ADMINISTRATIVE REFORM AND DEVELOPMENT

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ABSTRACT

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Title: ADMINISTRATIVE REFORM AND DEVELOPMENT: A Study of Administrative adaptation to Provincial Developmental Goals and the Re-organization of Provincial Government and Local Government in New Brunswick 1963-1967.

Department: Political Science

Degree: Ph.D.

This study is concerned with the policy process in the Province of New Brunswick during the period 1963-1967 and the formulation of the province's Programme for Equal Opportunity. This programme for the reform of provincial and municipal government is examined in terms of the impact of both economic and cultural environmental factors on policy-making, and the adaptive responses of bureaucracy to developmental goals.

The study explores the attitudes and perceptions of the public service participants and the capacity of the administrative system to absorb change and adjust to reform. It is hypothesized that the costs of administrative reform condition policy outcomes and that the higher such costs, the greater the probability that policy outcomes will become incremental in scope. These costs are analyzed in terms of a tendency toward an innovation overload on the administrative system due to organizational conflicts, power relationships and uncertainty and pressures of time.

ADMINISTRATIVE REFORM AND DEVELOPMENT:

A Study of Administrative Adaptation to Provincial Developmental Goals and the Re-organization of Provincial and Local Government in New Brunswick 1963-1967.

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A Thesis submitted in partial fulfillment of the requirements for the degree of Doctor of Philosophy in Political Science in the Faculty of Graduate Studies and Research of McGill University.

ACKNOWLEDGEMENTS

This study of the reform of provincial and municipal government in the province of New Brunswick and the response of a provincial public service to a process of administrative change was embarked upon with the encouragement of Professors Saul Frankel and J. R. Mallory of McGill University. Their advice together with that of Professors M. Stein and D. V. Smiley has done much to clarify my thinking on this topic. The work draws in part on the author's own experience in the New Brunswick public service but could not have been accomplished without the generosity and co-operation of a large number of former colleagues. The conventions surrounding the conduct of research of this nature unfortunately dictate that they must remain anonymous. The research was also made possible through the financial assistance of the Canadian Council on Urban and Regional Research. My great indebtedness to all of the above, however, in no way shifts the burden of the responsibility for any errors of fact or interpretation from myself.

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CHAPTER I

INTRODUCTION

The central aim of this study is to further the understanding of the policy making process through an explanation of the nature of particular policy outcomes based upon the investigation of why they were initiated and the specific manner in which they were undertaken. It is a case study of the policy process associated with the efforts made by the government of the Province of New Brunswick in the period 1961-67 to develop a programme which would provide an effective solution to the financial difficulties of municipal government and which would both raise the level of public services and promote the economic development of the province.

In a comprehensive study of New Brunswick politics up to 1960, Professor Hugh Thorburn described a political community outside of the Canadian mainstream which was dominated by the conservative traditions of its original Loyalist and Acadian settlement. He held that, "Economically, socially, and therefore politically, New Brunswick is one of the most static provinces in Canada."¹ The parochial loyalties which

¹Hugh G. Thorburn, <u>Politics in New Brunswick</u> (Toronto: University of Toronto Press, 1961), p. 83.

impeded innovation and change were seen to dominate the political system and hinder the implementation of positive policies. In assessing the influence of the community on the nature of the provincial government, Professor Thorburn concluded:

The two parties are not burning with new ideas that they are anxious to implement, but represent the conservative attitudes of their constituents. Many nineteenth century characteristics remain in the provincial government and changes come about only gradually, usually following those already made by the provinces of central and western Canada.²

As one is constantly reminded, however, these are times of rapid and often radical change in patterns of public policy. In 1965 the New Brunswick government initiated a reform programme which represented a particularly abrupt departure from traditional patterns of both policy and structures of government. Insofar as it sought to effect a sweeping reorganization of provincial and municipal government and achieve a significant redistribution of public goods and services throughout the province, the programme went far beyond the scope of incremental change and simple piecemeal engineering. In David Braybrooke's and Charles Lindblom's terms the political circumstances of the gestation period between 1961 and 1967 were indeed one of "grand opportunities."³

²<u>Ibid</u>., p. 164. See also Douglas R. Pullman, "A Study of Social Organization in Relation to Economic Change." (Unpublished Ph.D. dissertation, University of Coronto, 1960).

³David Braybrooke and Charles Lindblom, <u>A Strategy of</u> Decision (New York: Free Press, 1963), p. 68.

Using Robert Sailsbury's categories of public policy, the New Brunswick programme may be seen to be both structural and allocative. Building upon Theodore Lowi's typology, Sailsbury uses the term allocative to include both distributive and redistributive policies that directly confer benefits. Structural policies include those which establish units and rules to determine future allocations and encompass Lowi's category of regulatory policies and Sailsbury's additional one of self-regulation.⁴ Sailsbury argues that the cost-benefit calculus of decision-making involves a choice between structural and allocative decisions. As Peter Aucoin has observed, however, the categories are closely interrelated and what he in turn terms positional (structural) and allocative decisions are not that mutually exclusive.⁵ From the New Brunswick experience one may suggest that a further rider be attached to Sailsbury's schema, since in this instance structuralregulatory policies were closely interlocked with redistributiveallocative ones. Indeed rather than adapting the strategy suggested by Sailsbury of adopting structural policies to shift the locus of decision-making elsewhere, and thereby opt out of allocative decisions, the New Brunswick government

⁴Robert Sailsbury and John Heinz, "A Theory of Policy Analysis and some Preliminary Applications," in Ira Sharkansky, ed., <u>Policy Analysis in Political Science</u> (Chicago: Markham, 1970), p. 43.

⁵Peter Aucoin, "Theory and Research in the Study of Public Policy Making" in G. Bruce Doern and Peter Aucoin, eds., <u>The Structures of Policy Making in Canada</u> (Toronto: Macmillan, 1971), p. 25.

adopted structural policies⁵ in order to pursue more effective allocative ones. But while seeking to maximize the benefits of the allocative policies in this way, the government also maximized the costs by simultaneously incurring those related both to regulatory and redistributive policy-making.

Research Design

This New Brunswick experience provides a major opportunity to further both our understanding of the policy process and the adaptive responses of a bureaucracy to developmental goals in a Canadian context. Part one of this study attempts to provide a descriptive analysis of the evolution of the new provincial policy orientation in the context of the constraints and what are seen as the imperatives of the economic and cultural environment of the province. It seeks to establish the magnitude and uniqueness of the reform programme and to analyse the specific political and economic conditions under which it was developed. Since administrative action is conditioned by its ecological setting this description of the environmental context of the reform programme is of basic importance not only in the diagnosis of the problems which the New Brunswick government was attempting to meet but also in the assessment of

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⁶At the risk of further terminological confusion it should be noted that Sailsbury's original concept of structural policies as "constitutional" ones is particularly appropriate to the situation under discussion. See Robert Sailsbury, "The Analysis of Public Policy: A Search for Theories and Rules," in Austin Ranney, ed., <u>Political Science and Public Policy</u> (Chicago: Markham, 1968), p. 15.

the behavioural responses of the provincial public service and the explanation of actual policy outcomes. As originally conceived by John M. Gaus, an ecological approach to public administration is one directed toward the identification of the impact of environmental factors on public policy and administration. He saw it as that part of a science of administration which "describes and interprets why particular activities are undertaken through government and the problems of policy, organization and management generally that result from such origins."⁷ Such concerns are fundamental to this study.

Part two extends the analysis into the actual role of the provincial public service in the policy process and the administrative response to the new development orientated tasks which were assigned it. In moving beyond the particular context of the case study, the attitudes and perceptions of the senior administrators toward their policy environment, and in particular toward policy goals and the process of administrative reform associated with their development and implementation, are considered critical influences in the policy process. As Seymour M. Lipset observed in his analysis of the response of the Saskatchewan civil service to the policy directions of the CCP government: "The goals and values of the civil service are often as important a part of the total complex of forces responsible for state policy as those of the ruling party."⁸

⁷John M. Gaus, "The Ecology of Government" in John M. Gaus, <u>Reflections on Public Administration</u> (University: University of Alabama, 1947), pp. 9-10.

⁸Seymour Martin Lipset, <u>Agrarian Socialism</u> (Berkeley: University of California Press, 1950), p. 257.

A major change in policy orientation and structural

relationships is inevitably accompanied by considerable political costs in mobilising support and securing adequate resources to effect reform. Policy-makers may be willing to incur relatively high political costs in order to confer particular benefits within the community. Other costs incurred in the reform of the administrative sphere may, however, prove among the most critical, at least in the short run, since it is in this sphere that their decisions must be first translated into actual policy outcomes. The primary costs of administrative reform may be conceived of in terms of a tendency to overload the capacity of the administrative system to absorb change and adjust to reform. The disruptions of the established administrative network of structural and personal relationships and the intensification of conflict situations which accompany administrative reform strain the innovative capacity of the system and create a situation of innovation overload. As the overload increases, so policy-makers will seek to reduce the costs of administrative reform by allowing policy outcomes to fall short of their objectives. A central hypothesis of this study is that the costs of administrative reform condition policy outcomes and that the higher such costs, the greater the probability that policy outcomes will become more incremental in scope. The notion of innovation overload as a cost of administrative reform is presented here as a summary concept which attempts to embrace the findings of

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the amorphous body of analysis concerned with administrative behaviour and organizational change and reform under three major sub-dimensions of conflict, power and uncertainty and time.

The first source of overload identified here is inherent in any bureaucratic system but is heightened by administrative reform. Administrative or organizational conflicts are typically associated with substantive differences in perceptions of reality, policy goals and the means of securing their implementation. Such differences are seen to lie in such factors as uncertainty, or the unacceptability, or uncomparability of alternatives. Por Anthony Downs, for example, the absence of spontaneous co-ordination in any organization is due to the twin obstacles of conflicts of interest and technical limitations. The former stem from differences in explicit goals and modes of perceiving reality; the latter stem from differences due to specialization of information and uncertainty as to likely outcomes due either to a limited capacity for knowledge and information, or simple ignorance of actions taken by others. In order to reduce conflict to an acceptable level the resultant "inconsistent behaviour patterns" generate the hierarchical authority structures common to all bureaucracies.¹⁰

⁹See for example: James G. March and Herbert A. Simon, <u>Organizations</u> (New York: Wiley, 1958), chapter 5.

¹⁰Anthony Downs, <u>Inside Bureaucracy</u> (Boston: Little, Brown, 1967), pp. 50-51.

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As conflict is part of the normal "load" on an administrative system, it is not necessarily entirely destructive in its effect on the system. Indeed in some organizational frameworks conflict may be a creative force in problem-solving. As Eugene Litwak has argued, however, the traditional Weberian model of bureaucracy is primarily concerned with dealing with constant problems and uniform events and situations.¹¹ The presence of hierarchical relationships, specialization and impersonality within the traditional bureaucratic organization combine a low tolerance level for conflict with a high potential for the generation of conflict. Thus although intraorganizational conflict should not be considered as invariably dysfunctional in its consequences,¹² where it arises in this type of organization it will tend to impede the co-ordinated pursuit of policy objectives.

Conflicts associated with the implementation of administrative change and reform have been generally categorized under the heading "resistance to change" by exponents of the techniques of planned change. The latter is concerned with the "conscious, deliberate, and collaborative effort to improve the operations of a system, "¹³ and has laid stress on collaborative

¹¹Eugene Litwak, "Models of Bureaucracy Which Permit Conflict," <u>American Journal of Sociology</u>, LXVII, no. 2 (September 1961), 178-79.

¹²Clagget G. Smith, "A Comparative Analysis of Some Conditions and Consequences of Intra-Organizational Conflict," <u>Administrative Science Quarterly</u>, XX, no. 4 (March, 1966), 508.

¹³Warren G. Bennis, Kenneth O. Benne, Robert Chin, eds., <u>The Planning of Change</u> (New York: Holt, Rinehart & Winston, 1961), p.3.

organizational relationships.¹⁴ Warren Bennis and Peter Hollis, for example, counsel attention to the emotional and value elements in a change programme as well as cognitive or informational elements so as to promote understanding and trust between a change agent and a client system. "The more profound and anxiety-producing the change," they argue, "the more collaboration and closer relationship between initiator and client system is required."¹⁵ Garth Jones' study of the dynamics of planned organizational change based upon a content analysis of 190 cases confirms the value of this prescription in that he found where "equal and compatible power relationships" were established between the client system and the change agent, they led to successful change.¹⁶ Jones saw a virtually uniform resistance to change among client systems in all types of environments and argues that the strong relationship which existed between goal achievement and receptivity to change made the latter the critical dimension.¹⁷ His findings question the attention given conflict in goals by organizational theory in

¹⁵Peter Hollis and Walter Bennis, "Applying Behavioural Science for Organizational Change," in Peter Hollis, ed., <u>Com-</u> <u>parative Theories of Social Change</u> (Ann Arbor: Foundation for Research on Human Behavior, University of Michigan, 1966), p. 296.

¹⁶Garth N. Jones, <u>Planned Organizational Change</u> (London: Routledge and Kegan Paul, 1969) p. 98.

¹⁷<u>Ibid</u>., pp. 108-109.

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¹⁴For a critique of the literature see: Peter A. Clark, and Janet R. Ford, "Problems in the Investigation of Planned Organizational Change," <u>Sociological Review</u>, XVIII, no. 1 (March, 1970), 29-52.

that he found no significant evidence of disagreement as to the type and importance of change goals.¹⁹ James March and Herbert Simon's hypotheses concerning organizational reaction to change lead one, however, to be cautious in this area. It may be that there exists a propensity to define problems as questions of analysis rather than bargaining and that common goals may in fact be more explicitly emphasized when in fact they do not exist.¹⁹

While they provide clues as to potential sources of conflict, the studies and prescriptions on resistance to change which are based upon a particular pattern of relationships between client systems seeking change or the change agent they employ to initiate change only partially relate to the form of administrative behaviour under discussion here. In the structural reform of public bureaucracies to effect policy change, the component departments are not entirely generators of the process of organizational change in the same way as in the typical client system. Indeed departmental administrators are more typically caught up in administrative reforms initiated elsewhere in a bureaucratic hierarchy by political executives or institutionalized change agents in the shape of central planning agencies which are possessors of "authoritative power" or "coercive power" that is not usually held by change agents.²⁰

¹⁹March and Simon, <u>op. cit</u>., p. 131.

²⁰Warren G. Bennis, <u>Changing Organizations</u> (New York: McGraw Hill, 1966), pp. 167-69.

¹⁸Ibi<u>d</u>., p. 142.

While theorists of planned organizational change have obscured the importance of power relationships within a bureaucratic organization, Michel Crozier has advanced an interpretation of bureaucratic behaviour which integrates the concept of power relationships with organizational theory. He argues that "the allocation of power and the system of power arrangements have a decisive influence over the kind of adjustment people are able to make within an organization and over the practical results and the efficiency of that organization."21 Crozier builds a model of a "self-reinforcing" bureaucratic system of organization which is characterized by the presence of a series of vicious circles stemming from a bureaucratic climate of impersonality and centralization.²² Impersonal rules and centralization of decision-making arise in order to reduce uncertainty and establish conformity and predictable patterns of behaviour. While the rules suppress relationships of hierarchical dependence and reduce the bargaining power of subordinates, centralization seeks to eliminate any remaining discretionary personal power by removing decision-making from the field where the rules are actually carried out. As a consequence each stratum within the organization becomes isolated and the individual is exposed to strong intra-group pressure to conform to the impersonal rules and accompanying group norms

²¹Michel Crozier, <u>The Bureaucratic Phenomenon</u>, Phoenix Books Edition (Chicago: University of Chicago Press, 1967), p. 147.

which protect the group and give it a measure of independence. This in turn is accompanied by a displacement of goals and precipitates still more rule making and centralization. Among remaining areas of uncertainty there develops what Crozier terms "parallel power relationships."23 Phose who control the sources of uncertainty possess a significant degree of power over others. The smaller the area of uncertainty the stronger their strategic position within the system where virtually everything else is predictable. The resultant frustrations will, Crozier argues, generate a further drive toward impersonality and centralization as each individual rationally seeks to "further his own privileges." Thus the so-called dysfunctions form part of a self-reinforcing equilibrium. Due to imflexibility and rigidity, Crozier holds that the necessary adjustments to change in such a system entail a crisis. The system is resistant to change and hence when change comes must both emanate from the top echelons of the bureaucracy and be extremely comprehensive in scope.24

As Crozier is primarily concerned with the analysis of the behavioural patterns of the French bureaucratic system, his interpretation of the adaptive mechanism of alternating periods of crisis and routine is in many respects culture bound. In contrast to the French model, for example, Crozier views the American system as more open to change since it

> ²³<u>Ibid</u>., p. 192. ²⁴Ibid., p. 196.

possesses relatively less hierarchical isolation and more interdependency. The dysfunctions of the latter are seen as those which emerge from conflicts between different decisionmaking centres.²⁵ But although distinctive cultural patterns may modify the details of his model, Crozier's discussion of power relationships and uncertainty within a bureaucracy has a special relevancy to the general situation of administrative reform. While not universally a crisis or a cathartic experience, administrative reform does result in an immediate disruption and long term adjustment in an established network of administrative inter-relationships and generates both individual and group uncertainty. In the model, power relationships and bargaining are seen to develop within an organization in the context of uncertainty and unpredictability in which the predictable individual in an inferior. Restating Robert Dahl's definition of power, Crozier holds that:

In such a context, the power of A over B depends on A's ability to predict B's behaviour. As long as the requirements of action create situations of uncertainty, the individuals who have to face them have power over those who are affected by the results of their choice.²⁶

Thus those whose role it is to cope with the situation of change (i.e. managers, experts, innovators, or change agents) will occupy a strategic position by virtue of their control over the sources of uncertainty.

Gerald Caiden has argued that reform is to be distinguished from change by the presence of resistance and that

> ²⁵<u>Ibid</u>., pp. 231-36. ²⁶<u>Ibid</u>., p. 158.

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since administrative reform meets opposition, the former must be backed by power. 27 Following on Crozier's analysis one may argue that what is termed "resistance" may in fact be in the main a normal response to the creation of uncertainty as to future programmes and administrative structures rather than resistance to change or to particular reform goals per se. The general circumstances may be more accurately described as one in which those charged with the responsibility for the administration of reforms occupy the primary strategic position for as long as they fully control the major sources of uncertainty. As they begin to translate uncertainty into new concrete programmes and structures, the reform process is opened up to a power struggle based on the ultimate dependence of the manipulators of administrative reform on the capabilities of other individuals and entrenched groups within the administrative system who are to execute the programmes and man the structures. The latter resent their new relationship of dependence and . regardless of the use of direct hierarchical coercive power will seek in turn to assert their autonomy and thereby eliminate the remaining areas of uncertainty still further by taking full advantage of their own strategic position. This struggle is not viewed as one between innovator and opponent of reform but rather as a part of a chain of attempts to reintroduce security and predictability in a situation of general uncert-

²⁷Gerald E. Caiden, <u>Administrative Reform</u> (Chicago: Aldine, 1969), p. 66.

tainty. This power interaction which is associated with uncertainty will overload the innovative capacity of the system and is seen here as a major component of the costs of administrative reform.

The concept of innovation overload also encompasses a third dimension unrelated to the specific content of administrative reform or the pattern of responses to uncertainty and con-Rather than a function of conflict or resistance it is flict. seen as arising out of a physical overloading of an administrative system's generalized capacity to absorb reform. Administrative reform, for example, not only makes a claim on the individual or group in terms of commitment and knowledge or self-autonomy but also upon their time which must be mobilised for the planning and implementation of new programmes and structures. The importance of this dimension is apparent in the work of Robert J. Kahn and his associates in analyzing the problem of organizational stress in terms of role conflict. The latter includes not only conflict related to incompatible prescriptions and proscriptions, opposing pressures, or conflicts stemming from individual needs or values, but also to what they term "role overload." This is regarded as a conflict of priorities in a situation where a person is asked to perform a variety of seemingly compatible tasks but which are virtually impossible for him to complete within a given time.²⁸

²⁸Robert L. Kahn, <u>et al.</u>, <u>Organizational Stress: Studies</u> <u>in Role Conflict and Ambiguity</u> (New York: Wiley, 1964), p. 20.

H. L. Lafromboise's interpretation of the response of managers to successive internal reforms within the federal public service also illustrates the significance of this dimension. He argues that there is an upper limit to the time and effort which can be directed away from ongoing functions toward innovation. Such elements as work-time to plan and implement change, time for ongoing administration of a new procedure, the consumption of psychic energy (including uncertainty, friction and overcoming inertia), limits on the span of attention and time for additional operational changes sought by the manager himself, are all to be considered in determining an "acceptable" rate of innovation. Laframboise warns that the federal public service has been required to introduce and administer reforms which go beyond the capacity of the system to absorb and that the result could ultimately lead to withdrawal and apathy or aggressive behaviour against innovation.²⁹ Either outcome significantly imposes an additional load on the administrative system and adds further to the costs of administrative reform.

In the empirical investigation of the process and costs of administrative reform data was gathered on the attitudes and perceptions of the senior New Brunswick public servant toward the aims of the new reform programme, new administrative

²⁹H. L. Jafromboise, "Administrative Reform in the Federal Public Service: Signs of a Saturation Psychosis," <u>Can-</u> <u>adian Public Administration</u>, XIV, n. 3 (Fall, 1971), 305-306.

relationships and other aspects of their immediate administrative environment through structured interviews with all major public service participants in the policy-making process.³⁰ Due to the nature of the population being studied, pretesting was conducted by a preliminary posing of different groups of proposed questions to a number of senior officials throughout the public service in order to ensure that their general frame of reference was appropriate to the situation at hand. The actual interviews were in general of two to three hours duration and both open and closed ended questions were used to obtain a full reporting of their attitudes and perceptions plus information on specific aspects of programme and patterns of behaviour in its implementation. PART UNE

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ECONOMICS, CULTURE AND PUBLIC POLICY

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CHAPTER II

THE ECONOMIC CONTEXT

Economic Disparity

The resistance to change and persistence of traditional cultural orientations which have been found in New Brunswick are in large part the legacy of an underdeveloped economy. As one of the Atlantic Provinces, New Brunswick has remained part of the "underdeveloped" region of the country¹ with one of the lowest levels of economic activity in Canada. Defined in terms of twelve political units or six economic areas, Canada's major economic regions have marked differences in their levels of prosperity. While Canada is not unique in this regard, economists have emulated Sir John A Macdonald's dictum that Canada is an especially difficult country to govern, and stressed the strength of those forces which have led to this imbalance.² Geographic and physical conditions, patterns of human settlement, ethnic and cultural diversity, and the dynamics of a political system embodying a federal structure

¹Economic Council of Canada, <u>Second Annual Review</u> (Ottawa: Queen's Printer, December 1965), p. 36. ²S. E. Chernick, <u>Interregional Disparities in Income</u>, Economic Council of Canada Staff Study No. 14 (Ottawa: Queen's Printer, 1966), p. 1. of government have been as powerful contributing factors. As a country which has achieved a relatively high level of development, Canada has less regional imbalance in relation to national averages of income per capita than less mature economies. Nevertheless, among the countries of highest levels of income, Canada does have a particularly striking Though the process of economic development may imbalance. have been accompanied by a convergence in relative levels of prosperity, the strain which development has placed upon regional imbalance in terms of absolute income differentials remains a politically significant reality.³ Differences in the levels of economic and social well being and an economic opportunity among the provinces are large and have been remarkably persistent for at least forty years. Income data available as a consistent series from 1927 shows that the interregional structure of income and degree of regional participation in national economic activity to be virtually unchanged.⁴ Both the top and bottom ranking regions have retained their same relative positions.

This pattern of regional disparities appears to have been set at the turn of the century when for the most part the Atlantic Provinces failed to participate in the rapid

³Jeffrey G. Williamson, "Regional Inequality and the Process of National Development," <u>Economic Development and</u> <u>Cultural: Change</u>, VIII, No. 4, Part II (July, 1965), 3-84.

⁴See Table II-1.

TABLE II-1

PERSONAL INCOME PER CAPITA BY PROVINCE

(1926, 1951, 1961, 1965)

	Dollars			
	<u>1926</u>	<u>1951</u>	<u>1961</u>	<u>1965</u>
Newfoundland	• •	568	934	1,195
Prince Edward Island	241	612	962	1,339
Nova Scotia	285	776	1,197	1,513
New Brunswick	273	742	1,064	1,423
	360	929	1,383	1,755
Quebec Ontario	486	1,325	1,843	2,275
Manitoba	462	1,135	1,513	1,925
Saskatchewan	435	1,329	1,222	1,974
Alberta	482	1,308	1,595	2,002
British Columbia	515	1,341	1,813	2,287
TOTAL	425	1,136	1,564	1,985

Source: Canada, Dominion Bureau of Statistics, <u>National Accounts; Income and</u> <u>Expenditure</u> (13-201), and Jenny R. Pololuk, <u>Incomes of Canadians</u>, Dominion Bureau of Statistics, 1961 Census Monograph: 99-544 (Ottawa: Queen's Printer, 1968), Table 7-1, p. 152.

economic expansion which accompanied the opening up of the west.⁵ The four Atlantic Provinces have no monopoly of economic deprivation and poverty in Canada, but as an economic region have the largest incidence of this condition. While 9.7 per cent of Canada's urban and rural non-farm families lived in the Atlantic Provinces in 1961, the region contained 17.3 per cent of those with low incomes.⁶ The lag in the economic development of New Brunswick and the Atlantic Region in general has long been the subject of analysis. In recent years, studies carried out by the federal government, the individual provincial governments and the Atlantic Provinces Economic Council have provided an extensive catalogue of regional disparity in Canada and of the conditions within the Atlantic Region. This attention has, however, not been accompanied by any coherent strategy to remedy these conditions. A tangle of federal and provincial agencies and policies continue to produce conflicting expenditures of effort within and between both levels of government.⁷

New Brunswick's gross provincial product, the total

⁶See: Pololuk, <u>Incomes of Canadians</u>, Table 8-1, p. 187.

⁷Atlantic Provinces Economic Council, <u>The Atlantic</u> Economy: First Annual Review (Halifax, 1967), chapter 4.

⁵Alan G. Green, "Regional Aspects of Canada's Economic Growth, 1890-1929," <u>Canadian Journal of Economics and Political</u> <u>Science</u>, XXXIII, no. 2 (May, 1967), 243-245. Nova Scotia fared better than Prince Edward Island and New Brunswick whose primary share in the high rate of economic growth was in the export of their population.

output of the province, was estimated at \$1,278,000,000 in 1967. At \$2,061 per capita this was 67.8 per cent of the gross national product per capita and was up from 59.8 per cent of the national figure in 1957. Due to the province's slow rate of population increase this rate of growth is above the national average. The absolute differential, however, has continued to increase, and the gap of \$981 per capita was up from \$772 in 1957. Personal income per capita, a more readily available indicator of economic disparity among the provinces, shows the same pattern.⁸ In 1967 it stood at 71.7 per cent of the national average and 63.2 per cent of Ontario's personal income per capita. Over the ten year period 1957-67 the components of total personal income rose less rapidly than national rates of growth. Wages and salaries were the largest component with a value of \$679,000,000 in 1967 and had increased their share of personal income by one percentage point over 1957 to 66 per cent. Farm income had declined in its relative share by 2.6 percentage points to just over 1 per cent and business income by 1.7 to 15.4 per By 1967, however, transfer payments had risen by 2.5 cent. to 17.9 per cent. While the latter increase may be associated with an increase to provincial standards in health and welfare, the relatively high share of the total flow of personal income which is 6 per cent above the national average indicates

⁸See Tables II-2 and II-3; and New Brunswick, Office of the Economic Advisor, <u>The New Brunswick Economy: 1969</u>, <u>Report to the Legislative Assembly</u>, Tables 6,7, pp. 50-51.

TABLE II - 2

NEW BRUNSWICK: PRODUCTIVITY AND PERSONAL INCOME 1957, 1962, 1967

Gross National Product and Gross Provincial Product						
New Brunswick:	<u>1957</u>	<u>1962</u>	<u>1967</u>			
Gross Provincial Produce (\$ million)	646	825	1,278			
GPP per capita (\$)	1,149	1,364	2,061			
Canada:						
Gross National Produce (\$ million)	31,909	40,575	62,068			
GNP per capita (\$)	1,921	2,183	3,042			
GPP per capita as percentage GNP per capita	59.8	62.5	67.8			
Personal Income Per Capita						
New Brunswick	913	1,114	1,658			
Canada	1,396	1,667	2,313			
Ontario	1,668	1,929	2,624			
New Brunswick as percentage of Canada	65.4	66.8	71.7			
New Brunswick as percentage of Ontario	54•7	57•8	63.2			
Components of Personal Income						
% Share of Personal Income in Ne			// •			
Wages and Salaries	64.7	63.2	66.1			
Farm Income	3.7	1.3	1.1			
Business Income	17.0	17.5	15.4			
Transfer Payments	15.0					
Source: New Brunswick, The New Brunswick Econom	Office of t <u>y</u> , Tables 6	he Economic , 7 & 8.	c Advisor,			

TABLE II - 3

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LEVEL AND GROWTH OF PROVINCIAL PERSONAL INCOME PER CAPITA AND POPULATION

	Level		evel Growth 1927-1963 Average A		Annual Percentage Chang	
	1927	1963 	Personal Income per Capita	Total Percentage	Population	
Ontario	509	2,025	3.9	5.9	2.0	
British Columbia	535	1,966	3.7	6.6	2.8	
Alberta	509	1,750	3•5	5.8	2.2	
Saskatchewan	449	1,749	3.8	4.2	0.3	
Manitoba	455	1,721	3.8	4.9	1.0	
Quepec	378	1,521	3.9	6.0	2.0	
Nova Scotia	299	1,302	4.2	5.3	1.1	
New Brunswick	277	1,167	4.1	5. 3	1.2	
Prince Edward Island	248	1,115	4.3	4.8	0.6	
Newfoundland		1,009				
AVERAGE	407	1,532	3.9	5.4	2.0	
(b) Provinces	s ranke	ed in orde		ne per capita in 1963	3.	
Source: Canada; Ecc	onomic	Council o	of Canada, <u>Second An</u>	nual Review, Tables	5-1 and 5-3.	

the low level of economic activity within the province.9

Contributing Factors

The marked and persistent imbalance among Canada's regions and the poor economic performance indicated by income disparities for the Atlantic Region and the Province of New Brunswick have been associated with a variety of The level of actual earned income per capita is factors. naturally closely related to the size of the employment base. The Economic Council of Canada has attributed roughly half of the difference in earned income per capita between the Atlantic Region and Canada to differences in manpower utiliza-In the period 1960-64 the Atlantic Region had by far tion. the lowest total number of persons employed. Employed persons comprised 25 per cent of the population compared with 34 per cent nationally and 37 per cent in Ontario. 10 An examination of the determinants of this employment base shows that the Atlantic Provinces have the lowest proportion of their population in the working ages 15-64 and the lowest proportion of the adult population in the labour force.¹¹ In every postwar year the region has had the highest unemployment rates in

9<u>Ibid</u>., Table 8, p. 51.

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¹⁰Economic Council of Canada, <u>Second Annual Review</u> (Ottawa: Queen's Printer, 1965), p. 114.

¹¹Frank T. Denton, <u>An Analysis of Interregional Differ-</u> <u>ences in Manpower Utilization and Earnings</u>, Economic Council of Canada, Staff Study No. 5 (Ottawa: Queen's Printer, 1965), pp. 3-7.

Canada due in part to differences in labour force composition, labour market conditions and also the adverse seasonal influences of its climatic conditions.¹²

The effect of the employment base on earned income within the Atlantic Region is reinforced by a low level of average earnings per employed person, which was 20 per cent below the national average in the 1961-64 period. Though it is difficult to isolate the primary variables which will account for imbalance in output and consequently earnings, there does appear to be a close relationship between the level of income and educational achievement. The 1961 census data show that the Atlantic Region had the highest proportion of the labour force who had not received formal secondary school training and the lowest at the higher educational levels. In New Brunswick 50.5 per cent had not gone beyond elementary school and 2.9 per cent had obtained university degrees compared with national averages of 40.5 per cent and 4.3 per cent and 27.2 per cent and 4.7 per cent in British Columbia.¹³ The deficiency which may result from low educational levels in the supply of technical skills and entrepreneurial characteristics is also likely to exert an indirect influence on the location of economic activity.

As lower quantities of physical capital will lower a

¹²Sylvia Ostry, <u>Provincial Differences in Labour Force</u> <u>Participation</u>, Dominion Bureau of Statistics 1961 Census Monograph, 99-551 (Ottawa: Queen's Printer, 1968), pp. 26-27.

¹³Economic Council of Canada, <u>op. cit</u>., pp. 118.

worker's productivity, differences in capital input as well as labour input are also associated with differences in earnings. Some indication of the disadvantage of the province in this respect is shown in indices of average annual investment and capital stock of machinery and equipment per capita.¹⁴ In the first index for the period 1951-64 New Brunswick ranked third lowest both in public and in private investment and second lowest in total investment with 64% of the national average. Its stock of machinery and equipment in 1964 was estimated at 68 per cent of the national average per capita and ranked the third lowest province.

Though the 1961-66 upswing in activity in Canada did little to narrow economic imbalance between the Atlantic region and the more prosperous regions, there was an especially large gain in investment and a higher level of new capital investment per capital than the national average.¹⁵ This gain was largely concentrated in New Brunswick, where per capita investment had risen to 83.6 per cent of the Canadian average. This was due in large part to relatively large increases in the manufacturing and utilities sectors. Public demands have generally maintained a level of investment social capital in the institutional and government service section at high levels at times well above the national average per capita

¹⁴_{Economic} Council of Canada, <u>op. cit</u>., pp. 120-122. ¹⁵_{Atlantic} Provinces Economic Council, <u>The Atlantic</u> <u>Economy: First Annual Review</u> (Halifax: October, 1967), pp. 37-39. since 1948. Slow population growth has, however, tended to limit the relative levels in the housing, trade, financial and commercial services sectors. Primary industries and construction have the poorest relative pattern of performance of all.¹⁶ Though levels of investment are subject to fluctuation and are substantially less productive in New Brunswick than for Canada as a whole, the gains were potentially significant ones for the province's future economic development.

The degree of population concentration has also received attention in accounting for interregional imbalance, as it is clear that where concentrations occur they permit the more efficient production, distribution, and use of human skills, and encourage further economic growth.¹⁷ Whereas only 23.6 per cent of Canada's urban population lived in urban groups of less than 30,000 persons in 1966, over 44 per cent of New Brunswick's urban population lived in such centres. In 1966 50.6 per cent of the province's total population lived in urban areas compared with a national average of 74 per cent and 80 per cent in Ontario. This degree of urbanization has some implications for earnings levels as well as economic growth in that earnings tend to be lower in rural areas.

¹⁶New Brunswick, Office of the Economic Advisor, "Investment in New Brunswick" in <u>New Brunswick Economic</u> <u>Statistics</u>, 11 (June, 1967), pp. 47-66.

¹⁷The growth centre concept has now become a central element in federal and provincial policies to further economic development in the Atlantic Region. See: Atlantic Provinces Economic Council, <u>The Atlantic Economy: Second Annual Review</u> (Halifax: September, 1968), Chapter 4.

Since average productivity per worker varies between industries, the industrial structure of New Brunswick and the Atlantic Region might also be expected to be closely associated with earnings per capita. High national averages, however, conceal variations in industrial productivity on a regional basis and earned income per worker is relatively low for all major sectors of the Atlantic economy. 18 Thus, though there has been a decline in the relative share of employment in such low income primary industries as agriculture, fisheries and forestry, and substantial gains in employment in mining and construction, such shifts in New Brunswick's industrial structure are unlikely to produce a substantial reduction in interprovincial disparities.¹⁹ Disparities in productivity are of greater influence on earnings than regional economic structures. The weight of the deficiencies in the quantity and quality of natural resources has also been deemphasized since it is argued that their influence has been lessened by fundamental changes in patterns of consumption and technical advance.

Population Movements

In a country where population changes have been strongly linked to rates of economic development, it has been argued

¹⁸See: Economic Council of Canada, <u>op. cit</u>., Tables 5 - 13 and 5 - 14, pp. 124-125.

¹⁹S. E. Chernick, <u>op. cit</u>., Chapter III.

that the internal migration of population has made an important contribution to higher levels of productivity and income, economic growth and expansion within Canada.²⁰ Redistribution of population has been in part a movement from areas of slow growth and lower average income and in part a movement from predominantly rural areas and the primary occupations found in such areas.²¹ The experience of the four Atlantic provinces has been one of intra-provincial movements out of their rural areas, accompanied by a relatively low rate of movement in their urban areas and a significantly high inter-provincial movement out of the entire region. With a population of 616,789 in 1966 New Brunswick contained 3 per cent of Canada's population. As the province's rate of population increase has been low, its share of the national population is declining and is less than half that of 1901.²² The interrelationship between population change and economic activity is complex but it is evident that out-migration is typically characteristic of a regional lag in development. The high and persistent net out-migration found in the Atlantic provinces is in general symptomatic of their relatively slow growth, low levels of productivity and small

²⁰Isabel B. Anderson, <u>Internal Migration in Canada</u>, <u>1921-1961</u>, Economic Council of Canada, Staff Study No. 13 (Ottawa: Queen's Printer, 1966), p.1.

²¹<u>Ibid</u>, p. 26. See also Kari Levitt, <u>Population</u> <u>Migration in the Atlantic Provinces</u> (Halifax: Atlantic Provinces Economic Council, November, 1960).

²²In 1901 the population of the province (persons 10 years of age and over) was 331,120.

employment base.

People have moved out of the region since before Confederation.²³ Net out-migration, however, reached especially alarming proportions in the 1961-66 period, during which it was estimated that the Atlantic Provinces lost at least 106,000 persons through migration. This compares with 97,000 for the previous decade. In this period it was estimated that New Brunswick lost 35,000 persons. This represents nearly 6 per cent of the 1961 base population and 75 per cent of the natural increase. The average annual loss between 1961 and 1966 was 7,000 compared with an average of 4,600 in the period 1941-1961.²⁴ The 1961 census showed that 79 per cent of Canadians born in New Brunswick were still provincial residents and comprised 87 per cent of the provincial population. Forty-one per cent of native born New Brunswickers living outside the Province had become residents of Ontario and 32 per cent residents of Quebec.²⁵ The out-migration of

²³It is interesting to compare current concern with this problem with that expressed in the <u>Acadian Reporter</u> (September 23, 1865). "Emigration is growing popular with some of our people. What makes matters worse is that the fashion is confined to our young men, to the very bone and sinew of the country." quoted in: Canada, <u>The Maritime</u> <u>Provinces in their Relation to the National Economy of</u> <u>Canada</u> (Ottawa: Dominion Bureau of Statistics, 1948).

²⁴New Brunswick, Office of the Economic Advisor, "Migration, New Brunswick, 1871-1967; A Statistical and Economic Analysis, <u>New Brunswick Economic Statistics</u>, No. 13 (December, 1967), pp. 35-92.

²⁵Canada, Dominion Bureau of Statistics, <u>Census of</u> Canada 1961; 92-547.

unemployed or underemployed surplus labour may in the short run be regarded as a normal adjustment to regional imbalance and in improving the balance between physical capital and labour, allow greater productivity.²⁶ It may be argued however that persistent out-migration from the Atlantic provinces is both a symptom and a contributing factor to the economic retardation of the region. One quarter of the per capita income gap between the region and the Canadian average has been attributed to the effects of out-migration.²⁷ Of especial concern is the propensity toward greater mobility shown by young people who are entering the labour force on the completion of their education. Such young people have attained a higher level of education than the average for the labour force and leave in their wake a lower proportion of the population in the working age group and a lower labour force participation rate. Between 1961-66, 62 per cent of the net out-migration from New Brunswick was in the 15 to 29 age group, that is, half of the 1961 base year population of this group. Only 18 per cent were outside the work force ages of 15 to 64 and, of the net loss, 44 per cent were males of labour force age.

