea, on behalf of the Government of Prince Edward Island

<sup>9</sup> Department of Municipalities, Culture, and Housing, Fredericton, New Brunswick, December 1992

The document identified the following issues which required a review of municipal government:

- the need to work together to plan, finance and deliver services and infrastructure.
- the emergence of several special purpose bodies which resulted in diminished accountability.
- a need to strengthen the economy of the urban centers in the Province .

It outlined four possible options to be studied and six sub-categories of those options. The status quo, a single-tier local government, a two-tier government and regionalization of services were recognized as the four potential solutions to the local government reform process.

In June 1993, a document "*Terms of Reference for feasibility studies on local government restructuring in selected urban centered regions*"<sup>10</sup> was published by the Department of Municipalities, Culture and Housing. This document was expected to be the model for the studies to be carried out in New Brunswick on municipal reform and restructuring.

It identified the areas of the Mirimichi region and the Greater Moncton area to be the initial study areas. It also concluded that the studies in these areas would be undertaken

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<sup>10</sup> Fredericton, June 1993

by "a panel comprised of two persons who have prominent stature in the Province."<sup>11</sup> The panel would be supported in the study regions by a Community Advisory Committee appointed by the Minister of Municipalities, Culture and Housing. Essentially the Committees would act as a sounding board for the panel in the study completion.

In April 1994 the Panel presented the results of its study of the Greater Moncton Area in a document "*Strength Through Cooperation*". The report concludes that "the Greater Moncton Urban Community is comprised of three proud and distinct municipalities working together on joint ventures to bring about regionalized services for the benefit of all its citizens."<sup>12</sup> A joint services board was recommended for the area, rather than amalgamation or any other option. The report describes the structure as "a regrouping of the communities' municipal, political, and administrative directorship"

In the view of the panel, building consensus, and initiating and coordinating existing and new regionalized services was the process to build on the communities' strengths without "breaking a mold of success". The report encouraged more regionalized services and cooperation to build on the economic strength of the region.

In Mirimichi, however, the Panel recommended amalgamation. Prior to amalgamation, the Mirimichi region consisted of 11 communities located at the mouth of the Mirimichi

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<sup>11</sup> Fredericton, 1993

<sup>12</sup> Panelists J. Louis Malenfant Ph.D. and John C. Robinson, April 1994



River. They included two towns, three villages and six Local Service Districts totaling approximately 21,000 citizens, the fourth largest community in New Brunswick. Growth in the region was occurring in a village and in the unincorporated areas, while the population in the Towns had declined, not unlike the areas in Cape Breton County. There were a range of financial issues in these communities, accompanied by a vast array of property tax rates.

On January 1, 1995 the 11 communities amalgamated to form the City of Mirimichi.

**Nova Scotia:**

The area in Nova Scotia which encompassed the Cities of Halifax and Dartmouth, the Town of Bedford, and the Municipality of Halifax County is known generally in Nova Scotia as the metro region. The area consisted of approximately 330,000 (1991 Census) prior to amalgamation.

In 1992 the Task Force on Local Government recommended that those municipal units in the metro region be amalgamated into one unitary government. In late 1992 Premier Donald Cameron announced that one municipality would be created in the Halifax area in time for municipal elections scheduled for 1994. However, when Cameron was

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replaced as premier following the 1993 provincial election by John Savage, the Former mayor of Dartmouth, the initiative appeared doomed.<sup>13</sup>

The metro region was targeted for amalgamation because of the proliferation of population into adjacent areas surrounding the cities , all demanding the provision of urban-style services. This is not uncommon to the County of Cape Breton situation. Observers also speculated, and at times confirmed by Premier Savage, that the economic development of the Province of Nova Scotia was being denied because of the constant competition for industrial and commercial development in the metro region by all four municipal units. It was felt by many that major business interests in the region were being thwarted by the over-aggressiveness of economic development agencies in the areas. Many companies interested in locating in the metro area became so confused by this seemingly unhealthy competition among four municipal units which appeared to be acting against one another, that they took their business elsewhere. The government of Nova Scotia became convinced that this action not only negatively impacted on the metro region, but on other areas in Nova Scotia which relied heavily on spillover economic advantages.

In January 1993, William Hayward was appointed by the Provincial government to implement municipal restructuring in the Halifax region.

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<sup>13</sup> *Governing Canada's City Regions: Adapting Form to Function, 1994 Andrew Sancton*

## **EVENTS LEADING TO AMALGAMATION IN CAPE BRETON COUNTY**

The County of Cape Breton, commonly known as “Industrial Cape Breton” is one of four counties located on Cape Breton Island in Nova Scotia, and consists of eight municipal units: one city, six towns and one rural municipality. Appendix A details the year of incorporation, population, number of Councillors, and the geographical dimensions of the Towns of New Waterford, Sydney Mines, Dominion, Louisbourg, Glace Bay and North Sydney, The City of Sydney, and the Municipality of the County of Cape Breton. A map of the County, located in the east-northeastern part of Cape Breton Island, is found on Appendix B.

Based on this data, the population of the County represents nearly 75% of the Island population and over 13% of the population of Nova Scotia. Over 50% of the population of the Province is located in this County and in The Halifax Regional Municipality. This data is provided to give the reader an idea of the significance of the local government reform issue in the Province of Nova Scotia.

It is extraordinary that only a few of the boundaries of the municipal units in the County of Cape Breton have been changed since their incorporation. Spillover of population from the towns into the county has occurred, thus the Municipality has the largest population base of all the eight units.

There are a number of critical and noteworthy developments which make up the demographic history of this area.<sup>14</sup>

- the total population of the County has been declining since 1961. In fact, the 1991 population was lower than the 1951 population.
- the population in the City of Sydney and the six towns declined by 20% since 1961, while the population of the Municipality had increased for the past sixty years.
- the population in the urban areas of the Municipality has been declining, while the rural areas of the Municipality have been increasing.
- the age demographics show a 50% decline in the number of children, while the number of senior citizens has increased by 75% since 1961.
- out migration due to the decreasing economy has been mainly responsible for the population decline.
- the number of births has decreased by approximately 50% since 1961.

The economy of Industrial Cape Breton has traditionally been based on the steel industry and the coal industry. In fact, the settlement patterns of the County are directly related to the dependence of the mines, and the habit of settling around what is known as the pit heads. Both industries have significantly declined over the past several years.

The same analysis of the economy was reported in 1968 in a report "*Local Government in the Changing Economy of Industrial Cape Breton*", (commonly called the Finnis

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<sup>14</sup> Report of the Municipal Reform Commissioner Cape Breton County

Report). - "The economy of Cape Breton is dependent to a very large degree on the coal and steel industries, which account for about 1/3 of the area's total employment and constitute the base activity which support the other sectors of the area's employment."

The Finnis Report went on to state that a continuing reduction in the coal, steel and stevedoring activities will have a major negative impact on the economy of the region.

That report, produced in 1968, contained the same warnings to the local governments as does the 1993 Campbell Report, a quarter of a century later. ( Report of the Municipal Reform Commissioner Cape Breton County). The Finnis Report, contained a review of the existing local government structure, the economic capacity of the region, a review of the physical development patterns, and the planning issues faced by the region.

The report made several recommendations dealing with governance issues:

1. That there be one government for the whole region with representatives elected from four electoral districts having a total of twenty four wards.
2. That boundaries of the twenty four wards be determined by the Board of Commissioners of Public Utilities under the authority of existing legislation.
3. That council be composed of twenty four councillors elected by ward and a mayor elected at large, for a three year term, and that a deputy mayor be selected annually by the council from among their own members.
4. That Council be divided into four local communities, one for each of the electoral districts.

5. That there be an executive body chaired by the mayor of the Cape Breton Regional County Council and that its members be composed of the four chairmen of the local committees and four appointed commissioners.
6. That special purpose bodies be limited to four.
7. That there be one school board responsible for education in the region.
8. That a committee be struck to implement the recommended new form of government by January 1, 1970.

The report also recommended a form of funding and delivery of local services between the Province and the new Regional Council. The report concluded with a number of recommendations regarding current personnel, assessment and taxation, a new civic center, promotion of tourism and a feasibility study for harbour development.

It was seen by most informed people in the region as the most comprehensive, and certainly the most articulate report outlining the conditions and future issues facing Cape Breton County. Father Ora MacManus believed that the Finnis report was not implemented because of the extremely high level of political self-interest and the low level of education of the elected officials who had to deal with the report, and, therefore, the report overwhelmed the community and it basically was put on a shelf.

A significant report was prepared by Dr. John Graham, entitled *The Graham Commission Report* in 1974 which was a macro study of education, public services, and provincial/municipal relations throughout Nova Scotia. This report was basically shelved

by the Government of the time, but a number of later studies utilized this report as a basis of further studies on local government governance and funding of services. As it relates to Cape Breton, the report recommended dissolution of seven of the eight units (excluded the Town of Louisbourg, which the Commission recommended remain a Town), and the formation of one regional government.

In May 1985, the Cape Breton Joint Expenditure Board directed that a task force be formed from among the senior administrators of the County, City and Towns to review the Graham Commission Report, the Finnis Report and to recommend a suitable structure for industrial Cape Breton.

The report, presented in December 1985, was accompanied by the signatures of the Administrators and a representative of the Department of Municipal Affairs, Arnold Cameron. A fascinating Purpose was included in the report: "to bring to a satisfactory conclusion the continuing debate about local government reform, in particular, the misconception of the term 'Regional Government'. In addition, the report is a sincere attempt to recommend upon a local government structure necessary to met the needs of an ever changing society for the foreseeable future."

