

# Local Government in Northern British Columbia: Competing or Cooperating?

WILLIAM D. KENNEDY

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It is more or less traditional for residents of northern British Columbia to bemoan their lack of influence over provincial policies and to encourage the devolution of power to northern agencies, generally with little effect. Over the years, local government officials have recognized that unity may bring strength, and have attempted to bring together coalitions to present a united front on a variety of issues. Results have been mixed, and the coalitions have been transitory. However, there are indications that change is “in the air.”

This paper describes selected inter-municipal cooperative activities from the late 1960s. While a “culture of opposition” characterized the early days of many of the attempts to promote inter-municipal cooperation, there are some subtle indications that attitudes are changing. Nevertheless, communication and dialogue seem to be an ongoing problem. Some of the ways in which local governments have cooperated or competed are reviewed, and comments are made on some of the successes and failures along the way. The paper concentrates on issues that involve more than one regional district, and does not deal with the provision of local services by regional districts within their own boundaries. It is written largely from the perspective of personal knowledge and on the basis of conversations with those who have been, or are, involved in cooperative efforts.<sup>1</sup> It should be regarded as “research just begun” and not as the result of exhaustive or extensive fieldwork and analysis.

## Northern Development Council

The northern regional districts were formed between 1966 and 1968.<sup>2</sup> All of northern British Columbia was included in a regional district, except for the Stikine area, which remained the only part of British Columbia not covered by some form of local government. Generally, the six regional districts<sup>3</sup> considered themselves as northern, although the Cariboo Regional District had periods of ambivalence about its northern status. It took some time for the regional districts to become organized and it was not until late 1969 that they were more or less operational (usually with a staff of one or two).

The regional districts began with a very limited number of functions, undertaking additional responsibilities in response to demands for services in the electoral areas and in response to opportunities for cooperation in inter-municipal services. Regional planning was the one common service, and was the reason for much of the early cooperation between regional districts. That early cooperation was largely based on regional planning seminars and periodic meetings to discuss “how to do planning.” In this, the regional districts were building on the northern municipal officials’ concentration on professional education.

Regional planning was influenced by the development that was occurring at the time, as well as by the development that was “hoped for.” Each of the regions hoped to be able to influence the pattern of development so that they would be the “home” to supply and service activities for the mining and forest industries. Civic and business leaders in Prince George took the lead by compiling an inventory of possible resource developments in northern BC, and of the infrastructure required to make the development possible. Working through the Regional District of Fraser-Fort George, they persuaded the boards of the other regional districts to join with them in putting forward a unified case for upgrading roads and highways and other infrastructure required to support the development of mining and forestry.

This did not happen quickly. There were many disagreements and false starts, but eventually the regions agreed to establish the “Northern Development Council.” It was established as a non-profit society, with a budget funded by the regional districts and with the purpose of studying and lobbying for measures that were required to facilitate development. It was governed by a board of directors consisting of elected officials from each of the participating regional districts (the Cariboo Regional District did not participate all the time). A technical committee of regional district officials attended to the administrative details and the management of research activities. The discussions to establish the Council began in 1970, but it was not until 1976 that the Council was formally established. Its operations began slightly before the election of the Barrett government (and before the paperwork was done to formally establish the body). The timing was fortuitous, in that the Council had reached a consensus on its main priorities, and was able to convey a coherent set of objectives to the new government.

The Council existed until 1990, dealing with a number of regional issues including the northern forest industry (1972), the development of skilled labour in northern BC (1982), health services (1982), sewage treatment and disposal in the North (1984), and provincial taxation (1986). In its first years the Council concentrated on researching issues and on lobbying government. In the years during which the role of regional districts was under review, it lobbied for the continuation of regional districts. Later, it

began to attempt to undertake economic promotion, functioning as a sort of regional development agency. Finally, in 1990, it was disbanded by its members. If it had had a tombstone, the inscription would probably read: "Idea whose time never came."<sup>4</sup>

In speaking about politics in the North, Ken Coates has argued that "in most instances, internal politics has been characterized by intense localism, which in turn is fuelled by a short-term outlook on opportunities"<sup>5</sup> and that "... rivalries in northern British Columbia have prevented the region from capitalizing on limited opportunities and have forced a diffusion of resources that has left the region weaker as a consequence."<sup>6</sup> A quick review of the operations of the Northern Development Council indicates that the Council found it very difficult to arrive at a consensus that went beyond generalities.