The experience of out-migration has had a marked

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²⁶Helen Buckley and Eva Tihan**y**i, <u>Canadian Policies</u> <u>for Rural Adjustment</u>, Economic Council of Canada, Special Study No. 7 (Ottawa: Queen's Printer, 1967), p. 17.

²⁷Atlantic Provinces Economic Council, <u>The Atlantic</u> <u>Economy, First Annual Review</u> (Halifax: October, 1967), pp. 59-60.

impact on age distribution of the provincial population. Since 1951, New Brunswick has had a smaller percentage of its population in each of the 20 to 64 age groups compared to the national average. In 1966 the proportion of those in the 0 to 19 and 65 and over groups was above the national average, and 5 per cent below for the 20 to 64 age group with a share of 45 per cent.²⁸ Although the young migrant is not necessarily more highly trained, productive or entirely more enterprising and ambitious than others in his own age group who remain, in relation to the total population and the quality of the total labour force, the loss, both economically and psychologically, is to the detriment of the province. As Mr. Pierre-Yves Pepin observed in Kent County, emigration is the young person's answer to the poverty they perceive around them. Their response to their milieu is a "systematic emigration at the age of twenty-one."29

Migration of population is also taking place between regions within the province. 1961 and 1966 census data indicated a movement away from rural areas and small towns. Absolute changes in population over the five year period range from an increase of 6,000 (11 per cent) in York County to a decline of 3,000 (7.2 per cent) in Kent. While the total population increased by almost 9,000 at a rate of 3.2 per

²⁸Canada, Dominion Bureau of Statistics, <u>Census of</u> <u>Canada 1966</u>, Advance Series A. 5.

²⁹Pierre-Yves Pepin, <u>Life and Poverty in the Maritimes</u>, ARDA Research Report RE-3 (Ottawa: Department of Forestry and Economic Development, 1968), p. 39.

cent, the urban population increased by nearly four times and the three larger urban and metropolitan areas of Fredericton-Oromocto, Moncton and Saint John by two and a half times this rate.

This pattern notwithstanding, New Brunswick remains typical of the region in that by national standards it is predominately rural and small town. Five out of ten New Brunswickers are classified as urban residents compared to a national average of seven out of ten. Saint John with an urban population of 86.7 per cent is the only county with a level of urban population above the national average of 73.6 per cent. Kent County remains the most rural region at only a 14 per cent level. Although Fredericton-Oromocto was among the seven fastest growing areas in Canada between 1961 and 1966, Saint John, the largest metropolitan area with the province, was among the slowest. Small incorporated centres also continued to experience high rates of growth and in 1966 the rural non-farm population made up 41 per cent of the provincial total compared with 17 per cent for Canada. As noted earlier, the persistent dispersal of population and slowness in the rate of economic concentration in larger urban growth centres is closely associated with the continuing low level of prosperity within New Brunswick. Rather than the urbanization pattern found elsewhere within other regions, the most significant proportion of population movement in the Atlantic

Provinces is a movement entirely out of the region.³⁰

Intra-Provincial Disparities

Differences in prosperity exist not only among regions within a country but also within such regions. Indeed relationships between levels of national development and regional imbalance found at the international level also hold for regional levels of development and inequalities among subregions.³¹ The higher a provincial income level, the closer the sub-regional incomes to the regional average.³² In general terms this means that higher provincial income levels will tend to reflect a relatively high degree of participation in national economic activity and a high degree of balance among sub-regions. The opposite inference applies to the lower than average income provinces. New Brunswick is thus both an underdeveloped area and itself an area of relatively high imbalance among its subregions or counties.

Estimated per capita dispersable income for the province in 1961 showed a value of \$1,000 compared with a national average of \$1,400 and a range from \$600 in Kent to \$1,270 in Westmorland County. Further measures of the relative concentration or dispersal of such economic factors as industrial

³⁰Atlantic Provinces Economic Council, <u>The Atlantic Economy, Second Annual Review</u> (Halifax: 1968), p. 39.
³¹Jeffrey G. Williamson, <u>op. cit</u>.
³²S. E. Chernick, <u>op. cit</u>., pp. 39-43.

employment, personal disposable income, labour force, population, manufacturing employment and wage earners confirm the considerable disparity among the counties.³³ Representative indicators of economic activity among the regions, including liquor sales, electric power consumption and retail sales tax also show a wide disparity in their rates of growth in the period 1955-66, with the northern half of the province growing at a considerably faster rate than the south.³⁴

Public Policy and the Economic Environment

Elimination of the regional disparities that have been described above is one of the foremost concerns of federal and provincial economic agencies. Their attention to disparities in productivity and the levels and distribution of income, is also inherently linked to consideration of disparities in the level and distribution of public goods and services. Such a link was most evident in New Brunswick's 1965-67 reform programme. Disparities in levels of regional economic performance result in disparities in the local resources available to the regional levels of government which in terms of provincial political structures are responsible for basic social and important "growth-related"³⁵ public services. The interactions between regional ecological character-

³³New Brunswick, Office of Economic Advisor, "The Economic Regions of New Brunswick," <u>New Brunswick Economic</u> <u>Statistics</u>, No. 12 (September, 1967), pp. 29-53.

³⁴<u>Ibid</u>., "Regional Indexes," in <u>New Brunswick Economic</u> <u>Statistics</u> (September, 1968), pp. 35-50.

istics and public policies form but one part of the policy formation process.³⁶ Limited resources in such obvious areas as financial revenue and manpower would, however, appear to impose substantial constraints on the area of choice open in any policy decisions which seek to raise and redistribute levels of public goods and services or generally promote economic development. Within the limits of its own resources New Brunswick is in a sense caught in a vicious circle. A low level of economic activity has hindered investment in growth-related public services, and restricted the resources available to meet the increased burden of social services.

Perhaps the most obvious constraint on public policy which is produced by the economic environment is the small size of the province's revenue base. Concern for disparities in the financial ability of provincial governments has probably received a longer and greater attention than economic disparities within Canada. Federal assistance in meeting the fiscal needs of the provinces was an essential part of the Canada federal bargain in 1867 and has continued to be a central issue in federal-provincial relations. Despite the expansion in levels of federal assistance and the postwar expansion of public services at the provincial level,

³⁶As Richard Hofferbert notes, correlations between ecological and policy variables still leave a "black box" between ecology and public policy. See: Richard I. Hofferbert, "Ecological Development and Policy Change in the American States," <u>Midwest Journal of Political Science</u>, X, no. 3 (November, 1966), 465.

the aspiration of the Rowell-Sirois Commission that all provinces should be able to provide adequate services without excessive taxation has proved elusive.

The levels and burdens of tax revenue and expenditures are commonly used as rough yardsticks in inter-provincialmunicipal comparisons. Since the mid-1930's all provincialmunicipal expenditure per capita has grown rapidly in Canada. Inter-provincial disparities in expenditures which increased during the second world war and the immediate post war period have significantly narrowed since the mid-1950's. The range between the ten provinces is however still a substantial one.³⁷ In 1965, net general per capita provincial-municipal expenditure in New Brunswick after the elimination of intergovernmental transfers was 74.4 per cent of the provincial average and 64.6 per cent of the top expenditure in British Columbia.³⁸ Net general revenues per capita from provincialmunicipal sources were 61 per cent below the provincial average and 47.5 per cent below the top revenues in British Columbia and Alberta.³⁹ This range gives some indication of the limitations on the fiscal capacity of the province if left to its own resources. Such limitations have left New Brunswick highly dependent on federal assistance. In 1965,

³⁷See: T. K. Shoyama, <u>op. cit</u>., p. 503-505.
³⁸See <u>infra</u>, Table II-4.
³⁹See Table II-5, Part I.

TABLE II- 4 PART I

NET GENERAL PROVINCIAL-MUNICIPAL EXPENDITURE 1965 (after elimination of all Provincial-Municipal transfers)

	Ne	t General Expend	<u>liture</u>		
		Unconditional Grants to <u>Municipalities</u>	Provincial	Municipal	Total
Newfoundland	130,912	THOUSANDS OF DOL 2,995	LARS 127,917	16,271	144,188
Prince Edward Island	30,117	432	29,685	5,454	35,139
Nova Scotia	154,582	1,388	153,194	71,017	224,211
New Brunswick	131,418	9,709	121,709	62,209	183,918
Quebec	1,853,168	104,824	1,746,445	451,746	2,198,191
Ontario	1,592,954	38,887	1,554,067	1,303,832	2,857,899
Manitoba	214,645	3,918	210,727	145,525	356,252
Saskatchewan	250,555	12	250,543	161,473	412,016
Alberta	379,639	19,865	360,774	267,711	628,485
British Columbia	538,688	19,304	519,684	312,861	832,545
Total	5,276,678	200,034	5,076,644	2,798,099	7,862,857
Sources: (See Par	ct II).				

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TABLE II - 4 PART II

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NET GENERAL PROVINCIAL-MUNICIPAL EXPENDITURE 1965

		Per Capi	ta Expendi	ture			Expenditures as a Percentage of Personal Income		
	<u>Population</u> Thousands	Provincial	<u>Municipal</u> Dollars	Total	Personal <u>Income</u> \$ million	Personal Income <u>per Capita</u> Dollars	Provincial	Municipal	Total
Newfoundland	488	262	33	295	583	1,195	21.9	2.8	24.7
Prince Edward Island	109	272	50	322	146	1,339	20.3	3•7	24.1
Nova Scotia	756	203	94	297	1,144	1,513	13.4	6.2	19.6
New Brunswick	615	198	101	299	875	1,423	13.9	7.1	21.0
Quebec	5,685	307	80	387	9,979	1,755	17.5	4.5	22.0
Qntario	6,788	229	192	421	15,444	2,275	10.1	8.4	18.5
Manitoba	965	218	151	369	1,858	1,925	11.3	7.8	19.2
Saskatchewan	950	264 .	170	434	1,875	1,974	13.4	8.6	22.0
Alberta	1,450	249	185	434	2,903	2,002	12.4	9.2	21.6
British Columbia	1,797	289	174	463	4,110	2,287	12.6	7.6	20.3
Total	19,603	259	143	402	38,917	1,985	13.0	7.2	20.2

Sources: Canada, Dominion Bureau of Statistics, <u>Municipal Government Finance, Revenue</u> and Expenditure, Actual: 1965 (68-204), and, <u>Provincial Government Finance, Revenue</u> and Expenditure: 1965 (68-207), and <u>National Accounts: Income and Expenditure: 1965</u> (13-201).

TABLE II - 5 PART I

NET GENERAL REVENUE FROM PROVINCIAL-MUNICIPAL SOURCES

1965

			met.l		Contri-	m e de la]
	Total	Government	Total t Provincial	l Total	butions, Grants,	Tota Munici	
	Provincial	of Canada		Municipal			
			THOUSAN				
Newfoundland	111,985	43,768	68,217	10,492	2,109	8,383	76,600
Prince Edward Island	24,522	10,393	14,129	4,950	628	4,322	18,451
Nova Scotia	150,405	50,472	99,933	60,521	5,765	54,756	154,689
New Brunswick	128,321	44,883	83,438	55,129	12,721	42,408	125,846
Quebec	1,599,506	217,528	1,381,978	401,504	98,109 3	03,395	1,685,373
Ontario	1,602,995	22,782	1,580,213	1,026,656	73,518 9	53,138	2,533,351
Manitoba	198,787	30,459	168,328	119,754	9,230 1	10,524	278,852
Saskatchewan	266,433	31,178	235,255	129,147	10,116 1	19,031	354,294
Alberta	453,309	11,464	441,845	224,714	39,661 1	85,053	626,898
British Columbia	554,144	3,004	551,140	256,278	30,817 2	25,461	776,601
Total	5,090,407	465,931	4,624,476	2,289,145	282,6742,0	06,471	6,630,947
Sources (See	Dont TT)						10

Source: (See Part II).

TABLE II - 5 PART II

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NET GENERAL PROVINCIAL-MUNICIPAL REVENUE 1965

	Pe	r Capita		As Percentage of Personal Income						
	Provincial	<u>Municipal</u> ollars	<u>Total</u>	Provincial	<u>Municipal</u>	<u>Total</u>				
Newfoundland	140	17	157	11.7	1.4	13.1				
Prince Edward Island	130	40	170	9•7	3.0	12.6				
Nova Scotia	132	72	205	8.7	4.8	13.5				
New Brunswick	136	69	205	9.5	4.8	14.4				
	243	53	298	13.8	3.0	16.9				
Quebec Ontario	232	140	373	10.2	6.2	16.4				
	-9- 174	115	289	9.1	5.9	15.0				
Manitoba	248	125	373	12.5	6.3	18.9				
Saskatchewan	305	128	432	15.2	6.4	21.6				
Alberta	307	125	432	13.4	5.5	18.9				
British Columbia	J07									
Total	236	102	338	11.9	5.2	17.0				
Sources: Canada, Dominion Bureau of Statistics, <u>Municipal Government Finance</u> , <u>Revenue and Expenditure, Actual: 1965</u> (68-204), and, <u>Provincial Government</u> <u>Finance, Revenue and Expenditure: 1965</u> (68-207), and <u>National Accounts: Income</u> <u>and Expenditure: 1965</u> (13-201).										

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42 per cent of all provincial and municipal general revenues after the elimination of inter-provincial-municipal transfers came from federal sources. With a total provincial average of 16.5 per cent, the federal share ranged from 55.2 per cent in Newfoundland to 11.8 per cent in British Columbia.⁴⁰

The "burdens" of revenues and expenditures in relation to personal income are also commonly used to provide a rough indication of both the tax burden and the effort made to provide public services within New Brunswick. In 1965 net general expenditure as a percentage of personal income was 21.0 per cent. This figure was just above a provincial average of 20.2 per cent, above the low of 18.5 per cent in Ontario and below the high of 24.7 per cent in Newfoundland. 41 If personal income is taken as an indicator of the ability to make public expenditures, then expenditure as a percentage of income is a direct measure of the efforts actually made by the province to provide public goods and services. Ontario, with less effort and a high personal income per capita, could thus provide a far higher level of expenditure per capita than New Brunswick. Newfoundland, on the other hand, with a lower level of personal income made a higher effort only to achieve a slightly lower level of expenditure per capita. Of the ten provinces, New Brunswick ranked eighth in provincial personal income per capita and fifth in expenditure effort. In

⁴⁰See Table II-6.

⁴¹See Table II-4, Part II.

	P	rovincial Revenu	<u>•</u>	Municipal Revenue					Pad	Pedernl	
	Net <u>Revenue</u>	Federal <u>Grants-in-aid</u>	<u>Total</u>	Net <u>Revenue</u> Thousands of	Federal <u>Grants-in-aid</u> Dollars	Provincial uncondition <u>Grants</u>		Total Provincial- Municipal <u>Revenue</u>	TOTA) Con	tributions Percentage share of revenue	
Newfoundland	111.9ª5	50,990	162,975	10,492		1,278	9,714	172,199	94.974		
Prince Idward Island Nova Scotia	24.522	8.168	32.690	4,950	-	405	4.545	37.735	18,695	55.15 50.19	
New Brunswick	150.405	42,172	192.577	60,521	200	105	59,640	257.237	95,619	37.91	
Guebec	129,321	43.874	172.195	55.129	90	8,214	46.074	219,119	92.069	42.02	
Untario	1,577,505	122.538 309.424	1.722.044	401,504	112	92,784	309,929	2,030,472	342.0A5	16.89	
Yanitoba	179,797	50,975	1.911,619 249.762	1.026,45 <u>4</u> 119.754	3.672	39,904	990,424	2,902,043	357.194	12.13	
Saskatchewan	266.433	47.319	313.752	129,147	- 459	2,525	117,229 129,606	366.001	93.976	22.96	
Alberta Briefeb Gelucht	453.309	75.426	52A.735	224,714	-39	16.773	207.948	443,35A 735,683	80,093 89,414	18.06	
British Columbia	554,144	100,064	654,20R	256.278	54	18.873	237.459	891,667	105.613	12.14 11.94	
Total	5.090.407	859.150	5,940,557	2,289,145	4,513	181,821	2,111.837	8.052.394	1.355.503	16.83	

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TABLE II - 6 PEDERAL CONTRIBUTION TO PROVINCIAL-NUNICIPAL GOVERNMENTS - 1965 (after elimination of inter-provincial-municipal transfera)

Source: Canada, Dominion Bureau of Statistics, <u>Connolidated Government Pinance: 1965</u> (68-202), <u>Funiciral Government Finance, Revenue and Expenditure, Actual, 1965</u> (68-204), and <u>Provincial</u> <u>Government Finance, Revenue and Expenditure: 1965</u> (68-207).

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1965, therefore, the province appeared to combine a low ability to spend with an average effort to provide public goods and services. Comparison with the Byrne Report's analysis of the provincial experience for 1956 to 1960 shows that New Brunswick's expenditure effort was the same as that for 1959-60 while the total provincial average had increased by only 3 per cent.⁴²

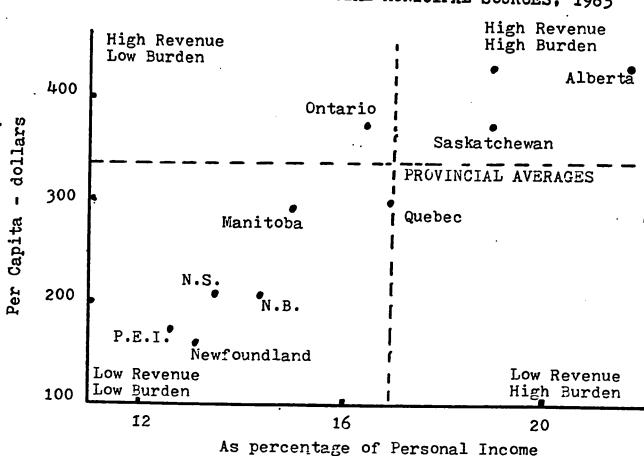
On the assumption that taxes are ultimately paid from personal income, revenues from provincial-municipal sources as a percentage of personal income are also commonly used as a measure of the tax burden. The concept is of course a relative one and a high tax burden may reflect a high level of public services or a low capacity to raise revenues because of a low level of personal income.⁴³ In 1965 New Brunswick's tax burden of 14.4 per cent was 1.6 percentage points below the provincial average and 6.8 below the high in Alberta.⁴⁴ The four Atlantic provinces appear as the lowest in revenue per capita, in personal income per capita and in tax burden, while the converse applies to British Columbia and Alberta. With the exception of Ontario with a low burden and high revenue these findings appear rather anomalous ones.⁴⁵ The

⁴³Thomas R. Dye, <u>Politics, Economics and the Public</u>
 (Chicago: Rand McNally, 1966), pp. 187-191.
 ⁴⁴See Table II-5, Part II.
 ⁴⁵See Figure II-1.

⁴²New Brunswick, Royal Commission on Finance and Municipal Taxation, <u>Report</u> (Fredericton: Queen's Printer, 1963), section 0.

same phenomenon is apparent in other attempts to measure tax burdens relative to personal income⁴⁶ and stems from the inherent limitations of a personal income base which does not reflect the full revenue potential of the Gross Domestic Provincial Product. Given a relatively high concentration of income in the lower income brackets in the four Atlantic Provinces and a high revenue yield in Alberta from oil and natural gas production developed or consumed by non-residents, the relationship between their real tax burdens could in fact be conceived as the inverse of that shown by the simple tax burden ratio.

Figure II-1



NET GENERAL REVENUE FROM PROVINCIAL-MUNICIPAL SOURCES, 1965

Expenditures per capita for particular functions have also been used to indicate the disparities between the levels of public expenditure among the provinces. Of special importance are the inter-provincial disparities in such expenditures as education, health, transportation, natural resources development and industrial promotion which may be expected to have a direct impact on long term economic development. 47 Although since the late 1950's there has been a steady decline in the inter-provincial dispersion of total expenditures, it has remained consistently higher for this group of "growth" expenditures. In average per capita expenditure on growth related functions in 1962-63, New Brunswick ranked seventh. T. K. Shoyama's analysis suggests a close relationship between the rates of increase in growth related expenditure and personal income among the ten provinces. The largest single growth component is education and, although inter-provincial disparities in the level of per capita provincial-municipal expenditures for this function have declined, the dispersion has remained a high one. In the fiscal years 1962, 1963, New Brunswick spent an average of \$67 per capita on education, the lowest of all the ten provinces and \$60 below the high of \$127 per capita in Alberta. Expenditures per pupil show a still greater disparity. The statistics for 1965 show that New Brunswick's expenditure per

⁴⁷T. K. Shoyama, <u>op. cit</u>., p. 507-10. See also Economic Council of Canada, <u>Second Annual Review</u>, pp. 129-135.

pupil in average daily attendance was \$297. This was only 58 per cent of the Canadian average and 51 per cent of the high in British Columbia.⁴⁸

Levels of expenditure are associated not only with the revenue base of the province but also reflect such variables as price and wage levels, population densities, urbanrural composition, and age distribution. Secondary school enrolment ratios, teacher salaries and qualifications are for example major contributing factors to inter-provincial disparity in education expenditures. The scope of the public sector and the nature of linkage between processes of public policy formation and environmental conditions will also determine a province's level and pattern of expenditure. While it may be argued that all such variables are ultimately related to the level of economic development, to draw any conclusions as to the linkage between the level of economic development and the level of public expenditure is to assume that expenditure is an adequate measure of the quantity or quality of public investment in developmental and social goods and services. The validity of this assumption is of course not entirely well grounded. Indeed Ira Sharkansky has demonstrated that in the United States he could find no consistent relationship between the levels of public services and the combined expenditures of state and local governments. 49

48 See Table II-7.

⁴⁹Ira Sharkansky, <u>Spending in the American States</u> (Chicago: Rand McNally, 1967), Chapter VII.

TABLE I I- 7

INDICATORS OF INTER-PROVINCIAL DISPARITIES

IN EDUCATIONAL SERVICES - PUBLIC AND ELEMENTARY SCHOOLS

1966-67

	Expenditures per pupil in average daily attendance 1965	Median Enrolment in Classes 1962-63	≯ Male teachers	<pre>% Teachers a Univer Elementary</pre>		es .	% Teachers in one room rural schools	Median <u>Dollars</u>	Salaries Total=100
Newfoundland	216	32	35.2	6.0	46.4	15.3	3.5	3,529	<u>63</u>
Prince Edward Island		27	20.6	2.8	47.1	15.1	17.4	3,655	66
Nova Scotia	332	31	24.0	16.5	64.9	32.0	1.9	4,303	77
New Brunswick	297	29	25.1	7•7	49.8	21.4	4.8	3,975	71
Quebec ·	522	-	25.6	-	-	Unavaila	ble -	-	-
Ontario	561	32	39.1	11.2	74.6	43.2	1.2	5,732	103
Manitoba	479	28	36.1	9.4	70.1	30.9	4.8	4,882	88
Saskatchewan	495	26 [.]	37.4	9•3	64.0	28.0	1.9	5,723	103
Alberta	532	28	37•4	21.9	68.4	41.5	0.4	5,927	106
British Columbia	581	33	43.9	25.3	74.8	46.3	0.7	6,443	116
Total	512	31	33•7	13.3	70.6	34.2	1.2	5,567	100

Source: Canada, Dominion Bureau of Statistics, <u>Salaries and Qualifications of Teachers</u> <u>in Public Elementary and Secondary Schools</u> (81-202), and <u>Survey of Elementary and</u> <u>Secondary Education</u> (81-210). In examining the New Brunswick experience, however, one finds that the low levels of expenditure are in fact associated with a relatively low level of public service.

New Brunswick's low level of performance has been particularly evident in education which is, in terms of social and economic development, one of its most significant public functions.⁵⁰ In 1966-67 for example the academic preparation of its teachers was extremely low in comparison with Nova Scotia and five non-Atlantic provinces. The proportion of its elementary school teachers and principals with university degrees was 7.7 per cent compared to the provincial average of 13.3 per cent and a high of 25.3 per cent in British Columbia. For secondary school teachers, its proportion was 49.8 per cent, 71 per cent of the provincial average and 67 per cent of the proportions in British Columbia and Ontario. 4.8 per cent of its teachers taught in one room rural schools, four times the provincial average. This situation is also reflected in its median class enrolment of 29 compared to an average of 31. If the professionalization of the teaching profession is measured by the proportion of male teachers⁵¹ New Brunswick ranked in the bottom three provinces with a male proportion of 25.1 per cent compared to

> ⁵⁰See Table II-7. ⁵¹Thomas R. Dye, <u>op. cit</u>., pp. 93-95.

a total provincial average of 33.7 per cent and a high of 43.9 per cent in British Columbia. Median teachers' salaries for 1966-67 were \$3,975, 71 per cent of the provincial average and 62 per cent of the median for British Columbia. These measures confirm a deficiency in quality of public education in the province.

Fiscal Capacity

In the absence of adequate measures of inter-provincial gross provincial products, provincial personal income has been used to measure the tax base available to a province and to gauge the probable constraints on a province's revenue raising potential. While it is evident from their disparate levels of total personal income per capita that New Brunswick has a lower fiscal capacity than Ontario, as was mentioned earlier in discussion of provincial-municipal revenues and tax burdens, to rely on provincial levels of personal income as a measure of potential provincial tax yields may be a misleading exercise. Such variables, for example, as distribution of income and the share of non-residents in tax payments are also significant factors in determining actual tax yields.⁵²

The most accurate measure which is available of the fiscal capacity of a province, and hence the constraints which its environment imposes on the scope of policy making,

⁵²The limitations of an "income approach" are fully discussed in James H. Lynn, <u>Comparing Provincial Revenue</u> <u>Yields</u> (Toronto: Canadian Tax Foundation, 1968), Chapter III.

is one which is obtained from a direct measurement of the actual tax bases of provincial taxation.⁵³ Using this "tax indicator" approach James Lynn calculated per capita yields from average tax rates for some twenty-one types of provincial revenue source in 1963-64. New Brunswick ranked as the third lowest province in fiscal capacity with a per capita yield of \$111 per capita compared with \$185 in Ontario, \$275 in Alberta and was 36 per cent below the average for the ten provinces. As a poorer province New Brunswick has a relatively low share of the income tax base due to progressive tax rates but, since consumption represents a higher proportion of a poorer person's income, this is offset by a high share of the consumption tax base. The province has below average potential yields for all categories of provincial revenue with the exception of hospital and medical care premiums, which are of very low wield, and due to its particular resource base, forestry revenue. As for its actual "tax effort" in utilizing its potential tax base, a comparison of 'actual and potential' revenue shows a value of 98.2 per cent of the national average.⁵⁴ The province thus had little room to expand its yields from existing tax structure within its

⁵³While the essentially similar tax structures of the Province enable such a measure to be used in estimating provincial disparities, it is difficult to extend this measure to the entire range of provincial and municipal taxation due to a lack of uniformity in the property assessments between provinces and indeed municipalities within the same province.

⁵⁴Lynn, <u>Comparing Provincial Revenue Needs</u>, chapter V and p. 51.

own jurisdiction.

The ability to provide an adequate level of public services and the problems of economic development are thus intimately related. The so-called "low income trap" is for New Brunswick both political and economic in that low levels of economic activity both limit its fiscal resources and also expand its fiscal needs. The latter include not only the provision of adequate levels of growth-related expenditure for developmental purposes but also the financing of the heavy burden of the immediate social requirements of its population. This burden is most evident in the effects of the warped agedistribution associated with the low level of activity and high out-migration of the population. This population movement increases the weight of dependent age groups on the labour force. As S. A. Saunders noted in a study prepared for the Rowell-Sirois Commission, the movement of population out of the Maritimes leaves a population weighted on the side of the old and the very young. This lowers the numbers in the more productive age groups and, other things being equal, average income. As a result government finds "first, there are relatively few taxpayers in proportion to the population than in other regions of Canada; and, second, such an age distribution of population tends to increase the burden of

⁵⁵S. A. Saunders, <u>The Economic History of the Maritime</u> <u>Provinces</u> (Ottawa, Queen's Printer, 1939), pp. 103-4.

taken place during the 1960's in outmigration from the province has resulted in an even greater concern with this problem. A 1967 analysis by the New Brunswick office of the Economic Advisor echoed the words of the 1939 study.

Persons over 65 require more medical services and financial assistance. Most persons under 20 are enrolled in the school system. School systems and medical care programs, along with a host of other services for the young and the aged, are the responsibility of the government. Most of the tax incidence for these services falls on the persons aged 20-64. Because there are relatively few people in this age group in the province, revenue from any given tax is less than the national average.

In 1939 S. A. Saunders concluded that if Maritimers were to enjoy the same social services and amenities as those elsewhere in Canada and, if their relative economic position was not to be worsened, public expenditures on social services and developmental projects would have to be increased considerably.⁵⁷ Despite great improvements in social services and the benefits of increased federal assistance since that time, New Brunswick and the other Atlantic provinces are still in need of the same prescription.

Local Public Services

Since 1784 a complex system of local government had evolved within New Brunswick. In 1965 the province had organized for local purposes into 15 counties, 21 towns, 6 cities, 1 village, 64 local improvement districts, 10 local admini-

⁵⁷S. A. Saunders, op. cit., p. 106.

⁵⁶New Brunswick, Office of the Economic Advisor, <u>New Brunswick Economic Statistics</u>, 13 (December, 1967), pp. 52-53.

strative commissions, 1 township and, for local education purposes in particular, 14 county school finance boards, and 21 city and town school boards. 58 A large proportion of public services within the province were performed at this level, the most significant of which was education. While 66 per cent of a total consolidated net general provincialmunicipal expenditure in New Brunswick was borne by the province, the provincial share of the education function of 41.53 per cent was the lowest of the ten provinces.⁵⁹ Data for public elementary and secondary school expenditures shows a still lower share of 32 per cent in 1965. Compared to an average for provinces of 52 per cent, this was 15 percentage points below that of Saskatchewan, the next province in rank, and had steadily declined from a relatively high proportion of 44 per cent in 1954 and 38 per cent in 1960.60 Other major functions delegated to the local level in descending order of current expenditure were protection of persons and property, public works, recreation and community services, social welfare, sanitation and waste removal, and health.⁶¹

Just as economic disparity on a national scale has resulted in disparities in provincial public services, the

> 58_{Total} number of actual school districts was 405. $59_{\text{See Table II-8}}$. $60_{\text{See Table II-9}}$.

61_{See Table II-10.}

PROVINCIAL PERCENTAGE SHARE OF CONSOLIDATED NET GENERAL

PROVINCIAL - MUNICIPAL EXPENDITURE 1965

	Nfl.	P.E.I.	<u>N.S.</u>	<u>N.B.</u>	Que.	<u>Ont.</u>	<u>Man.</u>	Sask.	<u>Alb.</u>	<u>B.C.</u>	
Health	<u> </u>	99.97	90.10	95.24	98.40	89.86	95.56	92.96	80.10	95.78	
Sanitation and waste removal	0	0	0	0	0	0	0	0	0	0	
Social Welfare	99.86	98.28	80.54	84.72	96.70	73.65	87.40	94.39	92.17	85.03	
Education	97.73		56.24	41.55	n.a.	52.83	55.73	50.38	60.83	51.79	
Transportation and communications		92.60	-	85.52	87.96	60.20	58.88	62.65	58.55	69.49	
Natural resources and primary industr		100	100	100	100	100	100	100	100	100	
Debt charges	93.35	75.59	69.28	71.20	55.19	38.78	40.72	-	-	• -	
Contributions to own government enterprise	91.76	11.11	84.99	2.94	-	4.09	-	-	-	· 96 .2 7	
Central government	66.51	93,50	58.58	64.52	46.79	47.65	29.73	51.64	39.05	58.33	
Protection of persons and property	84.41	51.78	34.15	35.94	44.44	33.07	35.43	43.78	43.76	37.32	
Recreation and cultural services	32.26	54.25	45.67	21.49	24.82	16.91	36.57	34.11	20.97	20.45	
Other	80.98	84.33	41.10	30.35	15.58	31.51	58.11	42.69	51.48	79.28	
<i>'</i>											

Totals

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88.72 84.48 68.33 66.18 n.a. 54.38 59.15 60.81 51.41 62.42

Source: Canada, Dominion Bureau of Statistics, Consolidated Government Finance: 1965 (68-202).

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PROVINCIAL SHARE OF

TOTAL (PROVINCIAL-MUNICIPAL) EXPENDITURE

ON ELEMENTARY AND SECONDARY EDUCATION

IN THE PUBLIC SCHOOL SYSTEM

(1954, 1960 and 1965)

	<u>1954</u>	<u>1960</u> Percentage	<u>1965</u>
Newfoundland	85	88	89
Prince Edward Island	55	66	66
Nova Scotia	53	51	53
New Brunswick	44	36	32
Quebec	35	38	53
Ontario	37	40	51
Manitoba	36	46	51
Saskatchewan	31	43	47
Alberta	40	51	52
British Columbia	39	50	50
Total	38	43	52

Source: Canada, Dominion Bureau of Statistics, <u>Survey of</u> <u>Education Finance: 1965</u> (81-208), p. 13.

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NEW BRUNSWICK PERCENTAGE DISTRIBUTION OF NET MUNICIPAL GENERAL EXPENDITURE;

AND REVENUE 1960, 1963, 1965

EXPENDITURE	<u>1960</u>	<u>1963</u>	<u>1965</u>
General Government	7.4	6.6	7.1
Protection of Persons and Property	11.3	10.4	10.0
Public Works	11.0	9.5	9.2
Sanitation and Waste Removal	2.4	2.6	2.2
Health	2.2	1.7	2.0
Social Welfare	2.8	3.1	2.5
Education	46.8	47.0	48.6
Recreation and community service	2.6	3.7	3.1
Debt charges, excluding debt retirement	8.7	8.3	7.6
Contributions to own government enterprises	0.4	0.7	0.9
Provision for reserves	— 1. 1.	1.5	1.2
Other expenditures	4.4	4.9	5.6
Total net general expenditure	100	100	100
REVENUE			
General and School Taxation:			
Real Property	49.6	51.9	50.5
Personal Property	12.0	12.3	16.2
Business	4.7	4.0	Included in Per.Prop.
Poll	4.7	6.7	5.9
Other	0.4	0.8	0.3
Total General and School	72.4	75•7	72.9
Other Taxation: Special assessments & charges, contributions, grants & subsidies	23.4	20.6	23.1
Other revenues	4.0	3.3	3.7
Total net general revenue	100	100	100
Source: Canada, Dominion Bureau of Statisti <u>Revenue and Expenditure, Actual</u> (68-204).	cs, <u>Munici</u>	pal Govern	ment Finance, 59

economic disparities within New Brunswick had also resulted in considerable disparities in the services provided by the local level of government. As at the national level such disparities have persisted despite increased levels of financial assistance from the higher levels of government. Indeed provincial grants for the education function had the effect of reinforcing disparities in that most were on a single per capita or percentage of expenditure basis and made no allowance for differences in fiscal capacities.⁶² The primary source of tax revenue for the local government was real property taxation which in 1965 comprised 50.5 per cent of total net general revenue.⁶³ As elsewhere in Canada, it remained the largest single source of revenue, although its share of revenues had declined over the past thirty years due to increased provincial contributions and grants. Other sources of general and school taxation included personal property, poll taxes, and a miscellanea of local business, rental or occupancy, turnover or inventory taxes whose nature and application varied considerably from one municipality to another.

Comparison of fiscal capacities between local governments is hindered for the period prior to 1967 by the lack of uniform property tax assessment practices. Though progress had been made during the 1960's in securing more uniform

⁶²New Brunswick, Royal Commission on Finance and Municipal Taxation, <u>op. cit</u>., p. 76; and Royal Commission on the Financing of Schools in New Brunswick, <u>Report</u> (Fredericton, 1958), p. 33.

⁶³See Table II-10.

assessments at real or market values, the assessment levels varied in 1965 from 25 to 100 per cent of market values with most areas in the range of 75 to 90 per cent.⁶⁴ Indeed in 1961 the Byrne Commission had found marked variations in assessment even within the same town.65 A study prepared for the Byrne Commission of 1962 of real property assessments converted to a full market value basis showed a range in the cities and towns of \$6,150 to \$874 in assessable value per capita. 66 As a result variations in the weight of real property taxation could be extreme even after provincial contributions. A further analysis of the weight of taxation if uniform real property assessments at market values had prevailed in 1961 showed a range in real property tax rates for the education function from \$2.68 to 59¢ in the cities, from \$3.51 to 52¢ in the towns and from \$3.66 to \$1.15 in the counties under a county school finance board system.⁶⁷ These figures ignore the burden of personal property taxation which had continued to be a relatively important source of revenue in some areas but do nevertheless indicate the constraints felt by local authorities in providing even an average level of public services. It was estimated that to raise \$30 of revenue one town needed to impose a real property tax per \$100 of

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⁶⁴_R. H. Craig, "Revolution in Assessment and Taxation in New Brunswick, <u>Assessors Journal</u> (July, 1967), pp. 26-27.
⁶⁵<sub>New Brunswick, Royal Commission on Finance and Municipal Taxation, <u>op. cit.</u>, p. 13.
⁶⁶<u>Ibid</u>., Table 14:3, p. 271.
⁶⁷Ibid., Table 1:1, p. 9.
</sub>

only 49¢, while another would require a rate of \$3.43. The completion of provincial property assessments for 1967 (summarized below in table 11) showed an average valuation per capita for the cities and towns of \$4,988 and a range from \$8,282 in Fredericton to \$1,308 in Milltown, Charlotte County.

In calculating the effect of the reform of provincial and municipal taxation proposed in 1965, it was estimated that a farmer with a house and farm with a market value of \$5,000, livestock and equipment at \$5,000 and a car valued at \$1,000 would have paid in property taxation under the existing tax system, some \$307 in Saumarez, Gloucester County, compared with \$246 in Studholm, Kings County. A wage earner with a home valued at \$8,000 and a car at \$1,600 would have paid \$355 in Saumarez, \$164 in the city of Fredericton and \$310 in the city of Saint John. A store owner with a home valued at \$15,000, a store at \$50,000, stock and equipment at \$50,000 and a car at \$4,200 would have paid \$2,405 in real property and \$2,005 in personal property and business taxation in Saumarez; \$1,445 and \$1,214 in Studholm; and \$1,170 and \$884 in Fredericton.⁶⁸

Despite provincial assistance, differences in local fiscal capacity produced both inequitable tax burdens and considerable disparities in the quality of local services.

⁶⁸New Brunswick, <u>Synoptic Report of the Proceedings</u> of the Legislative Assembly, 1965, Vol. 111 (December 7, 1965), pp. 1157-1159.

New Brunswick 1967 Valuations

Cities and Towns

Municipality	Population	Valuations dollars	Per Capita Dollars
Saint John Moncton Fredericton Edmundston Campbellton Chatham Bathurst Dalhousie Newcastle Caraquet Dieppe Woodstock Grand Falls Sussex St. Stephen Marysville Sackville Shediac Milltown St. Leonard Shippegan St. Andrews St. George Hartland Rothesay	90,000 45,847 22,460 12,517 10,175 8,136 15,256 6,107 5,911 3,047 3,847 4,442 4,158 3,607 3,285 3,572 3,186 2,134 1,952 1,635 1,741 2,103 1,104 1,034 893	443,766.895 272,060,640 186,028,390 52,231,000 40,539,230 25,223,320 67,398,680 30,538,210 35,281,527 7,580,410 5,313,970 19,145,470 16,413,610 14,967,817 13,238,560 9,408,860 14,700,260 4,484,060 2,554,550 3,152,369 4,621,880 9,179,540 3,399,780 3,582,350 6,879,950	4,930 5,934 8,282 4,172 3,984 3,100 4,417 5,000 5,968 2,487 1,381 4,310 3,947 4,149 4,030 2,634 4,614 2,101 1,308 1,928 2,654 4,364 3,079 3,464 7,704 2,994
Tracadie	2,018	6,042,040	2,774
Total Va a	luations, Cities nd Towns	1,297,733,368	4,988

Source: New Brunswick, Department of Municipal Affairs, <u>Municipal Monthly</u>, XXIII, no. 11 and 12 (1967), p. 1. These disparities were particularly marked in welfare and education. Data available for the academic programme per county in 1965 shows a marked variation in teacher salaries, qualifications, experience, degrees of professionalization and enrolment ratios.⁶⁹ Extreme variations are however hidden in county aggregates which are in some cases inflated by the higher standards prevailing in the larger centres such as Oromocto, Fredericton, Saint John, Moncton, Bathurst and Campbellton. As is shown in Table II-13 the average monthly assistance for welfare recipients varied considerably from one municipality to another.