The report was critical of the fragmentation caused by the creation of several special purpose bodies, independent of the municipal units and the Cape Breton Joint Expenditure Board, commonly know as Jointex. It also was critical of the failure of the

Finnis Report and the Graham Commission to implement “effective local government”, in that the final recommendations of such reports tended to concentrate on the element of efficiency, rather than on the corollary objective of effectiveness. The authors noted the major emphasis of the report were financial considerations and, conversely, the lack of the consideration of the effectiveness of unitary government reported in the Finnis and Graham report. In their opinion, this caused the shelving of the reports.

The authors also noted in the report that “if there is any radical change in the known form of local government, it should be a process of evolution rather than one of imposition”. The report goes on to emphasize the importance of the human element in any local government restructuring. In fact the report is unusually strong on this point, both from the point of the taxpayer and the staff. Curiously enough, however, the report concludes that “since 1907, Industrial Cape Breton has had, conceptually, an effective local government structure”, but still cannot deliver the “goods”.

Based on the theory that effectiveness comes before efficiency, unitary government was not considered as a mode of restructuring. Rather, that report prepared by the Administrators, recommended a refinement of the current system, which the authors considered to be a two-tier system.

The report contains another significant statement, which will be discussed in the final chapter of this research paper - “—no form of restructuring will ever surmount the



economic ills of industrial Cape Breton and, therefore, any thoughts along this vein, will not be realized overnight.” As it was in 1968, these reports all recognize the economic woes which had negative effects on the viability of the region.

The report recognized the current financial plight of the towns in the region and recommended that the Province of Nova Scotia continue to provide emergency funding to those towns until the aims of the report were met.

The report took little time in generating responses. In a letter to the Chairman of Jointex, Joe Wadden, the Town of New Waterford Council agreed with the two-tier proposal, but was adamant the incorporation of Jointex was not acceptable. Rather, the Town would have supported the formation of a regional government body and a local steering committee to bring specific recommendations regarding municipal restructuring. However, recognizing the delays with which this process could take, the Town announced that it would be proceeding with annexation of lands in the Municipality as a means of assuring the growth of a financially viable unit. The Municipality of the County of Cape Breton responded in January 1986. It took exception to the “fallacy” that migration of people from urban centers to rural centers is due to differing tax bills, rather they move for the quality of life, rather than a standard of living. The Municipality argued that the community could not sustain the level of restructuring as recommended in the report, as that action would not contribute to the economic development of the region.

The response also took issue with the complaint that the Municipality was unsympathetic to the financial plight of the other municipal units. The Municipality did, however, state that the community should be aware of the potential danger of propping up uneconomical units at the expense of destroying a viable community. In fact, the County would resist any attempt at annexations or consolidations if the "relocation of government holdings" were the aim of restructuring.

Other submissions were made by other municipal units, culminating with Jointex considering the submissions on March 6, 1986. The Board requested that the Province appoint a facilitator to assist with further cooperative attempts.

Again in April 1987, the Warden of The Municipality of Cape Breton County wrote to the Minister requesting that he appoint a Chairman for the study committee. In the letter<sup>15</sup>, Warden Wadden suggested that provincial precedents and imposing a system of government unacceptable to the populace should be set aside until such can be debated with the possession of unbiased information.

On September 14, 1987, acting on a further request from municipal leaders in Cape Breton County, Municipal Affairs Minister David Nantes appointed Family Court Judge Darryl Wilson to head a study on how the eight municipalities in industrial Cape Breton

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<sup>15</sup> Letter April 9, 1987, Wadden to Nantes

could improve the delivery of services through increased cooperation.<sup>16</sup> Judge Wilson had a background in chartered accounting as well as law, and formerly served on the Nova Scotia Municipal Board. This mandate appears to be further proof that neither the community nor the Province of Nova Scotia were willing to accept and implement the recommendations of the Finnis Report, The Graham Commission or the Report prepared by the Municipal Administrators. Mr Nantes noted that since the initiative came from locally elected people, it would be a joint venture and not one imposed from outside. The study team consisted of the mayors and warden within industrial Cape Breton, another statement which makes one question the objectivity of such studies.

In a letter to Warden Joe Wadden, Municipality of the County of Cape Breton, October 26, 1987<sup>17</sup>, Judge Wilson emphasized the four fold mandate of The Local Government Reform Committee:

1. foster municipal cooperation
2. review the future economic and social implications of delivering municipal services to the people of Cape Breton
3. examine areas of possible reform
4. develop terms of reference through consultation with the Joint Board and myself

He pointed out that Cape Breton has created an opportunity to make provincial, if not national history, and called on Warden Wadden for his personal support to this initiative.

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<sup>16</sup> Caper Breton Post

<sup>17</sup> Letter to Warden Wadden

A Position Paper prepared by The Committee on Local Government Reform, chaired by Judge Wilson, dated April 1989, recommended "that the Minister of Municipal Affairs initiate legislation establishing a regional authority capable of delivering services, efficiently and effectively, to the inhabitants of the geographic area of the County of Cape Breton".<sup>18</sup> The paper was completed 19 months following the appointment of Judge Wilson. The delay in completing the report, which was due June 1988, was caused by the Task Force report on a new proposal for levels of cost sharing of Social Services between the municipalities and the Province, an issue which required several months of negotiations with the Provincial Government.

The Committee came to the unanimous conclusion "that a house cannot be built without blueprints and resources"<sup>19</sup> and recommended the creation of one regional authority to consolidate all existing regional services. The paper did not, however, recommend the dissolution of the eight municipal units, nor any rationalization of political boundaries. In effect, it would have created a second tier level of government in the region, in addition to the various special purpose bodies and eight municipal units.

It is evident from this position paper that the political leaders still had no intention to consolidate the municipal units. They were at this time concerned with the service

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<sup>18</sup> *Cape Breton Joint Expenditure Board Position Paper re Local Government Reform*

<sup>19</sup> Draft Report

functions and methods of delivery of the services, rather than the fiscal condition of the units, and the prior studies which recommended unitary style of local government.

In its final submission to the Minister of Municipal Affairs in May 1990 the Committee outlined the criteria for the recommended Regional Authority, its membership, finances, services, and organizational structure.

The Minister of Municipal Affairs, Brian Young had agreed with this report and the Department proceeded to draft legislation to incorporate the Regional Authority. In a Press Release from the Joint Expenditure Board in January 1991, the Committee outlined the proposed authority, and indicated that a meeting would be arranged with Mr. Young to begin drafting the appropriate legislation to put the authority in place.<sup>20</sup>

During this period of time in the early 1990's, an analysis of economic development opportunities in Cape Breton was being prepared by a group of concerned citizens, The Urgent Agenda Committee, a community committee, commissioned to address the serious economic crises which was growing rapidly, prepared a report dated September 1992 which stated "for any community to survive economically it must retain a certain critical mass of employed workers to purchase goods and services, to pay taxes and take care of people too young or too old to support themselves. Accordingly it was estimated

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<sup>20</sup> Press Release, Cape Breton Joint Expenditure Board, January 31, 1991

that over 10,000 new jobs would have to be created by the end of this decade if we are to maintain a stable and healthy community in Cape Breton".<sup>21</sup>

The report recognized that old strategies of make work projects and dependence on outside investors backed by government subsidies have failed the community, and that the community should take care of its own destiny. The Committee recommended that the municipal governments should play a greater role in economic development in industrial Cape Breton, and that a new community-based structure with adequate resources and an appropriate mandate should have been formed.

"The alternative to a community initiated solution will be another imposed solution - someone else will play the game while Cape Bretoners sit in the bleachers, and we already know the consequence of the latter since we have had a generation of experience."<sup>22</sup>

The report includes several recommendations to the municipal units in Cape Breton to reduce duplication, to rationalize income assistance plans, to assist in job and skill training for the unemployed, and to undertake several large scale infrastructure projects that would create employment, produce public services and lessen the public funding of social assistance.

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<sup>21</sup> *An Urgent Agenda for Cape Breton, Progress Report*

It is apparent that this report is pleading, as other previous reports for the municipal units in industrial Cape Breton to convert the thinking of elected officials to a broader perspective.

The key report which appears to be the one which finally precipitated the amalgamation of the eight municipal units in Cape Breton is the Task Force on Local Government, presented to the Province of Nova Scotia in April 1992.<sup>23</sup> The Task Force, appointed in December 1991, had as its mandate "to develop a strategy that will lead to the design and implementation of an appropriate form of local government for Nova Scotia, in accord with the existing settlement patterns that balances the concepts of economic and service delivery efficiency with those of accountability and accessibility." The membership of the Task Force was composed of elected and appointed municipal officials, and representatives of the Department of Municipal Affairs, including the Deputy Minister Ann Janega, who chaired the Task Force.

The Task Force spent a significant amount of effort in expounding the principles of local government, the role and purpose of local government, as well as the provincial interest in municipal reform. The report introduced new terms for public services - local and universal, in an attempt to delineate the responsibility for delivery and funding of services between the Provincial Government and local government.

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<sup>22</sup> An Urgent Agenda for Cape Breton, progress report

The report included major changes for the delivery and fiscal responsibility for social services, police, roads and administration of justice. Major shifts of costs to the municipal units and major shifts of costs to the Province resulted in an attempt to make the final financial impact "revenue neutral", that is, that the net costs for the shifts in service responsibility would require no new money from either total municipal units or the Province.

This decision, to make the final outcome a zero financial impact, had a major impact on the final report of the Task Force. One can clearly determine from the implementation process that this became simply a fiscal exercise rather than an opportunity to decide once and for all which level of government should deliver which services, and which level of government should pay for those services. The implementation of this report provided for three year transitional funding to those individual municipal units which "lost" due to the shift in services, it resulted in several cost sharing programs, and did not give the fiscal responsibility to the level of government which was responsible for the delivery of the service.

