

TO: UBCM Members
FROM: UBCM Executive
DATE: August 20, 1998
RE: LOCAL GOVERNMENT LEGISLATION

**POLICY
PAPER
#5**

1998 Convention

1. DECISION REQUEST

To review 1999 priorities for legislation and consultation in relation to *Municipal Act* reform.

This report also indicates preliminary scheduling for consultations during the balance of 1998 and into 1999. It further reviews 1998 legislative accomplishments.

2. BACKGROUND

Reflecting a commitment on the part of both the provincial government and the UBCM, a sub-Agreement on a New Legislative Foundation for Local Government under the Protocol of Recognition was signed in 1997. The Agreement set out the broad principles for *Municipal Act* reform. It was agreed that a phased approach to reforming the Act would be undertaken.

3. 1998 LEGISLATION AND RESPONSE TO CONVENTION PRIORITIES

Bill 31 contained the first phase of *Municipal Act* reform. It met the major priorities approved at the last Convention, with one notable exception. UBCM members were not comfortable with the directions being pursued for “in camera meeting” legislation; as a result, the Minister deferred this item for further consultation.

However, the key priorities of a “preamble” setting out the legislative foundation of local government – recognition of local government as an independent, responsible and accountable order of government; broad corporate powers; and public-private partnerships were achieved.

4. MOVING FROM 1998 TO 1999 WORK PROGRAM AND PRIORITIES

The main purpose of this report is to confirm directions for the coming year and beyond. In doing so, it is instructive to reflect on some of the lessons that can be drawn from the previous year's experience.

Some of these include:

- difficulties in engaging people (elected, appointed, specific groups, and the public) in consultation. The February symposium really worked for local government.
- expectations about scope, nature, and pace of change are difficult to gauge; we need to ensure that the first phase is what UBCM members "expected."
- incremental change is messy (e.g., lots of consequential amendments and re-enactment of existing provisions make for a thick Bill).
- legislative reform is very labour-intensive and risks exhaustion/burn-out of key players if work is compressed into a tight time-frame. The opposite concern is that political will diminishes over time unless there is closure at hand.

These lessons should help inform future work.

Last year, the Resolutions Committee referred most legislation-related resolutions to Section C so that the focus of the debate could be on the general level, and the specifics of individual resolutions would be considered in the context of the legislative reviews that were being undertaken. In general, that approach is working toward addressing member resolutions in that:

- the six resolutions calling for fundamental reform of local government legislation are initially reflected in the introduction to the new legislation; and
- public-private partnership resolutions were addressed in this year's package.

5. 1998/1999 PLANS AND PRIORITIES

The overall scope and sequencing was established in the document "Framework for a Reformed Municipal Act." There are two tracks to the main proposed UBCM-Ministry legislative program:

- a) FOR CONSULTATION AND 1999 LEGISLATION
 - structure of local government (start)
 - accountability measures (in camera meetings/conflict of interest)
 - broad service powers
 - broad regulatory powers
 - finance and taxation (start)
 - corporate powers (remaining aspects such as committees)
- b) FOR CONSULTATION LEADING TO FUTURE LEGISLATION
 - regional districts
 - review of direct democracy (start)
 - land use
 - government procedures (start)

Appendix B contains a general description of the activities that have been identified. It provides members with an indication of the scope and objectives of the 1998/99 work program.

As in most years, a category is established for “housekeeping” legislative measures that are needed but fall outside the generally agreed categories.