The difficulties which many rural areas experienced in providing local financial support for the school system and overcoming a lack of adequate accommodation and trained teachers were especially marked in Restigouche County. The Restigouche county authorities had failed to adopt a county wide tax base for education purpose under the county school finance board system. School districts were therefore left largely dependent on the tax resources in their own community with disastrous results for some. In 1966 the county school superintendent reported that with valuation at nearly real or market value the rate of taxation for the county parishes ranged in Dalhousie parish, for example, from \$1.95 to \$5.75.

69 See Table II-12.

NEW BRUNSWICK: INDICATORS OF INTER-COUNTY DISPARITIES IN EDUCATION: ACADEMIC PROGRAMME

	Index of <u>Sala</u> Females <u>Cert.I</u>		Percen Teache Local Per- mits	ntage of ers with: One or more <u>Degrees</u>	Percentage of Teachers with: over 7 years of service	Male Teachers as percentage of total	Enrolment per Teacher	Enrolment per Classroom
Albert	106	102	1	10	55	20	22	27
Carleton	100	106	2	5	57	15	20	26
Charlotte	94	99	4	9	57	21	21	25
Gloucester	85	89	23	13	42	17	24 ·	27
Kent	81	88	18	9	48	17	26	27
Kings	107	117	2	8	59	20	23	27
Madawaska	81	94	14	19	47	16	23	27
Northumberland	95	103	10	13	48	18	24	28
Queens	101	92	5	7	57	14	20	25
Restigouche	106	109	26	13	46	15 ·	24	30
Saint John	99	122	3	30	45	25	23	29
Sunbury	136	123	1	21	48	24	21	28
Victoria	-91	94	5	10	49	15	20	28
Westmorland	110	105	3	17	55	20	24	29
York	108	113	1	16	52	23	22	29
Total	100	100	9	15	50	19	23	28

Source: New Brunswick, Department of Education, Annual Report, 1965.

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Note: 1.Cert. I: Since 1957 issued to graduate of two year teacher training programme (each certificate is based on five university year courses or equivalent).

Cert. V: Issued to teacher with post-graduate degree.

Local Permits: Issued to untrained teachers valid for one term.

2.Due to an inadequacy of teacher college training for French-speaking students prior to the opening of a French-speaking institution in 1968, the predominantly French-speaking areas had relatively high proportions both of local permit teachers and of teachers with degrees.

NEW BRUNSWICK: PAYMENTS UNDER SOCIAL ASSISTANCE ACT

(Part one) 1961-62, 1966-67

April 1, 1961-March 31, 1962 April 1, 1966-January 31, 1967

3	Persons ₂ <u>Assisted</u>	Average Assistance per person <u>per month</u> Dollars	Persons <u>Assisted</u>	Average Assistance per person <u>per month</u> Dollars
<u>Cities</u> : ⁵ Campbellton Edmundston Fredericton Moncton	7,113 5,801 1,432 20,153	10 12 8 14	2,196 3,062 2,516 8,966	11 25 29 23
<u>Selected Towns</u> : Bathurst Caraquet Chatham Dalhousie Hartland Marysville Oromocto St. Stephen Sussex Woodstock	659 353 1,522 1,292 70 741 249 178 561 449	11 7 25 11 19 24 21 24 9 16	2,093 1,161 1,415 722 32 348 157 366 376 253	14 14 24 15 43 31 18 15 22 35
<u>Counties</u> : Albert Carleton Charlotte Gloucester Kent Kings Madawaska Northumberland Queens Restigouche Saint John Sunbury Victoria Westmorland York	2,015 7,916 4,125 53,014 17,579 2,748 17,465 32,333 1,864 18,917 19,921 1,958 10,478 15,754 8,039	14 10 12 6 9 11 8 10 12 13 13 13 16 9 11 13 10	1,206 3,149 2,180 34,722 18,863 2,945 5,069 15,260 1,154 7,245 21,614 2,021 5,336 13,624 5,457	22 22 20 9 13 17 15 15 18 13 15 16 17 17 17 17

Source: New Brunswick, Department of Youth and Welfare, Annual Reports, 1962, 1967.

¹Last fiscal period before being replaced by new Social Welfare Act.

²Aggregate of monthly data including <u>all dependents</u> of persons receiving payments.

³Saint John included in Saint John County.

Of the 64 rural school buildings in the county, 28 were one room classroom buildings. Lack of school accommodation necessitated the use of church basements, a bowling building and unrenovated school basements. 55 per cent of the pupils in rural areas were taught by teachers holding local permits which are issued to untrained persons on a one term basis. Increases in tax over a five year period from \$1.25 to \$5.50 per \$100 still failed to secure proper school accommodation.⁷⁰

In rural areas where marginal farming predominates the provision of adequate public services or services close to a provincial average was extremely difficult. For those who held property, assessments were unrelated to their declining incomes while the costs of providing education and other local services rose. Out-migration reduced the ability to provide financial support without a proportionate decline in costs, which itself could become a stimulus to further migration.⁷¹ In Kent County, for example, where agriculture forms part of a subsistence economy, Pierre-Yves Pepin observed in 1965 that the "rural population finds the problem of taxes more serious than the problems of agricultural production."⁷² School building costs and teacher salary levels were out of

⁷²Pierre-Yves Pepin, <u>op. cit</u>., p. 28.

⁷⁰New Brunswick, Department of Education, <u>Annual Report</u> <u>for School Year ended June 30, 1965</u>, pp. 118-121, and "Education Facilities lacking in Rural Areas," <u>The Tribune</u>, Campbellton, New Brunswick (January 12, 1966), p. 1 and 4.

⁷¹New Brunswick, Royal Commission on Finance and Municipal Taxation, <u>op. cit</u>., p. G.6.

proportion to the financial resources of the rural communities and the tax system worsened the depressed socio-economic condition of the area.

The strains on local finances and inadequacies in public services and the continuing resultant demands for increased provincial assistance,⁷³ had led to the appointment of the Byrne Commission in 1961. As if to emphasize the urgency of the situation the release of the Commission's report on February 4, 1964 coincided with the announcement by the Secretary-Treasurer of Gloucester County that after meeting teachers'salaries for January 31st the County was unable to meet its financial commitments for the remainder of the week. Many other rural municipalities were similarly moving toward bankruptcy.⁷⁴

By the mid 1960's urban government in New Brunswick had found it increasingly difficult to meet the expanding costs of local public services from their own limited tax resources. The economic difficulties of the rural areas had also made the rural municipalities increasingly dependent on provincial assistance and county government had become largely a tax collection function for county school finance boards,

⁷³See for example: New Brunswick Union of Municipalities, <u>Resolutions, Annual Convention (1963</u>), Nos. 3, 7, 10, 22, 26, 27, 31, 32 and 37; and (1964), Nos. 13, 17, 23 and 24 (mimeographed).

⁷⁴See: <u>Saint John Telegraph Journal</u> (February 5, 1964), and E. G. Allen, "Implementation of the E. O. Program in New Brunswick - Department of Municipal Affairs," unpublished paper presented to the Annual Conference of the Institute of Public Administration of Canada, September, 1969 (mimeographed), p. 3.

and health and welfare agencies.⁷⁵ The underlying problems of regional, provincial and local socio-economic imbalance were not new to New Brunswick. The new variable was the perception of some urgency in reaching a solution to such problems. A commitment to economic development and the provision of an adequate level and distribution of public services now motivated the provincial government to opt for the values and strategy of innovation and reform. Parochial values and economic deprivation have been mutually reinforcing factors in New Brunswick society and have hindered its development.⁷⁶ The period 1965-57, however, marks a watershed in New Brunswick politics and the beginning of an unaccustomed challenge to the traditional values of the political and socio-economic structures of the province.

⁷⁵H. J. Whalen, <u>The Development of Local Government</u> <u>in New Brunswick</u> (Fredericton: Department of Municipal Affairs, 1963), p. 117-119.

⁷⁶A. L. Levine has suggested that the economic retardation of Maritime economy has been due to inadequacies in effective entrepreneurship and the existence of an innate conservatism. See A. L. Levine, <u>Retardation and Entrepreneur-</u> <u>ship</u> (Halifax: Atlantic Provinces Economic Council, 1965).

CHAPTER III

THE CULTURAL CONTEXT

Linguistic and Ethnic Composition

Economic variables share their ecological importance to public policy in New Brunswick with a second major group of variables associated with the particular ethnic and linguistic composition of the province. New Brunswick is characterized not only by its economic predicament but also the "significant discontinuities"¹ which frame a cultural dualism within the province. Language, and ethnic origin delineate the boundaries of the two cultures.² The 1961 Census showed 38 per cent of the total population of New Brunswick as French ethnic origin and classified 35 per cent as French by mother tongue. Fifty-five per cent were of British ethnic origin and 63 per cent were of English mother tongue. One guarter of Canada's French-speaking population living outside of the province of Quebec were resident in New Brunswick. Since 1931 the French-Canadian share of the total provincial population in terms of ethnic origin has increased from 33.6 per

¹Claude Levi-Strauss, <u>Structural Anthropology</u> (New York: Ancher Books, 1967), p. 288.

²See: <u>Ibid</u>., p. 67, and Canada, Royal Commission on Bilingualism and Biculturalism, <u>Report, Volume I</u> (Ottawa: Queen's Printer, 1967), pp. xxii-xxiv, xxxiv-xxxviii.

cent to 38.8 per cent and by mother tongue from 32.7 per cent to 35.2 per cent.³

Population movements have been predominately ones of out-migration. Eighty-seven per cent of the provincial population in 1961 had been born in New Brunswick and 96 per cent in Canada, compared to a national average of 84 per cent Canadian born. Non British-French ethnic groups have increased in numbers but consisted of only some 36,000 persons - 6 per cent of the total provincial population. The current native Malecite and Micmac Indian population of 3,000 corresponded to the first estimate of their numbers made in 1612.4 The attraction of the English-speaking provinces in net out-migration would appear to have had some influence on the relative decline in the proportion of anglophones. This evidence is, however, not conclusive. Indeed Kari Levitt's study of migration in the Maritime Provinces shows that the French-speaking population in each province has a higher mobility than the Englishspeaking population.⁵ While in the case of New Brunswick the push effect of the economically deprived rural area may account for this phenomenon, the growth of such rural ties as family and parish structures have also exerted strong pulls for the

⁵Kari Levitt, <u>Population Movements in the Atlantic</u> <u>Provinces</u> (Halifax: A.P.E.C., November, 1960).

³See: Table III-1.

⁴See: New Brunswick, Office of the Economic Advisor, "New Brunswick's Population," in <u>N.B. Economic Statistics</u>, No. 8 (September, 1966), pp. 16-17.

TABLE III - 1

NEW BRUNSWICK: POPULATION BY ETHNIC ORIGIN AND MOTHER TONGUE 1931-1961

	·	1931	·····	1941		1951		1961
ETHNIC OR	IGIN	Percentage of total		Percentage of total		Percentage of total	I	Percentage of total
	Total	Population	<u>Total</u>	Population	<u>Total</u>	Population	<u>Total</u> <u>H</u>	opulation
British	255,567	62.6	276,758	60.5	294,694	57.1	329,940	55.2
French	136,999	33.6	163,934	35.8	197,631	38•3	232,127	38.8
Other	15,653	3.8	16,709	3•7	23,372	4.6	35,869	6.0
Total	408,219	100	457,401	100	515,697	100	597,936	100
MOTHER TO	NGUE							
English	268,603	65.8	293,339	64.1	325,412	63.1	378,633	63.3
French	133,385	32.7	157,862	34.5	185,110	35•9	210,530	35.2
Other	6,231	1.5	6,200	1.4	5,175	1.0	8,773	1.5
Total	408,219	100	457,401	100	515,697	100	597,936	100
Sources	Canada	Dominion B	ireal of	Statistics	Congue	of Canada.	Ethnic	Ground

Source: Canada, Dominion Bureau of Statistics, <u>Census of Canada</u>: <u>Ethnic Groups</u> and <u>Official Language and Mother Tongue</u>.

French-speaking New Brunswicker toward New England.

The Spatial Dimension

The French-speaking population is in the main concentrated in the three counties, Gloucester, Kent and Madawaska.6 Eighty per cent of their population is French-speaking and they contain 55 per cent of the total French-speaking population. A further 34 per cent of the latter is found in the three "mixed" counties of Restigouche, Westmorland and Victoria, which all have a proportion of French-speaking persons above the provincial average. The linguistic groupings are also to a large extent associated with that of religious affiliation.⁷ With 52 per cent of its population reported in the 1961 census as Roman Catholic, the province has the highest proportion of Roman Catholics outside of Quebec. Mid-nineteenth century Irish settlement accounts for a large concentration of English-speaking Catholics on the Miramachi in Northumberland County and in Saint John. Of the immigrant groups which came to New Brunswick during its period of economic expansion in the first half of the nineteenth century, the Irish were the largest and least easily assimilated. Their settlements and those of the Scottish immigrants are the only qualification that must be made to the basic division of the Province into two linguistic-religious regions, to the north-east, a predominantly French-Catholic region, and to the south-west

⁶See: Tables III-2 and III-3. ⁷See: Table III-2.

:	(1)	(2) Percentage	Percen (3) New	tage Sha (4) French	re of Coun (5) French	ty Popul (6) French	ation (7)
	Population	Distri- bution	Brunswick Born	Mother Tongue	Speaking Only	Ethnic Origin	Roman Catholic
Predominantly French:						02.9	07.6
Madawaska	37,306	6.5	89.2	94.2	66.5	93.8	97.6
Gloucester	70,301	11.1	96.2	85.2	59.0	85.2	93.2
Kent	26,667	4.5	96.7	81.9	45•7	81.9	90.5
Mixed:						10.0	
Restigouche	40,973	6.9	86.9	61.0	32.2	68.3	81.4
Westmorland	93,679	15.7	83•9	40.5	10.9	43.7	53.0
Victoria	19,712	3.3	90.8	37 • 5	17•5	42.2	52.8
Predominantly English							
Northumberland	50,035	8.4	89.2	26.7	13.2	31.4	59.6
Sunbury	22,796	3.8	54.2	10.5	1.3	17.3	33.2
Saint John	89,251	14.9	83.9	6.7	0.7	13.8	38.1
	11,640	1.9	90.7	4.8	0.5	8.5	14.1
Queens	23,285	3.9	90.9	3.1	0.3	3.5	15.6
Charlotte	52,672	8.8	85.9	2.8	0.4	6.4	17.1
York Albert	12,485	2.1	81.6	1.2	0.1	3.2	9.2
Carleton	23,507	3.9	90.9	1.2	0.1	3.5	11.4
Kings	25,908	4.3	96.7	0.8	0.1	3.6	14.1
New Brunswick	597,936	100	86.7	35.2	18.7	38.8	51.9

TABLE III - 2

NEW BRUNSWICK COUNTIES: LINGUISTIC AND CULTURAL CHARACTERISTICS 1961

Source: Canada, Dominion Bureau of Statistics, <u>Census of Canada, 1961</u>: <u>Ethnic Groups</u> (92-545), <u>Religious Denomination</u> (92-546), <u>Birthplace</u> (92-547), and <u>Official Language</u> and Mother Tongue (92-549).

TABLE III - 3

NEW BRUNSWICK:	DISTRIBUTION	OF	POPULATION	BY	MOTHER	TONGUE	1961
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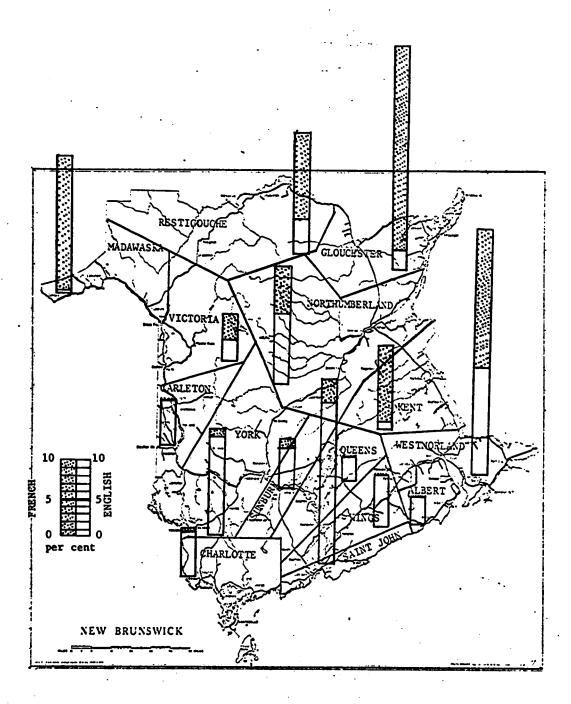
	(1) Percent of County Population - French Mother Tongue	Population (2) French	Distribution Amon by Mother Tongue (3) English	g Counties (4) Other
<u>Predominantly French</u> : Madawaska Gloucester Kent	94.23 85.25 81.88	17.45 26.86 10.37	0.53 2.50 1.06	2.63 3.88 9.14
<u>Mixed</u> : Restigouche Westmorland Victoria	60.95 40.50 37.51	11.86 18.02 3.51	4.14 14.46 3.04	3.68 11.40 9.21
<u>Predominantly English</u> : Northumberland Sunbury Saint John Queens Charlotte York Albert Carleton	26.67 10.53 6.67 4.75 3.07 2.83 1.20 1.16 0.84	6.34 1.14 2.83 0.26 0.34 0.71 0.07 0.13 0.10	9.43 5.20 21.63 2.88 5.92 13.17 3.27 6.08 6.72	11.20 7.98 15.78 1.94 1.84 14.86 1.14 2.39 2.93
Kings New Brunswick	35.21	100	100	100
Population	210,530	210,530	378,633	8,773
-	ninion Bureau of Statistic: <u>Tongue</u> (92-549).	s, <u>Census of C</u>	Canada, 1961: 0f:	ficial

an English-Protestant region. The actual spatial distribution of the population is such that New Brunswickers of French ethnic origin are concentrated in an arc around the northern and eastern rim of the province.⁸

The published **S**ensus data for ethnic origin by census sub-division (parish, city, town or village) lends itself to the measurement of the degree of concentration segregation for the New Brunswick's ethnic groups through the use of Bell's index of "neighbourhood concentration," P.* Measuring intragroup contact, P* is based on the probability of a random individual from a particular group next meeting a person from the same group in his neighbourhood.9 The indexes shown on Table III-4 confirm the pattern of concentration described Thus in Madawaska, a randomly selected individual of above. French ethnic origin would on the average have met another in his own sub-division 94 per cent of the time and in Kings only 4 per cent of the time. As the average percentage of a group in the census sub-division weighted by the number of that group in each sub-division, the index confirms the existence of highly distinctive French ethnic groupings which are capable

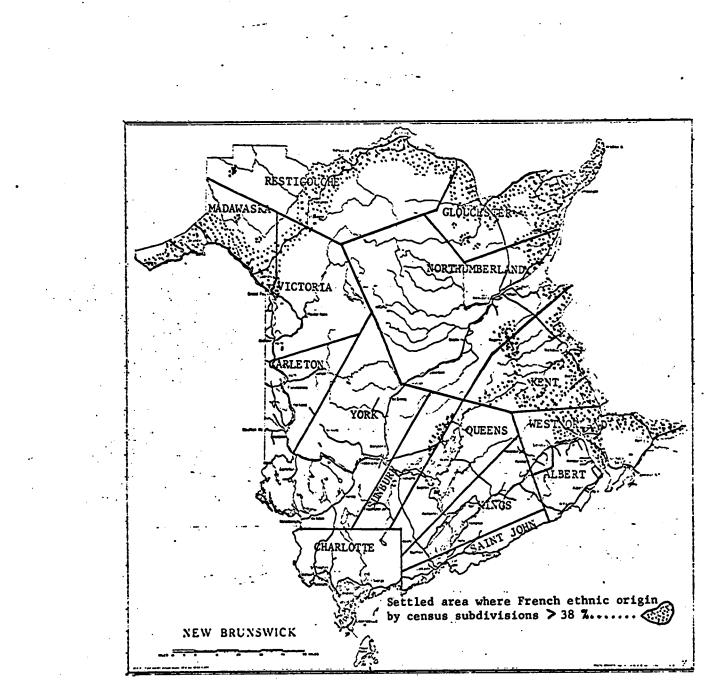
⁸See: Maps III-1 and III-2.

⁹Wendell Bell, "A Probability Model for the Measurement of Ecological Segregation," <u>Social Forces</u>, XXXII, no. 4 (May, 1964), 357-64, and Eshref Shevky & Wendell Bell, <u>Social Area</u> <u>Analysis</u> (Stanford: Stanford University Press, 1955), 44-45. For a discussion of various indexes of segregation see also: Otis Dudley Duncan & Beverly Duncan, "A Methodological Analysis of Segregation Indexes, <u>American Sociological Review</u>, XX, no. 2 (April, 1955), 210-217.



PERCENTAGE SHARES BY COUNTY OF TOTAL POPULATION WITH FRENCH MOTHER TONGUE AND TOTAL POPULATION WITH ENGLISH MOTHER TONGUE - 1961.

MAP III - 1



· 78

DISTRIBUTION OF POPULATION OF FRENCH ETHNIC ORIGIN 1961.

MAP III- 2

TABLE III - 4

INDEXES OF ISOLATION FOR POPULATION OF

FRENCH ETHNIC ORIGIN, NEW BRUNSWICK 1961

	Proportion French Ethnic Origin ¹	Bell's Index of concentration P*	Bell's Index of isolation ^I 1
Madawaska	•9383	•9408	•0405
Gloucester	•8523	•8787	•1787
Kent	•8199	• 8874	• 3748
Restigouche	•6835	• 5567	•2123
Victoria	•4227	•7046	•4883
Northumberland	• 3137	•6036	•4224
Sunbury	•1732	.2391	•0797
Saint John	•1375	• 1424	•0057
Queens	.0851	•1318	•0510
Charlotte	.0641	•1117	•0509
York	•0626	•0697	.0076
Albert	•0323	•0359	.0037
Carleton	•0352	• 0644	.0303
Kings	•0355	•0406	•0053

¹Equals the minimum possible value of P*

. . **.**

Source:	Calculated from Canada,	Dominion Bureau of Stat-
istics,	Census of Canada, 1961:	Ethnic Groups (92-545).

of sustaining their own cultural patterns.¹⁰

Adjusting this index in relation to the proportion to the French population of a county one obtains a measure of the degree of isolation which is based on the extent to which a county's French ethnic grouping is equally divided among the various sub-divisions. Known as Bell's "revised index of isolation," (I_1) , its scores will range from 0 (no segregation) to 1 (complete segregation).¹¹ In Table III-4 these indexes show the French ethnic group to have been most isolated in Victoria, Northumberland and Kent $(I_1 = .49, .42$ and .37 respectively). The use of the provincial average as the criteria for grouping the counties according to ethnic "dominance," places Victoria at the bottom of the "mixed group" and Northumberland in the "mainly British category." There were, however, relatively large and isolated French ethnic

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¹¹Wendell Bell, <u>op. cit</u>.

¹⁰This index of course ignores segregation within the sub-divisions and in the case of Westmorland, P* is limited by the absence of a published breakdown for Moncton. Use of the indexes here is to assume that the census sub-divisions as parishes, towns and cities are "natural" social areas and that the primary inter-group contacts take place within their boundaries. Furthermore, since the ethnic group population includes individuals who if not assimilated have become at least acculturated into the British group, the indexes derived from the census data probably underestimate the isolation of the French cultural group. For a discussion of the distinction between acculturation and assimilation see: Michael Parenti, "Ethnic Politics and the Persistence of Ethnic Identification," <u>American Political Science Review</u>, LXI, no. 3 (September, 1967), 717-726.

communities within these counties¹² and in both the French group is increasing in proportion to the total population.

Communication Potential

The relative ability of the two groups to readily communicate with each other in a common language is a further critical factor in the province's cultural cleavages. While in 1961 19 per cent of the New Brunswick population claimed an ability to speak both English and French in comparison with a national average of 12 per cent, 96 per cent of the population of British ethnic origin were identified as Englishspeaking unilinguals and 47 per cent of the French as Frenchspeaking unilinguals. The ability of both groups to communicate in a common language is therefore limited and primarily dependent on the linguistic abilities of the minority group.¹³

A measure of what Stanley Lieberson has termed the linguistic communication potential or existence of a common bond either within a group or between two groups may be obtained by calculating the probability that randomly paired individuals from the group or individuals from each of two

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¹²In Victoria county in 1961, for example, 35 per cent of the population was concentrated in the town of Grand Falls and the parish of Drummond. These two sub-divisions contained 73 per cent of the county's French population and only 7 per cent of the British population.

^{13&}lt;sub>See:</sub> Discussion in Canada, Royal Commission on Bilingualism and Biculturalism, <u>Report, Book I Official</u> <u>Languages</u> (Ottawa: Queen's Printer, 1967), Chapter II.

ethnic groups will share a common language.¹⁴ Where a population totally shares a common language the probability that they would be able to communicate with one another is 1. Lack of any common language would result in 0 probability. From the proportions shown on Table III-5 the within group communication index (H_w) for the British ethnic group is .98 and for the French, .90. The lower index for the latter reflects the acculturation of 10 per cent of this group to the English language. The between group index of communication (H_b) is substantially lower than the above at .55 and indicates the existence of a significant linguistic cleavage in terms of communication in either English or French. The acculturation of the small non-French/non British group into the English language group results in a high within group index (H_w = .93), a high between group index with the British ethnic group ($H_b = .96$), and a low index with the French $(H_{\rm h} = .55).$

Comparing New Brunswick with the Province of Quebec one finds the latter's between group H_b index was slightly lower at .50. Although the minority British ethnic group was a smaller percentage of Quebec's population, it had a lower level of acculturation to the majority official language and a lower second language capability than the French minority in

¹⁴ Stanley Lieberson, "Measuring Population Diversity," <u>American Sociological Review</u>, XXXIV, no. 4 (December, 1969), 857-859. This measure is a development of Joseph Greenberg's "within group index."

TABLE III - 5

OFFICIAL LANGUAGE OF NEW BRUNSWICK POPULATION BY ETHNIC ORIGIN

1961

	Et	Ethnic Group			
Official Language	British Isles	French	Other	of Total Population	
English only	•9553	.1001	•9057	62.03%	
French only	.0073	.4708	•0098	18.74%	
English and French	•0367	.4272	.0625	18.98%	
Neither English nor French	.0007	.0019	.0220	0.25%	
Total	1.0000	1.0000	1.0000		
Shame of Motel		<u></u>			
Share of Total Population	55.18%	38.82%	6.00%	100.00%	

<u>H Indexes</u>:

	<u>Intra-group</u>		Inter-group	
Hw:	British = .98 French = .90 Other = .93	н _р .	British/French Other/French British/Other	= .55 = .55 = .96

Source: Calculated from, Canada, Dominion Bureau of Statistics, <u>Census of Canada, 1961</u>: <u>Official Language and</u> <u>Mother Tongue, by Ethnic Groups and Sex</u> (92-561). New Brunswick. In the case of the two majority groups, the Quebec French ethnic group had a lower proportion of unilinguals and a higher proportion of bilinguals than the English majority in New Brunswick. Within group communication indexes for Quebec's British and French groups are thus slightly higher than those in New Brunswick (British $H_w = .93$; French $H_w = .99$). For the British and French groups in Canada as a whole the between group communication index was low at $H_b =$.41. However where Canadians are considered as a single group. Stanley Lieberson has found the within group index to have stabilized over time at around $H_w = .72.^{15}$

Comparison of the pattern of linguistic communication potential over the 1941-61 period shows in Table III-6 a significant increase in the proportions of the French ethnic group who were English-speaking unilinguals and little change for the British. As a consequence there had been a decrease in the linguistic bond among the French group and only a small incremental increase in the linguistic bond between British and French. The diversity in the population distributions of the two British and French ethnic groups within the province also produces a considerable regional variation in the linguistic bond within the province. Fifty-two per cent of the British and 38 per cent of the French lived in the census urban areas.

¹⁵Lieberson, Stanley, <u>Language and Ethnic Relations in</u> <u>Canada</u> (London: Wiley, 1970), pp. 31-33. See also his: "Bilingualism in Montreal: A Demographic Analysis," <u>American</u> <u>Journal of Sociology</u>, LXXI, no. 1 (July, 1965), 10-25.

TABLE III - 6

INDEXES OF LINGUISTIC COMPOSITION BY BRITISH AND FRENCH ETHNIC GROUPS (H INDEXES)

NEW BRUNSWICK CENSUSES 1941, 1951, 1961

	Et	hnic Group)	
Official Language	British	French	British	French
	(Number)	(Propor	tions)
English only:		0.000	0627	•0548
1941	266,722	8,983 14,102	•9637 •9599	.0714
1951	282,886	23,239	•9553	.1001
1961	315,197	2)12)7	• / / / / /	• • • •
French only:				4026
1941	1,485	80,748	.0054	•4926 •4987
1951	1,951	98,566	.0066	•4708
1961	2,420	109,282	.0073	•4700
English and French:			0001	
1941	8,479	74,127	.0306	•4522
1951	9,857	84,961	•0334	•4299 •4272
1961	12,096	99,158	.0367	• 42 (2
Neither English				
nor French:				000 r
1941	72	76	.0003	.0005
1951	-	2	-	.0019
1961	227	448	.0007	•0019
Total:				4 000
1941	276,758	163,934	1.000	1.000
1951	294,694	197,631	1.000	1.000 1.000
1961	329,940	232,127	1.000	1.000
Intra-group Inde	xes - H	Int	er-group	Indexes - H _b
		<u></u>	British	
<u>British</u>	<u>French</u>			
1941 - 0.99	0.95		+1 - 0.5	
1951 - 0.99	0.93	19	51 - 0.5	
1961 - 0.98	0.90	196	51 - 0.5	2
Source: Canada Canada, 1941, 19	951 and 196	1: 0ff1c:	Statistic ial Langua	s, <u>Census of</u> ge and Mother
Tongue by Ethnie	Charles and and	a Carr		

Here, where the two groups are in relatively closer proximity and economic acculturation pressures are more strongly felt by the French group, the index was high at .75. Data for cities of 30,000 and over showed a very high communication potential with indexes of .95 for Saint John and .90 for Moncton. In Saint John, which contains 16 per cent of New Brunswick's population, 15 per cent of the city's population was of French ethnic origin. Forty per cent of the latter were however English-speaking unilinguals and only 5 per cent French-speaking unilinguals. In Moncton, with 7 per cent of the provincial population, 35 per cent of the population were of French ethnic origin of whom 78 per cent were bilingual with the remainder composed of virtually equal numbers of French and English speaking unilinguals. Elsewhere British/ French H_b indexes which can be derived from the published census data cross-classification for 1961 showed very low indexes of the rural farm and non-farm populations (.36 and .44 respectively). Here a weak linguistic bond mirrors the spatial segregation.

Cultural Dualism

The political significance of the division of the province into two segregated cultural groups with a relatively low linguistic bond has been intensified by the retention of what are perceived to be the traditions of its early Loyalist and Acadian settlement. Originally created as a separate political unit largely to fulfill Britain's obligations to those fleeing the United States following the American Revolution, the province was intended in the words of its motto to restore the hopes of the Loyalists. Though the latter were outnumbered following the province's period of expansion in the first half of the nineteenth century, the Loyalist identity continues to be nortured and its traditions maintained in strong cultural attachments to the British connection and a protestant religious affiliation.

The descendants of the original French-speaking Acadian settlement hold still more strongly than Englishspeaking New Brunswickers to their own French language-Roman Catholic, ethnic-religious, and historical tradition. The ruthless expulsion of the Acadians in the grand derangement of 1755, the sufferings of those who fled to the New Brunswick wilderness areas and subsequent return after 1763 to the North Shore and other areas left unoccupied by the British settlers comprises a tragic history. An awareness of this heritage has been maintained in a predilection for genealogy and an independent cultural identity symbolized in an Acadian flag, "le tricolore étoile," and anthem, "Ave Maria Stella." Like that of the Loyalists, the deliberate cultivation of their identity dates back to the late nineteenth century and is preserved today in the activities of a large network of such "national" associations and commercial enterprises as La Societe Nationale des Acadiens, and caisses populaires. The historical folklore

that until recently marked this sense of identity has resulted in the attachment of such individualistic traits as tameness, timidity, and resignation to the Acadians as a group, as if all have been indelibly marked by their early suppression and conditions of economic deprivation.¹⁶

The segregated pattern of scattered settlements of these sub-cultures has cemented the cultural distance between the two and permitted them to live with a relatively high degree of mutual tolerance in isolation from each other. A general spirit of individualism and parochialism has further reinforced this cultural insularity. This is reflected in attitudes found throughout the province toward the provincial capital at Fredericton and the provincial government which is looked upon almost as a foreign colonial regime. In Kent County, M. Pepin found, for example, among the Acadians a scepticism of the advantages to the Maritimes of agricultural development policies under the Agriculture and Rural Development Administration and the belief that "the English will profit from it and that Acadian projects will be ignored in Fredericton. "17 Among English-speaking residents of Kingsclear, just fifteen miles from the capital, Paul Metzger and Thomas Philbrook reported

¹⁶See: M. Adelard Savoie, "Varities of Nationalism (I), The Acadians: A Dynamic Minority," in C. F. MacRae, ed., <u>French Canada Today</u> (Sackville: Mount Allison University, 1961), p. 85.

¹⁷Pierre-Yves Pepin, <u>Life and Poverty in the Maritimes</u>, Department of Forestry and Economic Development (ARDA. Research Report RE-3, Ottawa, 1968), p. 29.

that "Fredericton evoked images of snobbishness, discrimination against rural children in the schools, 'loose morals,' (particularly among youth) and other evils of 'city life,'" and cast up recollections of economic domination, exploitation and special privilege, and provoked comments on political corruption.¹⁸ Such attitudes have a long history. As W. S. MacNutt observes of the pre-Confederation period, economic development and growth of mercantile capitalism, like provincial government, failed to develop any spirit of provincial unity.¹⁹ Continued diversity in forms of economic activity between the various regions of the province²⁰ weakens the sense of cohesion and perception of a common interest.

Political Implications

Stability in the relationship between the two cultures has been interpreted as the result of a spirit of toleration and is displayed as a model for Canada to emulate. Such stability draws heavily on the absence of an overwhelmingly dominant linguistic group and on the geographic and political distance that is maintained between the two cultures. Each culture has looked inward on its own communities. They have avoided making broad social and political demands on each other through their

¹⁸L. Paul Metzger and Thomas V. Philbrook, <u>Sociological</u> <u>Factors influencing Labour Mobility</u> (Fredericton: New Brunswick Department of Labour, December, 1964), p. 55.

¹⁹W. S. MacNutt, <u>New Brunswick, A History: 1784-1867</u>, (Toronto: Macmillan, 1963), p. 460.

²⁰See: New Brunswick, Office of the Economic Advisor, "The Economic Regions of New Brunswick" in <u>New Brunswick Econo-</u> <u>mic Statistics</u>, no. 12 (September, 1967), and "Regional Indexes," in <u>ibid</u>. (September, 1968).

common provincial structure of government. High levels of education are generally associated with a greater awareness of the impact of government activity, political participation and involvement, and a feeling of political competence.²¹ The low average level of educational achievement in the province is thus further likely to reinforce parochialism and reduce the saliency of provincial government.

Ethnic origin, language, religion, historical tradition, and parochial regionalism have provided an especially powerful sense of identity among the Acadians. In the past. the preservation of this identity has taken precedence over aspirations to social development. The aims of l'Association Acadienne d'Education du Nouveau Brunswick (l'A.A.E.) founded in 1936 were, for example, stated as "La juste revendication des droits scolaires, pour la conservation de la langue francaise parmi les Acadiens afin d'assurer leur survivance comme peuple catholique et francais."22 The absence of greater demands from the Acadian leadership upon public policy for the removal of regional economic and social disparities may by interpreted in part as a result of their relative share of the total provincial population. It is to a considerable extent also a result of a fear that their cultural traditions would be threatened by increased provincial integration.

²¹See for example: Gabriel Almond & Sidney Verba, <u>The Civic Culture</u> (Boston: Little Brown, 1965), pp. 315-324. ²²L'A.A.E. recruitment advertisement, 1947.

Mistrustful of the English-speaking majority the Acadians drew inward among themselves.²³ The principle of school consolidation to provide a financial base for improved school facilities had, for example, been regarded by the Acadians with considerable suspicion. Unless such consolidations recognized parish boundaries, they cut across a basic element in the organization of the Acadian community and where a consolidation included even a minority English element they feared the provision of a single English secondary school.²⁴

Above all, within a predominately English-speaking provincial and national milieu, any major disruption of the status quo could not be perceived as a desirable goal. In interpreting the Acadian outlook to the French Canadians the editor of the Acadian newspaper <u>l'Evangeline</u> explains that their experiences had marked them "timides ou hésitants." Their position was one where "tout ce qu'il a, il peut le perdre demain si les Anglais décident de le lui enlever..... Le Canadien francais est maitre chez lui. L'Acadien ne l'a jamais été. Il a donc acquis une mentalité différente."²⁵

Prior to 1966, public education was the only sphere of public policy where any significant intrusion had been made

²³See: Rev. Clement Cormier, "The Acadian Outlook (II)", in C. F. MacRae, ed., <u>French Canada Today</u> (Sackville: Mount Allison University Publication no. 6, 1961), pp. 27-28.

²⁴Emery LeBlanc, <u>Les Acadiens</u> (Montreal: Les Editions de l'homme, 1963), pp. 50-51.

²⁵Ibid., pp. 122-123.

into the integrity of the two cultures. Since the provision of "non-sectarian" public education in 1871 the question of French language and religious instruction has been a contentious issue in the province. Though language rather than confessionality has become the primary concern in provincial education policy it was the religious factor which pervaded the first confrontation between the two cultures. Provision in Clause 60 of the Common Schools Act of 1871 that "All schools conducted under the provisions of this Act shall be non-sectarian" provoked rioting in the Acadian community of Caraquet which resulted in two deaths. Following this dramatic episode, however, a permissive attitude was adopted within the public school system which tolerated the wearing of religious habits, use of religious symbols and religious instruction in French-speaking Catholic school districts.²⁶ Local school authorities have thus been permitted to evolve a modus vivendi through which French language and Catholic religious instruction became the local pattern where the French language was the predominant one in a community. As Walter Simon has observed, territorial separation enables a language group to be served by its own monolingual institutions and thereby

²⁶See: Onesiphore Turgeon, <u>Un Tribut a la race aca-</u> <u>dienne, Memoires, 1871-1927</u> (Montreal: Ducharme, 1928), pp. 10-<u>30</u>; Canada, Royal Commission on Bilingualism and Biculturalism, <u>Report, Book II: Education</u> (Ottawa: Queen's Printer, 1968), pp. 43-44, 161; and New Brunswick, Hon. John J. Fraser, Special Commissioner, <u>Report Upon Charges Relating to the</u> <u>Bathurst Schools and other Schools in Gloucester County</u> (Fredericton: 1894).

reduces the tension of multi-lingualism.²⁷ In this respect, the education system is potentially one of the primary institutional supports for the French language.²⁸.

In areas where the two cultures have been thrown closer together, and where the Acadians represent a small minority group, the English-speaking majority had been less generous. Here the Acadian's access to French-language elementary and, until very recently, secondary education has in the past been severely restricted. In Moncton, for example, with 32 per cent of its population classified in 1961 as French-speaking, no bilingual public secondary school education was provided until 1958. Only in 1965 was it recognized by the Provincial Curriculum Committee that the policy of teaching sciences and mathematics from English texts would have to be revised if larger numbers of French-speaking students were to have access to university.²⁹

Improvement in the opportunities for French-speaking university education within the province, which followed the integration of the existing institutions into the University

²⁷Walter B. Simon, "Multilingualism: a Comparative Study," in Nels Anderson, ed., <u>Studies in Multilingualism</u> (Leiden: E. J. Brill, 1969), p. 12.