The portion of the report which affected Cape Breton County, in addition to the negative financial impact, was the recommendation to restructure municipal government from a governance and boundary point of view. The report was critical of the complexity of the

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<sup>23</sup> *Task Force on Local Government Report to the Government of Nova Scotia, April 1992*



present structure of local government, in that the public had little knowledge who was responsible for services. Financial and administrative duplication was occurring in the Province and the number of special purpose bodies further limited accountability and tended to fragment decision making capabilities.

The report also identified a large number of boundary problems in the Province. Problem situations included:

- areas with a number of municipal units in one settlement pattern, including situations where a number of towns abut each other, with no current reason for distinction between one and the other.
- areas where substantial urbanized settlement occurred on the boundaries of a city or town, requiring at least two municipal units to provide services to one community.
- towns which do not have the resources to support their administrations
- areas where the main economic base is situated in one unit and the population that work there is in another

The report concluded that based on these situations, there were a number of critical geographic areas where a resolution of the situation required substantial restructuring, and where a large portion of the population was affected. The Task Force recognized that "While the provable savings from restructuring tend to be small, the creation of more effective municipal governments that do not have to devote a major portion of their

resources to squabbling with their neighbours has the potential to create major savings since sound expenditure decisions based on the requirements of the whole community are more likely.”<sup>24</sup>

The existence of eight municipal units within virtually one community in Cape Breton County was pointed out by the Task Force as an example of a critical region. This report, however, emphasized the growing financial problems of several of the municipal units as well as repeating the problem of the proliferation of such a large number of special purpose bodies, and other major concerns which restructuring could overcome.

The Task Force recommended a preferred structure of unitary government, that is, one-tier local governments for those critical areas. Interestingly, the Task Force examined other alternative structures, from the extreme of no municipal government in parts of the province, as in New Brunswick, to a range of two-tier structures and the need for certain special purpose bodies in rural areas of the Province.

In addition to the other studies which were taking place in the early 1990's, regarding the structure of local government, a very peculiar report was presented by the Municipal Administrators of the eight municipal units in Cape Breton County to the Cape Breton Joint Expenditure Board in early 1993.<sup>25</sup> Interestingly, at approximately the same time as the appointment of an Implementation Commissioner was contracted to implement

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<sup>24</sup> Task Force Report (27)

unitary, one-tier government, the Cape Breton Joint Expenditure Board requested the municipal administrators to prepare a report "to explore the feasibility of a two-tier municipal government".

A number of assumptions were made by the study group including (1) the status quo of the eight municipal units, (2) cost sharing arrangements with the Province, and (3) economic development - key to restructuring. The study analysed the service functions and delivery issues, staff impacts, and an organizational structure. It is interesting to note that the mandate was for a two-tier system of local government, a mandate which was a compromise of unitary government and the status quo. It appears from discussions with municipal officials that this mandate, a two-tier system, was the only compromise which Jointex believed could be "sold" to the eight municipal units.

The conclusion was that a two-tier system of municipal government was not a viable option<sup>26</sup>, that the region should assess the viability of the eight municipal units, and that the region should determine the probable service impact and cost ramifications of a unitary government. So, one could conclude that even after being instructed to prepare a report basically to support the concept of two-tier government, the administrators were not confident that it would be the best scenario of local government, and they even went as far as recommending that the region examine in detail the issues associated with unitary government, as recommended by the Task Force in 1992.

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<sup>25</sup> *Draft Report to the Cape Breton Joint Expenditure Board, From the Municipal Administrators re Proposed Two-Tier Municipal Government.*

<sup>26</sup> Draft Report

This report was presented to Jointex, and was not acted upon by the municipal units in the region.

**THE ACTUAL PROCESS AND IMPLEMENTATION OF AMALGAMATION:**

The *Task Force on Local Government* tabled its report to the Government of Nova Scotia on April 19, 1992. As noted previously in this paper, the report made numerous recommendations for local government reform in Nova Scotia. Discussion and debate was widespread in Cape Breton County in the days leading up to the announcement of the completion of the report. In fact, Beryl Davis, a research associate at Tompkins Institute, University of the College of Cape Breton, wrote her perspective on April 16, 1992 in the Cape Breton Post.

She reviewed the attempts in other provinces to reform local government and suggested that "In Industrial Cape Breton the reorganization of the public school system served to demonstrate that the consolidation of fragmented units of local government into a strong, single unit can be achieved successfully."<sup>27</sup> She suggested that the apathetic attitude toward local government in industrial Cape Breton, reinforced by decades of economic depression, may be about to change. In her opinion, Premier Cameron's record of being fearless in implementing government change, may indicate that shelving the report of the Task Force this time is not in the cards.

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<sup>27</sup> Cape Breton Post, April 16, 1992

Premier Donald Cameron announced on December 10, 1992 that the Government of Nova Scotia would implement the essential recommendations contained in the Report of the Task Force for service reallocation and municipal restructuring. He appointed Charles A. Campbell P. Eng., as Commissioner on January 8, 1993 to prepare a report on how to implement unitary government in Cape Breton County. Campbell, a consulting engineer, had extensive municipal consulting experience in engineering, finance and planning. He was engineering consultant for the study of "Local Government in the Changing Economy of Industrial Cape Breton" (the Finnis Report), and employed by the City of Sydney for eight years in the late 1950's and early 1960's.

The Terms of Reference for the Commissioner were very clear, in that the Commissioner had the responsibility to include any work necessary to implement the essentials of the Task Force Report. The Terms of Reference included six main objectives:<sup>28</sup>

1. to examine and report on all matters required to ensure that the appropriate service exchange and the reform of local government can be established in the region - - effective following the municipal election of October 1994.
2. File the initial report within six months re the size of the Council and boundaries, and file a complete report no later than September 1, 1993.<sup>29</sup>

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<sup>28</sup> Interim Report of the Implementation Commissioner Cape Breton County, July 8, 1993

<sup>29</sup> Later the Provincial requested the final report within six months.

3. Assume the new structure will replace all form of local government in the region and make recommendations for a new Regional Municipalities Act which would provide the legislative framework for incorporating a new local government.
4. The Commissioner will consult broadly with the public through public meetings, with all forms of local government to be restructured, staff and members of boards and commissions.
5. Specific recommendations will be made concerning the transfer of services from one level of government to another, the supplementary funding issue, integration of all forms of local government, the areas in which community councils or committees ought to be established, transitional taxation structures, size of councils and polling districts, definition of local roads, continuity of financial obligations of the present municipal units, allowances for differences in financial health of municipal units and other matters.
6. In forming recommendations, the commissioner will have regard to:
  1. ensuring the maintenance of community identity
  2. suitability, need and constraints to municipal servicing
  3. community of interest
  4. the existing distribution of municipal authority in the region
  5. access of people to elected and appointed officials
  6. representation in accordance with the distribution of population

7. area and density of population
8. growth potential
9. cultural and linguistic issues

The Commissioner reported very frequently to the Cabinet Committee on Municipal Reform, chaired by the Honourable Roland Thornhill, a Member of the Legislative Assembly from Dartmouth. Mr. Thornhill had a long career in provincial politics, and showed great interest in municipal/provincial relations during his terms in the legislature, at one time serving as the Minister of Municipal Affairs. Campbell also conferred frequently with William Hayward, Commissioner for the Halifax Metro Region, as they both worked with basically the same Terms of Reference for both regions in the province. Campbell was assisted during this period of time by Tom LeBlanc, Municipal Advisor, Department of Municipal Affairs, who provided the main technical support.

Campbell came to the final conclusion that agreed with the Task Force, that unitary government was the appropriate structure of municipal government in Cape Breton County. (p.35) He was critical of the large number (approximately 90 listed in his report) of special purpose bodies which were involved in service provision in the region. He stated that these bodies had an uneven record of success in achieving their intended purpose. He recommended that these would be replaced by a unitary government.

The dissolution of the Cape Breton Joint Expenditure Board was a major blow to the local supposition that a regional body, in addition to the current eight municipal units should be formed to provide regional services. Jointex, as it was called, was formed in the 1960's by the eight municipal units in Industrial Cape Breton to operate the Cape Breton Correctional Center and a home to house mentally challenged persons. It was seen by many local politicians to be a major player in local government in Cape Breton County. The position of Chair of Jointex was seen to be quite a "plum" both financially and from a public point of view to whomever was elected to that post. Although most municipal units did not fully attest to the role of Jointex, most believed that some form of regional cooperation and delivery of services would stave off amalgamation in the region. The death toll rang for Jointex with the Task Force and Campbell reports.

In addition to confirming the Task Force recommendation of unitary government for the region, Campbell made several other important recommendations which further emphasized the significance of the implementation process.

He recommended that extensive involvement of the citizens and communities would be critical in the process to amalgamate the eight units. This point is important because he recommended that public input should be encouraged, but within the framework of a unitary government structure. He was convinced that he had examined alternative structures, such as two-tier and regional services boards, and strongly recommended that



unitary government be put in place. One can recall that Finnis and other reports recommended a like structure, but with no action to implement.

Other major recommendations dealt with issues of service delivery, legislative requirements to implement unitary government, council size, boundaries and polling districts and fiscal issues such as the equalization grant.

The Campbell report was being prepared during the 1993 provincial election campaign. John Savage, Leader of the opposition Liberal Party, campaigned against the amalgamation plans of Cameron. The Liberal Party won the May 1993 election, defeating the Government of Donald Cameron's Progressive Conservatives. It does not appear that the election impacted on the amalgamation decision. Campbell's final report was presented to Honourable Sandy Jolly, the newly elected Minister of Municipal Affairs, in July 1993, six months from the date of being appointed as Commissioner. The report was made available to the public through a letter from Jolly in August 1993, in which she stated "these assumptions are not necessarily the direction which will be adopted by the current Government."<sup>30</sup> Municipal officials were again wondering what the position of the Provincial Government would be following the release of such a high profile report.