In the past, the rivalries between regions in northern British Columbia can, and have been, intense. One only has to look at the tension over health care services between Kitimat, Terrace and Prince Rupert for an example. It often appeared that opportunities for improvements in health care were delayed or lost because of disagreements over which community was to host the service. The Northern Development Council, however, was unable to forge consensus across northern British Columbia about what needed to be done to develop northern British Columbia, and who should do it.

### North Central Municipal Association

For many years the North Central Municipal Association (NCMA) has operated as a chapter or branch of the Union of British Columbia Municipalities (UBCM). Representatives of its member municipalities<sup>7</sup> meet each year to consider issues of interest to municipalities, and to adopt resolutions to be forwarded to the annual UBCM convention for consideration by the provincial body.

The NCMA debated the future of the Northern Development Council, and its own role, at considerable length in the years prior to the winding-up of the Development Council. They decided that, in addition to their traditional role as a chapter of the UBCM, the NCMA would strengthen its administrative capacity, and take on the role of a lobby organization, championing the issues that were of common interest in northern British Columbia. They operate as a "policy-driven" organization, and resolutions passed on the floor of their conference provide their policy direction. The Association attempts to stay clear of issues that are purely regional or local. To date, it has concentrated on exploring issues related to the status of BC Hydro, transportation infrastructure, and water quality. At present its priorities are economic issues and transportation.<sup>8</sup>

The North Central Municipal Association has established a small secre-

ariat, carries out research in its areas of interest, and presents the findings to its members and to the provincial government. The NCMA seeks to form alliances with parties with which it has some shared interests. The NCMA has entered into discussions with the Northwest Tribal Treaty Council on economic development issues. The NCMA has also undertaken discussions with other northern municipal organizations, primarily through the rural and northern forums of the Federation of Canadian Municipalities.

The NCMA is not a highly cohesive group. There are pockets of parochialism, and there are challenges caused by the declining population in the rural areas of regional districts and urbanization in the larger centres. Some municipal officials expected that the NCMA would be able to deal more directly with the broader issues related to rural and resource development than has been the case in the first few years of its new mandate. In addition, the Association has not fostered a strong regional culture that supports joint action. Some individuals have said that joining together with other groups to pursue a common goal is not seen in some quarters as a natural thing to do, and sharing and exchanging information and "intelligence" is certainly not seen as part of the normal course of doing business.

### The Peace River

The Peace River municipalities, perhaps reflecting a greater degree of cultural homogeneity in that area, have been somewhat more active in inter-municipal cooperation. They worked together with the provincial government to establish the Fair Share program. Recognizing that there is no practical way to levy property taxes on oil and gas infrastructure, Fair Share grants the municipalities a portion of provincial oil and gas revenues in compensation. The program was a response to the municipalities' observation that, in their area, 81 percent of the oil and gas workforce resides in the municipalities, but 75 percent of the property assessment lies outside the municipal boundaries and beyond their reach. By comparison, in most other parts of the province industrial tax base generally lies within a municipality's boundaries.<sup>9</sup> The result, in the Peace River area, is that the industrial tax base is inaccessible, leaving local governments inadequately funded. As a consequence, the communities are poorly serviced, often with substandard infrastructure.

Local governments have tried various techniques to "capture" industrial assessment to support the provision of local services. Two of the largest municipalities (geographically) in the province are located in the Peace River (Hudson's Hope and Tumbler Ridge). The boundaries of these municipalities were originally cast wide in order to ensure that their related industries were within the municipal boundaries and paid their property taxes to the municipality to support the local services provided to their em-

ployees. In both cases the communities were established largely to serve a single industry.<sup>10</sup> Other municipalities (Chetwynd, Taylor, Dawson Creek and Fort St. John) have expanded their boundaries to incorporate adjacent industrial developments into their municipalities.