²⁸See Stanley Lieberson, <u>Language & Ethnic Relations</u> <u>in Canada</u> (New York: Wiley, 1970), pp. 205-206.

²⁹Armand Saintonge, "French in the Schools of New Brunswick," in New Brunswick, Department of Education, <u>Curri-</u> <u>culum Bulletin</u>, XI, no. 5 (December, 1968), and Canada, Royal Commission on Bilingualism and Biculturalism, <u>Report, Book II:</u> <u>Education</u> (Ottawa: Queen's Printer, 1969), pp. 98-108.

of Moncton in 1963, has made the inadequacies of a predominately English-apeaking secondary school system most evident. In 1961 only 30 per cent of the province's university and college students came from the French-speaking population 18-21 age group which comprised 40 per cent of that province. Though the university had been created in anticipation of the pressures for enrolment predicted by the 1962 Deutsch Commission on higher education, a second review in 1967 found little improvement in the ratio.³⁰ More French-speaking students were qualifying for entrance but a large number did not proceed, perhaps due in part to the very low income levels of their families. Low high school completions and high rates of failure on provincial departmental examinations still continue to reduce the proportion of French-speaking students. In this respect, notwithstanding the progress currently being made in education, the stable relationships between the two cultures has in the past relied more on the moderation of the Acadians than a climate of mutual respect.

Acadians and French Canada

The insular character of the Acadian population of New Brunswick within the context of the Canadian French-speaking community forms an important external dimension of New Brunswick's cultural dualism. Though the French-speaking population in the

³⁰New Brunswick, Royal Commission on Higher Education in New Brunswick, <u>Report</u> (Fredericton, 1962), pp. 51-52, and New Brunswick, Committee on the Financing of Higher Education in New Brunswick, <u>Report</u> (Fredericton, 1967), p. 17.

northwest of the province retain ties with neighbouring communities in Quebec and Maine, and are part "Canadien" as well as "Acadien," the dominant culture is that of the Acadians. The historical traditions of the Acadians mark them as a distinctive sub-culture within the national French-speaking community and the relationships between Acadians and Quebec in particular have in the past tended to be one of mutual indifference. The Acadians have turned inward against both their English-speaking and French-speaking neighbours. Participants at the first Acadian National Congress deliberately rejected Saint Jean-Baptiste day as the Acadian nation day, and chose in its place l'Assomption to distinguish themselves from the Québecois. While the Acadians have benefited from the cultural exchanges and educational programmes shared with the Province of Quebec and France, they have maintained their own identity as a separate cultural entity among other French-speaking Canadians. The insularity of the Acadian culture, their relative weight of numbers within the province and the difference in political position sheltered New Brunswick from the mainstream of the Quebec nationalism of the 1960's. Within the province, the most extreme result of the national concern for bilingualism and biculturalism has come from the Loyalist rather than Acadian culture. Though a small group, the formation of the Maritime Loyalist Association in 1968, in opposition to official bilingualism, and what is perceived as a French-Canadian conspiracy against the monarchy, indicates a

gulf between the two cultures which is still capable of exciting political bigotry.³¹ In a telegram to the Premier in March 1969, the Association declared that "You are the most dangerous separatist this Province has ever seen."

The shift in emphasis within the Province of Quebec to a focus on provincial public policy as a means of development, and the response of the federal government to its accompanying strains on the constitutional framework has, however, had a significant impact in New Brunswick. Even prior to 1960 Hugh Thorburn observed signs of growing reservations among the Acadians about their traditional nationalist course, and a greater concern "with pursuing their own economic betterment than with supporting leaders who emphasize their distinctiveness from their neighbours."32 Premier Robichaud, the Rev. Clement Cormier and other Acadian participants in the 1961 Mount Allison Summer Institute on French Canada also noted the breakdown in the traditional insular stance toward their English-apeaking neighbours as well as Quebec.³³ What Adelard Savoie has termed the "folklore stage" of static conservation had come to an end for the Acadians. 34 The Acadians

³²Thorburn, <u>Politics in New Brunswick</u>, p. 39.

³³See: MacRae, <u>French Canada Today</u>.

³⁴Adélard Savoie, "L'Université, l'élément le plus marquant de l'histoire Acadienne," <u>Vie Francaise</u>, XXII, no. 3-4 (novembre-decembre, 1967), 70.

³¹ See: <u>Saint John Telegraph Journal</u> (October 28, 1968), and Toronto Telegram, Canada 70 Team, <u>The Atlantic Provinces</u> (Toronto: McClelland & Stewart, 1969), p. 38.

appear to have begun to move in two new directions. First it is evident in their support of the 1966-67 reforms that they possess a new propensity to utilize the structures of provincial government to secure their economic and cultural development.³⁵

This post-1960 development was in part due to the occupancy of an increasing number of provincial cabinet posts by Acadians and an increased confidence in the responsiveness of the Liberal government under Premier Robichaud.³⁶ As this propensity becomes reinforced by advances in educational opportunities and attainment, the national imitation effect may be anticipated to reinforce it still further. In reviewing the slow progress and neglect of a suitable curriculum for Frenchspeaking students within the province, the French-speaking provincial deputy minister for education, for example, commented "But it is to be foreseen that as the French-speaking population gain access, within the provincial boundaries, to better schooling at all levels the needs will become articulated and means will be found to satisfy the linguistic rights of a province second to Quebec in the percentage of French-speaking citizens."37

36_{Ibid}.

³⁷Saintonge, "French in the Schools of New Brunswick."

³⁵H. G. Thorburn, <u>The Political Participation of the</u> <u>French-Speaking Population of New Brunswick</u>, Report for the Royal Commission on Bilingualism and Biculturalism (Ottawa: Queen's Printer, 1965), pp. 67-70.

As was evident in the policy pursued in the mid-1960's by Premier Robichaud, this particular direction combines a concern for the development of the Acadian community with a concern for the overall economic and social development of the Province. The policy was one which ultimately focussed upon the federal level of government as a potential source of resources for the attainment of both ends. The provincial government displayed a willingness to meet the demands emanating from both inside New Brunswick and from the national concern with the bicultural character of Canada in a ready acceptance of the spirit of the reports of the Royal Commission on Bilingualism and Biculturalism. The status of the French language as an officially recognized language was extended in the provincial legislature and in government administration, the availability of French language education facilities were increased at all levels and the provincial government committed itself to achieve "linguistic and cultural equality of opportunity in New Brunswick."³⁸ After some ten years of Acadian demands a separate French Language teachers college was opened at Moncton in 1968. Continued progress in implementing the goals of what is termed "bilingualisation" will provide a better measure of the mutual respect within the province than the old compromises acquiesced in by the Acadians with a spirit

³⁸See: Premier Robichaud's statement in Canada: <u>Con-</u> <u>stitutional Conference, Proceedings, First Meeting, February</u> <u>5-7, 1968</u> (Ottawa: Queen's Printer, 1968), p. 89, and New Brunswick, <u>White Paper on Language Equality and Opportunity</u> (December 4, 1968).

of cultural survival rather than development.

The same concern for development has also given rise to the choice of a second alternate focus to Acadian nationalism which represents a still more radical break with the policy of isolationism set by the First Acadian National Congress in The themes of the old nationalism which isolated the 1881. Acadians from French Canada are respected for their preservation of an Acadian identity. The choice of a more positive goal, however, is in this case accompanied by a rejection of isolationism and a search for a rapprochement with French Canada as the ultimate means of Acadian cultural development. Cultural exchanges and the visit of four Acadian representatives to Paris in January 1969 symbolized this breakdown of Acadian isolationism and a common sharing of Quebec's concern for cultural development in the context of the total French community. This second direction was the one opted for by the Acadian participants in the Estates-General of French Canada which had been founded in 1964 in an attempt to form an assembly fully representative of French-Canadian opinion. Unlike the majority of other participants from outside Quebec, those from l'Acadie proved willing to support the demands of the Quebec delegates for increased provincial autonomy for Quebec, and a recognition of French as the sole official language of that province.³⁹

In his opening remarks to its 1969 Sessions,

³⁹See: <u>Montreal Star</u> (March 10, 1969).

M. Jacques-Yvan Morin, president of the Estates-General, called for a recognition that each provincial grouping of French-Canadians faced different problems which would call for the application of different solutions. He argued that while the minorities outside Quebec stressed their collective rights, and needed the federal power to achieve their objectives, the Quebecois increasingly leaned on Quebec. 40 At the previous sessions of the Estates-General in 1967, the Acadian delegation was less reluctant to concur in the nationalist sentiments of the Quebec delegates than those from Ontario and the West. This stance was most marked in respect of the resolution concerning the status of the French language. 41 The emergence of strong demands for an automonous Quebec in the 1969 session made this cleavage still more evident among the delegates. Unlike the majority of participants from Ontario and the Prairie Provinces who abstained from all or many of the

^{40 &}quot;Les Etats-generaux du Canada francais, Assises nationales, 5-9 mars, 1969," in <u>L'Action Nationale</u>, LVIII, nos. 9-10 (mai-juin, 1969), 21.

⁴¹See, for example, editorial comment - <u>L'Action Nat-</u> <u>ionale</u> (janvier, 1968), <u>L'Evangeline</u> (24, 27 novembre, 1967), in Les Etats-generaux du Canada francais. Assises nationales, 23-26 novembre, 1967, <u>L'Action Nationale</u>, LVII, no. 6 (fevrier, 1968), chapitre VIII. Measurement of the strength of association between the percentage of the Quebec delegates voting in the affirmative for each of the resolutions considered during the sessions, and that of the minority regional groupings, by simple coefficients of correlation tends to confirm this cleavage. (Quebec/Ontario r = .570; /L'Acadie r = .678; /Ouest r = .287)

political and economic resolutions concerning Quebec, the majority of the Acadians voted for all thirty-one resolutions considered by the delegates.⁴² Their position appeared as one of respect for the aspirations of Quebec coupled with a recognition that the preservation and development of their own identity might also be largely dependent on a strong Quebec. A general readiness to accept this option is likely to increase the influence of external factors on the demands made of the New Brunswick provincial government.

Cultural and Economic Diversity

The economic disparities which are held to exist between the two ethnic groups comprise a further dimension to the cultural dualism of the province. Measurement of income and education for individual New Brunswickers by ethnic origin in 1961 showed the marked disparity between the British and French population (see Table III-7). Since government programmes are administered through territorial units, the primary interest here however is in the variations in the ethnicity of such units and their associated socio-economic characteristics.

⁴²Les Etats-generaux, <u>op. cit.</u>, LVIII, nos. 9-10 (mai-juin, 1969), chapitres V-VIII. On the basis of proportional representation L'Acadie was entitled to 124 delegates. Seventy-six of the 85 who actually participated in the 1967 sessions were from New Brunswick. In 1969, 24 attended from L'Acadie, of whom 22 were from New Brunswick. A total 1,606 delegates attended the 1967 sessions, 1,167 in 1969.

TABLE III - 7

AVERAGE TOTAL INCOME AND LEVELS OF EDUCATION

New Brunswick 1961 (male non-agricultural labour force)

	All Origins (dollars)	British (index: all	French origins=100)
1. Average total income	3,499	106.1	85.8
2. Level of Education - last grade attended	7•50	8.9	5.88

Source: Canada, Royal Commission on Biculturalism and Bi-<u>lingualism, Report, Book III: The Work World</u> (Ottawa: Queen's Printer, 1969), p. 18 & 29.

French-speaking areas of New Brunswick are commonly held to be relatively poorer than the English-speaking areas.⁴³ Using per capita disposable income as an indicator of economic development and comparing the fifteen counties on the basis of their relative linguistic composition, however, one finds little confirmation of this generalisation. In 1961, estimated per capita disposable income ranged from \$1,270 in Westmorland County with 40 per cent of its population reported as Frenchspeaking to \$490 in Kent County with a proportion of 82 per cent. While Saint John County with only 6.7 per cent of its population French-speaking had the second highest level of \$1,230, Sunbury ranked second lowest with \$660 per capita and a French-speaking

⁴³See for example: Peter M. Leslie, "The Role of Political Parties in Promoting the Interests of Ethnic Minorities," <u>Canadian Journal of Political Science</u>, II, no. 4 (December, 1969), 425.

proportion of only 10.7 per cent. Other variables such as urban-rural composition and its associated economic variables were more closely related to differences in earnings than ethnic composition.⁴⁴ In a similar comparison of 1961 farm and family income among counties, Jean Cadieux concluded that if the Acadian was relatively poor, he was no more so than the English-speaking New Brunswicker.⁴⁵

If account is taken of population weights and the counties are compared on the basis of their share of the total French-speaking and English-speaking populations (by mother tongue), a strong association was, however, found between per capita earnings and what may be termed linguistic concentration. This is immediately observable from the finding that in 1961 66 per cent of the total French-speaking population lived in the eight counties with per capita disposable income less than \$900 per year compared with 31 per cent of the English-speaking population. Fifty-three per cent of the latter lived in the four counties where per capita disposable income was in excess of \$1,100 compared to 22 per cent of the French-speaking popu-Thus while it would be mistaken to infer that the lation. poorer areas of the province are predominately French-speaking, the generalization is true in the sense that a greater proportion of the total French-speaking population live in such areas

⁴⁴See: Tables III-8 and III-9.

⁴⁵Jean Cadieux, "Les Acadiens sont relativement pauvres," <u>Revue Economique</u>, III (septembre, 1965), p. 4.

	(1)	(2)	(3)	(4)	(5) Population	(6)	(7)
Counties	Urban Popula- tion	Population in Urban Centres 10,000 +	Population Age 15-64	Population in Labour Force	with no secondary education (5 yrs. +, not attend- ing_school)	Labour Force in Primary Industry	Estimate Per Capita Disposable Income
	01011		(Percer	itages)			(Dollars)
<u>Predominantly French</u> : Madawaska Gloucester Kent	30.1 20.0 10.9	32.8 _ _	51.5 48.9 49.4	26.8 23.3 24.8	67•4 78•7 83•2	26.2 30.0 37.4	820 690 490
<u>Mixed</u> : Restigouche Westmorland Victoria	51.4 60.9 26.6	29•3 55•3	52.0 56.5 52.0	24.6 32.8 25.9	69.0 55.8 64.8	18.8 6.2 32.7	1,050 1,270 670
Predominantly English: Northumberland Sunbury Saint John Queens Charlotte York Albert Carleton Kings	30.1 59.2 88.1 11.7 34.1 58.0 31.4 22.7 19.2	53.4 88.1 - 47.2 31.4 5.8	51.2 54.4 58.5 55.7 56.3 57.9 54.6 53.2 54.2	25.5 32.0 35.0 28.4 32.7 34.9 29.8 29.3 30.6	62.7 54.9 46.8 59.9 58.6 49.7 50.1 57.8 53.4	17.1 11.9 1.2 35.8 19.0 13.0 8.8 32.7 22.3	880 660 1,230 860 900 1,180 1,120 770 930
New Brunswick	46.5	33.1	54.2	29.8	59.6	15.8	1,000

TABLE III - 8 NEW BRUNSWICK COUNTIES - ECONOMIC CHARACTERISTICS 1961

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Source: P. Camu, E. P. Weeks, & Z. W. Sametz, <u>Economic Geography of Canada</u> (Toronto: Macmillan, 1965), pp. 366-7, Appendix 3, and Canada, Dominion Bureau of Statistics, <u>Census of Canada 1961</u>.

TABLE III - 9

NEW BRUNSWICK FAMILY INCOME BY COUNTY - RURAL NON-FARM AND URBAN 1961

Counties	(1)	(2)	Distribut	tion of Fami.	lies by Incom	ne Group	
	Number of	Average	(3)	(4)	(5)	(6)	
	Families	Income	- \$1,000.	- \$2,000.	- \$3,000.	- \$4,000	
		(Dollars)		(Percentages)			
Albert	2,593	4,601	4.24	16.39	30.74	45.16	
Carleton	3,821	3,255	9.42	32.32	54.20	72.05	
Charlotte	5,308	4,174	6.54	24.97	50.89	70.67	
Gloucester	10,480	3,291	14.98	37.64	55.86	70.96	
Kent	3,775	2,700	12.24	45.09	69.12	84.14	
Kings	4,641	4,364	6.66	21.85	39.82	59.32	
Madawaska	5,903	4,085	7.12	22.42	40.22	59.04	
Northumberland	8,802	3,270	10.87	31.33	50.70	69.34	
Queens	2,199	3,607	9.05	25.01	47.25	69.49	
Restigouche	7,025	3,977	9.41	26.29	41.45	58.67	
Saint John	19,373	4,946	3.56	11.23	24.43	44.54	
Sunbury	4,139	4,174	4.49	11.28	25.05	50.73	
Victoria	3,166	3,361	13.33	32.79	55.37	73.50	
Westmorland	18,617	4,628	4.86	15.37	27.97	47.36	
York	10,873	4,523	5.02	15.50	31.67	53.26	
New Brunswick	110,715	4,155	7 • 26	21.90	38•95	57•66	
	3,656,968	5,449	4 • 47	12.73	23•19	38•43	
Canada Source: Ca	3,656,968 mada, Domini		•	-		-	

Incomes (98-503).

than that of the total English-speaking population.

Without intending causal or ecological inferences, the degree of association between the French ethnicity of county and these factors most commonly associated with income levels may be summarized in simple correlation coefficients. As shown in Table III-10, the relationships found in the 1961 share of the population of a county of French mother tongue with employment in primary industry, degree of urbanization and per capita disposable income were in the anticipated directions but weak. Significantly strong relationships were, however, found with the level of educational achievement, and strong negative relationships with the employment base and labour force participation. In terms of living standards, family income provides a better measure of poverty than per capita income. Here too it was found that the higher the proportion of the population of French mother tongue, the lower the average non-farm family income and the greater the number of lower income families.46 Even where allowance was made for the larger average numbers of children per family in the lower income French-speaking family, the degree of association was however weak. Thus while the simple comparisons do point up the relatively high proportion of economic dependents and high illiteracy rate where the proportion of the French-speaking in a county is high, they confirm that generalizations as to the actual income

46 See: Table III-10.

TABLE III - 10

COEFFICIENTS OF SIMPLE CORRELATION BETWEEN PROPORTION OF COUNTY POPULATION OF FRENCH MOTHER TONGUE AND SELECTED SOCIO-ECONOMIC MEASURES

1.	Income and Associated Economic Fac	tors	2.	Poverty	
	Per Capita disposable Income % Urban population % Labour force in primary industry % Population age 15-64 % Population in labour force % No secondary education	398 236 380 743* 704* 846*		Average income per family % Families with income - \$2,000 p.a. % Families with income - \$4,000 p.a. % Low income families**	441* 531* 341 530*
	3. <u>Other</u>				
	% Roma % N.B.	n Catholic born		- •969* - •292*	

*Significant at the 0.5 level, one tail test with 13 d.f.

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**Low income family defined as family with income below \$4,000 where county average = 3.5 - 4.4 persons and below \$5,000 where average = 4.5 - 5.4 persons.

% Average family size - .906*

levels of the French-speaking areas are in essence based on the three predominantly French counties.

If, as in 1966, public policy seeks to reduce econo-mic and social disparity within the province, the perception of the Acadian counties as the poor counties is in itself of considerable potential political significance. While the attempt to upgrade the level of public services in the poorer counties involved an expenditure of public funds to the ultimate benefit of the whole province, it was also inevitably open to the interpretation that the direct benefits will fall in the largest measure upon the French-speaking population. In addition, as such efforts emanated from the provincial level of government, they cut across the insularity of the two ethnic sub-cultures and ignored the distances that had been maintained between them. The reform of government structures thus threatened the traditionally stable relationships between the two groups and compounded the divisive potential of a provincial public policy designed to reduce economic and social disparity.

The 1966-67 Experience

An emphasis on the relative small size of the province was taken from the initial report of the Royal Commission on Municipal Taxation and Finance and often used to justify a "centralization" of governmental responsibilities. The significance of the report and the subsequent reforms, however, lies not in the simple geography or demography of the province but rather in the concept that as a small political unit its parts should be mutually interdependent. 47

This concept not only stimulated debate as to the extent to which public revenues raised in the relatively more prosperous cities (such as Saint John) should be diverted to other less prosperous areas but, as is indicated by a question asked by a minister, the Rev. William Hart, in a letter to the <u>Saint John Evening Times-Globe</u>, "Is it right to rob Peter to pay Pierre?", it also became capable of arousing latent ethnic prejudices. Such sentiments found further ground to thrive on in that the reforms were introduced by a Liberal government, a party traditionally favoured by French-speaking Roman Catholics, ⁴⁸ and which was led by an Acadia⁴⁹from Kent, the

47_{New} Brunswick, Royal Commission on Municipal Finance and Taxation, <u>Report</u>, p. 117, and <u>White Paper on the Responsibi-</u> <u>lities of Government</u> (March 4, 1965), p. 20.

⁴⁸See: Thorburn, <u>The Political Participation of the</u> <u>French-speaking Population of New Brunswick</u>, chapter III. Also simple coefficients of correlation measuring the association between the percentage of Liberal votes in a county and the 1961 percentage of French-speaking unilinguals for the 1963 and 1967 provincial elections show moderately high relationships (r=.697and .664 respectively).

⁴⁹Premier Robichaud was the first Acadian to hold the office after winning a provincial election. Peter Veniot, former editor of <u>Courrier des Provinces Maritimes</u>, and Minister of Public Works was the first Acadian premier of the province but assumed office on the retirement of N. E. Foster in 1923. This Liberal government was defeated in 1925 by the Conservatives led by J. B. M. Baxter. Veniot subsequently entered federal politics to become Post-Master General, a portfolio he held from 1926-30. Though provincial finances and hydro-electric power development at Grand Falls were major issues in the 1925 campaign, Senator Turgeon remarks in his memoirs, <u>Un tribut a la</u> <u>race acadienne</u> (Montreal: Ducharme, 1928), pp. 411-413, that all appeared to go well for Veniot until shortly before the election day, when the <u>Orange Sentinel</u> published an attack which advised its readers that a vote for Veniot was a vote for the Pope. poorest county in the province. Even if one minimizes the actual linkage between such variables and the nature of the programme, it is clear that ethnic motivations could be easily attached and utilized in opposition to its principles. While reports from the national press which gathered in New Brunswick in large numbers, attested to the dangers and undercurrents of ethnic antagonism, there is little evidence that the political parties or organized groups attempted to publicly exploit this factor.⁵⁰ Some of the difficulty in attempting to gage the extent of its existence is indicated in the equivocal reply of the editor of the Fredericton Daily Gleaner to the charges made in the Canadian Senate. Senator Nelson Rattenbury of Saint John had argued that the government's programme had been countered by a vindictive few using tactics of racism.⁵¹ One of the most virulent opponents of the programme, Michael Wardell, observed in an editorial that there had been no articles or speeches against the Acadians and countered that it was the premier and certain colleagues who had raised the question of racism in accusing their opponents of being anti-French. "It must be argued," replied Wardell, "that Mr. Robichaud presumes his plan of equal opportunity to be a measure designed solely for the benefit of French-speaking

⁵⁰See for example: John Marshall, "Battle in New Brunswick," <u>News Service, Toronto Telegram</u> (March 12, 1966).

⁵¹Canada, Parliament, Senate, <u>Debates: 1966-67</u>, Vol. I (March 9, 1966), p. 282.

Canadians."⁵² The disruptive potential of open ethnic divisions deters both the utilization of ethnic issues on public platforms and the perception of disputes in ethnic terms. As is clear from Professor Hugh Thorburn's analysis of the New Brunswick electorate, ethnic and religious prejudice are, however, customarily exploited in "back fence" or whispering campaigns.⁵³ While it is impossible to gauge the extent of such a campaign in the mid-1960's, the universal concern that ethnic antagonisms would erupt into a major public issue indicates the presence of considerable ethnic tensions.

Though such organizations as the Orange Lodge have lost their militancy within the province, a French-Roman Catholic identification has continued to combine religious with ethnic divisions in New Brunswick politics. A religious issue did arise in 1965 when the first draft of the new Schools Act failed to retain the ninety year old clause pertaining to nonsectarian public education. The most forthright of at least nine submissions received by the Law Amendments Committee of the Provincial Legislature from Protestant sources in January 1966 urged not only the retention but also the enforcement of this clause. While expressive of the irritation caused by the permissiveness of provincial education authorities toward the use of Catholic religious symbols and practices, this issue did

⁵³Thorburn, <u>Politics in New Brunswick</u>, p. 52 and p. 129.

⁵² "Mischievous Propaganda," <u>Daily Gleaner</u>, Fredericton, N.B. (March 11, 1966).

not become a significant one in the opposition to the government's programme. The original draft of a new Schools Act, Bill 137, was allowed to die at the end of the 1965-66 session and a new bill was introduced at the 1966 session which reinstated the non-sectarian clause. Regulations subsequently made under the new Schools Act retain previous provisions prohibiting political or religious symbols in the schoolroom but not so as to include "any peculiarity of the teacher's garb, or to the wearing of the cross or other emblem worn by a member of any denomination of Christians."54 This regulation lies at the basis of the compromise which has evolved in New Brunswick over the past hundred years. As a compromise it has not been entirely satisfactory to 1'Association Acadienne d'Education which has for its motto "Dieu et langue a l'ecole" nor for the New Brunswick Council of the Protestant League, which opposed the absence of the non-sectarian clause on the grounds that its removal would "aid in the promotion of the religion of one denomination" at the expense of other taxpayers.⁵⁵ It has, however, required only a tolerance of local community initiative and no specific allocation of provincial resources, and in effect separated out the issues of religion and language. This has neutralized much of the divisive potential of religion

⁵⁴Regulation 67-67 under <u>Schools Act</u>, 0.I.C. 67-588 (June 28, 1967), Section 11.

⁵⁵New Brunswick Council of the Canadian Protestant League, <u>Submission to Select Committee on Law Amendments</u> (January 25, 1966), mimeographed.

where educational policy is concerned and continued to do so in the mid-1960's.

Where ethnic divisions became evident, they would appear to have stemmed from the programme's new design of political and economic cohesiveness and to have been primarily based upon the underlying divisions in perceptions of economic interest. The tensions which have asserted themselves within the New Brunswick Teacher's Association since 1965 provide a significant example of this effect. In the preparation of the N.B.T.A.'s submission to the Law Amendments Committee of the provincial legislature concerning the proposed new Schools Act the Association's Executive had tried to reflect the views of both English-speaking and French-speaking teachers. To achieve this, it had formally met for the first time in its history with the executive of the Association des Institeurs Acadiens, an organisation founded in 1946, in affiliation with l'A.A.E. whose French-speaking membership overlaps that of the N.B.T.A. Co-operation between the two groups and within the N.B.T.A. itself, however, proved difficult on the issue of a proposal for provincial wide salary scales, since the French-speaking teachers considered such a scale to be beneficial to them. A compromise was reached for the first submission to the Law Amendments Committee which accepted such a scale with the provisos that the provincial government would supplement this, firstly in areas where the cost of living was high enough above the provincial average to justify an adjustment; and secondly

in isolated areas; and also that local school boards should be allowed to supplement the scale by local taxation up to 5 per cent of the district's total cost of school teachers' salaries.⁵⁶ A month later, however, in January 1966, the Frenchspeaking representatives entirely withdrew their acceptance of the compromise with the support of a majority of French-speaking and some English-speaking teachers.⁵⁷ While the former identified themselves as recipients of the benefits that would stem from the long standing disparities in teachers' salaries between school districts, the latter feared the suppression of local iniative and the imposition of "deadly and static uniformity." While one supported the values of increased provincial integration, the other opposed them in so far as they intruded upon the values of individualism.⁵⁸

This divergence of attitudes is in large part due to the readiness of the French-speaking teachers to reject the <u>modus vivendi</u> that had grown up between the two cultures in educational policy and a basic shift to their cultural aspirations. Together with the learning experiences provided in the family home, and the church parish structures, the local elementary school had been an important socialization agent for the

⁵⁶New Brunswick Teacher's Association, <u>Submission to</u>
 <u>the Law Amendments Committee</u> (December, 1965), mimeographed.
 ⁵⁷Ibid., <u>Amendment to N.B.T.A. Submission</u> (January 21, 1966).
 ⁵⁸See: Frère Méderic, "Aux grands mals les grands

remedes," and J. Lorne McGuigan, "Report on Byrne Royal Commission," <u>Educational Review</u>, LXXIX, no. 3 (March, 1965), 10-17, 18-27.

Acadian population. The school had a value for their communities irrespective of the general standards of instruction and educational attainment. But while local initiative had permitted the provision of a French language-Roman Catholic education which reinforced and protected the traditions of Acadian culture, it could not be perceived as a suitable vehicle for economic and social development. Provincial education policy is no longer to be perceived solely as a means of cultural survival but also of social mobility.

CHAPTER IV

A PRIMER FOR CHANGE

The Byrne Report

Basic Approach

The Report of the Royal Commission on Municipal Finance and Taxation, received by the provincial government on November 4, 1963 and tabled in the Legislative Assembly on February 14, 1964, provided radical proposals for the relief of the financial and economic difficulties facing the structures of government within New Brunswick. In carrying out its task the Commission had examined the entire structure of government within the province insofar as it related to the municipalities. Mr. Edward Byrne, Chairman of the Commission, identified five causes of the difficulties that all governments were experiencing in the maintenance and financing of public services:

(a) limited tax bases aggravated by services introduced by higher levels of government, (b) administrative responsibility for shared services and cost sharing, (c) responsibility for services that are not peculiar to the level of government entrusted with the function, (d) inefficient administration and (e) pressures.¹

These had caused waste, extravagance, apathy, intolerable pro-

¹New Brunswick, Royal Commission on Municipal Finance and Taxation, <u>Report</u> (Fredericton: Queen's Printer, 1963), p. VII.

perty tax burdens and general discontent. The fundamental remedy which was proposed was a "functional rationalization of the various levels of government within the province."² No established pattern of relationship nor structure of government would be considered inviolate. The Commissioners warned that the report should be considered as a "package deal" and to carelessly select some recommendations and not others might destroy the comprehensive programme making things worse rather than better.³

In providing for a new distribution of governmental responsibility the Commission used a basic distinction between two broad categories of public services. First there were those of a local nature which benefit the residents of a small well defined geographic area and were of only an indirect benefit elsewhere. Such services would include fire and police protection, streets, sidewalks and other public works provided by cities and towns, sewage and waste removal, the provision of water and community services, and recreation. Secondly, there were services of a general nature which affected a larger population and whose performance had comsequences for the entire province. These general services would include education, public health and hospitals, social welfare, the administration of justice and civil defence.⁴

> ²<u>Ibid</u>., p. VIII. ³<u>Ibid</u>., p. XVII. ⁴<u>Ibid</u>., p. 19.

The objective was to ensure that each function was placed with the level of government best qualified to perform it and that each had the financial resources required to carry its responsibilities. Concern for the inequitable distribution of general services and their strain on local resources, it was argued, had led to increasing provincial intervention. In the provision of such services, the municipalities had become instruments of the provincial government. The formulation of policy and regulation had already shifted to the provincial level of government. Furthermore, the size and complexity of the services demanded required manpower as well as financial resources which were not available at the local level.

The Commission concluded that since services of a local nature were matters for local preference and control, they should be performed by the municipalities. The five services of general nature were not subject to the same considerations and were areas over which individual municipalities could exercise little effective control. The general services were of province-wide significance and required large units for their effective operation, and should therefore be directly performed by provincial government agencies. The Commission argued that the general services were responsibilities which had been thrust upon the municipalities rather than the response to local demands and that they were mainly tasks which, "we know it is prudent for us to do or which it is our duty to do, rather than services which cater to our convenience, comfort

and pleasure."⁵ By shifting the responsibilities of government according to this principle, it held that local government would be freed of extraneous obligations and would be strengthened in its independence and autonomy.⁶ At the same time the Commissioners emphasized that the recommended transfer of functions to the provincial level of government was to be a centralization of responsibilities, not of administration, and where feasible, day to day administration should be decentralized.⁷ It further recommended that, given the proposed transfer of responsibilities, the provision of single member constituencies for representation in the Legislative Assembly would now be a particularly appropriate reform. Such a step would provide for more effective representative democracy and for greater accountability of the individual member.

The Byrne Commission was concerned both for the distribution of the material and social benefits conferred by the general services and with the distributive aspects of the tax structure. In addition to an assumption of the responsibility for general services, the Commission therefore also proposed that provincial assistance should also be provided the municipalities to equalize the tax burden of local services. When implemented, its proposals would therefore achieve the principle of fiscal equity such that, "...similarly situated individuals

> ⁵<u>Ibid</u>., p. 19. ⁶<u>Ibid</u>., p. 25. ⁷<u>Ibid</u>., pp. 320-21.

with the same income expenditure, value of property, etc., should receive about the same tax burden regardless of where they live in the province, at least for each type of locality, rural or urban, in the province."⁸

Local Government

Under the Commission's proposals, municipalities within the province were to be governed by a new Municipalities Act to provide a uniform system of local government and the province, classified into three categories for purposes of local government: the municipalities, to include cities, towns and villages; local service districts to be administered by a provincial Municipal Affairs Commission and other territory with no provision of services of a local nature; and federal and provincial crown lands and forests. The cities and towns were to have the same powers and their functions confined to services of mainly a local interest. The only remaining distinction between the two thus became one of size - 10,000 for city status and 1,000 or more for town status.

Virtually all of the functions of the counties, which it was noted had become mainly tax collecting agencies, were transferred to other levels of government. If retained, they would have been left only with such functions as local abattoirs, markets and libraries, and hence were to be eliminated not through a direct policy decision but as a consequence of the

^{8&}lt;sub>Ibid</sub>., p. 123.

functional reallocation of responsibilities proposed by the Byrne Commission. In rural areas the parish would also cease to exist as an administrative unit and villages would be formed where the population was below that required for town status but was large enough and sufficiently concentrated to support those local services which were appropriate to their size and Their incorporation would be subject to the approval needs. of the Municipal Affairs Commission, and the approval of 60 per cent of those voting in a plebiscite of local ratepayers. Existing local improvement districts or commissions where affairs were in "tolerably good order" would be permitted to follow this procedure and incorporate as villages.⁹ It was judged impractical to form separate administrative units for the remaining small scattered rural settlements. Such settlements which required a limited number of local services would form Local Service Districts to be created and directly administered by the Municipal Affairs Commission. Those local services which had been authorized by local plebiscite would be provided by the Commission.

It was also recommended that it be made mandatory for water, fire and police protection, sanitary sewage disposal and community planning to be provided as joint services for all contiguous multi-municipality communities which were to be administered for this purpose by a metropolitan council.¹⁰

⁹<u>Ibid</u>., p. 172.

¹⁰Ibid., p. 188.

The entire province would be brought under community planning to be administered by city or town agencies, or the provincial planning branch in the case of those areas which fell outside the former's jurisdiction.¹¹ All services of a quasi-commercial nature provided by local government including electric power, parking lots, and water and sanitary sewage systems would be assigned to utility commissions accountable to the municipality. Such services were to be made self-supporting on a usercharge basis.¹² The province's structure of municipal government composed of 6 cities, 21 towns, 15 counties, 1 village, some 50 active local improvement districts and 10 local administrative commissions was therefore to be totally reorganized and all existing legislation pertaining to them repealed. The Town of Oromocto, developed by the federal Department of National Defence in 1956 to provide municipal facilities to military personnel stationed at Camp Gagetown, however, was to continue to be treated as a federal financial responsibility.¹³ The municipalities would continue to be governed by a Mayor and Council elected by municipal taxpayers owning real estate on a ward system. To relieve the city and town councils of administrative details it was recommended that a Chief Executive Officer or Municipal Manager be appointed both to carry out

> ¹¹<u>Ibid</u>., p. 173. ¹²<u>Ibid</u>., pp. 180-81.

¹³<u>Ibid</u>., pp. 175-76. (The Town of Oromocto remained outside the regular structure of local government within the province until January, 1969. Prior to this date it was administered by a seven member Board of Commissioners, four of whom were federal appointees and three provincial.)

council policy and to act as policy advisor.

Local Finances

Municipal revenues were to be derived from four sources: real property taxation, unconditional provincial equalization grants, grants in lieu of taxes from federal and provincial agencies, and nominal utility profits, licences and fees. The Commission accepted the argument that financial responsibility requires that a decision to increase expenditure be accompanied by a responsibility to increase taxation. One substantial tax rate was therefore to be determined by the municipality and since no alternative was judged to be available or suitable, it was to be a real property tax assessment. Tax collection could be carried out by the Municipal Affairs Commission. The Byrne Commission felt it desirable that property taxes should not greatly exceed 2 per cent of market value of residential property since 1.5 per cent has to be allocated for a provincial school tax. It was therefore recommended that local service rates should be kept as much as possible to a rate of 50¢ per \$100 of assessments at market value.

The proposed system of unconditional equalization grants was designed to provide a degree of fiscal equity in the provision of local as well as general services such that all citizens would receive the same type and level of services at about the same burdens throughout the province.¹⁴ In this,

¹⁴<u>Ibid</u>., pp. 270-87.

the Commission had adopted a formula developed by Professor John F. Graham in a study of provincial-municipal relations in Nova Scotia.¹⁵ For grant purposes, the municipalities were grouped according to population: \underline{A} - municipalities with a population of 19,000 of more; <u>B</u> - 5,000 to 16,000; and <u>C</u> towns less than 5,000. A flat rate grant would be paid to cities and towns, which was equal to 40 per cent of standard expenditures with a comparable arrangement for villages and local service districts. This percentage was chosen to permit a maximum local rate of 50¢ per \$100 to be achieved by the municipalities when combined with a provincial equalization grant, which was to ensure a standard level of local services at a standard rate of tax on the market value of taxable real property. This standard rate would be calculated for each grouping of the municipalities and equal the lowest or average of the three lowest rates that would have imposed to raise revenues to standard expenditure less to be the flat rate grant. The total grants to a municipality were not to exceed 70 per cent of actual expenditure less non-tax revenue for the preceding year.

A number of financial controls would also be exercised over municipal expenditures¹⁶ including the restriction of the municipal real property tax to not more than one half of one

¹⁵John F. Graham, <u>Fiscal Adjustment of Economic Devel-</u> <u>opment</u> (Toronto: University of Toronto Press, 1963).

¹⁶New Brunswick, Royal Commission on Municipal Finance and Taxation, <u>Report</u>, pp. 177-80 and pp. 287-297.

percent of the market value of assessed real property including business assessment, and a limit on borrowing to one fifth of one percent of the market value of assessed real property (unless approved by local "plebiscite") where total outstanding debt did not exceed six percent of assessment values.

Provincial Government

The recommendation that general services be fully assumed by the province was accompanied by a proposal for the replacement of the provincial departments concerned with the functions of education, social welfare, health and municipal affairs by administrative commissions. The Byrne Commission argued such commissions were necessary firstly, given the political folkways of New Brunswick, "to protect ourselves from ourselves." Secondly, to free the cabinet from "overt political pressure" and thirdly, as one all-inclusive reason, to permit change through the appointment of able men who would be allowed to exercise initiative. The programme could not be carried out with the present department structure and personnel.¹⁷ It was argued that the worth of administrative commissions had been already proved in Sweden¹⁸ and were required in New Brunswick to make a fresh start and to break with the past. They were, however, not necessarily to become a permanent

¹⁷<u>Ibid</u>., p. 24 and p. 319.

¹⁸A. J. Boudreau, a member of the Commission, carried out a "study-tour" of Sweden as part of its research. His report is contained in Appendix "H" of the Report. feature of provincial government.

In education, all school facilities would be the responsibility of a twelve member Public Schools Commission and the existing 400 school districts consolidated into 60 viable units, each with senior high school facilities and a network of feeder elementary and secondary schools such that most students would live within 15 miles of their high school. The Schools Commission would appoint all senior administrators and pay the salaries of all school personnel. Salary schedules would be made uniform across the province and the existing debt of the school boards absorbed by the province. Each district would have a board of trustees who would control the hiring and firing of teachers, and would be able to propose supplements to the provincial programme to be financed by a local levy on taxable real property.¹⁹

In health, hospital operations were to be provided and administered by a six member Hospitals Commission assisted by an advisory committee. The Commission would assume ownership of all municipal and quasi-municipal hospitals, staff residences and associated facilities and assume the balance of their capital debt as full payment for the facilities to be taken over. The Hospitals Commission would also assume the responsibility for the reform and maintenance of satisfactory mental treatment hospitals and services. The Department of

¹⁹New Brunswick, Royal Commission on Municipal Finance and Taxation, <u>Report</u>, chapter 8.