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<sup>30</sup> Letter accompanying Campbell Report to municipal units, August 1993.

Charles Campbell was requested by Premier Savage not to hold any public meeting regarding the report following the election.

As the debate among elected municipal officials and provincial MLA's heated up, the Chief Administrative Officer for the Municipality of the County of Cape Breton, Jerry Ryan went public with his professional opinions on the issue. Unusual as this is for a senior administrator to publicly state an opinion relative to a controversial major municipal issue, Ryan spoke to the Rotary Club of New Waterford. Ryan's contribution to the debate, on the side of pro amalgamation, was important to the community. The opinion of a well informed senior administrator was considered a valuable contribution, as it was not seen to be based on power or a revenue grab by a municipal unit. To the contrary, he added an extra dimension, as an employee whose livelihood could be affected by the very issue which he was supporting.

By October 1993, even though the Provincial Government had not decided to accept the Campbell Report, the eight municipal units had clearly stated their positions relative to the report, which were summarized in a memo to Premier Savage from Ed Cramm, Deputy Minister of the Department of Municipal Affairs.<sup>31</sup> The City of Sydney passed a resolution requesting that the report be implemented. The Town of Sydney Mines did not agree with regional government of restructuring boundaries, fearing loss of community identity, lack of accessibility to municipal officials, timing of the

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<sup>31</sup> Letter to Premier Savage from Ed Cramm Deputy Minister Municipal Affairs

implementation, and staff employment losses. The Town of Dominion requested more time for public consultation. The Town of New Waterford adamantly opposed forced amalgamation and agreed with Dominion's consultative approach and would prefer that Jointex develop a structure for the region. Jointex met to discuss municipal reform due to the 20% reduction in emergency funding and there was no unanimity regarding the report. The Municipality of Cape Breton preferred that its boundaries not be altered and would prefer a regional service delivery structure, but would reluctantly support a regional government if all other structural options were not viable. Warden John Coady expressed concern that strong negative reaction may be expressed to Campbell's "Robin Hood" suggestion of having the more wealthy municipal units give to the less fortunate municipal units (In terms of assessment base).<sup>32</sup>

Perhaps the most vociferous opposition came from the Town of Louisbourg. The Town declared that it was not convinced that unitary government would be the correct form of government for Cape Breton County. The Town would have preferred to remain outside the new region, and indicated that annexation of the lands in the Municipality on which Fortress Louisbourg was located, or sharing with the Municipality grants in lieu of taxes on the property, both would assist in the survival of the Town.

Cramm also indicated in his letter to the Premier, just eight days prior to the government's announcement that unitary government would proceed, that since the

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<sup>32</sup> Cape Breton Post August 23, 1993

report of the Task Force, some of the eight municipal units would suffer additional financial problems with the announcement of lower operating and emergency grants from the Province, reduced Devco and Sysco grants in lieu of taxes, and significant reductions in the assessment of the National Sea fish plant in Louisbourg. For example, the Town of New Waterford would be facing a 30% tax increase to balance their budget due to the Devco situation.

Cramm, who since has been transferred to the Department of Health, and most recently to the Department of Economic Development and Tourism as Deputy Minister, certainly advocated structural changes to local government in Nova Scotia, and frequently promoted the idea of amalgamations in several areas of the province.

Undaunted by the discussions surrounding unitary government, on April 7, 1994, the City Council of the City of Sydney passed a resolution to annex a portion of the Municipality of the County of Cape Breton, containing valuable commercial assessment. Mayor Vince MacLean, in an interview with the editorial board of the Cape Breton Post stated that if there was no cooperation on municipal reform, Sydney was prepared to annex some revenue-rich county real estate. He stated "My thrust is to stop Sydney from declining."<sup>33</sup> At that same time, the City was preparing for a hearing before the Utility and Review Board for a reduction in the number of aldermen from twelve to six to show that the City was prepared to downsize to assist its fiscal situation.

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<sup>33</sup> Cape Breton Post April 1994

Sandy Jolly, Minister of Municipal Affairs, announced on May 5, 1994, nine months after the release of the Campbell Report, the government's plan to implement unitary government in Cape Breton County, the first regional government in the history of Nova Scotia. She pointed to two additional recent events which necessitated the government's move - the major reductions in Devco transfer payments which negatively affected the fiscal position of a number of municipalities, and the recent move by the City of Sydney to annex portions of the Municipality. The new government was to come into effect June 1, 1995.<sup>34</sup>

The Minister also announced the appointment of Charles Campbell as Coordinator to implement the new government and to establish its internal structure. He began the task immediately. Assisted by officials of the Department of Municipal Affairs, his major initial tasks were to meet immediately with the elected and senior appointed officials in the eight units, put in place an administrative structure to assist in the implementation, to prepare for the municipal elections in May 1995, to carry out a public information program, and to complete the legislation to legalize the effect of the government's announcement.

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<sup>34</sup> Press release, Honourable Sandy Jolly, May 5, 1994

Campbell's research, contacts and meetings during the period preceding his July 1993 report provided to him a sense of the staff expertise available, useful for selection of the senior officials who would be recruited for the new regional government.

On June 30, 1994 An Act to Create the Cape Breton Regional Municipality was passed by the Nova Scotia Legislature, but not without some very articulated opposition from the community of the Town of Louisburg. In its presentation to the Law Amendments Committee, prior to the passing of the Bill, the Town stated "the best of the Nova Scotia heritage comes from small communities where there is a lot of volunteer activity, a genuine sense of community, and local self government that organizes and focuses both the public services and the community's relation to the world outside".<sup>35</sup> The Town commented that "local government is about local choice, about the right of communities to go different routes as long as they don't deny the rights of others; it's about diversity and pluralism which are key strengths of our democracy." The Town supported its position by indicating its geographic separation from Sydney, the limited representation on the new Council, the culture of the Town, lack of prior consultation, and fiscal issues would certainly not be in the best interest of its residents. Letters of support for the Town's position were also forwarded to the Minister by the Louisburg Heritage Society, Harbour Committee, Fire Department, the former Mayor, and Junior High School students. In one letter from a resident dated May 1994, he stated "Next year is the year to celebrate the 250<sup>th</sup> anniversary of the first siege of Louisbourg. Instead it looks like we

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<sup>35</sup> Submission of Town of Louisburg to the Nova Scotia Law Amendments Committee, June 6, 1994

will be fighting the third siege. I guarantee you that Louisbourg will not fall without a vigorous fight." In a plebiscite held in the Town, 478 citizens out of 570 who voted, voted to support remaining out of amalgamation.

The Government of Nova Scotia did not alter its position, and the Town became part of the new regional municipality.

Industrial Cape Breton had for many years been dependent on funding from senior levels of government through special grants, employment initiatives and financial assistance to industries which were the key to economic development in Cape Breton. One of those agencies was the Cape Breton Development Corporation (Devco). In fact, in 1994/95 \$3.7 million was paid as grants in lieu of taxes to six of the eight municipal units. Just prior to the government's announcement to amalgamate the units, Devco advised the units that these grants would be reduced by 50% or \$1.8 million in the next year. The Minister of Municipal Affairs, in attempting to bridge the gap from April 1994 until the new structure was in place, requested the Federal Minister of Public Works, Supply and Services and ACOA, Honourable David Dingwall (Cape Breton MP) to delay these reductions for at least one year or phase in the reductions over two years.<sup>36</sup> This was a last minute effort on behalf of the Provincial government to soften the fiscal blow for the

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<sup>36</sup> Letter Jolly to Dingwall May 27, 1994

new region, and was seen as a positive attempt for the Province to assist in the implementation process.

Campbell requested the Deputy Minister of Municipal Affairs and the CAO of the Municipality of Halifax County to assist in the recruitment of the Chief Administrative Officer. The successful candidate was Jerry Ryan, former CAO of the Municipality of the County of Cape Breton. Ryan and Campbell then recruited the remaining senior officials to begin the implementation process. The incorporation legislation was written to provide the opportunity for qualified officials from the eight municipal units to receive preferential consideration over candidates from outside those units.

From notes and discussions with those senior administrators it is evident that the positive leadership of Ryan was critical to the success of implementing the new regional government. As a method to building the team of sixteen managers, it was decided that the new administration would adopt as their blue print of developing systems, the contemporary philosophies of creating community ownership of government and citizen empowerment contained in the book "Reinventing Government".<sup>37</sup> Management meeting minutes reveal that some managers attended seminars by the authors, and were required to report on the contents of the book to the management committee.

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<sup>37</sup> Reinventing Government, David Osborne and Ted Gaebler, Penguin, 1992



Preparation for the election was prefaced by the boundary issues as recommended in the 1993 Campbell Report. Campbell applied to the Utility and Review Board for 20 polling districts. The Board eventually directed the Coordinator to file a revised application which would divide one of the proposed Districts into two districts and would increase the number of districts to 21. Campbell did not comply with the Board order but made other amendments to District 1 and 2. The board believed that it would be necessary that rural voters be fairly represented and assured a voice in the new government, particularly given their location in relation to where the offices of the new Municipality would likely be located.

The resulting boundary decision recognized that there was some inequality and did not meet the criteria of average voters per councillor per district being within 10%. The Board treated this as a "special circumstance and one that is not engraved in stone".<sup>38</sup>

A number of implementation issues which occurred between the period October 1994 to August 1, 1995 are worthy of recording in this research. It is clear from the documentation in the offices of the new regional government that great emphasis was placed on project planning for the implementation. Appendix C is the Regional Government Preparation Planning Document.