Despite these efforts to bring industrial assessment within municipal boundaries, the vast majority of the region's oil and gas tax base lies beyond them, and beyond the grasps of municipal tax collectors. The number and wide dispersion of most oil and gas facilities make it impractical to incorporate the facilities within municipalities. While it is possible to tax these facilities to finance services provided through the regional district (such as the North Peace Leisure Pool or the Chetwynd Arena), the regional district mechanism does not provide a vehicle to provide financing for basic municipal services such as roads, streets and police.

In 1991 the municipalities in the Peace River region gave top priority to incorporation of the industrial tax base into the municipalities. They were unsuccessful, but they were able, by 1997, to get a grant of \$12 million per year from the provincial government.<sup>11</sup> This is not a permanent arrangement, however. The relevant agreement between the municipalities and the province expires in 2007.

It is the view of the municipalities that this is not totally satisfactory. They note that economic growth has far outstripped the growth in amount of the Fair Share grants. In addition, the lack of resources to deal with the infrastructure backlog and the needs created by growth have not been resolved. They estimate that if the industrial assessment in the electoral areas were taxed at the average provincial tax rate for major industry, the tax yield would be \$30 million per year, or 2.5 times the amount that they now receive under the Fair Share program.

When the Fair Share agreement was reached the Peace River municipalities had cut back on their intercommunity cooperation. The lack of a satisfactory solution to their funding problems though, resulted in the municipalities reviving their cooperative action.

Since January 2002 the Peace River Regional District and its municipalities, together with the Northern Rockies Regional District, have begun to address regional policing and transportation issues. They have established a plenary body as the decision-making body. The plenary body includes all the municipal and regional district elected officials.<sup>12</sup> While the decisions are made by the plenary session, they must be confirmed by each individual organization. This indicates a structure that requires a high degree of consensus to succeed.

Police services were chosen as the first major topic to be addressed, as the provincial government had announced that it intended to require small municipalities and rural areas to pay for their own policing. While the

small municipalities and rural areas were concerned about the additional cost, the larger municipalities felt that extension of the existing system for paying for policing to include the small municipalities and rural areas would not be equitable. In particular, such an approach would see a significant portion of the industrial tax levied in the rural areas for police services accrue to the province, and not to the larger municipalities, which bear the cost of providing policing services to the majority of residents of the area. Working cooperatively (with the full involvement of the RCMP), they have developed an approach to regional policing that is acceptable to all governments. The plan is now before the provincial government for consideration.

The participating municipalities believe that this new approach provides the transparency and accountability that is needed to overcome long-established rivalries between Peace River jurisdictions. In this instance, the needs of the 70,000 people in this distinctive geographic area created the need for a new approach to financing police services. It was feasible because of the political homogeneity of the area, and the congruence between the political views of the local residents and the provincial government.

### Inter-Municipal Cooperation

There are a number of examples of cooperation between individual municipalities on specific projects. These examples are numerous, and most tend to be pragmatic, issue-specific, and localized. For example, Vanderhoof, Fort St. James and Fraser Lake cooperated to host the Northern Winter Games. They also formed a lobby group (with a modest amount of joint funding) to pursue a needed long-term care facility, and they have a long-standing arrangement for equipment sharing. They have also participated in the establishment of the community futures organization for their area, and in spruce and pine beetle management group.

There are indications that cooperation is beginning to extend beyond the local level. Some organizations are beginning to come together over issues related to technology, and specifically to broadband connectivity. It is recognized that the small communities need equal access to infrastructure such as broadband, and that if they are to get that access they need the support of the larger municipalities. It is also recognized that it is in the interests of the entire North to extend broadband connections to as many participants as possible.

The Northwest Corridor Development Corporation (NCDC) is another example of inter-municipal cooperation, although membership is not restricted only to municipal organizations. It is a public-private partnership whose objective is to get attention and investment in the Highway 16 corridor and the port of Prince Rupert. It has been operating since 1998, has extensive support across the region and into Alberta, and is gaining re-

spect and attention at all levels of government. In particular, it has gained the support of some significant industrial participants, and some of the larger municipalities.