Health would thus be left with the responsibility for preventive and detection measures and would assume all related municipal public health services which were to be provided through its six regional health districts.²⁰

In social welfare, a six member Commission would assume the welfare responsibilities of the municipalities and the provincial Department of Youth and Welfare, and maintain co-operation with such voluntary organizations as the Children' Aid Societies. Direct assistance was to be provided on the basis of a means test, and welfare administration decentralized to maintain a close contact within the local communities.²¹

The administration of justice would be fully assumed by the Department of the Attorney General which was to provide for such reforms as the appointment of full time Crown Prosecutors, the replacement of county gaols by six district gaols staffed by competent personnel concerned with rehabilitation, and the employment of sheriffs on a salary basis. Local police services, the enforcement of municipal by-laws and lock-ups would remain the responsibilities of the cities and towns.²²

The general responsibility for the supervision of municipal affairs would be transferred from the provincial Department of Municipal Affairs to a five member Municipal

> ²⁰<u>Ibid</u>., chapter 10. ²¹<u>Ibid</u>., chapter 9. ²²<u>Ibid</u>., chapter 11.

Affairs Commission. To provide for the trained and specialized staff necessary for a consistent and equitable application of real property tax, the Municipal Affairs Commission would administer real property taxation including the performance of a uniform assessment of all real property at market value and the collection of all real property taxes.²³

A municipal Debt Corporation, similar to that in Alberta, would be created by the Commission to administer all existing municipal debt and to supervise and authorize future municipal borrowing. The aim in creating such a body was to reduce the annual debt charges through longer term and large sized bond issues, and to control the purposes and level of municipal debt.

Finances.

The Byrne Commission estimated that if implemented in 1961, its recommendations would have required an additional \$37,840,000 to be raised by the provincial government, an increase of 37 per cent in its total revenue requirements.²⁴ This sum provided for an estimated \$22,550,000 for the additional cost of the general services to be assumed by the province, \$5,336,000 for raising the standards together with an allowance of \$7,669,000 for the reduction of provincial net debt and a contingency provision of \$2,255,000. To meet this additional expenditure the Commission proposed three major

²⁴<u>Ibid</u>., chapter 15.

²³<u>Ibid</u>., p. 28 and pp. 186-88.

sources of revenue. The major portion, nearly 60 per cent, would be raised by a province-wide real property tax or "education tax" at the rate of \$1.50 per \$100 of assessed values at market value. The tax would include a business tax component in that real property owned by industrial and commercial business concerns would bear both an assessment value equal to market value for tax payable by the owner and an equal assessment payable by the occupant. The tax would be requisitioned by the Public Schools Commission from the local school district boards which would in turn impose the tax for collection by the Municipal Affairs Commission. The tax would thus retain the status of a municipal tax and avoid the loss of federal ex gratia payments in lieu of property taxes under the municipal grants Act of 1951. Despite its reservations concerning the equity and justice of personal property taxation, the Byrne Commission also reluctantly found it necessary to recommend a new personal property tax on passenger cars and automobiles graduated according to the class of vehicle. As a third source of revenue the Byrne Commission recommended an increase in the general retail sales tax from three to five per cent. The Commission argued that the tax was being underutilized and further recommended a broadening of base. The Commission considered income tax as a possible source of additional revenue but reported that, due to the federalprovincial tax collection, a higher tax would push the highest marginal rates of tax even higher. Due to some uncertainty as

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to its effect on the growth of investment in the province, it had also decided against any recommendation that corporation income tax be increased.²⁵

In proposing this reform package, the Byrne Commission also called attention to the broader federal-provincial and economic context of its report. Its recommendations were made within the framework of the existing resources available to provincial and municipal government including federal contributions. The Commission noted, however, that present federal contributions fell short of the amounts necessary for New Brunswick to achieve public services even at only national averages without the imposition of a relatively high burden of taxation. It therefore argued that the principle of fiscal equity which would be applied within the province under its proposals should be also applied among the provinces. Without increased assistance the province could never provide public services equal to national standards.²⁶

The Commission further reported that in all of its enquiries, deliberations and formulation of recommendations, it had been constantly mindful of the need for more industry and rapid economic expansion. It saw its recommendations as promoting a favourable climate for growth by raising the level of education and technical skills of the labour force, by the establishment of a uniform and stable property tax base, and by the provision of an adequate level of public services in all

²⁵<u>Ibid</u>., pp. 313-14.

²⁶<u>Ibid</u>., p. 36.

parts of the province. Since the objective was to attract industry to the most economically advantageous areas in the province and not to particular municipalities, it recommended a specific prohibition of municipal tax concessions for industry.²⁷

In conclusion, the Byrne Report posed two alternatives for the province: to muddle through or to put its house in order. It argued that while New Brunswick might envy the greater affluence of its sister provinces, it need not retain the reputation that its governmental activities were even less developed than its economy. With resolve the province might become "a model of enlightened government."²⁸

The Speech from the Throne given the day prior to the tabling of the Byrne Report had promised legislative measures based upon the report after the completion of an intensive study of the report.²⁹ On the presentation of his departmental estimates, the Minister of Municipal Affairs, Mr. J. Leblanc, gave the first indication of the type of reception the basic Byrne proposals had received from the provincial cabinet when he contended that the time had come for the province to assess the administration of "several municipal and semi-municipal" functions. Following his remarks the Premier announced that the government was endeavouring to find a coordinator for the

²⁷<u>Ibid</u>., pp. 37-38 and chapter XVII. ²⁸<u>Ibid</u>., p. 38.

²⁹New Brunswick, Legislative Assembly, <u>Synoptic Report</u> of the Proceedings, 1964, Vol. I (February 18, 1964), p. 3.

departments' work on the Byrne Report and hoped that the study would be completed by the fall.³⁰ Although the legislative session closed on March 26 with the members anticipating that it would be reconvened in the fall, such a session was not held. Ajoint systematic study of the report by departmental heads began on May 7, 1964,³¹ but it was not until the fall of 1965 that the provincial government was sufficiently prepared to introduce its legislative proposals.

The White Paper on the Responsibilities of Government

The first public statements as to the intentions of the provincial government were not made until the third sitting of the fourty-fifth Legislative Assembly which opened in mid-February 1965. In the opening Speech from the Throne, made by the Lieutenant-Governor, the government promised steps to provide "substantial relief to the municipalities" and to lay before the Assembly a white paper which would define its broad policies. The speech also reported the first basic decision which had been taken with regard to the Report's recommendations:

It is the intention of my government, as it proceeds with the orderly implementation of certain of the recommendations of the Report, that the administration of such matters will remain within the framework of the

³⁰Ibid.,(March, 23, 1964), pp. 514-516.

³¹The planning of the government's reforms is discussed infra, chapter VII.

existing departmental structure.³²

The government had rejected the concept of the recommendations as a "package deal" and the substitution of a commision for a departmental form of administration. While traditionally only a general outline of a government's programme, this statement substantially reflects the extent to which any concrete decisions had been taken by the provincial government after some nine months of study of the Byrne Report by provincial administrators.

To the opposition in the Legislature the government appeared to engage in a conspiracy of planning in silence.³³ The White Paper which was tabled by the premier in closing the debate on the Address in Reply was, as promised, a general statement of principles and was equally unsatisfactory to the opposition. For the latter it "personified delay and indecision" and was a "political gimmick with which to stall for time."³⁴

Titled "White Paper on the Responsibilities of Government," the paper was prepared under the Premier's office with the assistance of officials of the Department of Finance and the Office of the Economic Advisor. Though lacking in statements of specific policy with respect to the status of local

³²New Brunswick, Legislative Assembly, <u>Synoptic Report</u>, <u>1965</u>, Vol. I (February 16, 1965), p. 7.

³³<u>Ibid</u>. (February 18, 1965), and (February 23, 1965), pp. 81-82.

³⁴Mr. Patterson in <u>ibid</u>. (March 10, 1965), pp. 291-293.

government in the province, the White Paper was a significant document. It was prepared concurrently with the taking of the final decisions as to the ultimate direction to be followed by the government and represents a coherent statement of the philosophy which underlay the government's consideration of the Byrne Report, and which was to guide the formulation of its reform programme.

The White Paper placed the Byrne Report within the context of the future economic and social needs of the province and the responsibility of the provincial government toward The critical issue facing New Brunswick was the such needs. problem of economic and social disparity, and the provincial level of government was to have a primary role in seeking its solution. As its central premise the White Paper held that "The activities and policies of the government must aim toward the objective of guaranteeing acceptable minimum standards of social, economic and cultural opportunity, without in any way restricting maximum opportunities for the individual, the community or any sector of our society."35 Government no longer carried a residual role in achieving the goals of the community but was forced to carry the primary responsibility. Changes in the structure of federalism and those which had developed independently at the provincial and municipal level required re-adjustments in the orientation of provincial and municipal

³⁵New Brunswick, <u>White Paper on the Responsibilities</u> of <u>Government</u> (Fredericton, Queen's Printer, 1965), p. 18.

structures. Such changes together with the significant shift in emphasis to the area of responsibility assigned to the province required a re-examination of the roles and objectives of provincial government and the means taken to achieve them. In this, both the provincial and municipal levels of government were told to be prepared for the adjustments needed to achieve a solution to the two problems of disparity and change.

The White Paper carefully laid the ground for future government policy by drawing a detailed analogy between the problems facing the province and those facing both Canada and the world community. Within all three contexts was found the problem of disparity. Just as underdeveloped countries within the world community were beneficiaries of international aid, New Brunswick was itself an area of disadvantage and a beneficiary of federal assistance programmes to reduce economic imbalance in Canada. Within New Brunswick there was also an overwhelming disparity in opportunity and an abnormally high waste of human resources. Furthermore, changing demands and goals required a continuing response through constitutional adjustment and change. At the international and national level there had been a readiness to make structural changes in response to economic and social change, and a recognition of need for interdependence.

In addressing the immediate questions facing the provincial government, the Paper noted that the functions of education, health, welfare and justice remained the responsibility

of the provincial government but on the principle of "local self-sufficiency" had been discharged through a particular pattern of local institutions. The acceptance of the results of this pattern was now however at issue. The Byrne Report was a challenge to the continued appropriateness of this prin-The alternative was an acceptance of the principle of ciple. interdependence which governed international and national policies. The latter was now to be accepted by the provincial government which from this point on was prepared to accept "the full responsibility of acceptable minimum standards of education, health, welfare and justice for all New Brunswickers."36 This definition of the scope of the provincial responsibility directly followed the Byrne Report's definition of "general services." Acceptance of the principle required a reexamination of traditional institutions and patterns. The provincial government was not yet satisfied that the path provided by the Byrne Report was the only one. It urged all elements within the fabric of government to set aside problems of "ways and means" while determining their expectations as to the future of the province, and to consider whether parochial views could be retained "in a world and a nation which had adopted a different philosophy."37 When an understanding had been reached on this question, the proposals for change which would be advanced by the government could be assessed in a proper

36_{Ibid}., p. 21.

37_{Ibid}.

perspective.

In some respects the White Paper was similar to a statement that had been made in the Assembly by Richard Hatfield, Conservative member for Carleton County. While attacking the Byrne Report's "obsession with uniformity," he had called for a concern with the elimination of extremes of inequality and "providing for equal opportunity for people in all sections."³⁸ For Mr. Hatfield, however, questions of political participation and responsibility, as well as social and economic change and the shift to interdependence, had to be recognized. The central issue was not one of <u>status quo</u> versus change but rather the extent of the reform.

Though both statements were in part a skillful exercise in rhetoric, their difference in emphasis marks the boundary between the basic positions which were being adopted by the provincial government and its opposition. As is evident in its title, the White Paper showed that the government was approaching the problem of finance and municipal taxation in terms of the relationship between the structures of government and its socio-economic environment. In this, unlike the opposition, it was to give foremost consideration to the removal of economic disparity and in particular the level and distribution of public goods and services for the functions of education, health, welfare and justice. Mention of the virtues of local democracy

³⁸New Brunswick, Legislative Assembly, <u>Synoptic Report</u>, <u>1965</u>, Vol. I (February 26, 1965), pp. 153-54.

was conspicuously absent from the paper's discussion of government responsibilities. Its emphasis was rather on the adequate performance of what has been termed distributive capability and the improvement of the extractive capability of government³⁹ in the province through economic development. In this there was a provincial interest which transcended local parochial interests. Thus, whereas the opposition stressed the issues of responsiveness in the sense that institutions of local government could be said to maximize the opportunity for local participation and provide for public accountability, the provincial government stressed the inability of such institutions to respond to the local needs and demands due to the inadequacy of local resources. Interdependence for one spelled for the other it called for increased provincial assistance; the reassertion of a full provincial responsibility in administration as well as in finance.

The government's stand was reiterated by Mr. L. G. DesBrisay, the Minister of Finance, in his budget speech on the day following the presentation of the White Paper. He announced that three factors had influenced his budget: the need to improve the atmosphere and facilities for economic development, meeting the demands which accompanied economic and industrial growth and the reassessment of local government institutions by the Byrne Commission. The Minister noted that

³⁹Gabriel Almond and G. Bingham Powell, <u>Comparative</u> <u>Politics</u> (Boston: Little, Brown, 1966), p. 198.

the White Paper had already identified what the government considered as the key question of public policy, "-- the extent to which the province should guarantee minimum standards of opportunity and services to all New Brunswickers, using the principles of fiscal equity which we in the Atlantic Provinces have consistently urged the federal government to follow."40 Though the budget provided for the completion of province-wide uniform assessments and reference had already been made in the Speech from the Throne to the consolidation of school districts, the budget confirmed the impression given by the White Paper that no immediate legislative action would be taken by the government concerning the Byrne proposals. The government, however, showed its determination to proceed with a fundamental re-assessment of local government within the province through the establishment of a central agency under the premier's office to be known as the Office of Government Organization which was to "co-ordinate the planning required in implementing the government's choice of alternatives."41 Though the abbreviation of the title to "OGO" no doubt conveyed some of the spirit of the undertaking, it lent itself to parody and made the office a ready target for opposition to the subsequent programme of reform.

The Byrne Report and the government's handling of its

⁴¹<u>Ibid</u>., p. 232.

⁴⁰New Brunswick, Legislative Assembly, <u>Synoptic Report</u>, <u>1965</u>, Vol. I (March 5, 1965) p. 225.

recommendations loomed large in the 1965 budget debates. The ministers of the departments concerned were quick to defend their officials and programmes against the criticisms which had been voiced against them by the Byrne Report and seized upon by the opposition. The latter centred their attacks on the report around six basic points: its recommendations were based on inadequate information and were defective as a concrete guide for reorganization; the proposals for administrative commissions to protect people from themselves were totalitarian and akin to a corporate state structure; its obsession with uniformity and efficiency would destroy individual rights; uniform property assessments at market values were unacceptable and infeasible; its distinction between matters of local and general concern were unacceptable; and its notions of decentralised provincial administration were too vague. As stated by the opposition financial critic, D. Patterson, the alternative to the Byrne Commission was "a commitment to the municipalities that the role of the municipalities shall be strengthened..... "42 The answer to the financial difficulties for the municipalities lay in the provincial-municipal relationship and for the province as a whole, in the federal-provincial relationship.

No further policy pronouncements concerning the Byrne Report were made until after the sitting was resumed in November

⁴²<u>Ibid</u>. (March 10, 1965), p. 279.

1965, following a summer recess. In presenting his departmental estimates, however, Mr. J. E. Leblanc, Minister of Municipal Affairs, did attempt to answer criticisms which had been made earlier by Mr. R. Hatfield, and in doing so gave a comprehensive statement of his approach to the Byrne proposals. He promised that action would be taken on the Byrne Report and went on to reveal eight aspects of the report which he considered as feasible. These were the abolition of personal property taxation and the introduction of a business tax, the abolition of workers' tax, standardization of municipal law, uniform centralized assessment, equalizing grants, a ceiling on municipal debt, the creation of a Municipal Debt Corporation to take over outstanding debts, and the full assumption of the costs of civil defence by the province. Mr. Leblanc explained that local governments were recognized in the Byrne Report as an essential fabric of democracy which were intended to assume responsibility for purely local services. Education, health, administration of justice, and social welfare had grown in complexity and provincial importance and could no longer be considered as local. A high degree of interest and participation in local public affairs was important but would be destroyed by sacrificing efficiency. Finally he concluded, "We believe,, that well organized departments can administer any program which is used for the implementation of the province taking over the services of

education, health, welfare and justice."43 Though specific intentions remained uncertain, this statement foreshadowed a major reform of local government.

Contrasting Approaches

While the findings of the various other enquiries and studies into the problems of local government in Canada differ in their detail and have been directed at solving the problems of local government within a particular province, they tend to share a common underlying theme. This has been to stress the value of local self-government and to seek the financial means to maintain that role. The findings of two of the most recent major studies, the 1964 Manitoba Royal Commission on Local Government Organization and Finance, chaired by Roland Michener, and the 1967 Ontario Committee on Taxation, chaired by L. J. Smith, are similar in many respects to those of previous inquiries, and amply illustrate the range of financial solutions that have been generally proposed.

Manitoba

The Michener Commission observed that "the tax revenues of the municipalities had been unequal to the services which had been required of them." They had come to rely on provincial and even federal assistance. As a result, their financial position had become confused and had blurred the line of

⁴³Ibid., 1965, Vol. II (March 29, 1965), pp. 797-808.

division between the responsibilities of the Province and its local governments. 44 In terms reminiscent of the Byrne Report, the Commission held that a clear division of responsibility was desirable and that this would be best accomplished through a transfer of "the more general type of local service" to the province rather than through increasing local tax resources. The Michener Commission's recommendations were based on three principles. First, the reform of municipal government should enable them to independently carry out their responsibilities from their own financial resources without reliance on sub-Second, there should be division of provincial-municipal sidies. responsibilities based on the distinction between "local services of special benefit to the property and people within a municipality" and "those general services which are designed to benefit people without regard to locality."45 Thirdly, provincial taxes are more equitable for the provision of general services to people whereas real property taxation is only justified for the provision of local services for the benefit of the taxed property and its occupants.

Stemming from these principles its major recommendations included the transfer of the financial and most of the administrative responsibility for social welfare, health services and hospital planning and construction to the provincial level.

⁴⁴ Manitoba, Royal Commission on Local Government Organization and Finance, <u>Report</u> (Winnipeg: Queen's Printer, 1964), pp. xxvii-xxix.

^{45&}lt;sub>Ibid</sub>., p. 28.

The government of Manitoba would assume the greater share of the costs of public schools and provide for a basic minimum standard of education through a "foundation programme" of provincial grants which would meet the revenue requirements remaining after the imposition of a uniform "Manitoba School Levy" on real property. Provincial contributions for elementary school construction would also be increased to encourage a greater number of school consolidations. In school administration, the existing responsibility of the broad school divisions for secondary school education would be expanded to include the elementary level. The school boards would be left with advisory powers save for the maintenance and use of school property, the hiring of teachers and the statutory supervision of religious teaching.⁴⁶

To ensure uniformity in property assessments, the province would assume the assessment function with the costs to be borne by the municipalities. Municipalities would be exclusively responsible for general local government, the protection of persons and property, local roads and public works, sanitation and waste removal, recreation and community services and utility operations. The Commission also proposed an extensive regional organization to decentralize provincial administration and to facilitate provincial-municipal and intermunicipal co-operation. Inter-municipal regional councils

⁴⁶ Ibid., Recommendations: 13-23.

would be formed and regional administrative officers appointed directly responsible to the premier or the cabinet, to coordinate provincial services and, as members of regional councils, to act as liaison between the provincial government and the council.

The Michener Commission shared some of the concern expressed in the Byrne Report for an equitable distribution, both of governmental services and of the tax burden. In a summary of its principles, the Michener Report justified the transfer of administrative and financial responsibilities on the grounds that provincial services and provincial taxes tended to be distributed more equitably than those of the municipalities which varied greatly in size and resources. 47 But, while it appeared to be proceeding in the same direction as the Byrne Report, its concern for the responsiveness of local government proved more dominant. As Mr. Dennis Young has observed, the Commission "emphasizes and re-emphasizes throughout its report that local government has many intrinsic values and must be preserved."48 The Manitoba Commissioners reported that they had read the Byrne Commission Report with interest and noted that "while we agree with many of its principal recommendations, and particularly its assignment to the province of

47<u>Ibid</u>., p. 28.

⁴⁸Dennis Young, "The Report of the Manitoba Royal Commission on Local Government Organization and Finance," <u>Can-</u> <u>adian Public Administration</u>, VIII, no. 1 (March, 1965), p. 25.

administrative and financial responsibility for the general services of health, welfare and public school education, we differ in regard to the role of local government."⁴⁹ The Michener Report envisaged greater local and regional participation in the administration or provision of welfare and health services by the provincial government and felt that it could not apply the principles it had envoked for their transfer to the field of education. It argued that school boards were already so deeply involved in partnership with the Department of Education of the Province, that it did not seem possible even if it were desirable, to dissolve this partnership.

Where it appeared to follow the Byrne Commission's distinction between local and general services, the Michener Commission fell back on the familiar but tenuous further distinction between services to property and services to people. This latter division gives an appearance of being less open ended and more precise, and reflects the Michener Commission's desire for a clear-cut division of provincial-municipal responsibilities. Associated with a concern for an equitable distribution of services and taxation, this approach attempts to define an independent role for local self-government through the financial expedient of equating the responsibilities of local government with the source of its financial resources.

⁴⁹Manitoba, Royal Commission on Local Government Organization and Finance, <u>Report</u>, p. 248-49.

While this approach shares some concern for a distributive capability, this becomes a secondary one in that the division of responsibility permits higher levels of government to disclaim any responsibility for "local services." In contrast, an emphasis on an equitable distribution of public services insists, as did the Byrne Commission, that only people consume services.

The Michener Commission argued, for example, that since it had relieved the municipalities of the responsibility for general services, unconditional grants and conditional grants for their exclusive local service responsibilities should be discontinued. The Michener Commission acknowledged that some municipalities might still experience financial difficulties in providing their local services but did not attempt to examine its implications for its general principles. It was content with the hope that the consolidation of municipal units would ease their financial difficulties. Should the latter continue, then provincial assistance in the form of fiscal need grants might be required for what were termed "exceptional cases."50 This recognition that there might be such cases shows the difficulty in attempting to approach problems of local government with simple financial formulas. While the availability of financial resources is of major concern, the basic problem is to define the roles of local government in the

⁵⁰<u>Ibid</u>., p. 175.

performance of the total capabilities of a provincial political system.

<u>Ontario</u>

The approach taken by the Byrne Commission also stands in marked contrast to that of the 1967 Ontario Committee on Taxation, which displayed a strong concern for the democratic values of local government. The Committee argued that, "No approach to local government reform should begin without recourse to the basic principles that justify the existence of local government," and that, "Reformation was in large part preservation....⁹⁵¹ Local government existed to fulfill two princip**1** values, access to permit widespread participation, and service, meaning not only the economic discharge of public functions but also technical adequacy "in due alignment with public needs and desires."⁵² While it emphasized that the province had the constitutional responsibility for the structure of local government, it had an even greater responsibility to foster democratic values through local institutions.

The Smith Committee on Taxation grounded its philosophy of provincial-municipal relations on the four principles of local autonomy; provincial responsibility for the promotion of healthy municipal institutions; equalization, to ensure municipalities have the financial resources to provide

⁵¹Ontario, Committee on Taxation, <u>Report</u>, Vol. II (Toronto: Queen's Printer, 1967), p. 502.

⁵²Ibid., p. 503.

minimally satisfactory levels of public services; and technical and administrative assistance.⁵³ The Smith Committee held that where there were sufficiently large units, local government could remain responsible for services of general as well as local concern. In determining the appropriate size unit, it sought to balance the two twin objectives of service and access.

While it was most immediately concerned with the need for an equitable and adequate revenue structure to support locally the services provided by local government, the Committee felt that it could not ignore the need to maintain access. Τo do so would be "only at the peril of providing recommendations which would be at once unrealistic and at odds with the political values of our society."54 The Committee proposed the creation of a new "intermediate tier" of regional governments over a five year period to be divided into three distinct categories, nine metropolitan, three urbanizing and seventeen county regions, each with the functions of assessment, tax collection and capital borrowing on behalf of their constituetn municipalities. The provision of other services on a regional basis would vary according to the type of region. In the case of the county regions, which would be similar in size of population and fiscal capacity, regional governments would be responsible for arterial roads, public health, public welfare,

> ⁵³<u>Ibid</u>., Vol. I, pp. 43-44. ⁵⁴<u>Ibid</u>., Vol. II, p. 504.

secondary education, regional parks and recreation, and conservation. They would help co-ordinate and assist in other services provided by the local municipalities, and work with the Province in regional and hospital planning.⁵⁵

This concept of regional government had already been proposed by a Committee of the Ontario Legislature and, as a possible solution to the mounting problems of Canadian local government, is one which has attracted a growing interest. Regional government embodies an attempt to pay deference both to the principle of local self-government, and provide for an equitable distribution of government services. By pooling in a region the financial resources of a number of widely disparate local units, it strengthens the financial base for the provision of certain services and may facilitate the utilization of other tax sources beyond the real property tax. In financial terms and ultimately distributive terms, it may however fall short of the extractive capacity of the provincial level of government. The extent to which it does will depend on the distribution of financial resources, which may be as widely disparate between the different regional units as between different local units.

While it acknowledged a provincial responsibility for the level of services provided through local government, the Committee abrogated the need for provincial assistance in the provision of "services of direct value to property." The value

55_{Ibid}., Vol. II, pp. 507-38.

of property was regarded within a local unit as a "fair index of acceptable standard of service needed" and provincial assistance was to be confined to those services whose benefits to individuals as property owners was indirect or intangible."⁵⁶ The Committee coupled the principle of local autonomy with that of fiscal responsibility, and saw this combination as an effective means of ensuring an efficient allocation of resources between the public and private uses. Furthermore, the maintenance of a maximum local responsibility in the raising of revenue would result in close public accountability.

The three major social services: education, health and welfare, would remain the responsibility of local government. While the benefit of education was of the "widest possible import"⁵⁷ local authority over education was said to hold out greater promise than central administration. Thus, while the Ontario Foundation Tax Plan for financial assistance to the school boards was to be strengthened and direct grants to school boards increased from 45 per cent to an average of 60 per cent over three years, local participation in school finance would continue to ensure local autonomy and authority. The Committee also rejected the assumption of welfare services by the province, holding that, "... local government, as the level of jurisdiction closest to the home, is peculiarly well suited to the dispersion of welfare services and constitutes

⁵⁶<u>Ibid</u>., Vol. I, p. 48-50.

⁵⁷<u>Ibid</u>., Vol. II, p. 407.

one of the time honoured canons of Public Administration."⁵⁸ The Committee also stressed the need for adequate provincwide standards in public health and recommended additional provincial assistance for health and welfare services.

The structural reforms for regional government were to be the solution for more effective welfare administration and public health services. Only one function, the administration of justice, would be transferred to the provincial level of government. There, the Committee argued that its nature as local responsibility had long been questioned and Ontario was in company with only Nova Scotia and New Brunswick in retaining it at this level.⁵⁹ A number of provincial grants would be terminated, restructured or increased. Further provincial assistance would be provided through the extension of payments in lieu of taxes, and a new system of per capita unconditional grants to rise with marginal increases in population to replace the existing unconditional grant. A per capita basis was retained to encourage the growth of regional government. Measures designed to reduce the regressive nature of the real property tax included a "Basic Shelter Exemption Grant" through which the provincial government would pay the local taxes levied on the first \$2,000 of the provincially equalized current assessed value of all self-contained residential property. Measures to finance the proposals included

58_{Ibid}., Vol. II, p. 424.

59_{Ibid}., Vol. II, pp. 21-23.

a broadened sales tax base and negotiation with the federal government for a greater provincial participation in their shared tax fields.

The above recommendations and others contained in the Smith Report stem from a rather different philosophy to that of the Byrne Commission. In weighing the questions of "access" and "service", the Smith Commission placed the greater weight on the side of access through the maintenance of a strong tier of local government below the provincial level. In the New Brunswick context, however, the problem of service proved the more pressing consideration.

Ecological Considerations

The explanation for differences between the options chosen by the Byrne Commission and the New Brunswick Government, and those chosen elsewhere would seem to be an ecological one. While a common political tradition has led to similar structures of provincial and municipal government throughout Canada, their roles have been and continue to be shaped by the environment peculiar to each province.⁶⁰ The Byrne Commission was particularly concerned that its proposals should be appropriate to the New Brunswick setting. It had drawn on the services of Professors A. Milton Moore and Philip H. White of the University of British Columbia, and Professor John F. Graham of Dalhousie University, and considered structures and practices developed

⁶⁰ See: Kenneth G. Crawford, <u>Canadian Municipal Govern-</u> ment (Toronto: University of Toronto Press, 1954), chapter II.

elsewhere. The latter, however, were regarded as of limited value in providing guidance for the major problems which faced the province. This was particularly so for the "crucial decisions covering the division of functions between the provincial government and the municipalities."61 Conversely, while it believed some proposals would apply elsewhere, it did not recommend that they be "slavishly copied by others." The Byrne Commission concluded that the circumstances of the province - "the attitudes of its people, its financial resources, its size, the size of its cities and towns, and the wealth and density of population in the rural areas" - determined the best solution. All six of these variables were directly related to the state of economic development within the province. Given the small population and compact geographic nature of the province, it was further argued, the proposed centralized system of government would be no cause for very great concern.

In discussing the Smith Report, in 1967, Professor John Graham also identified the last two factors mentioned above as highly relevant to any decision as to whether a larger unit of local government, or a provincial assumption of the responsibilities for general services, combined with decentralized administration, is the best solution to the problems of local government. Professor Graham speculated

⁶¹New Brunswick, Royal Commission on Finance and Municipal Taxation, <u>Report</u>, p. 3.

that, if the Byrne Commission had been dealing with the Province of Ontario, it too would, like the Smith Commission, have made a recommendation for "something along the lines of regional government." He also added that the Byrne Commission would have gone further in the direction of equalization or horizontal equity.⁶² These remarks reflect not only Professor Graham's personal approach to local government but again indicate the further underlying concern of the Byrne Commission for the distributive capabilities of a provincial political system. Although the Byrne Report and the programme of reform which was subsequently adopted were in large part a response to the geographic and demographic conditions of the province, they were also the deliberate expression of political priorities.

^{62 &}quot;Provincial-Municipal Taxation: An Analysis of the Provincial Reports," in Canadian Tax Foundation, <u>Report of</u> <u>Proceedings of the Twentieth Tax Conference</u> (Toronto, Canadian Tax Foundation, 1968), p. 171.

CHAPTER V

THE PROGRAMME FOR EQUAL OPPORTUNITY

The Legislative Programme

The formulation of a specific legislative framework for the reform of local and provincial government in New Brunswick began during the 1965 summer recess when a Cabinet Committee on Government Organization was formed. This committee was composed of the ministers of the four departments concerned with the "general functions" of education, health, welfare, and administration of justice, together with the Minister of Municipal Affairs and the Premier, who acted as The committee was to be responsible for the develchairman. opment of policy for matters arising from the Byrne Report and the co-ordination of its subsequent implementation. Staff support was provided by the Office on Government Organization and its director acted both as secretary to the cabinet committee and chairman of a committee of deputy ministers formed as its administrative counterpart.¹

The Legislative Assembly resumed its sittings in November

¹The contribution of these bodies to the policy making process is discussed at length in chapter VII.

1965 as the provincial government prepared to present its legislative programme of governmental reform. Shortly before the resumption of the sitting, the premier announced the government's intention to establish a Select Committee on Law Amendments, as had been recommended by the Byrne Commission, to hear public representations on the legislative programme and to facilitate its passage through the house. The establishment of its fifteen member committee was the first item of government business for the fall sitting and was opposed by the opposition on the grounds that it should be a standing committee of the house, that too much discretion would be given the Chairman in the hearing of oral presentations, and that it would be able to hear only bills which were referred to it by the House.² On the approval of this proposal on November 16, the premier presented a comprehensive statement of the government's intended reforms which were collectively termed, "A Program for Equal Opportunity."³

Under the programme, the provincial level of government would assume responsibility for the functions of education, welfare, and justice and public health. In education the provincial government would assume full responsibility for elementary and secondary education which would be administered in approximately thirty-four school districts by local

²New Brunswick, Legislative Assembly, <u>Synoptic Report</u> of the Proceedings, 1965, Vol III (November 16, 1965), pp. 1030-31.

school boards, in which elected members would be in the majority. Under certain conditions such boards would be able to provide supplements to the basic curricula. Steps were to be taken to improve the number, qualifications and remuneration of teachers and to provide modern facilities. In conjunction with the Canada Assistance Plan, provincial welfare services would be placed on a basis of need rather than means. In the justice function, only purely local requirements such as the enforcement of local by-laws would remain with the munici-Revisions were planned in the number and location palities. of courts, in the system of penal institutions, and a system of full-time prosecutors and sheriffs would be established. The premier also announced the government's rejection, "at this time," of the Byrne Commission recommendation that hospitals be provincially owned. It preferred to work with the hospital boards to achieve a satisfactory system, adding that, "To this end more stringent regulatory controls will be exercised under the present legislation." 4 Public health services carried out by the municipalities would be assessed by the province together with those capital costs which they bore for hospital construction.

Transfer of such functions necessitated a re-examination of the position of local government institutions. Legislation would provide for the establishment of cities, towns and villages, but county government would cease to have a "useful

⁴<u>Ibid</u>., p. 1046.

function." Responsibilities assigned to the municipal units were to include streets, sidewalks, streetlighting, fire protection, police protection, water supply, storm and sanitary sewage, sewage and garbage disposal, parks, community planning, recreational facilities, tourist and industrial development and promotion, the maintenance of community property, licensing powers, and by-law powers to administer these responsibilities. The municipal units would be administered by locally elected councils with the franchise for municipal councils and school boards extended to all citizens twenty-one years of age and over, who had been resident in a community for more than three months.

The financial aspects of the programme were to follow the advice of the Byrne Commission. Personal property, poll and wildlands' taxation would be abolished; local government would be financed through real property and business taxation for local purposes and would be permitted to charge fees for services and permits; a system of equalizing provincialmunicipal grants would also be instituted; the costs of education were to be based on a standard tax on real property and a business tax; and the provincial social services and education sales tax raised. It was further anticipated that additional funds would be forthcoming from the federal government to assist in achieving national levels of service. This list omitted the social service tax on motor vehicles which had been "reluctantly" proposed by the Byrne Commission and the

graduated tax on trucks and other commercial and industrial vehicles. The premier stressed that there would be no reduction in total taxation but the programme which had been developed from the recommendations of the Royal Commission would mean a re-allocation of the tax burden such that, "All citizens will be taxed fairly in relation to their ability to pay."5 The responsibilities of assessment and tax collection would be performed by the provincial government. Assessment would be uniform at real market value with an appeal procedure which placed the onus of proof on the assessor. Pending assessment of forest lands relative to productive value, such property will be assessed at a standard rate. No tax concessions would be allowed in the future but the premier added that for those in effect, "Negotiations will be entered into with all affected parties toward obtaining a fair and equitable solution."6

In support of these proposals, the premier reiterated the principles set out in the White Paper and again stressed the government's foremost concern with disparity and inequality. The legislative programme to be presented to the province would "give life" to the principle that a "minimum standard of services and opportunity must be available for all citizens regardless of the financial resources of the locality in which they

> ⁵<u>Ibid</u>., p. 1049. ⁶<u>Ibid</u>., p. 1046.

live."7 This commitment went beyond the White Paper to include "local" services as well as education, health, welfare and justice. The municipalities were without the resources both to continue existing programmes and to meet the required expansion of essential services. The premier argued that these problems could not be adequately solved through the "simple traditional expedient of providing more money."8 What was necessary was a revision of local government institutions and the division of responsibility between the two levels of government. As in the White Paper, the major focus of the proposed programme was the perception of public policy within a provincial perspective; thus the premier suggested that, "We must all begin to think and act like a province of 600,000 people rather than continuing to segregate ourselves according to economic advantage or precise geographic location. We must all realize that our economic success or failure is as a united province"9

The statement also endeavoured to meet the fundamental criticism of the Byrne Commission's recommendations by stating that the government was not implementing the Byrne Report in that it rejected a system of extreme centralization, less local government, narrower voting rights and a restricted voice

⁷<u>Ibid</u>., p. 1042.
⁸<u>Ibid</u>., p. 1043.
⁹Ibid., p. 1044.

by the people in their affairs. The concept of administrative commissions was rejected, the power of elected and responsible school boards would be strengthened, and the franchise would not be confined to owners of real property. The government did not equate centralization with efficiency. The programme was to be one of evolution, for "efficiency with democracy," and of equality. The premier was at pains to present this programme of change as an evolutionary one, that would actually increase the responsibilities of municipalities, no longer hindered by responsibilities beyond their capacities. Though education was approximately half of local government expenditure, the municipalities had had little authority in this field. Assessment and tax collection were purely administrative matters. Municipal responsibility for welfare had been assessed out of necessity rather than desire and its transfer to the municipalities could not be regarded as an erosion of authority. Municipal involvement in justice and health had been quite minor and the larger responsibility had long been carried by the province.

As for the legislative timetable, it was announced that the legislation would not be forced through during the current session. Those bills which had not been fully debated and continued to attract interest to the Law Amendments Committee would be allowed to die at the close of session and would be reintroduced during the regular winter session of 1966. The premier added, however, that if implementation of

the programme was to begin in 1967, the legislation had to pass in 1966.

By the Christmas adjournment the government presented its full legislative proposals in some forty bills. Thirteen of these bills were entirely new drafts, nine were amendments to existing acts, and eighteen were for the repeal of existing acts. The seventeen major pieces of legislation were sent to the Law Amendments Committee following second reading, the remainder were considered in Committee of the Whole House. 0fthese bills only one received all three readings and royal assent before the final end of session in February 1966. The remainder were allowed to die. The first items of legislation presented by Mr. Norbert Theriault, making his first speech as Minister of Municipal Affairs to the House, concerned municipal organization and finance and within two weeks of sittings the bills for the reform of social welfare, education, justice and health were successively presented to the Legislative Assembly. The social welfare proposals, and amendment to the Provincial Hospitals Act were the only government proposals to receive from the Opposition specific approval in principle at second reading. The last major bill to be presented on December 2nd was the Financial Administration Act. This included provision for more effective management procedures and financial controls and also for the establishment of the office of Auditor General, originally promised by the Minister of Finance in 1963.

Early in December, the Minister of Finance outlined the financial implications of the programme with a timetable for its implementation assuming passage of the required legislation by the beginning of the next fiscal year.¹⁰ Public health, hospital debt charges, and the total costs of new hospital construction, social welfare, school capital costs, administration of justice would all be assumed by the Province on April 1, 1966, and grants would be paid to municipalities in lieu of taxes on provincial crown property. The estimated total cost to the calendar year end was \$11, 450,000. The remainder of the programme would be implemented at January 1, 1967, and arrangements would be made for the first new municipal and school board elections for June 1967. Additional costs for the remaining three months of the fiscal year were estimated at \$10,950,000.

Bill 118: The Assessment Act

On November 23rd the premier had confirmed in the House a statement he had made to the press to the effect that Bill 118, the Assessment Act, to be presented that day, had to be passed in the current session if the whole programme was to be implemented by January 1, 1967.¹¹ In giving priority to this bill, the premier had qualified his earlier statement concerning the passage of legislation, and thus allowed the proposed

¹⁰<u>Ibid</u>. (December 7, 1965), pp. 1149-59.