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<sup>38</sup> Order of the Nova Scotia Utility and Review Board December 1, 1994

One of the major issues confronting the new region was the labour situation. Staff in the eight municipal units were represented by twenty eight collective agreements. The strategy of openness which was adopted by management was criticized continually by unions as evidenced by letters from union representatives to the CAO. Delays caused by the Nova Scotia Labour Relations Board in obtaining definite decisions on crucial issues caused delays in staff appointments and job competitions. Decisions were made regarding which union would represent staff. The amalgamation of collective agreements is only now being finalized as contracts are renewed. Wage rates were set resulting in increases and decreases for numerous current positions and newly created positions. It was not until August 1, 1995 that a number of staff knew their official employment relationship with the new region.

The organizational structure recommended by the Campbell Report formed the foundation for the new regional government. Modifications were made after a period of time had passed to address new issues and organizational requirements. Records show that staff apprehension caused by loss of jobs and stress created by the implementation workload reached a feverish state during these difficult transition months, especially during the summer of 1995, as the dissolution of the eight municipal units occurred.

Financial issues highlighted this amalgamation process. The issues could be categorized into four topics: 1) the accumulated deficits of the eight municipal units as at March 31, 1995. 2) the excess of expenditures over revenues incurred by the eight municipal units

for the four-month period April 1, 1995 to August 1, 1995. 3) the impact of Provincial/Municipal Service Exchange announced by the Government of Nova Scotia. 4) the public's reliance on the financial forecast contained in the Campbell Report which stated that "the net direct financial impact of municipal reform on the municipal units in Cape Breton County, and their taxpayers, is therefore, savings of at least \$13.8 million annually".<sup>39</sup>

1) The accumulated deficits of the eight units as at March 31, 1995 totaled \$2,967,577 as reported in the 1995-96 Proposed Operating Budget of Cape Breton Regional Municipality. It was stated several times in letters from Department of Municipal Affairs that any accumulated deficit of any municipal unit would be recovered by an area rate on the particular municipal unit which accumulated the deficit. Generally an issue in any amalgamation plan, the Government of Nova Scotia made an early decision to appease the citizens of the former fiscally well-off units by advising the coordinator to plan for this eventuality. However, the Regional Government made a decision not to implement such area rates, and the accumulated deficits were included in the general tax rates of the Region. As stated by the Public and Financial Services Coordinator for the Regional Government<sup>40</sup>, the rationale for this decision was to promote regional cooperation from the outset, rather than to perpetuate the old municipal boundaries.

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<sup>39</sup> Campbell Report July 1993 P.91

<sup>40</sup> Gordon MacInnis

2) The decision by the Provincial Government to delay the official day from April 1 to August 1 for the new region to officially become operative did not help the fiscal situation of the new region. Implementing a new government in the middle of a fiscal year was not prudent, as can be noted from the financial results during the period April 1 to August 1, 1995. Budgets were established under the coordinator's authority for the four months and it was obvious that some of the eight municipal units were not financially accountable during that period, resulting in accumulated deficits of \$4,510,793, excluding a further requirement to adjust asset value allowances by \$3,032,387. It was obvious from the results that municipal units were not going to leave any financial legacy to the new regional government and in fact , the units overspent revenues by \$4.5 million in four months.

3) The Campbell Report also estimated that the reallocation of services between the Province and the municipalities, pursuant to the 1995 province wide initiative, would result in further annual savings of \$7.3 million after the loss of any emergency funding to the units. This calculation was made prior to the official announcement regarding service exchange. The actual result was a loss of \$5.0 million to the region.

4) The financial estimates contained in the Campbell Report in 1993 were drastically and negatively affected by the final service exchange deal that the Province and the municipalities agreed upon effective April 1, 1995. The public was told in several meetings and through various media sources that the Campbell Report data had been

prepared prior to the service exchange and that the annual savings of \$13.8 million quoted in the report were unattainable. The \$13.8 million annual savings consisted of two parts - the amalgamation would save \$6.5 million, and the reallocation of services between the Province and the municipalities (service exchange) would save \$7.3 million. However, prior to the amalgamation, the Provincial Government altered one aspect of the service exchange program which not only erased those expected savings of \$7.5 million, but service exchange resulted in a net loss to the region of \$5.0 million. Acknowledging that this data would not advance the amalgamation project, the Provincial Government agreed to fund a pilot project for social services general assistance which would basically offset this net service exchange loss of \$5.0 million. As for the projected operational cost savings due to amalgamation of \$6.5 million, financial data prepared by region staff indicated that the actual savings were approximately \$4.2 million.

Although many citizens will confide today that they were very leery of these initial savings, nevertheless, they feel that they have been led down a path of deception by the regional elected and appointed officials who planned amalgamation based on the Campbell Report. When tax bills arrived at the doors of many ratepayers, particularly in the rural communities, which have shown a major tax increase, many continue to believe that amalgamation caused this increase. Obviously, complex municipal/provincial fiscal relations are not understood by the typical homeowner, who would not comprehend the relationship of the service exchange issues.

In any regard, the Cape Breton Regional Municipality faced a \$15,000,000 shortfall in its 1995/96 proposed operating budget, which included prior deficits, adjustments to asset valuation allowances, implementation costs, employee severance costs and building/technology allowance, obviously an amount not capable of being absorbed by a new regional government intent on reducing taxes. The region appealed to the Department for some assistance to reduce this burden on the taxpayer. An agreement was reached to adopt various fiscal arrangements which permitted the region to amortize a portion of the costs over a period of years, to increase taxes in 1995-96, to relieve the municipality from certain financial reporting obligations under the Municipal Accounting and Reporting Manual regarding valuation allowances, to permit the Province to provide an interest free loan of \$2.0 million for 1995-96 (forgivable after three years if the terms of the agreement were met by the regional government), and that the region would take aggressive actions to improve the revenues and control expenses to improve its financial position.<sup>41</sup>

There were a number of legislative issues to be resolved during the implementation process. An example of this is the consolidation of the by laws of the municipal units. Each unit had its own set of bylaws which set out many diverse policy issues and legislative authorities. For example, there were fourteen heritage by laws in four municipalities, all designating heritage protection districts, which would be void upon the

amalgamation. It was necessary to roll these bylaws into one piece of enabling legislation.

Other issues which the management committee and coordinator dealt with during the period May 1994 to August 1, 1995 included:

- Departmental action plans
- Property taxation system (duality of rates, previous deficits, service boundaries)
- Installation of an accounting system
- Capital budget preparation
- Property record logistics
- Human resource information systems
- Information technology system
- Communication System
- Economic Development issues

The coordinator and members of the management committee carried out an extensive public information process between the time of the announcement in May 1994 and the implementation date August 1, 1995. From the personal record of the coordinator there were many examples of community meetings to discuss his report, the boundary issue, service delivery issues, staff issues, governance and accessibility issues, and property tax

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<sup>41</sup> Agreement between The Province of Nova Scotia and the Cape Breton Regional Municipality dated

issues. Meetings were held with Councils, Councillors, CAO's, Mayors and Warden, Fire fighters, unions, government agencies, local economic development agencies, University of the College of Cape Breton Political Science classes, several community associations. The coordinator stated that he planned meetings to facilitate public participation. These meetings, although not well attended, were highlighted by much public concern and provision of information by the coordinator. It also provided an opportunity for the senior administrators to build some credibility with the public, a real attempt by the coordinator to take the government to the citizens in several areas of the region.

The initial municipal elections for the new regional government took place May 13, 1995. Seventy nine per cent (61,665 out of 78,800) of the eligible voters went to the polls to elect twenty one councillors. Eighteen of the successful twenty one candidates were former councillors/aldermen from the former eight municipal units. The former Warden of the Municipality of the County of Cape Breton was elected at large as Mayor of the new regional government.

In the end, the first Cape Breton Regional Municipality had a council of which 85% were former members of councils, a Mayor from a former unit, the former Chief Administrative Officer from the Municipality, several senior administrators from previous units, all located in the former City Hall of the City of Sydney. This brought to



the region and to the table some very capable, experienced persons to develop new policy and administer the affairs of the region, a result which prompted one councillor to quip "welcome home".

Some research is valuable to attempt to determine the role of the local university in this amalgamation. The University of the College of Cape Breton is a degree granting university located in the previous Municipality. In order to determine the impact or role the university had, several persons were interviewed. Beryl Davis, MA, who previously taught in the Department of Political Science, and who presently manages the University's Art Gallery, felt that the University did not play a major role in the amalgamation issue. Charles Campbell was invited to speak to the classes about his report, but it appears that no one from that academic community impacted on the process.

It appears from interviews with other community leaders that the University displays a cautious attitude in community issues and is not overt in sharing resources with the community. The involvement in the community is limited, possibly due to lack of financial resources, to lectures, art and visual arts and communication,. One person interviewed stated that the University is a classic example of the "town and gown" mentality in which the academic community does not have an interest in the community issues. The University, in my opinion lost a great opportunity to offer the services of mediation and conciliation among municipal units, to provide a forum for public debate

about the amalgamation issues, and generally educate the public about the governance issues of local government on a broader global scale.

The research also examined briefly the role of the local media, in particular the Cape Breton Post, in the amalgamation process. I attempted to determine if the media took any position on the issue, offered a forum for public debate, led the process or simply mirrored the opinions of the general public during this process. Most of the interviews about this topic were similar, in that most people felt that the Post provided provocative coverage of the incidents between 1992 and 1995. Most felt that the Post editorial staff did not have a strong opinion, but were able to provide coverage of both sides of the municipal reform issue. The Post reported the activities of the coordinator, the municipal council meetings, and it regularly reported a variety of comments from elected officials of the eight units. One staff person indicated that the region did not do a very adequate job in media relations due to the lack of resources. A recommendation to recruit the necessary public relations staff was not approved for financial reasons. The image of the new region may have been improved if the media was used more effectively as a positive manner to reach the public. Generally the media was a positive source of information for the public and a venting tool for elected officials.