### Conclusions

It is fair to say that a “culture of opposition” characterized the early days of many of the attempts to promote inter-municipal cooperation. Thirty years ago, municipalities cooperated in some general efforts to lobby provincial governments for increased investment in infrastructure, but tended to undermine their own lobbying by intense rivalries and competitions between the sub-regions and communities of the North. Faced with a lack of consensus among northern constituencies, and with certain knowledge that almost any action would find critics, it was far easier for the southern-controlled provincial government to do little or nothing.

This pattern appears to be persisting, although there are some subtle indications that attitudes are changing. Among the signs of change I count the following:

1. The alliance of some municipal governments with business and other interests to pursue projects that are thought to be beneficial across northern British Columbia (the NCDL);
2. The pattern of inter-municipal cooperation that is appearing in the Peace River area;
3. The NCMA has stuck with its expanded role for five years now, and seems to be achieving some success in developing a northern view on some issues and has fairly wide acceptance; and
4. It appears that some discussions between British Columbia and Alberta communities are taking place.

Other factors, however, suggest that little or nothing has changed in over thirty years of attempts at fostering municipal cooperation to produce a meaningful “voice” for the North. These include:

1. A lack of a “vision” or concept for northern British Columbia;
2. Lack of public participation in (or even knowledge of) cooperative efforts; and
3. A lack of communication.

Discussions with a variety of officials across northern BC revealed that they did not have a strongly held common concept of what they were trying to accomplish in northern British Columbia. Most of the cooperative efforts (which largely consist of lobbying the provincial or federal govern-

ments or trying to focus public opinion on an issue) appear to be ad hoc responses to issues that are currently perceived to be problems.

Although most of the organizations have communications plans and are well organized to produce information for the press and interested parties, they do not seem to have engaged the public to any meaningful extent. Certainly, none seems to be engaging the public to the degree that the proponents of what is now UNBC achieved.

For some reason, communication and dialogue seem to be a problem. Perhaps it is a function of distance and lack of opportunity, but it seems that officials in one part of the North are not really aware of what other officials are attempting to achieve. Sharing information, it appears, is not happening as a routine, but this is not because there is an aversion to sharing information. On the contrary most officials seem pleased to be asked about their activities and more than willing to talk about them.

If northern municipalities can create a vision or concept for northern BC, and involve the public in cooperative efforts, they may be able to create an era of cooperation in the development in the North. At the moment, the prognosis for inter-municipal cooperation is guarded.

### About the Author

William D. Kennedy was a member of the Northern Development Council Technical Committee for many years, served a term as secretary of the North Central Municipal Association, and as President of the North Central Municipal Officers Association.

### Endnotes

1. Discussions took place in the fall of 2002.
2. Bulkley-Nechako (February 1, 1966), Cariboo (July 9, 1968), Fraser-Fort George (March 8, 1967), Kitimat-Stikine (September 14, 1967), Peace River-Liard (October 31, 1967), Skeena-Queen Charlotte (August 17, 1967) (Source: Province of British Columbia, *Municipal Statistics Including Regional Districts for the Year Ended December 31, 1986* (Victoria: Ministry of Municipal Affairs, 1988)).
3. Now seven, because the Peace River-Liard Regional District was split into the Northern Rockies Regional District and Peace River Regional District in 1987.
4. BC Report, April 23, 1990.
5. Ken Coates, "The Rediscovery of the North: Towards a Conceptual Framework for the Study of Northern/Remote Regions," *The Northern Review*, No. 12/13 (Summer 1994/Winter 1995), p. 27.
6. Ibid.
7. In most years, all municipalities from 100 Mile House north to the Yukon border were members of the North Central Municipal Association.

8. Their website provides copies of their organization structure and reports. It can be found at <<http://ncma.enorthernbc.com>>.
9. This material is based on the Peace River Regional District 3M Committee PowerPoint presentation provided to the author by the City of Fort St. John.
10. Hudson's Hope existed as a small, unincorporated, settlement before the construction of the WAC Bennet Dam and associated infrastructure. There was no community at Tumbler Ridge prior to the North East Coal development.
11. The grant comes from a tax levy of \$2 million on industrial assessment in the Regional District electoral areas, and a grant of \$10 million from the provincial general revenue.
12. The Chief Administrative Officers of the larger municipalities have been delegated to work one day per week on regional issues. In doing so, they report to a steering committee of the plenary session.