¹¹<u>Ibid</u>. (November 23, 1965), p. 1071.

new system of assessment to bear the major brunt of the attacks made on the government's programme. Ignoring other debates in which the assessment proposals figured, the time subsequently taken for its consideration and passage indicates the weight of the opposition borne by this bill. Bill 118 received second reading on November 23rd and was referred to the Law Amendments Committee. The committee began consideration of written submissions on the bill on December 14th, and after sitting through the Christmas adjournment of the House reported back on January 25, 1966, with proposals for some 61 changes in the bill's 52 sections. The committee's report was debated on January 28th and the following day the bill was referred to Committee of the Whole, with the government proposing changes in all of its sections. It did not receive third reading and royal assent until February 22, after nearly a month's debate. The government's decision to proceed with the bill, against a determined opposition, had made the session, originally called on February 16, 1965, the longest ever held in the history of the New Brunswick Legislative Assembly.

Although the provincial government argued that new assessment procedures were a necessary reform quite apart from the programme of governmental change. Bill 118 did provide the essential financial base for the programme. Opposition to the programme thus centered on the bill as a keystone to the overall programme. For the opposition in the Legislative Assembly all of the bills were interrelated and to give approval to one would involve "an essence of approval" to the others.¹² For the government the priority given the bill was necessary to ensure the programme could commence on its proposed target of January 1, 1967. This timetable would allow the governmental changes to be fully implemented before the expiry of the term of the Legislative Assembly in 1968. The emphasis given the bill also had a tactical advantage for the government in that the major efforts made in opposition to the whole programme were drawn onto a complex and technical piece of legislation, and was to drain the opposition of some of its energy when it came to the final drafts of the more substantive aspects of the programme.

The Opposition sought to prevent passage of the Assessment Act in the session by a series of delaying tactics. It requested more time for consideration of the bill in committee and, after government amendments were received, for a second committee stage. Support was also given to those organized groups, including the cities and other municipalities, which called for an extension of their deadlines for submission to the Law Amendments Committee. As tempers grew short in the Assembly the atmosphere throughout the province grew equally charged, and threats were made on the premier's life.¹³ A "watch dog" committee was formed under the auspices of the

¹²Mr. McCain, in <u>ibid</u>., Vol. V (February 9, 1966), p. 1905.

¹³Robert Reguly, "The New Hate in New Brunswick," <u>Toronto Daily Star</u> (February 12, 1966).

Union of Municipalities by a number of its members to oppose the assessment proposals,¹⁴ and a citizens' group, known as the Independent Committee on Legislation, was organized under the leadership of J. A. Rioux, an Acadian and president of the Fredericton Board of Trade, to petition for the rejection of The petition collected over 31,000 names, seventythe bill. seven per cent of which came from the counties of Kings, Queens, Saint John (including the city), Victoria, Westmorland (including Moncton), and York (including Fredericton), with one guarter from the City of Fredericton alone.¹⁵ The petition was presented to the House after the Christmas recess. A motion by the opposition that the petition be granted was, however, defeated after three full days of debate. During the debate the premier noted the absence of any signatures from the two predominantly Acadian counties of Gloucester and Kent, and accused the sponsors of the petition of deliberately attempting to indicate that no-one would support the petition in these counties. This implication of prejudice was, however, denied by the opposition, who argued that it was signed by members of both "races."

The issue of the government's policy toward tax concession to industry became one of the central issues in the

¹⁴In its campaign against the government the Union expended some \$12,450, mostly in legal fees. <u>Saint John</u> <u>Telegraph Journal</u> (September 23-24, 1966).

¹⁵See Table in New Brunswick, Legislative Assembly, <u>Synoptic Report, 1965</u>, Vol. IV (February 3, 1966), pp. 1714-15.

debate on the Assessment Act and entailed the opposition of Mr. K. C. Irving, the second largest employer in the province next to the Canadian International Paper Company. Customarily described as the province's "leading industrialist," his interests were among those which enjoyed substantial tax relief from such concessions.¹⁶ In an appearance before the Law Amendments Committee on December 14, Mr. Irving opposed the passage of the Assessment Act and charged that the power which would be given to the government to nullify tax agreements would break faith with companies who had made investments on the strength of such agreements. He warned that no-one would become involved in major industrial investment in the province in the atmosphere of distrust that the legislation would create.¹⁷ Mr Irving's four English language daily newspapers joined in opposition to the government's programme with the only other English daily, the Daily Gleaner, owned by Brigadier Michael Wardell, a bitter opponent of the premier and his government.

Much of the controversy which developed over the tax concession issue was the result of the development of some ambiguity as to the government's intentions during the fall sitting. The premier's general outline of the Programme on November 16th had stated that, "No tax concessions will be allowed in the

¹⁶See W. B. Sawdon, "Protesting Too Much," <u>Sackville</u> <u>Tribune Post</u> (January 6, 1966).

¹⁷New Brunswick, Legislative Assembly, Select Committee on Law Amendments, <u>Proceedings</u> (December 14, 1965), Tape 7, transcript pp. 47-51 (mimeographed).

future," and negotiations would be entered with effective parties to achieve "a fair and equitable solution."¹⁸ This statement and the rejection of the Byrne Commission's proposals that existing tax concessions "be terminated without compensation" was confirmed in the "Assessment Fact Sheet" which was circulated on the introduction of Bill 118. Sections 3 and 19 of Bill 118 repealed all existing tax legislation and established procedure for the consideration and negotiation with parties to "any agreement heretofore made" under which a five man board could order the rebate of any tax assessment under the Act. No reference was made to the rider added to the Byrne Report that provision might be made for a five year transition period to the new tax basis. 0n the second reading, however, of Bill 128, to repeal an act regarding adjustments of fixed valuations, some misunderstandings of the intent of Section 19 of Bill 118 became evident. The leader of the opposition objected to what he perceived as the power given to an appointed board under the Assessment Act to consider and negotiate tax concessions. This was a fear which continued to be expressed by other opposition members, despite the denials by the Minister of Municipal Affairs that there would be further tax agreements.¹⁹ Future policy was clarified later on December 7, when in presenting estimates of the financing of the government's programme, the

¹⁹<u>Ibid</u>. (November 26, 1965), p. 1155-56.

¹⁸New Brunswick, Legislative Assembly, <u>Synoptic Report</u>, <u>1965</u>, Vol. III (November 16, 1965), p. 1046.

Minister of Finance again referred to the renegotiation of present tax concessions and, in an example of the estimated affect on tax levies, spoke of the increase in the tax levy on Dalhousie due to the assessment and levying of taxes at full market value on "industries previously under special assessment."²⁰

It was this policy, understood as the rewriting or negation of existing agreements in "breach of faith" of binding contracts, which prompted the opposition of such figures as Mr. K. C. Irving and representatives of the Canadian International Paper and other companies, who warned that it would discourage existing or new industrial enterprises. At the end of some nine hours of the first sitting of the Law Amendments Committee on December 14, and the hearing of eighteen briefs, the Minister of Municipal Affairs, however, stated that there had been a misunderstanding of the bill and that the government believed that it had a "moral obligation to honour these agreements and fully intends to do so." The bill, in fact, was to provide for "willing negotiations" with the government for those holding agreements who wished to do so.²¹

This statement of policy was contrary to what the opposition members of the committee had perceived as the intention of the government, and they accused the government of

²⁰<u>Ibid</u>. (December 7, 1965), p. 1155-56.

²¹New Brunswick, Legislative Assembly, Select Committee on Law Amendments, <u>Proceedings</u> (December 14, 1965), Tape 25, transcript p. 178.

misleading those who had appeared before the committee. The charge was taken up in the Assembly eight days later in a nonconfidence motion which pointed to an apparent conflict between this statement and the earlier one by the Minister of Finance. The charge of inconsistency was denied by the government and the motion defeated.²² An amendment to the Bill 118, introduced February 17, struck out the previous Section 19 and substituted a new section which further clarified the choice that would be given to holders of tax concessions between tax payments at existing levels or on the basis of the new property and business assessments, subject to reference to a Tax Agreement Board.²³ This was a procedure which had been suggested by Mr. Nadeau, then Mayor of Edmundston, in his presentation to the Law Amendments Committee.²⁴

Although the public record does not permit a totally unqualified judgement, the weight of the available evidence does strongly indicate that the opposition from the representatives of the local governments and industrial corporations to the government's policy pronouncements concerning the tax agreements and their possible impact on industrial development, did result in a substantial modification of the government's

²³<u>Ibid</u>. (February 17, 1966), p. 2225.

²²New Brunswick, Legislative Assembly, <u>Synoptic Report,</u> <u>1965</u>, Vol. IV (December 22, 1965), pp. 1384-97.

²⁴New Brunswick, Legislative Assembly, Select Committee on Law Amendments, <u>Proceedings</u> (December 14, 1965), tape 13, transcript p. 89.

intentions. The interjection of the Minister of Municipal Affairs in the Law Amendments Committee and subsequent redrafting of the relevant sections of the Assessment Act, went beyond clarification. In particular, the denial of such a shift by the provincial government leaves unexplained the silence of its representatives on the Law Amendments Committee during the long succession of critical presentations.

A readiness on the part of the provincial government to respond to some of the mounting criticisms of its proposals was further shown by the Premier during the Christmas recess of the Legislative Assembly, when he announced that at the insistence of the municipalities the proposed ceiling of 50 cents per \$100 of valuation for local services would be removed.²⁵ This ceiling had been proposed by the Byrne Commission and originally accepted by the government in an effort to control the burden of property taxation. Any control was now to come from the local taxpayers. He further announced that the limit on annual borrowing for municipal capital projects would be increased, and that the cities and towns would be given the option of collecting their own taxes or having them collected by the province. This announcement foreshadowed the many revisions in the legislation originally introduced in November 1965 before their reintroduction during the new legislative session.

²⁵Louis J. Robichaud, "Address to the New Brunswick Federation of Labour" (January 18, 1966), mimeographed.

For the most part, the large number of revisions which were publicly made to the original proposals were due both to the magnitude of the reforms and the time available for their preparation. It was inevitable that the first drafts, or indeed even the second, of the required legislation could not anticipate all the complex political and legal implications of its various provisions. The revisions reflected both improvements in legal draftmanship and a response to the issues raised in public debate. In the latter respect, the provincial government largely resisted any fundamental adjustment to the general transfer of responsibilities. It did, however, show a special sensitivity to the charge that it was trying to destroy local autonomy and democracy and made an effort to soften the elements of centralization and provincial control where contained in its reform programme.

Bill 21, the new Municipalities Act, contained extensive alterations to the original draft. Among the fourteen amendments was a general extension through a preamble of the enumerated powers of the cities and towns, which read, "Any service deemed by the Council to be expedient for the peace, order and good government of the municipality and for promoting the health, safety and welfare of the inhabitants of the municipality" This was to allow the municipalities to make use of particular powers contained in their charters for local services. The fear that had been expressed in the opposition to the programme for the adequate provision of local services

to unorganized territory had also led the provincial government to now fully accept the concept of local service districts originally proposed by the Byrne Commission. Furthermore, proposals for an extension of the borrowing powers of the municipalities to temporary borrowings for current operating account to 4 per cent of their budget, and to increase the limit on annual borrowing for capital purposes, without requiring a "plebiscite," from 1/5 of 1 per cent to 1 per cent of assessment values, were also added to the new act.²⁶

Bill 137, the original draft of the Schools Act, had added to the authority and responsibility of the local school boards beyond the Byrne recommendations. To counter charges of centralization and undue ministerial discretion, the second draft, Bill 22, now provided for a still greater emphasis on the role of the boards in school administration and provided for the employment of a "Chief Administrative Officer" or district superintendent with a provincial officer or regional super-intendent to be appointed to act on behalf of the minister for regional district groupings.²⁷

The Final Version, 1966

The legislative provisions for the governmental reforms

²⁶See: New Brunswick, Legislative Assembly, <u>Synoptic</u> <u>Report, 1966</u>, Vol. I (April 15, 1966), pp. 189-94 and <u>Municipalities Act</u>, ch. 20, 1966 (1st sitting), First Schedule and Sections 24-28, 90-91. A further amendment in 1967 raised the borrowing limit to 2 per cent and permitted the establishment of revenue reserve funds - <u>An Act to Amend the Municipalities Act</u>, ch. 54, 1967.

²⁷See: New Brunswick, Legislative Assembly, <u>Synoptic</u> <u>Report, 1966</u>, Vol. I (April 19,1966), pp. 229-232 and <u>Schools</u> <u>Act</u>, ch. 24, 1966 (1st sitting).

were reintroduced in the Legislative Assembly which began its fourth session on March 22, 1966. Many of the bills introduced in the fall had been substantially redrafted or revised and, to assist in their scrutiny, the Law Amendments Committee was now made a standing committee of the House. Following the debate on the address in reply to the Speech from the Throne, an Easter recess and the resumption of the session on April 12 for the Budget Speech, which made no provision for the new programme changes, the government once again presented its series of reforms to the Assembly. On April 13, the government began the reintroduction of its revised legislative programme with the Financial Administration Act and its justice proposals. In the latter the government took the opportunity to add to the Byrne proposals the abolition of the separation between Chancery and Queen's Bench Divisions of the Supreme Court. Then followed the Municipalities Act, the Schools Act and twelve other education bills, welfare, health and a variety of municipal legislation, agriculture and minor amendments. On June 10 ninety-two bills received Royal assent; over seventy were related to the programme and included twelve new Acts, thirty-five amendments and thirty-nine repeals. The major remaining bills - the Schools Act, Municipalities Act, Municipal Assistance Act, Municipal Elections Act - together with the new Dams and Sluiceways Act, seven amendments, including the increase in the Sales Tax from three to six per cent, and broadening of

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its base, and twenty-four repeals all related to the programme, were contained among the forty bills which received Royal assent on the last day before the summer recess on June 22, 1966.

Rural Economic Development

The significance of the government's programme of governmental reform to the economic development of the province was made especially clear in the third week of September, when New Brunswick became the first province to sign a comprehensive area development agreement with the federal government. The two agreements which were signed for North-eastern New Brunswick and the Mactaquac region marked a significant departure from previous federal rural adjustment policies, and were designed to mount a concerted attack on deficiencies in education and labour mobility which lay at the root of rural poverty.²⁸

The North-eastern Region - 3,400 square miles comprising the counties of Restigouche and Gloucester plus a Northumberland County parish - had a labour force of approximately 29,000, of whom 10,000 were chronically underemployed or permanently unemployed. Average per capita income of \$500 was half the provincial average, and one third of the Canadian aver-

²⁸Helen Buckley and Eva Tihanyi, <u>Canadian Policies</u> <u>for Rural Adjustment</u>, Economic Council of Canada, Special Study No. 7 (Ottawa: Queen's Printer, 1967), pp. 202-210.

age.²⁹ A large amount of private investment was, however, being made or planned in the mining and pulp and paper industries in the region, and provided a potential base for the elimination of rural poverty. In providing for public investment to help achieve this objective, the development plan gave top priority to education programmes to upgrade the level of education and skills of the labour force, and to improve the overall educational facilities of the region.

The New Brunswick government's programme of school district consolidation and the provision of modern high schools thus formed a key element in the overall plan and had facilitated its early adoption. The existing one hundred school districts were to be reduced to six and capital expenditures of \$24,000,000 were to be made for educational facilities over a five year period. Other projects included the provision of special technical and vocational training, the relocation of households and construction of new housing units at major centres, the rationalization of farm holdings and a number of developmental projects including the improvement of the transportation network and investment in inshore fisheries. The total costs over a ten year period were estimated at \$89,250,000 with a federal contribution of \$62,136,000 allocated from Agriculture and Rural Development funds, the Fund for Rural Economic Devel-

²⁹Canada, Department of Forestry and Rural Development, <u>Agreement Covering a Comprehensive Rural Development Plan for</u> North-east New Brunswick (Ottawa: Queen's Printer, 1966), Schedule B, Program Guide.

opment, the Department of Manpower, and the Central Mortgage and Housing Corporation.³⁰

The second Mactaquac project at an estimated cost of \$20,950,000 with a federal contribution of \$15,358,000, was to provide for the development of an area of low productivity and growth surrounding the new hydro-electric dam on the Saint John River, fourteen miles above Fredericton. The dam was approved in 1963 and was being built at an estimated cost of \$78,300,000 by the New Brunswick Electric Power Commission, which received \$20,000,000 in assistance from the Atlantic Development Board.³¹ Both the North-east New Brunswick and Mactaquac projects were to be co-ordinated and implemented by the New Brunswick Improvement Corporation, a Crown corporation created in 1965 to co-ordinate such economic development projects within the province.³²

The Conclusion of the Legislative Framework

Before the resumption of the session a by-election was held in the four member Saint John City on September 12, 1966, to fill a vacancy left by the resignation of D. A. Riley, Chairman of the Power Commission. In 1963 Mr. Riley had gained the seat with a majority of 82 over the nearest defeated Conserva-

³⁰<u>Ibid</u>., Schedule C. Summary of Costs and Distribution.
³¹New Brunswick, Community Improvement Corporation,
<u>Agreement Covering a Comprehensive Rural Development Plan for</u>
<u>the Mactaquac Region of New Brunswick</u> (1966), Schedule B,
Program Guide.

³¹New Brunswick, <u>Community Improvement Corporation</u> <u>Act</u>, ch. 2, 1965.

tive candidate and the by-election was regarded as a test of the government proposals. Dr. Stephen Weyman, former Mayor of Saint John, successfully retained the seat with a majority of 57 and three days later was appointed to the Health portfolio. Following the by-election Mr. C. B. Sherwood announced his intention to resign his leadership of the Conservative Party and was subsequently replaced by Mr. C. Van Horne, former Conservative M.P. for Restigouch-Madawaska 1955-61, in a party leadership convention held on November 26. Mr. Van Horne had returned to lead the Conservatives in the next provincial general election and stood in a further by-election held on February 6 to fill a vacancy left in the three member Restigouche seat by the death of Dr. Dumont, Minister of Health. This byelection was an encouraging one for the Conservatives, as Mr. Van Horne was elected with a 2,673 vote majority over his Liberal opponent, former School Superintendent J. A. Savoie.

The last remaining legislative provisions for the reform programme were presented during the October and November 1966 sittings of the Legislative Assembly. Three major items remained: the County Courts Act, the Real Property Tax Act and the Supplementary Appropriation Act which provided for an estimated total gross expenditure for the first three months of the programme of \$27,157,163.³³ Total additional expenditure was estimated at \$19,342,400 and revenues at \$14,280,370.

³³The estimate for education was considerably above the first figures given by the Minister in December.

These bills and special provisions for the Town of Oromocto, a new Emergency Measures Act, which repealed the existing Civil Defence Act, and six amending Acts received Royal assent together with fourteen other bills at the close of the session on November 24, 1966.

This second 1966 sitting was also the occasion for a further public revision of government policy, in this instance concerning the social services and education tax. In broadening its base under the June amendment, the government had provided for the removal of the exemption on children's clothing. This exemption had proved difficult to administer and substituted in its place was an annual rebate of \$4.00 to family allowance recipients. This aspect of the amending Act attracted considerable criticism and particularly strong opposition within the Assembly as the Bill was considered in Committee of the Whole.³⁴ On resumption of the sitting of the Assembly in October, it was the first item raised by the opposition, who were promised a later announcement.³⁵ A motion subsequently introduced by the opposition which called upon the government to amend the relevant sections of the Social Services and Education Tax Act was ruled out of order by the Speaker. He ruled that debate on an act could not be revived by a subsequent motion

³⁴New Brunswick, Legislative Assembly, <u>Synoptic Report,</u> <u>1966</u>, Vol. III (June 15, 1966), pp. 1159-67 (June 17, 1966), pp. 1269-81, pp. 1284-1322 (June 18, 1966), pp. 1324-31.

³⁵Ibid., Vol. IV (October 18, 1966), p. 1402.

at the same session. An amending bill might be introduced but where the act involved the raising or spending of money the bill could only be introduced by the government.³⁶ Finally, on the presentation of the supplementary estimates for the government's reform programme, the Minister of Finance stated that the new sales tax provisions would take effect January 1, 1967, and that, in view of the "considerable public debate" concerning the taxation of children's clothing, the government would take steps to continue the exemption.³⁷

The new draft of the Real Property Tax Act was also more comprehensive in scope than the original 1965 draft and provided for the imposition of municipal and provincial real property and business assessment taxes, including the provincial tax of \$1.50 on each \$100 assessment, ³⁸ municipal taxation for local services, school district taxation for supplementary education programmes and local service district taxation. Whereas the original 1965 draft had provided for administration by the Department of Municipal Affairs, the act now provided for it to be carried out by the Department of the Provincial Secretary, together with that department's other major revenue

³⁶<u>Ibid</u>. (November 9, 1966), pp. 1473-74.

³⁷Ibid. (November 15, 1966), p. 1539.

³⁸New Brunswick, <u>Real Property Tax Act</u>, ch. 151, 1966 (2nd Sitting). This had previously been part of the proposed Schools Act. A federal amendment to the <u>Municipal Grants Act</u> was, however, to make this device unnecessary. See Canadian Tax Foundation, <u>The National Finances</u>, 1969 (Toronto: Canadian Tax Foundation, 1968), p. 146.

functions. All municipalities accepted the tax collection services of the province under the act.

The Transfer of Responsibilities

On January 1, 1967, the administrative provisions of the provincial government's reforms took effect as the County Councils wound up their affairs and interim school boards began their administrative duties pending the new local government elections held in June 1967. The transfer of responsibilities was also accompanied by the transfer of all full-time local personnel who had been employed by the municipalities and school boards, and who wished to join the provincial public service. This transfer had begun with the assessment personnel, who had been absorbed into new provincial offices during the summer of 1966 to carry out a crash assessment programme ready for January This project encountered some difficulty from Mayor E. Jones 1. of Moncton, an opponent of the government's reforms, who demanded compensation for the transfer of city records and placed a police guard over them in an attempt to prevent their removal by provincial officials.³⁹ The assessment programme was, however, a highly successful undertaking and was completed by the beginning of 1967 in readiness for the first provincial property tax collection.40

In 1966-67 some 550 former municipal employees were

³⁹Saint John Telegraph Journal (August 12 and 13, 1966).
 ⁴⁰R. H. Craig, "Revolution in Assessment and Taxation in New Brunswick," <u>Assessors' Journal</u> (July 1967), pp. 28-29.

brought into the provincial public service as a result of the transfer of responsibilities.⁴¹ To facilitate the transfer special meetings had been held during the fall of 1966 to orientate them to provincial employment and those who wished to enter the provincial public service were subsequently interviewed and classified by the Civil Service Commission. Those who were not immediately accommodated were temporarily assigned to provincial departments and paid by the Civil Service Commission until they could be assimilated into permanent departmental positions for which they received priority.

The transfer of responsibilities affecting schools and hospitals together with pressures within the New Brunswick Liquor Control Commission brought the issue of public service employer-employee relationships to the fore. In June 1966 Dr. Saul Frankel of McGill University was appointed as Royal Commissioner to report on what arrangements would insure, "appropriate, effective and just relationships." His report was released in the summer of 1967. It proposed a major expansion of collective bargaining in the provincial public service with a carefully constructed system of voluntary arbitration, ⁴² and formed the basis for the 1968 Public Services Labour Relations Act.

42 Ibid., Part One.

⁴¹New Brunswick, Royal Commission on Employer-Employee Relations in the Public Services of New Brunswick, <u>Report</u> (Fredericton: Queen's Printer, 1967), p. 40.

When the provincial legislature reopened in March, 1967, the reform programme still continued to be a contentious issue. A number of further amendments were introduced to the legislation passed in the previous session and new provision was made for provincial regional libraries. The provincial government now advanced further legislation which it termed a "Program for Citizen and Community." The new proposals included the establishment of the office of Ombudsman, a Human Rights Commission, a provincial Translation Bureau, and a Housing Corporation and Post-Secondary Education Commission, Truth-in-lending legislation, and medicare for welfare recipients.⁴³ Planning for the reform programme and its implementation which had been co-ordinated through the Office of Government Organization gradually reverted entirely to the government departments during the summer of 1967.

On October 23 the long awaited provincial election was held. The programme figured in the electoral campaign in such issues as centralization, the level of provincial property taxation, the size of school districts and the transportation of school pupils. The personalities of the Premier and the Leader of the Opposition were, however, also primary features of the campaign. In the election, fought within newly revised elect-

43_{New Brunswick, Legislative Assembly, Synoptic Report, 1967, Vol. I (March 14, 1967), pp. 2-8.}

oral boundaries, 44 the Liberal government were returned with the same number of 32 seats it held in 1963 in a legislature enlarged by 6 seats to 58. Mr. Van Horne was personally defeated with 221 votes below those of the lowest successful Liberal candidate in his riding. The overall distribution of votes changed only slightly from 1963 with the Liberal share of the total going from 52 to 53 per cent. The most notable shift in representation came from the government's loss of Charlotte County, a marginal four member seat, due to a 3 per cent swing to the Conservatives in which the Minister of Labour lost his seat. The Ministers of Health and Youth and Welfare also lost their seats due to a similar shift in Saint John Centre. The election marked the end of two years intense political struggle within the province and its result gave the government the opportunity to continue with the implementation of its programme for economic and social reform.

Some indication of the magnitude of the reforms is shown in the volume of legislation presented before the House.

⁴⁴The last redistribution had taken place in 1946. In March, 1967 the provincial government introduced a new Elections Act based on a report prepared by the Hon. J. E. Michaud, retired Chief Justice of the Queen's Bench Division. Its provisions included the use of a single standard ballot paper for the first time in New Brunswick and the holding of plebiscites in provincial elections. In addition, the government announced its intention to appoint an independent electoral boundaries commission, but as an "interim" measure provided for an immediate increase in representation in six areas and for an establishment of separate constituencies for all cities in the province. When accused of gerrymandering, the premier stated that he had not been a member of the six or seven member committee which had drawn up the boundaries and that its judgement was based on "geographical population."

In April 1965 there were 367 public statutes in the province. By November 24, 1966 the government's programme had resulted in provision for the amendment of forty-eight of these, the repeal of sixty-five and the passage of twenty-two new acts. Thus, within a year, over 30 per cent of the provincial statutes had been amended or repealed, and replaced by a new framework for provincial and local government of the province.⁴⁵ While this had involved an enormous expenditure of effort on the part of the provincial government and the provincial public service, it remains a framework. The achievement of the "equal opportunity" goals of the reforms will require a continuous allocation of resources. The success, however, in achieving the preliminary administrative reforms provided a potentially stronger base for the future social and economic development of the province.

Responsiveness, Distribution and Development

The scope of the governmental reforms was such as to impinge on virtually every sector of the province and prompted spokesmen for industry, farming, local government, employee groups, social service groups, church groups and others to express their interest in the government's proposals. Many of their comments were peculiar to their own sectional interest or concerned with the detailed statutory provisions for

⁴⁵A comprehensive review of the new municipal organization of the province is contained in: Edwin G. Allen, <u>Municipal Organization in New Brunswick (1967</u>) (Fredericton: September, 1968).

the programme. Indeed the attention given to the technical Assessment Act as the government's first priority for its legislation was apt to result in a quarrel with its draftsmanship as much as with the overall intent of the legislative programme. Whatever their particular concerns, however, the recurring theme of the opposition to the programme was its interpretation as a programme of excessive centralization to be forced on the province at the expense of responsible government. As Mr. G. A. McAllister observed, the principle of equal opportunity and the imperative need to provide better standards of service were not at issue. The issue was rather the method to achieve them, i.e. the necessity of refashioning the total structure of government of the province, and the role of local government in that structure in the way proposed by the government. 46 The alternative presented by the opposition Conservative party and echoed by the Rural Association of the Union of New Brunswick Municipalities, was to strengthen the role of the municipalities by relieving the pressures on municipal taxation and to provide provincial funds to upgrade the standards of service. The province would in turn seek the channelling of additional funds into the province. The proposed new structures and roles of provincial and local government were seen as a negation of local participation in govern-

⁴⁶ G. A. McAllister, "The Program for Equal Opportunity: Philosophy and Implications," Address to Mid-Winter Meeting, New Brunswick Branch, Canadian Bar Association, Saint John (February 11, 1966), p. 29.

ment, and it was feared that government would become unresponsive to local needs and demands.

It was argued earlier that the programme had developed out of an emphasis on what Gabriel Almond and Bingham Powell have termed the distributive capability of the political sys-In contrast the opponents of the programme may be seen tem. to have placed their emphasis on the continued performance of the system's "responsive capability." Local self-government is capable of performing this capability in two senses. Firstly, the processing of local demands is made at the same level at which such demands are articulated. This permits ready access and local participation in such processes. The political system is thus made potentially responsive in that local needs become felt demands. Secondly, the responsibility for meeting these demands is also left to local government. Its structures have developed as a means of providing a sustained and effective response to local demands. The effective performance of this responsive capability in this latter sense is, however, largely dependent on an ability to extract sufficient financial resources to support public policy. Since individual local units of government can only rely on a limited and generally insufficient local financial resource base, they often are unable to effectively respond to local needs and demands, and especially those for social services. The opponents of the government's programme therefore argued, in effect,

that this base should be broadened through a transfer of funds from the provincial level of government. The latter should in turn broaden its base beyond the provincial boundaries through the extraction of additional funds from the federal government.

This approach is a traditional one to local government. An emphasis on the role of local government as an instrument of local participation tends to take its traditional local structures and roles as given, and views the fundamental problem, and often its solution, as financial. 47 The problems of local government, it is agreed, could be most simply solved by increased provincial assistance while existing sources of local tax revenue might also be more effectively utilized or new sources found. The numerous governmental enquiries into the organization and finances of local government that have been carried out by the provincial governments in Canada since the Second World War have generally followed this approach. They have proposed one or a combination of these solutions. As an alternative to increasing the financial resources of local government, the transfer of certain responsibilities to a higher level of government has also been considered, but generally not pursued.

In opting for a transfer of responsibilities rather than of financial resources, the New Brunswick government was

⁴⁷K. G. Crawford, <u>Canadian Municipal Government</u> (Toronto: University of Toronto Press, 1954), p. 359.

responding to what it perceived as the underlying social and economic needs of the province. Though geographic and demographic conditions account for some of the differences in the approaches adopted in New Brunswick and those put forward elsewhere, the Byrne Report and the government's programme were more than exercises in the determination of government structures in accordance with such conditions. The overriding concern of both was rather the need to accelerate economic growth. As observed earlier, the Byrne Commissioners reported they were "constantly mindful of the province's need for more industry and economic expansion," and saw their proposals as doing much to create a favourable climate for its achievement. They had also included in their report specific proposals for the direct stimulation of economic development. Economic development and the level and distribution of public services were intimately related. The improvement of public services made possible by the implementation of its proposals would, it was argued, encourage economic development and by the enlargement of the revenue bases of government the latter would further reduce the burden imposed for the provision of such ser-In acting upon the Commission's recommendations, the vices. provincial government similarly associated its programme with attempts at improving the economic position of the province.

To bridge the economic disparities which exist between the province and the rest of Canada by raising the general economic condition and the level and distribution of public services suggested that the social and political life of the province take on a new character. It required New Brunswick to break out of its traditional parochialisms and to take on the form of a single political and economic entity. 48 The concern for economic development and the distribution of public goods and services are closely interrelated. In drawing up a typology of development administration, Edward Weidner has suggested a distinction may be drawn between two major tendencies in government's role in economic and social development.⁴⁹ In one case, a "production-orientated" government would be concerned with rapid rates of growth to expand the capacity of society to provide goods and services. In the other a "consumption-orientated" government would be concerned with the maximization of consumption given the existing level and rate of economic development, and emphasize either physical or social services. The latter is typical of state governments in the United States and, given their primary responsibilities, may be attributed to the Canadian provinces. The 1965-66 reforms, however, indicate the prevalence of a hybrid consumption-production orientation in New Brunswick. While in the short run the governmental reform program appears as consumptionorientated, from a longer perspective it was deliberately

 $^{^{48}}$ The implications for this approach in the allocation of provincial-municipal responsibilities are shown in the comparative tables <u>infra</u> V - 1 and 2.

⁴⁹Edward W. Weidner, "Development Administration: A New Focus for Research," in Ferrel Heady and Sybil Stokes, eds., <u>Papers in Comparative Public Administration</u> (Ann Arbor: Institute of Public Administration, University of Michigan, 1962), pp. 108-09.

TABLE V - 1

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NEW BRUNSWICK: MUNICIPAL CURRENT EXPENDITURE AND REVENUE

	55 - 1967 (Actual)	(Prelim.) 1966	(est.) 1967
URRENT EXPENDITURE:	<u>1965</u> th	ousands of dollars	
Education	25,590	27,375	- .
Social Welfare	4,202	4,877	-
Health	1,736	1,773	-
Debt	9,400	9,683	4,454
General Government	3,867	3,770	2,048
Protection of Persons and Property	5,966	6,570	5,794
Public Works	3,372	3,865	5,945
Sanitation and Waste Removal	815	939	1,197
Recreation and Community Services	1,335	1,765	1,597
Other ·	3,098	4,184	3,177
LATOT	59,381	64,801	24,212
Provincial Contributions, Grants and Subsidies	12,021	15,547	10,801(
CURRENT REVENUE:			
Taxation	40,422	38,418	10,204
Contributions, Grants and Subsidies	16,464	19,760	10,976
Other			
TOTAL (1) 1967 includes federal	58,872	60,576	22,710

Source: Canada, Dominion Bureau of Statistics, <u>Municipal Government Finance, Revenue</u> and <u>Expenditure, Preliminary Estimates, 1966-67</u> (68-203) and <u>Municipal Government Fin-</u> ance, <u>Revenue</u> and <u>Expenditure, Actual, 1965</u> (68-204).

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TABLE V - 2

NEW BRUNSWICK: PROVINCIAL NET GENERAL EXPENDITURE AND REVENUE 1965-1968

NET GENERAL EXPENDITURE:	Actual 1965	Est. 1966	Est. 1967	Est. <u>1968</u>
Education	21,502	(Thousands of 25,540	dollars) 80,690	92,120
Social Welfare	8,673	8,690	9,890	10,840
Health	24,489	20,650	36,360	39,470
Debt Charges	11,723	12,760	14,870	21,040
Transportation and Communications	38,855	35,810	44,720	40,930
Natural resources and primary industry	7.599	8,420	9,110	12,590
Unconditional grants to local government	9,709	10,690	10,380	12,720
Other	13,868	14,780	24,800	23,600
TUTAL	131,418	146,348	230,820	253,310
NET GENERAL REVENUE:				
Total Taxation ⁽¹⁾	55,755	62,320	114,940	125,270
Government of Canada	44,883	49,139	72,393	79.833
Other	27,683	32,481	33,637	36,897
TOTAL	128,321	143.940	220,970	242,000
(1) Property 1965: 454: 1966: 400:	1967: 2	5,990; 1968:	25,950	

Source: Canada, Dominion Bureau of Statistics, <u>Provincial Government Finance, Revenue</u> and Expenditure Estimates (68-205), and <u>Provincial Government Finance, Revenue and</u> Expenditure (68-207).

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designed to improve the level and distribution of public services in the interests of future economic growth which in turn would increase the overall capabilities.

As one of the major vehicles of change open to the provincial government, the restructuring and improvement of the educational system lay at the heart of the New Brunswick program.⁵⁰ Regarded as both a direct service to residents and as one of the prime determinants of development, this reform was both consumption and production orientated. The "Programme for Equal Opportunity" thus complements the work of such agencies as the New Brunswick Development Board, the Community Improvement Corporation, and the Research and Productivity Council, and the more recently formed Department of Economic Growth and the Development Policy Secretariat. As such the programme could be justified both in terms of its potential as an investment for the direct benefit of the individual and for the future economic development of the province.

⁵⁰For discussion of educational development in a political context, see: J. S. Coleman, ed., <u>Education and</u> <u>Political Development</u> (Princeton: Princeton University Press, 1965), Part IV.

PART TWO

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ADMINISTRATION AND REFORM

CHAPTER VI

PUBLIC SERVICE PARTICIPANTS AND PERCEPTIONS

The determination with which the provincial government pursued its reform programme and its subsequent success in the provincial general election held in the fall of 1967 would seem to belie the existence of a strong status quo orientation in New Brunswick politics. The intense resistance to the introduction of the reforms, however, indicated a persistence of the underlying conservative tendencies. There was by no means any overwhelming predilection for reform throughout the province. The new orientations may rather be seen in large part as a function of the political leadership exercised by the provincial cabinet and, in particular, by the provincial premier. In the late 1950's Professor Thorburn observed that the dominating position of the premier was one factor which could threaten the immobilism of New Brunswick politics, but added that those attaining this office were themselves too imbued with parochialism to utilize their power to disturb the poli-

tical equilibrium.¹ The first Acadian party leader to win a New Brunswick provincial general election, Louis J. Robichaud had become premier in 1960 at the age of thirty-four. He displayed an unusual willingness to use his authority to effect what were regarded as necessary steps to meet the urgent economic and social needs of the province and to persist in his policies in the face of formidable political opposition. While in this sense the formulation and implementation of New Brunswick's "Programme for Equal Opportunity" rested in large measure on political leadership, J. D. Montgomery's observation that "most government action depends in the last analysis upon the effectiveness of the formal bureaucracy "2 also applies. In accordance with the general shift in emphasis within Canada to the responsibilities of the provinces and the fuller recognition of these by the provincial government of New Brunswick, there has been increasing reliance placed upon the resources of the provincial bureaucracy. The carrying out of this programme for planned administrative, social and economic reform provides an opportunity to observe the dynamics and constraints of policy making within a structurally developed administrative system as it adapted to the tasks of administrative reform and development.

¹Hugh G. Thorburn, <u>Politics in New Brunswick</u> (Toronto: University of Toronto Press, 1961), p. 181.

²J. D. Montgomery, "A Royal Invitation; Variations on Three Classic Themes," in J. D. Montgomery and W. J. Siffin, eds., <u>Approaches To Development: Politics, Administration and Change</u> (Toronto: McGraw-Hill, 1966), p. 261.

The Byrne Report and the Provincial Public Service

The Byrne Commission was sensitive to the role of the public service in providing the basic resources for the planning of new structures and policies and their subsequent operation and development. In recommending a reorganization of provincial-municipal relationships within New Brunswick, the Commission reported that as presently organized and constituted the provincial departments would be unable to implement its recommendations and that without a reorganization of provincial administrative structures very little would be achieved. It had proposed that the Departments of Education, Health, Welfare and Municipal Affairs be replaced by administrative commissions which, wile not necessarily permanent structures, were at that juncture and for the foreseeable future the only way to replace the existing antiquated struct-The general reasons advanced for the new administrative ure. commissions included two which reflected upon the capabilities of the existing department structures. Firstly the Commission argued that to implement its recommendations a great deal of work would be required in a limited period of time. This situation called for a new form of administration that was "geared to change" and for men sympathetic to change. The Commission argued that, left to the existing departments, the inertia of established administrative patterns would impede change whereas the proposed administrative commission, while permitting the retention of those practices which remained appropriate, would be a fresh start. "If we had to give one all inclusive reason for advocating commissions," the Byrne Report stated, "it would be the imperative need for change. It is a time calling for the exercise of initiative."³ Secondly it was argued that since weak and incompetent administration could wreck the best of programmes, success depended on the assembling of the best qualified personnel obtainable from both within and outside the present departments. Administrative commissions could permit the hiring of the best available without restriction as to salary or seniority, and would give them full scope for the exercise of their abilities. Those who did not give satisfactory performance could be promptly removed.

The Commission's assessment of the existing structures and personnel was also expressed in a call for a general upgrading of the skills of the provincial public service and the establishment of new priorities, effective controls and greater co-ordination and integration of policies and programmes. In the departments concerned in its field of enquiry the Commission found political interference, lack of direction, promotions on the basis of seniority rather than ability, and decision-making based on incomplete and inadequate information. "In general," the Report stated, "the administration of the province suffers

³Province of New Brunswick, Royal Commission on Finance and Municipal Taxation, <u>Report</u> (Fredericton: Queen's Printer, 1963), p. 319.

from a lack of well qualified energetic and competent senior officers."⁴ The Commission concluded its arguments for a strengthened public service in the following terms:

We are appalled at the neglect in the development of the public service in this province at both the provincial and local levels. If it were not for a few able individuals dedicated to the welfare of the province, the administration would have broken down completely ... We are strongly of the opinion that for the reasons given, the establishment of the administrative commissions is essential for the success of the recommended programmes in education, social welfare and municipal affairs and that it would be the height of folly to introduce these programmes, with the 5 present inadequate departmental structure and personnel.