PARALLEL INITIATIVES:

a) Minister’s Accountability Consultations

Minister Kwan has indicated that she wishes to undertake broad consultation on a variety of accountability measures during the fall of 1998. These may include in camera meetings, conflict of interest, election financing, and disclosure.

b) MOA/UBCM Regional District Forum

The UBCM and MOA Executive agreed earlier this year to co-sponsor a forum on regional district issues. That was delayed, but an initial issue identification session is now planned for the Convention. Depending on the results of that session, a forum may be organized later in 1998.

c) Other Policy Development Processes:

- *Financing Local Government* — The report on Financing Local Government will also be considered during the 1998 Convention, and it contains numerous recommendations that have legislative implications. Naturally, the greatest area of potential overlap and need for coordination is with the finance and taxation initiatives under *Municipal Act* reform.
- *Development Finance Review* — *This is* an ongoing Ministry/local government/development industry process that is examining various aspects of the system of financing the infrastructure needed for development. The Committee advises on development related legislative changes and recommends policy changes where needed. The Committee facilitated the preparation of the DCC Best Practices Guide and will be developing a Choices Guide to help inform local government about the various instruments that are available to finance infrastructure.
- *Elections* — A policy paper to be considered at Convention contains directions, which if adopted would require legislation to implement.
- *Barrett Commission* — A UBCM/Ministry process (being coordinated with the City of Vancouver because of *Charter* implications) which is examining a series of recommendations related to local government that were contained in the Barrett Commission report (leaky condos). Some of these, such as elimination of joint and several liability, have legislative implications.

6. RECOMMENDATIONS

That the legislative and consultation priorities set out in Section 5(a) and (b) be approved.

That the 1998 resolutions C1 to C12 be referenced to be considered in the agreed categories of *Municipal Act* reform as set out in Appendix A.

Appendix A

REFERRALS OF 1998 RESOLUTIONS TO THE MUNICIPAL ACT REFORM PROCESS

Reform Process Category	Referred Resolutions
Broad Regulatory Powers (general)	C6
• business licensing	C1, C2, C7
Corporate Powers	C4
Regional District	C5
Accountability	C4
Finance	C8
Land Use	C9, C10, C12
Broad Service Powers	C11

Appendix B

1998/1999 LEGISLATIVE PLANS AND PRIORITIES

FOR CONSULTATION AND 1999 LEGISLATION	
Component of the Initiative	General Description of Activity
Structure of Governments	Activities will focus on linking the review of service and regulatory powers to different classes of municipalities in contrast to broader consultation on the classification of municipalities generally.
Governance	Issues related to elections including those arising from the accountability stream (and others from the UBCM elections review).
“Accountability” Measures	Priority is to be given to the final disposition of in camera meeting rules, conflict of interest, and the disqualification process.
Broad Corporate Powers	This was a focus of 1998 legislation with legislation

	completed in many areas including, public-private partnerships, delegation, officers and employees, agreement making, etc. The focus of 1998 legislation would be on committees and advisory bodies. Any “leftovers” would be completed in 2000.
Broad Service Powers	The objective is to consolidate, simplify and provide broad enabling authority for local government services (thus eliminating the numerous sections containing very specific constraining powers). Legislation would deal with types and scopes of services, delivery and cost recovery.
Broad Regulatory Powers	Similar to the objectives for broad service powers, these reforms would encompass the type and scope of regulatory powers, necessary limits, and enforcement. Regulatory powers not dealt with in 1999 (e.g., land use) would be dealt with in 2000. Business licensing would be the area used to develop principles for possible application elsewhere (i.e., trade-offs between demand for public regulation versus private interests).

Finance & Taxation	Like service and regulatory powers these sections have not been subject to an overall review since the <i>Municipal Act</i> was originally enacted. Items to be examined under “Finance” include fees and charges and financial management. “Taxation” encompasses the process for imposing, collecting, and recovering taxes.
FOR CONSULTATION LEADING TO FUTURE LEGISLATION	
Regional Districts	Legislation that would parallel that being considered for other streams would be part of the 1999 package. However, with respect to specific regional district provisions, the emphasis in 1999 would be on consultation and issue identification.
Land Use	Similar to the regional district provisions, this part was amended during the 1980s. Given progress made in other areas (such as broad corporate, service and regulatory powers), consultation will begin that could lead to 2000 legislation.