#### **HOW UNIQUE WAS THE AMALGAMATION IN CAPE BRETON COUNTY :**

After one digests all the literature, interviews the people involved in the amalgamation, and reads the reports associated with the issue, my conclusion as to the real reason for

amalgamation in Cape Breton County was because the Provincial Government recognized the dismal financial position of several of the municipal units which may have led to further attempts at annexation, as well as the continued emergency financial support to those units.

There was speculation that one regional council would be a more effective method of governance. There is still evidence, however, of Regional Councillors still governing with the mindset of eight municipal units, of their lack of acceptance of unitary form of government for the region, of their urban centered policies, of their difficulty to work together in a harmonized manner, of their lack of appreciation of the important policy role of their office, and of their lack of trust and appreciation of staff abilities.

There was speculation that there would be significant economic benefits to the region as a result of amalgamation. However, as late as December 1997, the Council of the Industrial Cape Breton Board of Trade was still calling for the organization of the commercial sector as the foremost challenge confronting the Cape Breton Community.<sup>42</sup>

There was speculation that one regional council could act as one voice in dealing with local government issues with the Province of Nova Scotia, rather than eight municipal unit representatives appearing in Halifax with their own agendas. This, of course, has occurred because of the dissolution of the eight former units.

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<sup>42</sup> Restructuring Committee Report to Industrial Cape Breton Board of Trade Council, December 8, 1997

There was speculation, since a number of studies during the previous thirty years consistently recommended a regional government for Industrial Cape Breton, that the eight municipal units, or in particular, the council leaders, would have voluntarily agreed to create one single government. Obviously, this did not occur and another example of the Provincial Government making a decision for local governments took place in this region.

Local government reform was clearly in vogue in the Maritime Provinces in 1992-1993:

The Task Force in Nova Scotia recognized the problems associated with lack of clear definition of responsibilities between municipal and Provincial governments, the prevalence of downloading fiscal responsibilities, the inability to sustain the level of emergency funding to municipal units, the lack of cooperation among municipal units, the attempts of annexation among municipal units, the perception of "too much government" and the number of municipal units in Nova Scotia, and the financial dilemma of a number of smaller units due to the downturn in resource based industries. The Provincial Government realized that municipal reform was necessary to ensure that citizens of Nova Scotia continued to receive, in some form or another, a reasonable level of public services.

In New Brunswick in 1992, The Minister of the Department of Municipalities, Culture and Housing related a number of issues impacting on local government in the Province and suggested that improvements must be made. Many municipalities were becoming more aware of the possibilities for efficiency and savings through cooperative efforts. The Province recognized that the future viability of local government depended on its ability to adapt to trends in cost effective government. The number of ad hoc special purpose bodies was eroding municipal authority.<sup>43</sup> It appears that the New Brunswick Government was interested in more cost efficient local government when it decided on a path of local government reorganization in the form of amalgamations and regionalizations.

The Government of Prince Edward Island, in June, 1993 , produced a White Paper "to facilitate and move forward the Province's committee objective of achieving municipal reform in the Charlottetown and Summerside areas."<sup>44</sup> The paper examined the typical four models, including status quo, annexation, regionalization, and amalgamation, concluding that amalgamation would be the preferred option of reform. Lorne Moase was appointed as a single-person Municipal Reform Commissioner to examine the implications of municipal reform in the Charlottetown and Summerside areas. As a result of his consultations, he examined five scenarios for municipal reform, including the four from the White Paper, but expanding on the regionalization model (two tier, and

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<sup>43</sup> Strengthening Municipal Government in New Brunswick's Urban Centres, December 1992

<sup>44</sup> White Paper on Municipal Reform, Government Reform Office, Prince Edward Island, June 25, 1993

inter municipal agreements). He concluded that "meaningful reform could only be achieved in the Charlottetown and Summerside areas through amalgamation".<sup>45</sup>

To determine the uniqueness of the Cape Breton amalgamation, the research compares it with the amalgamation in the Mirimichi area of New Brunswick, the Charlottetown area of Prince Edward Island, and the Halifax area of Nova Scotia.

There are several similar deficiencies in the structural, governance and administrative functions in these areas which caused the three Provincial Governments to examine municipal reform and particularly amalgamation or unitary government:

- Antiquated nature of municipal boundaries which failed to recognize shifting settlement patterns.
- Over governance.
- Competing rivalries among municipal units resulting in poor land use planning and duplication of economic development activities.
- Unequal service delivery responsibilities between rural and urban areas, especially for police and roads.

There are some similarities in the process leading to municipal reform studies which led to the actual implementation of amalgamations in the four regions:

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<sup>45</sup> Report of the Commission on Municipal Reform (Charlottetown and Summerside areas), Lorne R. Moase, December 1993

- Each of the municipal reform studies were preceded by similar reports recommending that municipal restructuring and amalgamations were beneficial.
- The amalgamations were not voluntary, but were forced by Provincial Governments.
- Each amalgamation was preceded by a report of an Implementation Commissioner who recommended unitary government in each of the three regions.
- Prior to implementing unitary government, other forms of local government were studied, including two tier, regional cooperation and the status quo.
- Each intended to improve the delivery of services to the citizens.

I can conclude from this research that the uniqueness of the amalgamation in Cape Breton, if at all unique, was the extent of the negative financial dilemma of at least six of the eight municipal units. One example of the dilemma was the impact of the Government's decision to terminate emergency funding. Appendix D shows the impact on the proposed tax rates with those tax rates based on zero emergency funding. One can see that tax rates would have increased as much as 39% due to the effacing of the emergency funding issue alone. The reduction in the DEVCO grant would have caused further financial pressure on some of the units. In fact the Commissioner stated his extreme surprise that the question, "What would be the impact on my taxes if amalgamation did not occur?", was not asked at any public meeting. In contrast, there was no evidence in the reports of the Commissioners for the Charlottetown, Halifax or Mirimichi, that most of the municipal units were on the brink of financial dissolution.

It is clear in the four regions, and in fact from the Provincial Governments' perspective, that municipal reform was implemented to bring some level of cost effectiveness to the regions' local governments. Whether that actually occurred in the short term, or will in the long term is the subject of further research outside this paper.

### **REFLECTIONS ON THE CONSEQUENCES OF AMALGAMATION IN INDUSTRIAL CAPE BRETON:**

During discussions with so many knowledgeable people outside the corporate structure of the former eight municipal units and the new Cape Breton Regional Municipality, one theme emerged; that is, **amalgamation did not, and will not cure the economic ills of industrial Cape Breton, nor will it contribute to a better quality of life for its citizens unless a concentrated effort is made by government, citizens and business towards managing a declining economy, to allow for some time to create a new direction to the area.**

*"A Proposal for Cape Bretoners to Join Together in Building a Strong Local Economy"*  
<sup>46</sup>states "The Cape Breton community desperately needs to be organized as an effective economic entity so that it can compete and thrive within Atlantic Canada and Canada. As well, since we are now living in a global community, Cape Breton must learn to

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<sup>46</sup> July 1997



compete successfully with other countries - albeit in a modest way - if its standard of living is not to deteriorate further.” It recommends the creation of a modern style development corporation that is grounded in the community—that is serving the community and which is accountable to the community.

The Cape Breton Regional Municipality can play a critical, important role in this proposal. A major positive step has already been taken in the recruiting of a Manager of Economic Development for the Municipality. John Whalley, in a recent economic development issues paper, provides a framework of options based on his economic analysis. He concludes that, with few exceptions, the municipal units in Industrial Cape Breton have taken a hands-off approach to economic development in the past, leaving that role for the Provincial and Federal Governments.

One of the principal reasons for the 1995 amalgamation was to provide efficient infrastructure and public services to a seriously declining economy. He concludes, however, that subsequent to amalgamation, there has not been any concentrated effort to place the new municipality at the fore of economic development efforts. Instead, the Region, like other municipal governments in Nova Scotia, has supported economic development strategies formed through a theory of “bottom up” community economic development agencies.