The provincial government did not adopt the proposed administrative commissions and government ministers defended their senior officials and administration against the pessimism of the Commission. The decision to proceed with a programme of administrative reform within the basic framework of the existing departmental structure was the first major decision taken by the government in connection with the Byrne Report. Given the repeated strictures of the Commission against the capabilities of the departments concerned with such functions as education, health, welfare and municipal affairs and the neglect in other areas unaffected by its recommendations, this decision was a critical departure from the Report. In the planning and implementation of its reforms the provincial government drew in large part on the resources of a new central agency, the Office on Government Organization (OGO), which acted as the secretariat for a co-ordinating cabinet committee.

^{4&}lt;u>Ibid</u>., p. 37.

⁵<u>Ibid</u>., p. 319.

This agency was, however, ultimately reliant on the resources of provincial departmental personnel who had been the object of the Commission's critique. While the shaping and implementing of the reforms rested upon all those charged with any function touching upon the services related to the areas of provincialmunicipal responsibility affected by the government's programme, its basic formulation was circumscribed by the capabilities and orientations of senior officers in the regular provincial departments and the co-ordinating secretariat. The latter provided the principal means for attempting the changes in the pattern of government of the province. As the most active participants in the policy-formation process within the public service, they helped set the options considered by the provincial government. Identification of those most active in the policyformation process in the 1965-67 period shows that the provincial government was in fact able to mobilise a wide range of talents in the formulation of its "Programme for Equal Opportunity."

The Active Participants

For the purpose of this study some seventy-one public servants in managerial and executive positions in those departments and agencies associated with the programme were initially identified as potentially active policy participants. This pool was derived on the basis of both job classifications and working assignments during the 1964-67 period which could

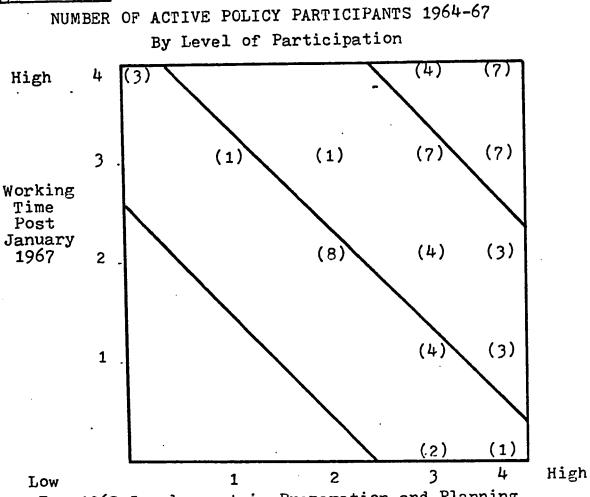
normally be expected to place them at leverage points within departmental or interdepartmental decision-making processes. By further enquiry and counter-checking among members of the initial pool, the latter was reconstituted. Structured interviews with the sixty-two members of this second grouping led to the elimination of seven as marginal participants and as the final result of this search, a group of fifty-five were defined as the active participants in the shaping of the 1967 programme.⁶

In addition to the sifting process described above, those interviewed were asked to rate the degree of their own participation both to gain an approximation of the individual's degree of involvement and also to filter out any who might have been over-rated as at least marginal participants on the basis of position or reputation. Each participant was asked to assess the degree of his participation, first for the amount of working time spent on matters connected with the programme since January 1967, and secondly the extent to which they had participated in the preparation and planning before that date. The two dimensions of time and involvement were designed to determine who might continue to be termed an active participant either on the basis of: a) participation in the basic design and choice of policy alternatives between 1964 and the formal date of the assumption of local responsibilities, and/or b) working time spent on the second stage of the policy forma-

 $⁶_{\rm The \ contents \ of \ this \ chapter \ and \ chapter \ VII \ are \ based$ on these 2-3 hour interviews. See Appendix for questionnaire used.

tion and implementation after that date. Those who rated themselves below the mid-point on a five point scale for both dimensions were disqualified as active participants. Of the remaining fifty-five, approximately one third showed a very high degree of participation in rating themselves as spending "all of their working time" on the programme and/or taking part in the preparation and planning "a very great deal." An equal number showed a second level of participation in rating themselves above the mid-point on at least one dimension with the remainder comprising a third lower level of intensity. (See Figure VI - 1)

Figure VI - 1



Pre-1967 Involvement in Preparation and Planning

The active participants identified above comprise three per cent of the total number of public servants employed in the provincial departments directly affected by the programme. Their location as of August 1967 is shown in Table VI - 1. Table VI - 1

LOCATION OF POLICY MAKING PARTICIPANTS 1966-67 AS OF AUGUST 1967

Location	No.	Location	No.
Education	9	Civil Service Commission	3
Health	7	Finance	5
Justice	5	Other	3
Municipal Affairs	4	Sub-total:	11
Provincial Secretary	3	Other Departments	11
Public Works (Buildings)	2	Office on Government	7
Youth and Welfare	5	Organization	7
Sub-total: Operating Departments	35	Non-Provincial Public Service	2
		TOTAL	55

Anumber of both temporary and permanent transfers had taken place since 1966 and for purposes of analysis the fifty-five participants may be regrouped into four categories. During the 1966-67 period, thirty-three participants were primarily employed by the existing government departments concerned with the provision of services to the public and eight by the internal service and planning (or "non-operating") departments and agencies. An additional five participants were included by virtue of being

seconded from a department to the Office on Government Organization for varying lengths of time together with the nine directly attached to that office.

The relative influence or amount of leverage exercised by individuals or any group of these participants can be expected to have varied according to the personal and positional resources available to them and the particular policy items or stage of the policy-making process they were involved in. As was anticipated, those associated with the central co-ordinating agency rated themselves very high in their degree of participation to the programme both in terms of time spent, and assessment of their own involvement in the programme. Only half of the inner group of eighteen participants were departmental employees. Of special note in these ratings was the combination of a high degree of participation and a relatively lower one on working time. This points to an important distinction to be made between the OGO staff and departmental employees in their involvement in the programme. While the raison d'etre of OGO was the introduction of the programme itself, the latter shared their responsibilities in its planning and implementation with other ongoing departmental functions. Their attention was thus correspondingly more divided and the time and effort available for the reform process more limited. This applied particularly to the more senior officials such as the deputy heads who shared their involvement in the programme with a broad range of administrative roles. While the higher a departmental participant's

salary, the higher he rated his degree of involvement in the preparation and planning in the 1966 period, the higher the salary, the lower he assessed his working time spent on the programme (See Table VI - 2), at a period in which his own department was assuming a greater responsibility for its implementation.

Table VI - 2

PARTICIPATION OF DEPARTMENTAL EMPLOYEES BY SALARY

A. <u>Time - 1967</u>

	Salary Range (Dollars)				
	8-9,999	10-11,999	12,000+	Total	
All		4	2	6	
Most	2	4	7	13	
About half	2	1	12	15	
A little	2	-	3	5	
Total	6	9	24	39*	
· · ·			Y = -0.43	31	
B. <u>Involveme</u>	ent - 1964-6	66			
A very great deal	1	2	10	13	
Quite a lot	4	5	7	16	
Moderately	1	-	8	9	
Only a little	-	1	-	1	
Total	6	8	25	39*	
			Y = .535	-	

*Number of Departmental Participants employed during time period indicated

Profile of the Active Participants

In identifying the major characteristics of the active participants it was found that they were predominantly anglophone, university-educated males who had spent the greater part of their life in New Brunswick and earned in excess of \$12,000 per year. The minority position of women in this group conforms to our society's pattern of male ascendancy in executive recruitment and the small number of francophones similarly brings to attention the dominance of English culture within the provincial civil service. Only 9 per cent of the active participants were women, compared to an average of 46 per cent in those departments most directly affected by the programme and 36 per cent for the public service as a whole. While the low status of women shown by this comparison is hardly peculiar to the New Brunswick public service, prior to 1967 the Civil Service Act was directly discriminatory against women by denying permanent appointments to married women unless they were head of a household and without other means of support. Only "continuing temporary" appointments were open to the latter and while 9 per cent of male public servants held a temporary status renewable every three or six months, some 56 per cent of females were in this category. The number of female active participants was too small to make any significant comparison between the government departments on the basis of sex. Two women were members of OGO staff and three were members of operating departments. Salary levels were however of more signifi-

cance in that whereas none had a salary in excess of \$12,000 per year, 62 per cent of the males were at this level.

One member of the OGO staff and five departmental officials were of French mother tongue. The large francophone minority of the Province was thus represented by only 11 per cent of the active participants.⁷ Hugh Thorburn has observed that a civil service is bound to reflect the society it serves.⁸ In this instance, New Brunswick society has been essentially a hegemony of the English language and British ethnic origin. In his 1965 study of the provincial public service, Thorburn found 26 per cent of the entire public service to be of French ethnic origin and 18 per cent of French mother tongue, compared with 39 per cent and 35 per cent respectively in the total provincial population. The number of French public servants in the managerial and professional classifications comprised a "balanced" 25 per cent of the total of French origin, but the most typical occupational classification for those of French origin was that of "other labour" (i.e. unskilled).9 The working environment at policy and administrative levels and the general social climate in the provincial capital have undergone significant improvements affecting the position of French speaking employees and residents, but until recently they

⁷The idea of representation is used here in a symbolic sense or what Frederick Mosher has termed its "passive" meaning. See: Frederick C. Mosher, <u>Democracy and the Public Service</u> (New York: Oxford University Press, 1968), pp. 10-14.

⁸Hugh Thorburn, <u>Ethnic Participation and Language Use</u> <u>in the Public Service of New Brunswick</u>. Report for the Royal Commission on Bilingualism and Biculturalism (Ottawa: Queen's Printer, 1966), mimeographed.

^{9&}lt;u>Ibid</u>., p. 35.

provided less encouragement to the francophone than to the anglophone who sought a public service career. English was the prevailing working language at the policy and administrative levels, with the one exception of the Department of Fisheries, and all official communication with Fredericton was in English. At the highest level, Thorburn found only two of the twenty public servants of deputy head status were of French ethnic origin and of the remainder sixteen were considered unilingual.¹⁰

As a province undergoing a persistent net outflow of population and with only 13 per cent of its population in 1961 from outside New Brunswick, one may anticipate the provincial public service to be predominantly of New Brunswick origins. Recruitment of non-residents must rest to a large extent on the degree to which the public service was itself disposed to look beyond the province's own manpower resources. Prior to 1965 New Brunswick residents were given preference in employment under the provincial Civil Service Act. Appointment of non-Canadian or of Canadian citizens with less than five years provincial residence, two of which were immediately prior to the appointment, required approval of the Lieutenant-Governor in Council.¹¹ In practice, however, nation-wide recruitment campaigns in professional and technical categories of employ-

¹¹New Brunswick, <u>Revised Statutes</u>, 1952, ch. 29, section 49.

¹⁰<u>Ibid</u>., p. 65.

ment were conducted by the Civil Service Commission and the procedure for the appointment of non-residents had become a burdensome administrative formality. Nevertheless it did retain a symbolic significance. The repeal of this provision met with considerable opposition in the Legislative Assembly where it was argued that removal of provincial preference was seen as an acknowledgement of the criticisms of the Byrne Commission and the prelude to the recruitment of "outside experts."12 The changing scope of the provincial public service and the accompanying technical and professional needs had no doubt already necessitated such acquisitions for a number of years. But while a number of "non-New Brunswickers" occupied positions of considerable leverage in the policymaking process, they cannot by any definition be said to have been significantly over-represented in the planning and implementation of the 1966-67 reforms. In a province where 87 per cent of the population was born within its boundaries, 80 per cent of the total number of active participants, and 82 per cent of those who formed the inner group of very high participants were New Brunswick born.

Only ten of the fifty-five had spent the greater part of their lives outside of the Province of New Brunswick. Proportionately more of the OGO staff and those in "non-speaking" departments had a relatively short residence in the province

¹²See New Brunswick, Legislative Assembly, <u>Synoptic</u> <u>Report of the Proceedings, 1965</u>, Vol I (February 25, 1965), pp. 107-11: (March 9, 1965), pp. 245-56.

but public servants who may be termed residents rather than newcomers were predominant in all locations (see Table VI - 3). In addition, while some had only recently returned to the province, all but one of the forty-four New Brunswickers identified in this manner had been born in the province.

Table VI - 3

Location	Province/Country of Longest Residence				
	N.B.	Ont.	Prairie	U.K.	Total
0G0	6	1	1	1	9
0G0-Seconded	4	1	-	-	5
Operating Department	30	1	1	1	33
Other Department	5	2	1	-	8
Total	45	5	3	2	55
		γ_{1}	- G.K. =	.076 ¹³	

PARTICIPANTS BY RESIDENCE

The newcomers were typically young with a high level of education and limited experience in the New Brunswick Public Service. Four were between thirty and thirty-four years of age and six had received post-graduate training. Only two had more than three years of provincial public service. They all brought a high degree of managerial and professional experience, however, and four had had between five and fourteen years experience in

¹³ Goodman and Kruskal's tau is used here to measure the degree of association between location and residence.

the Saskatchewan provincial public service. Eight had been directly recruited at relatively senior levels and the other two longer-term employees had reached such positions.

The capability of a public servant to have a significant influence on the policy process is in part defined by the status accorded his position and his assigned responsibilities. Fifty-six per cent of the active participants in the policy process related to the 1966-67 reforms were above the \$11,000 salary level which marked the mid-point of the pay range for those at a branch director level (see Table VI - 4). Such persons occupied senior positions of high status within the provincial public service. Others at a more secondary level in terms of inter-departmental status were also in a position

Location	-10	Salary 10-13	(\$,000) 12+	Total
 0G 0	3	2	4	9
0G0-Seconded	1	2	2	5
Operating Department	4	9	20	33
Other Department	2	1	5	8
otal	10	14	31	55
		ч, -	• G.K. =	• 030

Table VI - 4

		Υ,	- G.K. =	•030
Total	10	14	31	55
Other Department	2	1	5	8
Operating Department	4	9	20	33
0G0-Seconded	1	2	2	5
OGO	3	2	4	9

PARTICIPANTS	ΒY	SALARY	LEVEL

to make significant inputs by virtue of the group status and and responsibilities assigned their agency in the total policy process, or in the case of certain operating department staff,

that of their own position within their internal departmental hierarchy. In Table VI - 2B, for example, the fourteen participants with a salary below the top range of \$12,000 per year may be assumed to have been of relatively low interdepartmental status with limited independent decision-making responsibilities. Twelve of the fourteen nevertheless rated themselves together with more senior participants at an above moderate amount of involvement in the preparation and planning of the programme.

As was observed earlier, the public service participants have been seen as the primary resource available to the provincial government in the planning and implementation of its reforms. Some indication of the nature of their skills is shown in the work experience and formal training they brought to their assignments. In their years of service in the New Brunswick public service the active participants proved to be in the main either career public servants with sixteen to twentyfive years experience or new recruits with five or less years experience. Thirty-eight per cent fell in the first category and 42 per cent in the latter (see Table VI - 5). Only eleven participants shared six to sixteen years experience, one less than those with under two years. Active participation appears to have been dependent on a long career within an operating department or direct recruitment to a particular leverage position within the public service during the immediate formative

<u>Table VI - 5</u>

Location	1-3	6-10	11-15	16-20	21-25	Total
OGO	8	1	-	-	<u> </u>	9
OGO-seconded	3	1	-	1	-	5
Operating Department	8	2	4	11	8	33
Other Department	4	2	1	1	-	8
Total	23	6	5	13	8	55

PARTICIPANTS BY YEARS OF NEW BRUNSWICK PROVINCIAL PUBLIC SERVICE

 $T_{1} - G.K. = .134$

years of the programme. Using salary as an indicator of status within the public service, one finds confirmation of this pattern in comparing the experience of departmental employees with their salary ranges. The weak and negative nature of the association between long experience and high salary indicates that compared to the period 1953-1962, a relatively large amount of recruitment had taken place since 1963 within the departments at the senior levels (see Table VI - 6). In addition to recruitment directly associated with the 1966-67 programme this also reflects the introduction and expansion of related departmental programmes and central personnel and financial agencies in the early 1960's which had been stimulated in such areas as vocational and technical training and social services by participation in federal shared-cost programmes. Those participants with relatively long experience were confined to the operating

Table VI - 6

Years Exp	perienc	e in tr	ne N.B. H	Public	Service
Salary (\$,000)	1-5	6-10	11-15	16+	Total
12+	8	1	4	12	25
10-12	3	1		6	10
-10	1	2	1	2	6
Total	12	4	5	20	41

DEPARTMENTAL PARTICIPATION BY SALARY AND NEW BRUNSWICK EXPERIENCE

√ = -.032

departments concerned directly with the administration of justice, education, health and welfare and municipal affairs. Since age and length of experience were closely related, the older participants were also virtually convinced to the operating departments (see Table VI - 7). Conversely, OGO parti-

Tabl	e VI	- 7

	PARTICIPANTS BY AGE GROUP							
Location								
Age Group	OGO	0G0- Seconded	Departme	other	Total			
25-34	8	3	1	3	15			
35-44	-	2	8	1	11			
45-54	1	-	15	2	18			
55 and over	. –	-	9	2	11			
Total	9	5	33	8	55			

 $f_{-G.K.} = .220$

cipants had more limited experience in the New Brunswick public service and were relatively young.

Experience outside of the provincial public service was in the main centred in the public sector. Employment in other provincial governments was confined to two members of the OGO staff, two from non-operating departments and one member of an operating department. Although their length of service was relatively short, a larger number had had some experience in the federal or foreign governments. Four from OGO and four departmental participants had between one and three years federal experience and one of the latter had some fourteen years experience in the United Kingdom. Twelve departmental and three OGO participants had also been employed at the local level of government. In the main this experience was as a teacher in a New Brunswick school district and twelve reported a teacher's license as one of their professional qualifications. Such a background reflects not only a normal channel of recruitment for education officials within the public service but also the earlier importance of the Provincial Normal School in the post-secondary education system and the employment opportunities of earlier decades. The latter are also shown in the diversity and combinations of working experience of the participants outside the public sector (see Table VI - 8). In addition to career backgrounds in engineering, accounting, journalism and the medical and legal professions, and as self employed managers, experience in real estate,

insurance and farming were also found among members of the operating departments with relatively long provincial public service.

<u>Table VI - 8</u>

Classification	0 G 0	0G0 Seconded	Operating Department	Other Departments	Total
Managerial	1	1	5	2	9
Professional- Technical	5	2	10	1	18
Clerical	-	-	3	-	3
Sales	-	-	5	-	5
Farming		-	1	-	1
Craftsman	-	-	1	-	1
Total	6	3	25	3	37
None Reported ^a	3	2	8	5	18

PREVIOUS PRIVATE SECTOR OCCUPATIONS OF PARTICIPANTS

^aIncludes those reporting only public sector experience.

Working experience outside the public service again reflects the two main categories of participant in terms of recruitment. Those who were recent entrants into the public service had uniformly more experience in higher status occupations than those with longer departmental service, which included many who advanced within the public service itself. A related pattern is also shown in the formal schooling of the participants (see Table VI - 9), since twelve of the sixteen participants who had not attained a university degree were departmental participants. If years of experience in the New Brunswick public service are related to schooling, a new trend to departmental recruitment at higher levels of educational achievement seems apparent (see Table VI - 10).

Table VI - 9

PARTIC	IPANTS	BY FORMAL	SCHOOLING			
		Loc	ation			
Formal Schooling	OGO	0G0 Seconded	Departm		Total	
Graduate degree	5		13	1	19	
University degree	3	2	9	6	20	
Post secondary	-	3	9	1	13	
High School	1	-	. 2	-	3	
Total	9	5	33	8	55	

$$T_{a} - G.K. = 0.114$$

Table VI - 10

DEPARTMENT								
		Years of Service						
Formal Schooling	1-5	6-10	11-15	16-20	21-25	Total		
Graduate degree	5	1	3	2	3	14		
Jniversity degree	5	-	2	5	3	15		
Post secondary	2	3	-	4	1	10		
High School	-	-	-	1	1	2		
Total	12	4	5	12	8	41		

 Υ = -.148

A strong association between the level of educational achievement and salary was also found among departmental employees (see Table VI - 11). This indicates that length of service and demonstrated performance in the New Brunswick public service was not in itself sufficient to give a participant senior status within the public service. Only one of the seven participants without a university degree and more than sixteen years in the provincial public service had reached a salary in excess of \$12,000 per year. Although this was a notable exception in that the particular person in fact had deputy head status, the remainder carried relatively less independent formal decision-making responsibility. They were in leverage positions primarily in the context of the central administrative services of their own departments rather than being members of an inter-departmental elite.

Table VI - 11

DEPARTMENTAL PARTICIPANTS BY SALARY AND SCHOOLING

Formal Schooling									
Salary High (\$,000) School		Post- Secondary	University Degree	Graduate Degree	Total				
12+	_	3	12	10	25				
10-12	-	5	2	3	10				
-9	2	2 2 1		1	6				
Total 2		10	15	14	41				
				•					

Y = .534

Perceptions of the Programme

Perceptions of the programme among the public servants with prime responsibility for its planning and implementations are taken to have been significant determinants of actual programme content. The degree of correspondence of such perceptions both within the group and with the rationale presented by the provincial government may similarly be taken as indicators of programme co-ordination. Shared aims would thus indicate a potentially integrated development and implementation of the programme while weak identification and diverse perceptions of the aims of the programme can be expected to have imposed significant constraints on the patterns of policy making both during the period of programme formulation and in its subsequent implementation.

In their statements as to the aims of the programme, the participants named an average of two items and tended to emphasize and link together the long-term social and economic aspects of the programme with the upgrading and standardization of public services (see Table VI - 12). The aims of the programme were described in such terms as: "social justice for the disadvantaged," "preparing people to participate in an urban rather than a rural society," "to see all people in need are no longer in need and fed and clothed as they should be," and still more graphically, as a "Sherwood Forest Operation."

Table VI - 12

"What Do You See As The Major Aims Of The Programme?"

<u></u>	Departs Operating	nents Other	0G0 Seconded	OGO	Total	√_ G.K. ¹
Equal Opportunity	8	3	3	4	18	.062
Economic/Social development	11	2	3	4	20	•037
Redistribution of tax burden/wealth	7	3	2	3	15	.080
Improve/standardize public services	15	3	2	4	24	.004
Better education services	9	2	1	4	16	.025
Administrative efficiency	3	4	-	3	10	•178
Financial efficiency	8	2	1	2	13	.001
N	(33)	(8)	(5)	(9)	(55)	<u> </u>

¹⁴Replies to this and the other open-ended questions used in this study have been grouped into as narrow categories as possible so as to preserve the essence of each response. This approach has the advantage of avoiding the forcing of preconceived perspectives upon the participants. It hinders the identification of relationships between the location of the participant and their attitudes and perceptions, since to do so one must make the assumption that each one could consider the full range of possible responses found throughout the public service. For purposes of comparison, however, and to provide a statistical check on the descriptive inferences drawn from the tabulation of the various responses, the level of association (Goodman and Kruskal's tau) has been calculated for each category of response. The coefficient indicates how much the knowledge of the location of the participants enables one to predict the response. Given the nature of the data a reduction in error of 10 per cent or more (i.e. a coefficient of .100) has been regarded as a relatively strong relationship and indicative of a differing perspective among departmental and OGO participants.

Their primary identification was thus with the anticipated long-term social effects rather than institutional aims and administrative efficiency in respect of provincial and municipal organization and finance which might be expected to have been of special significance to the public service. This pattern of perceptions shows a shared interpretation of the programme among the participants which conformed with the themes emphasized in the provincial government's definition of its aims.

The interest in the programme expressed by the participants was in large part focussed upon its actual content and in particular on the programme's effect on the level of public services and its financial and economic implications. As well as programme content, the process of policy formation was itself a primary object of interest. Over a third of the participants pointed to their own personal interest in participating in the carrying out of the programme which was seen as a considerable and unique enterprise (see Table VI - 13). This was particularly strong among the OGO participants. The economic effects of the programme tended to be of more interest among those participants in non-operating departments and seconded to OGO. While departmental personnel were alone in referring to an interest in specific structural of financial provisions, they too were interested in the magnitude of the undertaking. As one participant put it, "After twenty years in the public service, I am astounded by the initiative taken

Table VI - 13

"What Has Personally Interested You Most About The Programme?"

Interest	Departr Operating	nent Other	0G0 Seconded	OGO	Total	€ G.K.
Process/Operational:						
Participation	12	1	1	7	21	•163
Magnitude/ Uniqueness	8	2	4	3	17	•118
Content:						
Improved public services	11	1	3	5	20	•086
General aims	10	2	2	2	16	.010
Structural change	11	4	-	-	15	•144
Financial provisions	11	1	2	-	14	•099
Economic effects	4	3	3	1	11	•150
N	(33)	(8)	(5)	(9)	(55)	

by the government. It certainly makes a change for New Brunswick to lead the way." The overall pattern of responses showed that, as in their views on the aims of the programme, the participants showed a strong identification with the new reforms reinforced here by a satisfaction derived from the effort required in their preparation.

Shared perceptions of the programme were also found when the participants were asked to express agreement or disagreement with a selection of statements concerning the aims of the programme. There was virtually complete identification with the government's rationale for its reforms and an attempt to see the programme in the best possible light. Four statements were taken from defences of the programme in terms of the level of public services, distribution of the tax burden, assistance to local government and a real redistribution of money, and four further statements were taken from attacks on the programme in terms of its centralizing and ethnic character (see Table VI - 14). Explanation of the programme in terms of

Table VI - 14

"There are a number of opinions about what the aims of the Programme are. The following statements are the sort that other people make. Would you agree or disagree that they are among its aims?"

	Agree	Disagree	Undecided
To increase the administrative control of the Provincial Gov- ernment over local services	17	38	-
To provide acceptable minimum standards of education, health, welfare and justice throughout the Province	53	2	-
To abolish local government in New Brunswick	6	49	-
To help all local governments in the Province with their financial problems	48	6	1
To centralize government admin- istration in New Brunswick	15	33	?
To mainly help the French speaking areas of the Province	5	49	1
To spread the burden of local taxation in the Province	54	1	-
To take money from the richer areas and to give it to the poorer areas of the Province	36	17	2

(N = 55)

providing acceptable standards of education, welfare and justice throughout the province was rejected by only two participants who were more optimistic as to the standards to be provided. There was also virtually unanimous acceptance of the view that the programme was intended to achieve an equitable distribution of the burden of taxation. In addition 87 per cent agreed the Programme was to help all local governments with their financial problems. Of the 'pejorative' statements, abolition of local government and ethnic bias toward French-speaking areas were rejected by 89 per cent of the participants. The aim of redistribution of money between rich and poor areas and administrative considerations concerning control over local services and centralization produced relatively more conflict of opinion. Given the underlying theme of the 1966 White Paper on the Responsibilities of Government,¹⁴ the redistributive aim was surprisingly rejected by one third of the participants. This group, however, appear to have zealously wished to associate more universal benefits with the programme. In the administrative aspects of the programme, 29 per cent agreed that provincial control was among its aims. Forty per cent either agreed or were undecided that centralization of government administration was also an aim. There is here an apparent discrepancy in the perceptions of a number of the participants and the image that the provincial

¹⁴See <u>supra</u>, chapter IV.

government attempted to project. The explanation may lie in the position of the public servant who might be less mindful than the politician of public sensibilities toward centraliation. Indeed, centralized administration may well have had favourable connotations for the public servant.

The Relationship between the Programme and the Byrne Report

Announcing his government's intention to embark on "a program for equal opportunity" or "d'egalite sociale" in November 1965, Premier Robichaud pointed out that the government was not "implementing the Royal Commission Report," and singled out four major areas where the government had at this time decided on a different path. These included rejection of "a system of extreme centralization, a system of less local government, narrower voting rights and a restricted voice by the people in their affairs," and, in particular, of administrative commissions, "powerless" school boards and administration of schools by civil servants, a property owner municipal franchise, and provincial ownership of hospitals.¹⁵ Given this emphasis, the active policy participants were expected to have made similar and more detailed distinctions between the recommendations of the Byrne Report and the 1966-67 reforms. As shown in Table VI - 15, in this respect the participants were not entirely emphatic in distinguishing between the two and only 18 per cent saw many significant

¹⁵New Brunswick, Legislative Assembly, <u>Synoptic Report</u> of the Proceedings, 1965, Vol. III (November 16, 1965), pp. 1050-1051.

differences.

Table VI - 15

"Do you feel there are any major or significant differences between the programme as it now stands and the recommendations of the Byrne Report?"

Location	Many	A Few	None at all	Don't know	Total
Operating Departments	7	25	-		33
Other Departments	-	8	-	-	8
OGO-seconded	1	4	-	-	5
OGO	2	7	-	-	9
Total	10	44	0	1	55

 γ_{b} - G.K. = .038

When asked to specify any major or significant differences, 64 per cent named two or more, and 43 per cent three of more differences. Some of the differences mentioned were directly related to the particular responsibilities of the participant, such as specific tax and debt level proposals. Others indicated a broader social and political view of the programme in such areas as tax concession policy and electoral arrangements for provincial and municipal levels of government which were less significant in the context of their own official responsibilities. The remainder were content to speak in more general terms of the Byrne Report and its image as a 'package deal' and as a blueprint for the centralization of public services (see Table VI - 16).

Table VI - 16

Significant or Major Differences between the Programme and the Byrne Report

	Location				—	
	Department Operating Oth		0G0 Seconded	OGO	Total	
Institution Structures					·····	
Commission form of government	19	4	4	0	26	
Number of school districts	6	1	4 2	9 2	36 11	
Regional Structure	3	-	~	2		
Ownership of hospitals	3	2	_	-	3	
General administration	2	~	_	3	8	
Electoral system	3	_	-	2	4	
Municipal structures	4	-	-	1 2	4 6	
Financial Framework					Ţ	
Tax concessions	3	-	1	2	6	
Tax structure - provincial	1	-	2	2		
- municipal	3	_	<i>L</i> .	٤	5	
Tax levels	2	_	1	-	3	
Assessment	3	_	T	1	4	
Municipal debt structure	3	-	-	1 -	4 3	
<u>General Issues</u>					2	
Not "package deal"	4	1	-	2	7	
Decentralization and local autonomy	5	-	-	1	7 6	
N =	(33)	(8)	(5)	(9)	(55)	

Of the specific items mentioned, the smaller number of school districts adopted by the government was the second most

frequently mentioned and the rejection of hospital ownership by the province, the third. Significantly, by far the most mentioned difference was the rejection of the proposal for administrative commissions. Identified by 66 per cent of the participants, this proposal impinged on the work of every departmental participant. Based upon a harsh judgement as to the capabilities of the provincial public service, it had been viewed by the Byrne Commission as an integral part of its plan for structural reform.

The reasons suggested for differences between the Commission's proposals and the Programme were in part a blend of a sense of government responsiveness to the pressure of public opinion, a repetition of the concern expressed by the provincial premier for the maintenance of responsible government or simply administrative explanations (see Table VI - 17).

Table VI - 17

Reasons suggested for the differences between the Programme and the Report 0G0 Department Operating Other Seconded OGO Total Politics/Response to Public Opinion 11 5 20 3 1 Concern for responsible government 8 3 2 5 18 Practical administration 9 2 4 15 Maintenance of government control 5 1 6 5 Public service objections 1 1 7 Hospital Services Commission experience 2 _ ---2 Confidence in public service _ 1 1 Financial considerations 5 6 -1 -N =(33) (8) (5)(9) (55)

The rejection of the commission form of government was the foremost concern in the responses and few advanced reasons for other changes. In addition to general references to practical administration and vagueness in the Byrne Report's proposals, a more internal administrative concern was also shown by some participants who departed from the emphasis on the maintenance of responsible government. Such explanations as the one, for example, that the commission concept was impractical and "unprofessional" which was commonly held within one department demonstrated a viewpoint quite distinct from those expressed by the spokesmen for the provincial government. A conspicuous omission in the explanations was any stress on the capabilities of the public service in effecting the reforms. Only one participant, an official seconded to OGO, recalled the critique of the public servants inherent in the Byrne Report and referred to the government's confidence in their capabilities as a reason for the rejection of the administrative commissions.

It was anticipated that those participants who had identified their own department's goals with those of the Byrne Report would also be inclined to see the programme as an inevitable development and as coming about quite independently of the Report. In exploring this, only two participants were found to view the programme as a direct consequence of the Report (see Table VI - 18). While 71 per cent made what would be under any circumstances the most plausible or neutral

Table VI - 18

Do you feel there are any parts of the Programme which would have come about quite independently of the work of the Byrne Commission?

Location	Many	A Few	None at all	Don't know	Total
Operating Departments	9	22	1	1	33
Other Departments	1	6	1	-	8
0G0-Seconded	1	4	-	-	5
OGO	-	7	-	2	9
Total	11	39	2	3	55
		A	G.K. =	.045	

response, i.e. that at least a few parts of the Programme would have been independently implemented, senior departmental staff with longer public service experience were more certain and tended as a group to see many parts as inevitable developments. indeed a number described the programme as it affected their departments as "our own." No one area of the programme was singled out by all participants as being particularly likely to have come about quite independently of the Report and each of the four major fields was named by at least approximately one quarter of the participants as one in which reforms would have taken place (see Table 19). Of the specific items mentioned, consolidation of school districts and the less contentious gaol reform were the most frequently identified. As a whole, the participants were most likely to identify reforms which touched upon their own area of responsibility as being

Table VI - 19

Parts of the Programme which would have come about quite independently of the work of the Commission

	Departm		OGO		
	Operating	Other	Seconded	OGO	Total
Area of Reform					
Education	12	2	2	2	18
Justice	10	4	2	-	16
Welfare	10	3	_	3	15
Health	8	-	2	1	11
Assistance to Local Government	8	2	1	4	15
Assessment	3	-	2	1	6
Regional Organization	2	-	-	-	2
Abolition of Rural Municipalities	1	-	-	-	1
General Comment					
Accelerated implementation	7	2	-	2	11
All necessarily inevitable	1	1	-	2	4
N	(33)	(8)	(5)	(9)	(55)

developments which were either inevitable or accelerated by the programme. In this respect, there was a significant tendency to see a coincidence between the general nature of the programme and prior departmental goals although only one departmental official went so far as to say the overall reorganization of provincial-municipal government and the abolition of rural municipalities was inevitable. When taken together, the foregoing pattern of responses with regard to the relationship between the Byrne Report and the Programme indicate that for the provincial public service the reform of provincial institutions was the most radical feature of the Report. As this potentially disruptive proposal had been neutralized, the public service could readily identify with the general aims of both the Report and the ensuing programme and claim them as their own.

Confidence in the programme was also expected to show in perceptions of the applicability of the New Brunswick reforms to provincial-municipal relationships in other provincial jurisdictions. Asked in general terms if they thought any other province would be likely to make the same kind of changes, 80 per cent replied in the affirmative; only four of the fifty-five replied No; and seven remained undecided. Existence of similar problems or an imitation effect were overwhelmingly cited as reasons for similar reforms, especially in the assumption of greater provincial responsibility for education, justice and the introduction of uniform property assessment. With the exception of the Department of Welfare, department officials tended to single out their own area as one where similar changes would particularly take place. Only two, however, named the abolition of rural municipalities as a likely pattern to be followed. Indeed 50 per cent of the participants named this area as one which would not be imitated and a further

14 per cent saw any reforms elsewhere confined to the assumption of more provincial responsibility rather than direct intergovernmental transfer of functions. Forty-three per cent also considered that the pace of changes elsewhere would be more measured than those in New Brunswick.

When asked to be more specific and to name those provinces which they had in mind as likely to follow New Brunswick, Nova Scotia and Ontario respectively were selected by over a third of the participants. In the case of Nova Scotia this may have reflected in part a sense of regional cue-taking among the provinces akin to that suggested by Ira Sharkansky as existing among the American states.¹⁶ For Ontario the choice may have been an inversion of a similar cue-taking attitude in relation to the largest province combined with some knowledge of the work of the Ontario Committee on Taxation.

The responses as to the portability of the programme are important for an understanding of the participants' identification with the general aims of the programme. It seems clear that the confidence which they displayed in the direction taken by the provincial government with respect to provincialmunicipal responsibilities was tempered by caution as to the possibility of any restructuring of local institutions on a New Brunswick scale. The overriding commitment to the programme which they displayed was one toward greater provincial parti-

¹⁶Ira Sharkansky, ed., <u>Policy Analysis in Political</u> <u>Science</u>, Ch. 10.

cipation in such functions as education and social services rather than to a general necessity of fundamental institutional reform.

Impact of the Programme on the Individual Participant

An individual's assessment of the impact of the programme on his own position within the public service may be expected to have been both dependent upon his identification with the programme and a determinant of the latter. His own career expectations relative to his age, experience and status within the public service may also have had a direct influence on his outlook. More than three-quarters of the participants saw the programme as helping in their careers and only three of the fifty-five viewed it as any hindrance (see Table VI - 20).

Table VI - 20

"Do you	feel that the Programme	
has helped	or hindered your career?"	
		-

	Hel	oed			dered	
Location	Clearly	On the whole	Difference	On the whole	Clearly	Total
Operating Department	11	13	7	2	-	33
Other Department	2	4	2	-	-	8
0G0-Seconded	2	2	1	-	-	5
OGO	6	2	-	1	-	9
Total	21	21	10	. 3	-	55

 $f_{1} - G.K. = .047$

Those who saw it as making no difference were predominantly older participants with long experience in the provincial public service and in the top salary ranges of \$12,000 and above. In the degree of assistance there was virtually an even division between the two levels in each location save for the Office on Government Organization where there appeared to be a stronger positive assessment.

The participants interpreted the programme as producing greater departmental growth, increased responsibilities and work load, reallocations of administrative responsibilities and new financial procedures, all of which in turn had led to greater interdepartmental co-ordination and controls. For the individual, it had as one participant expressed it, "made the day longer." Thirty-seven per cent of the departmental participants named specific improvements in their jobs and 64 per cent saw it as adding to their responsibilities (see Table VI -21). Such responses carried the implication that their status had been enhanced either within their departments or interdepartmentally. This no doubt contributed to the satisfaction they experienced in the participation in the process of change.

Table VI - 21

"How has the Programme affected your job?"

	Departmental Employees
Greater responsibility Greater work load More effective performance More administrative role Greater planning orientation New position	Departmental Employees 26 19 5 4 3 3

$$(N = 41)$$

Summary

For the formulation of the 1966-67 reforms the provincial government utilized a broad range of experience and training possessed by its departmental personnel and those recruited into the co-ordinating Office on Government Organization. Those public servants who were the most active participants in the policy process associated with the programme were somewhat ambivalent in their attitudes toward its implications for the institutions of local government, but showed an overriding common identification with the programme's potential for the future economic and social development of the province and improvement in provincial public services. When combined with the satisfaction of participating in the considerable enterprise which the government had embarked upon, one may suppose that this identification furnished a harmonized and potentially dependable base for the policies adopted by the provincial government. Individual and structurally based differences in goal perception or orientation toward reform thus did not emerge as major possible sources of conflict within the administrative system and therefore would not appear to have imposed significant constraints upon the process of administrative reform. The evidence of cohesion in this respect was, however, of a generalized character and the reality of its potential must be seen in the context of actual performance.

CHAPTER VII

THE PLANNING OF CHANGE

The central problems which are seen to confront a development orientated administrative system tend to be interpreted in terms of the new institutional requirements of development¹ and their impact on the attitudes, or values, or general behavioural patterns of the individual administrator. Thus the main issue for the administrative system is seen as one of reform and the task as one of overcoming resistance to change. This encourages one to look at the sources of conflict which develop in an administrative process and in particular the identification of such issues as those of the role of a change agent, communications, differences in shared basic interests and goals, or the lack of shared perceptions and attitudes.² A further fundamental feature of a development administration is, however, the administration of reforms which include a qualitative change in the existing goals of

¹See for example: V. A. Pai Panandiker, "Developmental Administration: An Approach," <u>Indian Journal of Public</u> <u>Administration</u>, X, no. 1 (1964), 34-43.

