

The Roles of Local Governments for Revitalization of Rural Areas in Canada

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Plan

- An Outline of Local Government in Canada
- Local government and economic development
- Concluding remarks : is Japanese local government system a future for rural or the inverse ? Or what can we learn from each other ?

Local Government in Canada

- Situation differ from one province to another one
- local government are settled in place by provincial regulation : theirs power are allowd by another gouvernment
- all the various municipal system are fairly similar, because of the influence of the Ontario model establish in 1849
- municipal governments serve two main purposes:
 - 1) act as a political mechanism expressing the collective objectives of a local community and
 - 2) provide a variety of service and program to local residents.

Table 1. Ratio of municipalities to population in Canadian provinces

| Province | Population in 1000's | No. of Municipalities | Municipalities per 100,000 pop. |
|-----------------------|-----------------------------|------------------------------|--|
| Saskatchewan | 989 | 834 | 84 |
| P.E.I. | 130 | 89 | 68 |
| Newfoundland | 568 | 295 | 52 |
| Quebec | 6,896 | 1,578 | 23 |
| Manitoba | 1,092 | 201 | 18 |
| New Brunswick | 724 | 118 | 16 |
| Alberta | 2,546 | 352 | 14 |
| Ontario | 10,085 | 828 | 8 |
| Nova Scotia | 900 | 66 | 7 |
| British Columbia | 3,282 | 178 | 5 |
| Total (Canada) | 27,212 | 4,539 | 17 (average) |

Source : Peter DIAMANT, « Restructuring Local Government : Where we go from here ? » in R. ROUNDS (ed.) *Changing Rural Institutions. A Canadian Perspective*, Brandon, CRRF and Rural development Institute, 1997, p. 65

Local government in Canada

- Municipal government are historically view as providing « services to the property » and, in fact, tax on the market value of the property is reserved to those local government
- fields of jurisdiction seems larges at a first glance: finance, general administration, environment, health, recreation, portection of property and person, transportation, road, territorial planning but, in small rural communities, it is basic services oriented (water and sewer systems, waste disposal, road, fire protection...)

Local governments....

- Over the time, local governments became depend on transfer payments from provincial governments. They are trapped between the decreaseing revenue sources and the increasing service delivery responsibilities
- Local governments are turning to alternative means of delivering local services, involving non-profit sectors or others governments: contracting out, intergovernmental agreements, frnachising, charging user fees, vouchers, subsidy arrangements, volunteers and self-help.
- The choice of theses alternatives is based on: efficiency, effectiveness, accounatability and equity

Local governments role in economic development

- Local government are not entitled with specific mandates or responsibilities to sustain economic development
- But some communities have been quite active and innovative in this regard: tax-free arrangements to help enterprises start-ups or create non-profit organisation under member of council control to capture grants available at provincial or federal level.
- The concerns about economic development is growing (the case of CLD in Quebec). Outside forces (WTO...) but also inside forces: citizens wants to be part of the decision on some major private investment (in industry or agriculture) because they have impact on environment and quality of live

A case study: local government and agricultural production in Quebec

- Right-to-farm legislation is contested in many localities as local governments may act on their land use power
- It was the case with hog production (an important export of Quebec agriculture, part of these export goes to Japan)
- In our NRE Site of Sainte-Françoise, we have seen a way local population find a way to manage the opening of a big pork production plan in the respect of social, ecological and economic concerns.

Concluding remarks on the Canadian case

- Amalgamation process in underway
- Local governments in becoming more concerns local economic development
- Old and new functions: services to the property will remains but under free trade regulation, local goverments have room to act in order to reinforce the social environment usefull for economic developement

Concluding remarks on Japan- Canadian comparison

- **Local governments in Japan have more resources and responsibility**
- **They also are more involved in the economic development**
- **With the ongoing process of amalgamation, the local governments in Canada will be more comparable to their Japanese counterparts.**
- **New theories of local economic development (like the one on “innovative milieu” allow local government new roles regarding the quality of social environment, a more decisive factor of localisation of the enterprise.**

Concluding remarks on Japan- Canadian comparison

- **To what extent Japanese local government system a future for rural or the inverse ? Or what can we learn from each other ?**
- **I think local government leaders can learn a lot from the Japanese case. It is a possible future for the Canadian case**
- **But, nowadays, we must look not only the government formal structure but also the way it work with various group in the local community:this raise the question of governance.**
- **The question is:if we consider the extreme position of a local governance typology, what about Canada and Japan in this regard?**

| <p style="text-align: center;">Functional or utilitarian local governance</p> | <p style="text-align: center;">Citizenship-based local governance</p> |
|--|--|
| <ul style="list-style-type: none"> • local residents are consumers and tax-payers • local government deliver "services" to theirs resident view as customers • residents have individual rights • a pragmatic organization • efficiency is based on the market-driven model (ratio cost/benefits for various economics units...) • Solution to fiscal constraints: local amalgamation of small rural communities or : contracting out, user fees for an efficient consumption of a service, etc... | <ul style="list-style-type: none"> • local residents are citizens • municipal government is an institution entitled with the role of representation of the community (or civil society) • residents have collective responsibilities • a democratic institution • efficiency is based on social or ethical assessment of the vitality of the community able to build ist capacities for a sustainable development • solution to fiscal constraints: partnership between small communities to share services delivery, or creation of special-purpose bodies and use of intermunicipal agreements |

Model proposed by Bruno JEAN