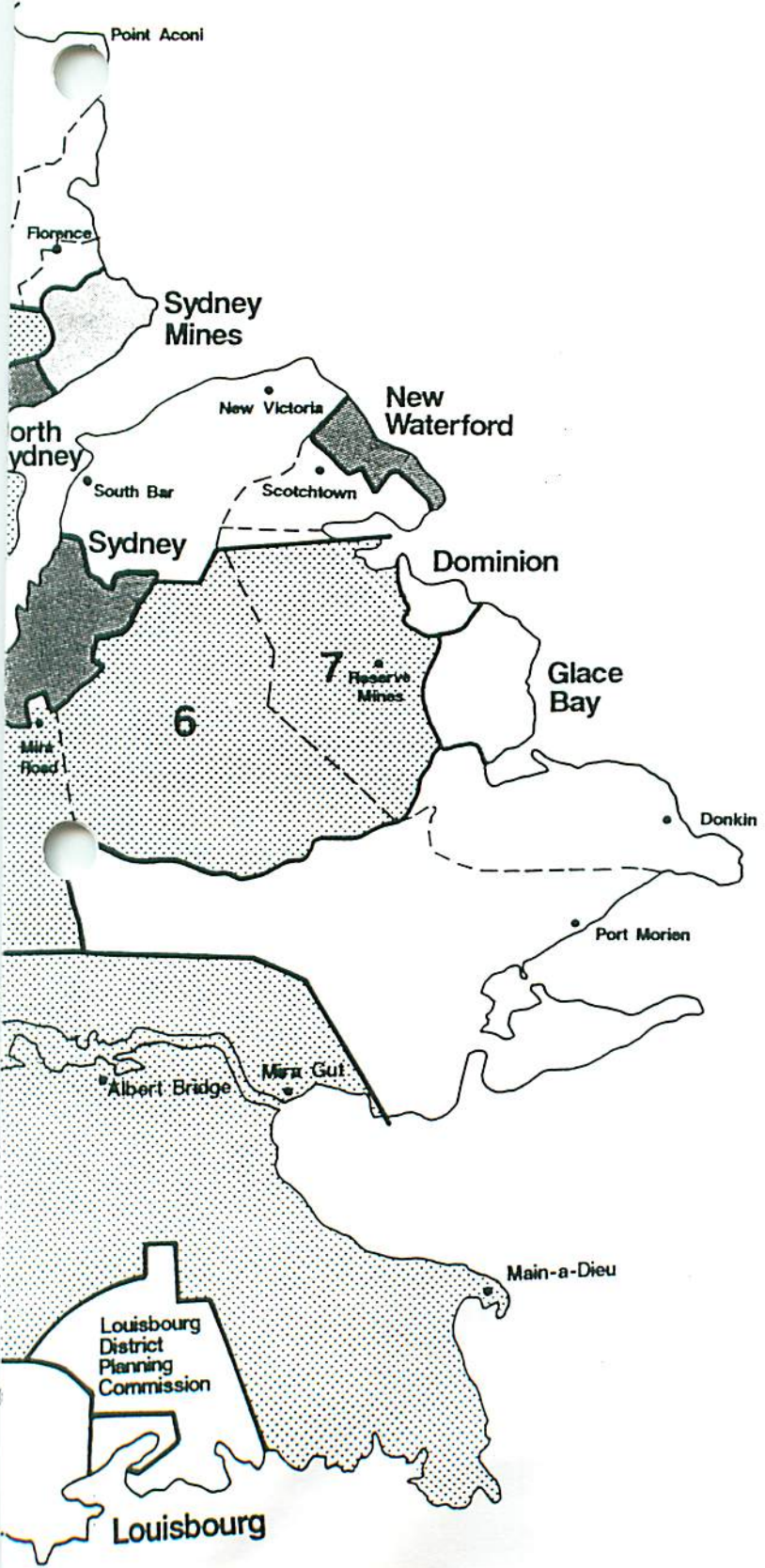
Whalley concludes that the traditional role of local government in Cape Breton has not worked to produce economic growth. It may have slowed decline, but he states that there is no indication of growth. If the traditional role is maintained, it will only continue to manage decline.

Whence from here? - - The greatest challenge is still before the community of the Cape Breton Regional Municipality - to develop an economic strategy, with the Regional Government acting as more of a catalyst, to improve the quality of life in Industrial Cape Breton. Amalgamation will continue to be an unpopular topic in the region, unless the public experiences some positive actions from their local government, the "closest government to home".

**CAPE BRETON COUNTY**  
**MUNICIPAL STATISTICS**  
**PRE 1995 AMALGAMATION**

MUNICIPAL UNIT	# COUNCILLORS	POPULATION	AREA
Municipality of the County of Cape Breton	20	47,760	2384.1 sq km
Town of Dominion	6	2,517	5.2 sq km
Town of Glace Bay	6	19,501	23.2 sq km
Town of Louisbourg	6	1,261	2.4 sq km
Town of New Waterford	8	7,695	5.3 sq km
Town of North Sydney	6	7,260	5.4 sq km
City of Sydney	12	26,553	23.5 sq km
Town of Sydney Mines	6	7,551	10.9 sq km
Total	70	120,098	2460.0

APPENDIX B



**Town with Municipal Planning Strategy.**

Planimetric base.

- Glacé Bay - (1:4800)
- Sydney Mines - (1:7500)
- Dominion - (1:4800)



**City/Town with Municipal Planning Strategy.**

L.R.I.S. property base.

- Sydney - (1:3200)
- New Waterford - 1:3600
- North Sydney - (1:2400)



**County area with Municipal Planning Strategy.**

L.R.I.S. property base.

1. Western Cape Breton County - (1:20000)
2. Sydney River-Howie Center - (1:5000)
3. Coxheath - (1:5000)
4. Point Edward Peninsula - (1:5000)
5. Prime Brook-Mira Road - (1:10000)
6. Grand Lake Road - (1:10000)
7. Reserve-Gardiner - (1:10000)
8. Mira River and the S.E. Coast - (1:20000)

No Municipal Planning Strategy review process underway as of February 21, 1995



**County area with Zoning By-law only.**

Planimetric base.

- (1:15840)

SCALE: 1" = 4.49 Miles  
DATE: September 16, 1994

C.B. Regional Municipality

ID	Task Name	Duration	Start	Finish	4, 1994		Qtr 1, 1995			Qtr 2, 1995			Qtr 3, 1995			Qtr 4, 1995			Qtr 1, 1996		
					Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	
1	Finalize Boundaries	18d	Mon 11/7/94	Wed 11/30/94	C.Campbell,Doug Foster																
2	Election Procedures	135d	Mon 11/7/94	Sat 5/13/95	[Summary Bar]																
3	Enumeration	135d	Mon 11/7/94	Sat 5/13/95	Bernie White																
4	Polling Div/Stat. Identification	10d	Mon 11/7/94	Sun 11/20/94	Bernie White																
5	Staffing	10d	Mon 11/7/94	Sun 11/20/94	Bernie White																
6	Budget	10d	Mon 11/7/94	Sun 11/20/94	Bob MacNeil																
7	Organizational Charts	11d	Mon 11/7/94	Mon 11/21/94	[Milestone]																
8	Preliminary Data Collection	10d	Mon 11/7/94	Fri 11/18/94	Gord																
9	Org. Structure Presentation	0d	Mon 11/21/94	Mon 11/21/94	11/21																
10	External Communication	5d	Wed 11/2/94	Tue 11/8/94	Jim, Jerry Ryan, C.Campbell																
11	Public Meetings	10d	Thu 11/24/94	Thu 12/8/94	[Milestone]																
12	New Waterford	0d	Thu 11/24/94	Thu 11/24/94	11/24																
13	Dominion	0d	Thu 12/8/94	Thu 12/8/94	12/8																
14	Municipal Staff Meetings	5d	Thu 12/1/94	Wed 12/7/94	[Milestone]																
15	County Meeting	1d	Wed 12/7/94	Wed 12/7/94	Jerry Ryan																
16	Agenda/Schedule	1d	Thu 12/1/94	Thu 12/1/94	Jerry Ryan																
17	Hirings	41d	Fri 11/4/94	Fri 12/30/94	[Summary Bar]																
18	Human Resources Dir.	16d	Fri 11/4/94	Fri 11/25/94	Jerry Ryan, Jim																
19	Engineer	20d	Fri 11/4/94	Thu 12/1/94	Jerry Ryan, Jim																
20	Community Facilities/Recreation	30d	Fri 11/4/94	Thu 12/15/94	Jerry Ryan, Jim																
21	Public Works Dir	30d	Fri 11/4/94	Thu 12/15/94	Jerry Ryan, Jim																
22	Planning	20d	Fri 11/4/94	Thu 12/1/94	Jerry Ryan, Jim																
23	Chief Info Officer	35d	Mon 11/14/94	Fri 12/30/94	Jerry Ryan, Jim																

Regional Government Preparation  
Date: Mon 11/21/94

Task [Bar] Milestone ◆ Summary [Bar]

C.B. Regional Municipality

ID	Task Name	Duration	Start	Finish	4, 1994		Qtr 1, 1995			Qtr 2, 1995			Qtr 3, 1995			Qtr 4, 1995			Qtr 1, 1996		
					Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	
24	<b>By-Law Consolidation</b>	66d	Tue 11/15/94	Tue 1/31/95	[Task Bar] Jerry Ryan, John Cameron																
25	<b>New Council Orientation Process</b>	129d	Tue 11/15/94	Sat 5/13/95	[Task Bar] Jim, Jerry Ryan																
28	<b>Departmental Action Plans</b>	149d	Fri 11/4/94	Wed 5/31/95	[Task Bar]																
27	Mission Statements	63d	Fri 11/4/94	Tue 1/31/95	[Task Bar] Gord, Jerry Ryan, Jim, Dept. Heads																
28	Strategic Contingency Plans	63d	Fri 11/4/94	Tue 1/31/95	[Task Bar] Gord, Jerry Ryan, Jim, Dept. Heads																
29	Service Issues	83d	Fri 11/4/94	Tue 2/28/95	[Task Bar] Gord, Jerry Ryan, Jim, Dept. Heads																
30	Budgets/Financial Processes	63d	Fri 11/4/94	Tue 1/31/95	[Task Bar] Gord, Jerry Ryan, Jim, Dept. Heads																
31	Staffing	63d	Fri 11/4/94	Tue 1/31/95	[Task Bar] Gord, Jerry Ryan, Jim, Dept. Heads																
32	Space Requirements	149d	Fri 11/4/94	Wed 5/31/95	[Task Bar] Gord, Jerry Ryan, Jim, Dept. Heads																
33	Assimilation & Integration - Staffing	106d	Fri 11/4/94	Fri 3/31/95	[Task Bar] Gord, Jerry Ryan, Jim, Dept. Heads																
34	Strategic Role of Council	83d	Fri 11/4/94	Tue 2/28/95	[Task Bar] Gord, Jerry Ryan, Jim, Dept. Heads																
35	<b>Package Approval: Early Retirement</b>	19d	Fri 11/4/94	Wed 11/30/94	[Task Bar] Jerry Ryan, Bob MacNeil																
36	<b>Employee Benefit Package</b>	40d	Mon 11/7/94	Fri 12/30/94	[Task Bar]																
37	Police: PAN Implication	40d	Mon 11/7/94	Fri 12/30/94	[Task Bar] Bob MacNeil																
38	<b>Budget Preliminaries</b>	105d	Mon 11/7/94	Sat 4/1/95	[Task Bar]																
39	Internal Discussion	50d	Mon 11/7/94	Sun 1/15/95	[Task Bar] Rick Farmer																
40	Municipalities	71d	Mon 11/7/94	Mon 2/13/95	[Task Bar] Rick Farmer																
41	Establishment of Tax Rate	71d	Mon 11/7/94	Mon 2/13/95	[Task Bar] Rick Farmer																
42	Commencement of New Budget	105d	Mon 11/7/94	Sat 4/1/95	[Task Bar] Rick Farmer																
43	<b>Tax Service Area</b>	53d	Thu 11/17/94	Mon 1/30/95	[Task Bar]																
44	Service Area Boundaries	43d	Thu 11/17/94	Mon 1/16/95	[Task Bar] Rick Farmer, Doug Foster																
45	Debt Charges, Deficits, ERP's	53d	Thu 11/17/94	Mon 1/30/95	[Task Bar] Rick Farmer																
46	<b>Accounting System</b>	82d	Mon 11/7/94	Tue 2/28/95	[Task Bar]																

Regional Government Preparation  
Date: Mon 11/21/94

Task



Milestone



Summary



4, 1994	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Finish	Qtr 1, 1995															
Qtr 2, 1995																
Qtr 3, 1995																
Qtr 4, 1995																
Qtr 1, 1996																

ID	Task Name	Duration	Start	Finish	Resources
47	Analys & System Recommendation	40d	Mon 11/7/94	Fri 12/30/94	Rick Farmer, Angus, Eric
48	Standard Workpaper Pckg Develop	82d	Mon 11/7/94	Tue 2/28/95	Rick Farmer, Angus
49	Commercial Tax Rate Philosophy	50d	Mon 11/7/94	Sun 1/15/95	Rick Farmer, Angus, Jerry Ryan
50	Contract Consolidation	35d	Mon 11/14/94	Fri 12/30/94	Rick Farmer, Angus, Jerry Ryan
51	Organizational Policies	35d	Mon 11/14/94	Fri 12/30/94	Jerry Ryan, Angus
52	Negotiation Committee Establishment	35d	Mon 11/14/94	Fri 12/30/94	HRD
53	Meeting: Pre-Labour Relation Bd.	1d	Tue 11/22/94	Tue 11/22/94	Jerry Ryan, Jim
54	Capital Budget	61d	Mon 11/7/94	Mon 1/30/95	
55	Debt Analysis	61d	Mon 11/7/94	Mon 1/30/95	Rick Farmer
56	Reserve Fund Requirements	61d	Mon 11/7/94	Mon 1/30/95	Rick Farmer
57	Project Prioritization Policy	61d	Mon 11/7/94	Mon 1/30/95	Rick Farmer, Jerry Ryan
58	5 year Initial Program Parameters	61d	Mon 11/7/94	Mon 1/30/95	Rick Farmer
59	95/96 Capital Grant	61d	Mon 11/7/94	Mon 1/30/95	Rick Farmer, Angus
60	Logistics	148d	Mon 11/7/94	Wed 6/3/96	
61	Existing Property Inventory	40d	Mon 11/7/94	Fri 12/30/94	Angus, Enso, Archie
62	Plant Ledger Preparation	148d	Mon 11/7/94	Wed 5/31/95	Angus, Enso, Archie
63	Consolidate Lease Obligations	40d	Mon 11/7/94	Fri 12/30/94	Angus, Enso, Archie
64	Space Requirement Profile	148d	Mon 11/7/94	Wed 5/31/95	Angus, Enso, Archie
65	Personnel	191d	Mon 11/7/94	Mon 7/3/96	
66	Performance Appraisal System	105d	Mon 11/7/94	Sat 4/1/95	HRD, Jim
67	Job Performance Standards	105d	Mon 11/7/94	Sat 4/1/95	HRD, Jim
68	Job Descriptions	100d	Mon 11/14/94	Sat 4/1/95	HRD, Jim
69	Sindri Interview Scoring System	7d	Thu 12/1/94	Fri 12/9/94	HRD, Jim

Regional Government Preparation  
Date: Mon 11/21/94

Task

Milestone

Summary

C.B. Regional Municipality

ID	Task Name	Duration	Start	Finish	4, 1994		Qtr 1, 1995			Qtr 2, 1995			Qtr 3, 1995			Qtr 4, 1995			Qtr 1, 1996			
					Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb		
70	Standard Personnel Record Forms	100d	Mon 11/14/94	Sat 4/1/95																		HRD,Jim
71	Blending of Seniority Lists	40d	Mon 11/14/94	Fri 1/6/95																		HRD,Jim,Angus
72	Blending of Salary Profiles	40d	Mon 11/14/94	Fri 1/6/95																		HRD,Jim,Angus
73	Salary Equity Study	56d	Mon 5/15/95	Mon 7/31/95																		HRD,Jim
74	Police Seniority/salary Issues	40d	Mon 11/14/94	Fri 1/6/95																		HRD,Jim,Angus
75	Work Conditions Info Consolidation	40d	Mon 11/14/94	Fri 1/6/95																		HRD,Jim,Angus
76	<b>Computer Info System Study</b>	154d	Thu 11/17/94	Tue 6/20/95																		Eric,Bob MacNeil,MIS Director
77	<b>Communication System</b>	40d	Mon 11/7/94	Fri 12/30/94																		
78	PINS/Motorola System Analysis	18d	Mon 11/7/94	Wed 11/30/94																		Bob MacNeil
79	Existing Systems Data Collection	18d	Mon 11/7/94	Wed 11/30/94																		Bob MacNeil
80	Internal Requirements - Profile	40d	Mon 11/7/94	Fri 12/30/94																		Bob MacNeil
81	Internal Requirements - Costing	40d	Mon 11/7/94	Fri 12/30/94																		Bob MacNeil
82	<b>Economic Development</b>	40d	Mon 11/7/94	Fri 12/30/94																		
83	Meeting - CB Economic Dev.Auth.	10d	Mon 11/7/94	Fri 11/18/94																		Jim
84	Council Document Preparation	40d	Mon 11/7/94	Fri 12/30/94																		Jim
85	<b>Community Services</b>	105d	Mon 11/7/94	Sat 4/1/95																		
86	Director Job Description	18d	Mon 11/7/94	Wed 11/30/94																		Jim
87	Hiring Dir. of Social Services	35d	Mon 11/14/94	Fri 12/30/94																		Jim,Jerry Ryan
88	Service Delivery Mdl Implementation	91d	Fri 11/25/94	Sat 4/1/95																		Jim
89	<b>Support Services</b>	41d	Mon 11/7/94	Tue 1/3/95																		
90	Posting Adm.Assistant Positions	10d	Mon 11/7/94	Fri 11/18/94																		Jerry Ryan,Gord,Jim
91	Hiring of Assistants	24d	Mon 11/14/94	Thu 12/15/94																		Jerry Ryan,Gord,Jim
92	Start Date	0d	Tue 1/3/95	Tue 1/3/95																		1/3

Regional Government Preparation  
Date: Mon 11/21/94

Task Milestone Summary



C.B. Regional Municipality

ID	Task Name	Duration	Start	Finish	4, 1994		Qtr 1, 1995			Qtr 2, 1995			Qtr 3, 1995			Qtr 4, 1995			Qtr 1, 1996		
					Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	
93	<b>Implementation Budget</b>	191d	Mon 11/7/94	Mon 7/31/95																	
94	Revisit & Modify	10d	Mon 11/7/94	Fri 11/18/94																	
95	Monitor	191d	Mon 11/7/94	Mon 7/31/95																	
96	<b>CAO Meetings</b>	50d	Mon 11/7/94	Sun 1/15/95																	
97	Forward Bylaw Information	10d	Mon 11/7/94	Fri 11/18/94																	
98	ERP's Success Information	22d	Thu 12/15/94	Sun 1/15/95																	
99	<b>By-Law Enforcement</b>	35d	Mon 11/14/94	Fri 12/30/94																	
100	Establishment of Authority	35d	Mon 11/14/94	Fri 12/30/94																	
101	Ottawa Model Information	6d	Mon 11/14/94	Mon 11/21/94																	
102	<b>Industrial Parks</b>	58d	Mon 11/14/94	Wed 2/1/95																	
103	Structure Development	58d	Mon 11/14/94	Wed 2/1/95																	
104	ACOA re Sydport	13d	Mon 11/14/94	Wed 11/30/94																	

Regional Government Preparation  
Date: Mon 11/21/94

Task Milestone Summary

## COMPARATIVE PROPERTY TAX RATES - 1994/95

## FOR MUNICIPAL UNITS IN CAPE BRETON COUNTY

## WITH/WITHOUT EMERGENCY FUNDING

MUNICIPAL UNIT	WITH EMERGENCY FUNDING		NO EMERGENCY FUNDING		% INCREASE
	RESIDENTIAL	COMMERCIAL	RESIDENTIAL	COMMERCIAL	
Sydney	2.19	5.05	2.29	5.28	4.6
Dominion	1.92	3.58	2.67	4.98	39.0
Louisbourg	1.98	3.84	2.57	4.99	30.0
New Waterford	1.94	4.13	2.44	5.2	26.0
Sydney Mines	2.19	4.34	2.76	5.47	26.0