²See discussion <u>supra</u>, Introduction.

the administrative system. This change which emerges from the planning and implementation of new social and economic policies by the administrative system leads to an immediate disruption and long-term adjustment in the distribution of power as it is allocated to its component sub-systems. The latter's power over the mobilization of resources must be initially controlled and adjusted to ensure that they now serve new goals.

In the New Brunswick situation, each provincial department provided its senior administrators with access to power for the mobilization of resources within the department's own specialized semi-autonomous sector, subject to their responsibility to their minister and through him to the Cabinet. While the provincial Treasury Board and its staff represented a competing centre of power in their functions of co-ordination and control, the activities of the staff were in general acceptable as the routine roles of another specialized sector. Should conflicts over the mobilization of resources develop, they were resolved wherever possible in a routine manner by mutual agreement within the administrative system. Any serious confrontation which developed was generally contained through a ritualized referral to the ultimate authority of the Board or the provincial cabinet. The decision of the provincial government to proceed with the programme of reform, however, disturbed the existing power network and introduced an element of considerable uncertainty into the admini-

strative process with disruptive results for the policymaking process.

Preliminary Strategies

The Report of the Royal Commission on Finance and Municipal Taxation had provided the provincial cabinet with a new integrated approach to provincial and municipal government. Based on a carefully constructed set of principles the Commissioners had formulated what they termed a "package deal" to avoid the possible bankruptcy of local government units and collapse of public services within the province.³ The Report was received in manuscript by the cabinet in November 1963 and released to the public in January 1964. Three years later the provincial government had formally completed a basic structural reform of local government founded upon its recommendations. The legislation necessary for the implementation of the reform programme had been the product of a process begun in early spring of 1965 with the establishment of a Cabinet Committee on Government Organization and a secretariat, the Office on Government Organization, to co-ordinate the development of provincial policy with respect to the recommendations of the Byrne Report. The most vital period in the shaping of a programme to meet the difficulties confronting the two levels of government, however, occurred in the time between the receipt of the Byrne recommendations and the formation of

³See: New Brunswick, Royal Commission on Finance and Municipal Taxation, <u>Report</u>, pp. 3-6.

the Cabinet Committee. It was in these intervening twelve months during the initial review of the Byrne Report that the basic principles and overall framework of the options accepted by the provincial government first took shape.

The policy process associated with the introduction of the Programme for Equal Opportunity subsequent to the Report of the Byrne Commission may in fact be divided into a number of critical phases. While by no means entirely confined to a single phase, the activities of the provincial government were essentially directed toward a particular set of policy-making functions in four easily demarcated periods (see Figure VII - 1). At the outset, the first phase of preliminary review and interpretation was primarily concerned with a simple examination of the general ideas, aims and specific options of the Byrne Report, their relationship to governmental and, in particular, departmental aims, and their legislative implications. This phase was one which in part, taken together with the work of the Commission, would constitute the "intelligence" function within Harold Lasswell's categories of decision making⁴ or, still more clearly, to William Gore's "interpretation" phase in which alternative courses of action were interpreted against internal objectives.⁵ While in some respects a period of drift rather than

⁴Harold D. Lasswell, <u>The Future of Political Science</u> (New York: Atherton, 1963), p. 15.

⁵William J. Gore, "Administrative Decision-Making in Federal Field Offices," <u>Public Administration Review</u>, XVI, no. 4 (Autumn 1956), 286-87.

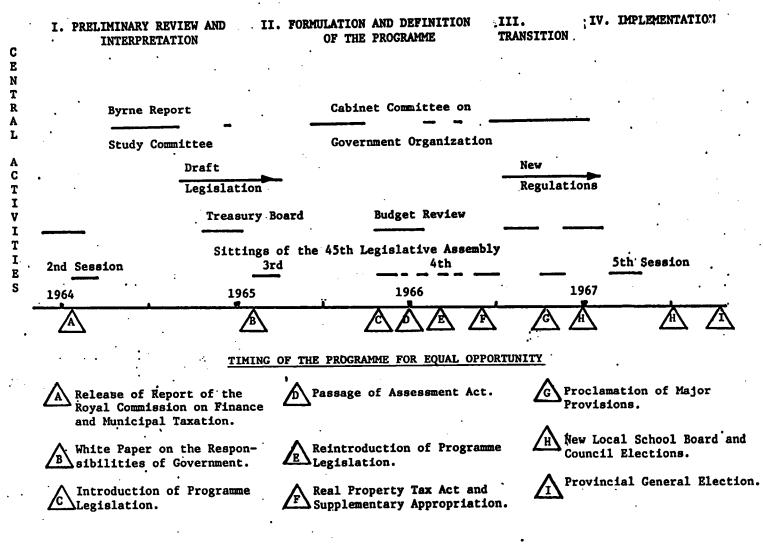


FIGURE VII - 1

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an entirely controlled phase of policy formation, it was the most critical phase as the one which culminated in a commitment to a fundamental adjustment in governmental structures and activities in response to the difficulties of finance and municipal taxation within the province. Without specifying strategies or policies, the government inexorably moved toward their development through its statement of fundamental objectives. The latter may be used to mark off the second phase of policy formulation and definition of the Programme of Equal Opportunity in which the primary focus was one of clarification of objectives, their translation into strategies and specific policies or courses of action, and finally of their authoratative definition in a legislative framework. Here the primary functions may be said to be ones of recommendation, prescription or legitimation of the government's response. Passage of virtually all the major legislative provisions in turn marks the shift through a third transitional phase in which attention turned to still more specific policy matters of programme implementation and administration and ultimately to the fourth phase following the formal proclamation of the reforms in which the latter considerations became predominant.⁶

During the first preliminary review and interpretation stage there were several indications that the provincial premier wished to deal promptly with the contents of the Byrne

⁶The discussion which follows is based in part on information from the public service participants in each phase and the writer's own experience in the New Brunswick service.

Report. In the months which immediately followed distribution of copies of the Report among senior departmental officials the government managed to retain the services of one of the commissioners and a research assistant to the commission. It also met the expenses of a further commissioner who had begun to take part in a number of public speaking engagements to discuss the Report. More significantly an inter-departmental study committee was also formed to systematically carry out an exploratory review of the Report. In addition, a group of lawyers later began work in the office of the Legislative Counsel to draft the form of legislation that might be required should the Commission's proposals for the transfer of government functions be accepted. This preliminary review lacked the tight direction that was to characterize the subsequent phases of policy making. The drafting of legislation was carried out independently of the work of the study committee and unlike the latter essentially took the Commission's recommendations as given.

The primary activity in this phase in terms of the actual shaping of the government's response centered around the work of the inter-departmental committee. Known as the Committee on the Byrne Report or the Byrne Report Study Committee, this body was composed of representatives of all departments who might in any way be affected by the proposals of the Byrne Commission. Up to twenty persons took part in its proceedings. Meetings were chaired by the Minister of Municipal Affairs,

and his deputy acted as Secretary. The Departments of Youth and Welfare, Education, Health, Provincial Secretary and Agriculture were represented by both their ministers and deputy heads assisted at times by other senior staff. Other members of the Study Committee included the Minister of Labour, the Secretary to the Treasury Board, the Deputy Attorney General and the Deputy Minister of Public Works for Buildings. Formed in May 1964, the Study Committee was asked to carry out a detailed study of the Report and to advise the government of its findings. Its work was in the nature of an exploratory feasibility study and required each department to examine the relationship of the Report to its existing and projected structure and programmes. During the eleven regular meetings each deputy head in turn led a discussion of the Report as it affected his own department by summarizing the pertinent recommendations and discussing his department's interpretations of their relevance, practicality, and administrative and financial implications. Without a support staff of its own the Study Committee relied entirely upon the internal resources of each department. Although the formation of such a committee was made public, the deliberations were confidential and the meetings closed. Some outside participation was encouraged through a public invitation for written briefs on the Report. Due perhaps in part to the novelty of this opportunity to participate in the policy process within the provincial bureaucracy, the response was a limited one and only five briefs were received

by the last regular meeting of the Study Committee at the end of July 1964.⁷ The preliminary review process thus remained primarily concerned with the views of departmental representatives and their advisers.

The Byrne Report can be seen to have raised two central issues for each of the major departments concerned. First they had to weigh the feasibility of the assumption of the full administrative and financial responsibility for certain public services currently borne by local government and secondly consider the replacement of departmental structures by administrative commissions. The two were intimately related in that, as has been observed earlier, the latter proposal not only stemmed from a desire to achieve a separation between "politics and administration" but also from a pessimistic view of the capabilities of the provincial departments to develop and carry out new programmes. Other considerations notwithstanding, given the composition of the Study Committee, neither acceptance of the administrative commissions nor rejection of the proposed new provincial responsibilities were likely outcomes of its deliberation. Either course would but serve to confirm the criticisms voiced against the departments by the Byrne Commission. The most likely outcome was an acceptance of the feasibility of carrying out all or the major portion of the

⁷The briefs received came from the New Brunswick Teachers Association, the New Brunswick Medical Council, the Canadian Union of Public Employees, a county children's aid society and a local group of teachers.

recommendations of the Report respecting the responsibilities of provincial and local government within the existing departmental structure. Furthermore given the tension between the concept of administrative commissions and the traditions of responsible government in the British parliamentary model, and the identification of the other Byrne recommendations with established departmental views, this outcome was made a still more probable one.⁸ In such circumstances the primary role of the Study Committee was in large part confined to a registration of an inter-departmental consensus on the desirability and workability of the recommended realignment of provincialmunicipal responsibilities and a preliminary exploration of the administrative and financial implications for the provincial government.

In discharging this role the Study Committee made two still more significant contributions. The broad composition of the committee and the joint discussions of ministers and senior officials of a large number of departments served to emphasize both the interdependency of the various departments and the magnitude and complexity of the Byrne proposals. As was also to become evident from the work of the legal drafting

⁸See <u>supra</u> chapter V. Departmental identification with the contents of the report at this time is also noted by F. R. Drummie in "Case Study in Change - New Brunswick: Information and Background," Paper given at the Annual Conference of the Institute of Public Administration of Canada, St. John's Newfoundland (September, 1969), p. 8.

process, there could be no instant implementation. A decision to proceed with the implementation of any major segment of the Byrne Report required more than the simple services of the co-ordinator recommended by the commission. With the retention of existing departmental structures, an authoritative ad hoc body was required to give coherent and continuing direction to the co-ordinator and staff in a lengthy process of policy formation and execution. Such direction could only come from the cabinet level and the heads of the departments Thus although the Legislature was prorogued in concerned. March, 1964 with some anticipation that a fall session would be held to consider legislation related to the Byrne proposals after what the Lieutenant Governor's closing message described as "completion of important studies now underway,"9 there was no fall session and such legislative proposals were not to be forthcoming until the fall of 1965 rather than 1964.

Despite the apparent haste to proceed with measures to meet the difficulties of local government, the final course of action to be taken by the provincial government was not set until the series of cabinet and caucus meetings held in the four weeks prior to the opening of the Legislative Assembly on February 16, 1965. In this period, members of the provincial government met in preparation for the session to consider up-coming legislation and budgetary action. Three weeks prior

⁹New Brunswick, Legislative Assembly, <u>Synoptic Report</u> of the Proceedings, 1964, Vol. II (March 26, 1964), p. 786.

to the opening of the legislature a final meeting of the Byrne Study Committee was also held. It was from these series of meetings that emerged the formal commitment to proceed with a policy for governmental reform following the principles of the Byrne Commission. This decision was announced on March 4, 1965 in the White Paper on the Responsibilities of Government which made three statements of intent: a) to accept the principle that the provincial government shall accept the responsibility of providing "acceptable minimum standards of education, health and welfare and justice for all New Brunswickers;" b) to seek further public discussion and study of the principle and the Byrne Report, and the means of implementing it; and, c) to set a fall deadline for the presentation of appropriate legislation.¹⁰

The budget for the 1965-66 fiscal year also took account of the on-going reassessment of local government within the province and provided additional funds for the development of programmes in many areas touched upon by the Byrne Report. Among these was the provision for the completion of a provincewide reassessment of all real estate values begun in 1963. This was a key element in the Commission's reorganization proposals in that it would result in a uniform assessment base for the province. Still more significantly consideration of the strategy necessary to effect a programme of reform had

¹⁰See discussion <u>supra</u> chapter IV.

resulted in a decision to establish an Office on Government Organization to "co-ordinate the planning required in implementing the government's choice of alternatives," and provision was made in the vote for the Premier's Office for funds to support this new agency.¹¹ As the secretariat for a cabinet sub-committee on government organization this agency was to perform the role of a change agent within the provincial public service for a period of some two years.

Structures for Reform

The second phase of policy formation and definition of the government's programme began in July 1965 with the activation of the Cabinet Committee on Government Organization and the Office on Government Organization (OGO). The Cabinet Committee was in the first instance composed of the Premier, the Attorney General and the Ministers of Education, Health, Municipal Affairs and Youth and Welfare. The Provincial Secretary also joined a year later following the decision to extend the taxation functions of his department to include the provincial real property tax. The director of the OGO secretariat served as committee secretary and for the major portion of its work the committee was chaired by the premier.

The Cabinet Committee's specific responsibilities included the initiation and development of policy objectives in

¹¹New Brunswick, Department of Finance, <u>Ordinary and</u> <u>Capital Account Budget: 1965-1966</u> (1965), vote 94.03.

the fields of education, youth and welfare, health, justice and municipal affairs and the subsequent framing of appropriate administrative structures and systems. As a sub-committee of cabinet it was formally responsible to that body but in practice, as its membership comprised half of the provincial cabinet including the premier and as there was an urgency to its deliberations, the Cabinet Committee occupied a commanding authoritative position within the machinery of government. Final legislative proposals were referred to the full cabinet and the party caucus before presentation to the Legislature. Any major policy disagreements within the committee were also referred to the full cabinet. Few such references were, however, made.¹²

In certain respects the Cabinet Committee on Government Organization appeared to assume some of the review functions ordinarily performed by the existing cabinet sub-committee, the Treasury Board, which was responsible through its financial management function, for the review and co-ordination of departmental programmes.¹³ A working distinction may be drawn between the type of co-ordination performed by the two bodies in terms of programme surveillance and programme formulation. While the functions of the Treasury Board were primarily related to an examination of programmes for conformity to government

¹³New Brunswick, <u>Order in Council 60-843</u> (August 30, 1960).

¹²See Drummie, <u>op. cit</u>., p. 16.

policy, the Committee was primarily concerned with the coordination of policy formation. In this sense the Treasury Board was in fact to look for guidance from the latter in matters relating to the reform of provincial-municipal rela-Thus in the later stage of programme implementationships. tion the Board's review of departmental estimates was concerned with the correspondance of programmes and structures with guidelines established by the Cabinet Committee. Neither the Minister of Finance, the Chairman of the Board, nor the Deputy Minister of Finance, then Secretary to the Board, were actual members of the Cabinet Committee or the Office on Government Organization. The viability of their formal relationships was in part maintained through overlapping membership among cabinet ministers and personal associations between the OGO and Treasury Board Staff. 14

Since one of the first tangible products of the Cabinet Committee was to be a large volume of legislative measures to give effect to the new reforms, the Committee could also be expected to work closely with the Office of the Legislative Counsel. Transferred out of the Department of the Attorney General in 1960, this office was the central agency for the drafting of provincial legislation, in consultation with sponsoring departments. Although there was preliminary drafting of legislation based on the Byrne Report under the super-

¹⁴The first director of OGO appointed in June, 1965, who was also Economic Advisor to the provincial government, had, for example, just relinquished the post of Secretary to the Board.

vision of the Legislative Counsel, as the work of the Committee progressed this office became more removed from the drafting of the new legislative reforms and subsequently of the required regulations. This task was instead largely carried out by personnel working within the structure of OGO and officials of the departments concerned in order to maintain a close link between policy decisions and the legislation required to give them effect. The former included a solicitor seconded from the Executive Council office which was closely linked with the office of the Legislative Counsel and a lawyer from the then Department of the Attorney General (later to become its deputy head) who worked together with Professor Sinclair of the University of New Brunswick Law School.

The successful development and implementation of new structures and programmes was ultimately dependent upon the Committee's relationship with the operating departments. The collective responsibility of each committee member for the reform of provincial and municipal government required a relatively greater degree of intrusion into each other's departmental responsibilities than had previously been experienced under the general demands of financial planning and of cabinet policy formation. Each minister was subject to considerably more interdepartmental direction and guidance than had ordinarily been practised. As a concommitant of this, the OGO staff were also more intimately involved in the activities of departmental officials than would have been considered normal

for an extra-departmental agency. The planning of a new approach to provincial-municipal government thus resulted in extraordinary intrusion into regular ministerial-departmental relationships. While there was no direct representation of the departments in the OGO secretariat, a separate committee of officials had been formed parallel to the Cabinet Committee. Composed of the deputy heads of the relevant departments, it was also chaired by the Director of OGO but while the Cabinet Committee met regularly and frequently, the officials committee was rarely called together. In its supportive role for the Cabinet Committee, OGO was ultimately reliant upon the resources and co-operation of departmental officials. During the collective shaping of public policy, however, in which the proposed directions to be taken in respect of departmental progrms, structures, and systems and procedures were considered by the Cabinet Committee, OGO had a virtual monopoly of access. Circulation of minutes of the meetings and secretariat reports was also restricted to the ministerial members of the Committee and such officials as required them. In addition, cabinet changes which resulted from the death of two ministers, the resignation of one minister, and dismissal of another during the various phases of policy formation also tended to strengthen the role of the secretariat.15

^{15&}lt;sub>D.</sub> C. Harper, Provincial Secretary, died on May 18, 1965 and Dr. G. L. Dumont, Minister of Health, on July 4, 1966. D. A. Riley, Minister of Lands and Mines, resigned on January 26, 1966 and H. G. Irwin, Minister of Education, was dismissed on April 5, 1966.

Policy Formulation and Definition

The first meeting of the Cabinet Committee was held in early July 1965 and it continued to meet at weekly intervals Attendance until the opening of the Legislature in November. varied but an average of four out of six ministers were present at its deliberations together with the OGO Director assisted at times by other OGO officials and for its initial meetings the Legislative Counsel. The committee's responsibilities encompassed four major areas of activity: the clarification of government policy objectives and the delineation of provincial-municipal, departmental and intra-departmental administrative responsibilities; the preparation of legislation to implement the government's intentions; the establishment and maintenance of communication with the public through a public information programme; and finally the planning and initial supervision of the initial implementation and administration of the programme.¹⁶ The work related to the first two areas began with a tentative mid October deadline. The Cabinet Committee proceeded with a detailed examination of the Byrne proposals within the framework of the previously announced general policy objectives. Discussion papers were prepared by the OGO staff which summarized the Report and as the work progressed outlined departmental positions and other possible options open to the cabinet. The immediate concern in this phase was to be ready for a fall session of the legislature with an appropriate statutory framework for the reform

^{16&}lt;sub>New Brunswick</sub>, Cabinet Committee on Government Organization, "Organization and Responsibilities" (July 8, 1965).

of provincial and local government. Priority was therefore given to those areas which required legislative action and as it became available in its second month of meetings the Cabinet Committee used the draft legislation prepared on the general lines of the Byrne recommendations as a basis for its discussions.

During some twenty meetings held during the summer and fall of 1965, the Cabinet Committee devoted the major portion of its time to two major areas: municipal affairs (which included consideration of assessment and taxation proposals as well as provincial-municipal structures, responsibilities and inter-governmental relations), and education. With the exception of the Byrne Commission's proposal for hospital ownership, the fields of health, welfare and justice raised relatively less complex considerations in the preparation of the legislative framework and these were dealt with more summarily at this time.

Toward the end of August as the opening of the legislature drew near, progress was reported to cabinet and more attention began to be given to the third area of responsibility, the external communications with the public and members of the legislature. With the resumption of the sittings of the Legislative Assembly in November 1965 and the presentation of the major items of legislation following the Premier's announcement of a "Programme for Equal Opportunity" on November 16, the legislative drafting and communications functions took on a

closer relationship. Three, and later a further member of the Cabinet Committee, were appointed to the fifteen man Law Amendments Committee first formed as a select committee of the Legislature in November 1965, which was to receive submissions from interested parties and to consider and report on the bills which comprised the statutory framework of the Programme. 17 Many of the bills were substantially revised as a result of such submissions and legislative debate but no direct contacts were made between the OGO staff and the outside interested The staff became primarily concerned with the housegroups. keeping associated with the passage of bills through the Legislative Assembly and assisted in the provision of background information, the preparation of major policy statements as well as in the continuing review of the legislative programme. Closed press briefings for each major bill were held immediately before their submission to the legislature and local service clubs were invited to entertain meetings attended by a minister to discuss the government's programme.¹⁸

As was noted earlier in Chapter V, the provincial government gave priority to its assessment proposal as the foundation for its reforms. It bore the initial brunt of the opposition to the entire programme and was subject to substan-

¹⁷See <u>supra</u> chapter V.

¹⁸See Don Hoyt, "New Brunswick - Public Information Programme," Paper given at the 21st Annual Conference of the Institute of Public Administration of Canada, St. John's, Newfoundland (September, 1968).

tial revision following the hearings of the Law Amendments Committee. The activities of the OGO secretariat also became a major issue in the campaign against the programme. On the presentation of amendments to the Assessment Bill the leader of the opposition held that:

...we work always within the long shadow cast by that new supergovernment that has come to New Brunswick, the socalled Office on Government Organization, or OGO - OGO proposes, and the Government disposes. In place of sober development of policy within the Cabinet Chamber with the assistance of senior experienced civil servants in their departments we now have one centralised "Office of Everything" under the control of the Premier... It strikes in the night like a phantom, leaving a trail of fresh press releases in its wake. 19

The suspicions and mistrust evident in these remarks were to continue to be voiced by the opposition throughout the agency's existence and added a further dimension to the pressures operating upon OGO as it progressed with the co-ordination of the new programme.

In the spring of 1967 with the presentation of the estimates for OGO's last three months of operation to the Committee of Supply, the premier used the occasion to make a comprehensive account of OGO's functions and membership and to invite the opposition to call in on their offices. This came too late however to allay the suspicions which had grown among the opposition and the statement culminated in an exchange which saw the suspension of one member and a walk-out by the

¹⁹New Brunswick, Legislative Assembly, <u>Synoptic Report</u>, <u>1965</u>, Vol. IV (January 31, 1965), p. 1522.

opposition members of the Legislative Assembly.20

With the final approval of Bill 118, the Assessment Act, on February 22 and the proregation of the Legislative Assembly, the Cabinet Committee immediately resumed its meetings to reconsider the fields of municipal affairs and education and moved beyond legislative questions to the consideration of the administrative details of programme implementation. With exception of the provision for real property taxation, all the major items in the government legislative proposals including the Schools, Municipalities and Public Hospitals Acts, and the various justice and welfare measures were reintroduced and received royal assent, during the March-June 1966 sitting.

Programme Implementation

By the summer of 1966, the Committee moved into a third, transitory phase of policy making as it proceeded to shift its emphasis away from legislative concerns toward its final area of responsibility in the co-ordination of the implementation of the programme by the provincial departments. The OGO staff began studies for the introduction of new structures, systems and procedures and the attention of the Committee shifted to such areas as personnel recruitment and the specific details of such items as the transfer of municipal employees, local property, and debts and liabilities. Special orientation sessions for municipal employees affected by the programme

²⁰<u>Ibid</u>, 1967, Vol. III (May 17, 1967), pp. 994-1005.

were held throughout the province in the early fall. In addition, a royal commission of inquiry had been appointed in June 1966 to consider employer-employee relations for the provincial public service, which was defined so as to include school and hospital personnel.

The dissemination of detailed information to the public was also given priority. The government sought to maintain a direct contact with the public and to promote an understanding of the aims of the programme and the details of each step in the introduction of the new provincial-municipal structures. This second stage of the public information activities which continued through to the fall of 1967 included the immediate distribution of a general booklet to all householders explaining the impact of the programme on the individual. This publication was followed later by six further booklets dealing with such items of special public concern as the assessment, taxation, regional office, education and welfare provisions of the programme.²¹ Use was also made of television and radio spot announcements by well known personalities, newspaper advertising and mobile exhibits throughout the province at local fairs and exhibitions. The latter were used in the summer of 1966 as a source for feedback both on the general tone of comments made by visitors to the exhibits and on the subjects which attracked the greatest interest. In the following year two school buses were similarly used to explain

²¹See: Hoyt, "New Brunswick - Public Information Programme."

features of the new educational structure and schools programme in preparation for the new school year.

With the approach of the fall session of the Legislature, held in part to consider income tax legislation and ratify a federal-provincial tax sharing agreement, the Departments and the Treasury Board were engaged in the preparation of supplementary estimates for the first three months of the programme's operation, January - March 1967. The proposed Real Property Taxation bill was also prepared in the late summer of 1966 and the Cabinet Committee continued to meet through the fall sittings of the legislature to spring 1967 in order to consider such details as the transfer of municipal employees, regional organization, municipal assistance, assessment of taxation provisions, as well as supplementary amendments to the programme legislation. The OGO secretariat itself turned to the more detailed aspects of the implementation of the programme within the departments and supplemented the work of private management consultants who had also been contracted to assist in the final phases of policy formation. Various members of OGO began a number of special studies of systems and procedures at the request of either the departments concerned, the Cabinet Committee or the Treasury Board.

In the final phase of the 1965-67 policy-making process, which followed the proclamation of the major provisions of the legislative framework and the launching of the new provincial-municipal structures, the provincial government

was committed to the abandonment of the OGO secretariat.22 Despite a sense among its staff that the co-ordinating functions would be of a long term advantage for development of administration within the province, the remaining OGO staff were gradually dispersed following the June 1967 local government elections. The chain of planned change entered an entirely new period as the departments reassumed their conventional status within the overall policy-making process. In this the experience of the New Brunswick Cabinet Committee on Government Organization and its secretariat followed the course of ad hoc cabinet committees at the federal level which has been aptly described by A. D. P. Heeney in the following terms: "Created to provide a means for concentrating ministerial attention upon problems which at the time require special treatment, they tend to diminish in activity and influence as the need diminishes and ultimately to disappear."23 The inherent flexibility of cabinet government in responding to the administrative requirements of a situation²⁴ had enabled the provincial cabinet to quickly create a vehicle for reform through the creation of the Committee and its secretariat. It was equally easy to dispense with OGO when it was seen to have outlived its usefulness.

²²See: New Brunswick, Legislative Assembly, <u>Synoptic</u> <u>Report, 1967</u>, Vol. III (May 17, 1967), p.994.

²⁴See: J. R. Mallory, <u>The Structure of Canadian Govern-</u> ment (Toronto: Macmillan, 1971), pp. 99-100.

²³_A. D. P. Heeney, "Cabinet Government in Canada: some Recent Developments in the Machinery of the Central Executive," <u>Canadian Journal of Economics and Political Science</u>, XII, n. 3 (August, 1946), p. 288.

The effort required for the development and coordination of the administrative reform process had been sustained at a high pitch for a period of some two years. Despite the accomplishments there still remained, however, the need for the long term development of new programme content within the newly established structural framework. While the latter achievement had been a primary step for the modernization of government and social development within the province, it would be but an empty shell without an infrastructure of coherent social policy. The preliminary attempts at this and in providing related administrative reforms during the third and fourth phases outlined above provide ample illustration of the stresses encountered in a situation of rapid planned change.

The shift in emphases from legislative concerns to administrative systems for the implementation of programme goals which essentially began in the late spring-early summer of 1966, brought the realities of administrative interaction to the fore. Indications of severe inter-departmental stresses and the resultant rudimentary nature of specific programme content immediately emerged with the preparation of the departmental estimates for the first three months of operation. While some of the difficulties may be in part attributed to a limited experience with programme budgeting, there were apparent discrepancies between the overall programme goals emphasized by the Cabinet Committee and its staff and the emphasis

in some of the departmental estimates. In specific content such differences may be seen in part as a conflict in time perspectives. Thus, while the central body was primarily concerned with the foundations of longer term developmental aspects of the programme such as the effective reorganization and qualitative changes in programmes, administrative processes and the upgrading of staff, immediate departmental concerns centered for example on budgetary control and utilization of existing personnel and structures to cope with the transfer of functions.

Public Service Activities

The roles of the public service in the initiation and implementation of the programme may be summarized through a review of the activities of the fifty-five "active participants," identified in chapter VI as "policy-shapers." As is shown in Table VII - 1, a relatively large number of public servants reported taking part in internal programme design through the provision of advice and participation in discussions on the aims and purposes of the programme, as well as the provision of information and data, the preparation of administrative details and, to a lesser extent, the drafting of legislation and regulations.²⁵ All of the fifty-five active participants reported taking part in two or more of the internal design functions. On the other hand, relatively few recalled taking part in any of the external communications aspects of

²⁵This information was in part used as an additional filtering device to verify the selection of active participants in the policy process discussed earlier in chapter VI.

the change process. Only thirty-one reported at least one form of external contact and if contacts with local government officials to be transferred to the provincial level are excluded, less than half of the active participants had any form of external contacts outside the public service.

Table VII - 1

External Internal Communications Design 8 4 6 7 5 1 2 3 Internal Design: 21 2 28 33 30 17 44 49 38 1. Informational 1 25 23 19 38 41 2. Advisory-aims 22 2 35 31 19 50 3. Advisory-administrative 23 19 14 4. Legislative drafting External Communications: 18 17 19 5. General public 6. Provincial government(a) 2 1 18 31 7. Local government 25 8. Association groups

(a) former municipal employees

(N = 55.)

Comparison of the forms of participation by the location of active participants shows a wide spread of responsibilities among the various governmental agencies. As active participants, all reported high involvement in the field range of internal activities (see Table VII - 2). The least engaged in was the drafting of legislation or regulations. All OGO staff, both permanent and seconded, showed a strong research

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orientation and reported participation in the provision of information and data. In contrast, proportionately more departmental employees identified themselves with the preparation of administrative details. These departmental participants outside the operating departments and hence more on the periphery of the change process, naturally showed the most limited involvement in the provision of advice and discussion on the aims and purposes of the programme and in legislative drafting.

Table VII - 2

, , , , , , , , , , , , , , , , ,		Location					
Activity	OGO	0G0- Seconded	Operating	Other	Total		
Internal Design:							
Informational Advisory-aims Advisory-implementation Drafting	9 7 7 7	5 3 4 3	29 28 32 23	6 3 7 3	49 41 50 36		
External Communications: General Public Provincial Government(a) Local Government Associational Groups Other	4 4 5 -	- 2	14 2 21 17 1	1 4 3 -	19 2 31 25 1		
N	(9)	(5)	(33)	(8)	(55)		

ACTIVITIES BY LOCATION

(a) Former Municipal employees

(b) One federal government contact reported related to a shared cost programme.

As noted earlier, all participants were primarily associated with internal activities. Few of those seconded to 0G0 or in non-operating departments reported participation in any external communications. Where such activity engaged any large number of public servants, it was primarily by operating department employees making contact with local government officials. Thirty-eight per cent reported contacts with the general public and 45 per cent with organized groups. The latter took the form of specific exchanges of information or day-to-day working relationships in office communications, committees, or annual meetings with some thirty types of groups and associations. As is shown in Table VII - 3, these included professional associations, employee and business groups, and service and community organizations. The diversity of interests is itself a direct reflection of the broad scope of the

<u>Table VII - 3</u>

ORGANIZED GROUPS IN CONTACT WITH PROVINCIAL DEPARTMENTS

D	
Business:	Private Fire Departments
Boards of Trade/	Ratepayers Associations
Chambers of Commerce	Recreation Associations
Canadian Construction	St. John Ambulance
Association	School Trustees Association, N.B.
Commercial Banks	Service Clubs (miscellaneous)
Hospital Association	
Mortgage Companies	Professional
Underwriters, N.B. Board of	Professional:
	Architects Association of N.B.
Employee:	Bar Association
Bus Drivers Association	Barristers' Society of N.B.
Canadian Union of Public	County Superintendents Association
Employees	Professional Engineers, N.B.,
Civil Service Association	Association of
a	Registered Nurses, N.B. Associ-
Community and Service:	ation of
Children's Aid Societies,	Para-Medical groups
N.B. Association of	
Home and School Associations	Social Workers
	Teachers Association
Private Planning Commissions	Teachers' Association

1966-67 reforms and the complexity of the administrative changes being undertaken by the provincial government.

As was shown in the 1965 White Paper on the Responsibilities of Government, the provincial government and the 1966-67 public information programmes recognized the role of communications in the successful promotion of change. External communications activities were an integral part of the change process, not only in terms of the public interest in consultation and open administration but also to facilitate public understanding and support. In their strategy toward the 1966-67 reforms organized groups appear, however, to have selected other primary and secondary targets than the public service. The referral of the main legislative framework for the programme to a new committee of the legislature on law amendments which received submissions and representations on the content of public bills no doubt attracted attention to the legislature as the main target. The low involvement of the public service in external contacts at all phases of the policy process suggests a relatively underdeveloped communications network between the provincial bureaucracy and organized groups within the province.

In the wake of the 1966-67 shift in responsibilities participants in all departments reported significant changes in their relationships with organized groups. This was of course especially evident in the welfare field where many of the functions performed by private groups were in fact to be

directly assumed by the provincial government. The pattern elsewhere was one of closer continuing contacts as the provincial departments extended their responsibilities. Such contacts between the public service and organized groups in the main occurred after the broad outlines of the programme had been set during the department's implementation of the administrative details. Only three of the thirty-three operating department participants in the fields of health and social welfare reported any unfavourable attitudes on the part of a group toward the programme, which would indicate that the public service was not used as a channel of influence, certainly for those segments of organized public opinion which stood strongly opposed to the reforms.

In addition, given the nature of the programme, a surprisingly limited number of the active public service participants had contact with local municipal or school governments outside of matters related to the transfer of employees. Such contacts were essentially confined to participants in the operating departments and only eighteen admitted to more than a moderate amount of contact with local officials. They saw virtually no disagreement on programme goals with local officials, but not unexpectedly reported clashes with respect to losses in local autonomy, the nature of the new school districts and classification of transferred employees. As perhaps was also the case with respect to department-group exchanges, given the firm commitment of the provincial government to

proceed with its reforms, little significance was attached to the exchange of views between the two levels of public servants in the policy process. One department official aptly summed up the situation by saying, "Any disagreements at our level would be purely an academic debate."

In the political debate surrounding the programme the conventions surrounding the legitimate activities of a "neutral" public service were also easily offended. As was noted earlier, the activities of the Office on Government Organization in providing "fact sheets" and press releases related to the provincial government's proposals made this agency itself an object of controversy. When departmental officials publicly explained various aspects of the programme and were reported in the press, a number of objections were voiced as to the propriety of such activity where legislation was still under consideration by the Legislature. It was argued that the public service might play a role in the explanation of the details and implications of legislation, but that specific guidelines should be established to govern their conduct where the contents were still before the Legislative Assembly. This issue was twice raised in the legislature by the Conservative opposition who named four senior public servants as engaging in public discussions which might be interpreted as an infringement of the House's privileges.²⁶ Such action increased the

²⁶See New Brunswick, Legislative Assembly, <u>Synoptic</u> <u>Report, 1965</u>, Vol. IV (January 28, 1966), pp. 1411-14; (February 1, 1966), pp. 1584-86 and <u>1966</u> - Vol. I (March 31, 1966), pp. 90-91; (April 12, 1966), pp. 119-20 and (April 15, 1966), pp. 200-17.

sensitivity of the public service to the partisan political conflict and encouraged a great deal of caution among departmental personnel in external contacts. The exchange of information on any new product inevitably includes at least a modicum of promotion. The embarrassment shared by many of the departmental participants was summed up by one who expressed dissatisfaction with the public relations aspects of the change process and added that, "I don't mind cooking in the kitchen but I certainly didn't expect to set the table as well." In such circumstances it was inevitable that the potential role of the departmental provincial public service in external communications remained relatively underdeveloped.

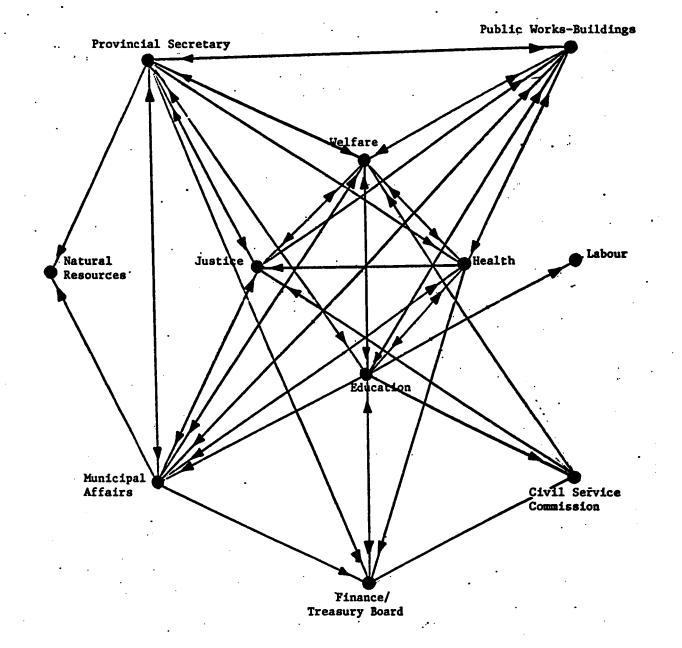
Departmental Interaction

One of the most marked features of the implementation phase of the Programme was the effect on inter-departmental relationships. Two thirds of the forty-one non-OGO participants saw the programme as affecting their relationship with other provincial government offices to more than a moderate extent. They reported a greater awareness of each other's activities, closer contact and interdependence. The specific inter-departmental contacts mentioned by these participants are depicted in Figure VII - 2. This pattern of increased interaction was a consequence of both the immediate and continuing needs of administrative reform. The Department of Finance (Treasury Board), the Civil Service Commission and more

. FIGURE VII - 🎗

INTERDEPARTMENTAL CONTACTS IDENTIFIED BY THE PARTICIPANTS

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especially the Department of Public Works (Buildings) were for example drawn into a closer relationship with the other departments as a result of the latter's new financial, staffing and housing needs. The complex pattern of contact shown among the operating departments themselves naturally reflects the more integrated nature of the public services under the programme, or at least an initial movement toward this goad.

Of the total number of active participants, over 85 per cent reported a more than moderate amount of contact with officials from other departments. While, as was observed earlier, they shared a strong identification with the broad goals of the programme, this does not appear to have been sufficient to override traditional departmentalized modes of thought. Over a third said that their ideas generally agreed with those from other departments and one half of the participants identified the policy aims as a particular aspect of the programme where they had had most agreement with others. Nevertheless, substantive disagreements over particular courses of action and mistrust of encroachments of departmental authority were also evident. OGO officials, for example, generally mentioned disagreements concerning administrative structures and policy in the fields of education and welfare and this response was reciprocated by officials in the two departments concerned. Direct change agent-departmental friction was specifically expressed in concern for the location of final decision making authority, treatment of "outsiders," the capabilities

of other personnel, and the form of regional organization. Interdepartmental friction with the Department of Public Works was also equally evident among operating department personnel who wished for more autonomy in matters relating to public buildings which housed their particular activities. The strategy adopted for its initiation and the content of the programme itself entailed greater inter-departmental liaison. The latter however engendered hostile reactions within the public service which hindered the co-ordination of the change activities. The participants' assessment of the change process showed this response to have been a significant restraint on the successful implementation of the preliminary structural reforms.

Responses to the Change Process

While the participants' attitudes toward the aims of the programme showed an enthusiastic identification with their beneficial effects, there was little attempt to minimize the difficulties encountered in their implementation. When asked if in their experience they felt that most of the problems seen in its administration were real or imagined, 25 per cent said that they were entirely imagined (see Table VII - 4).

An assortment of structural and human shortcomings were elaborated upon. Lack of administrative preparation and co-ordination and the organization of adequate regional structures were the most frequently mentioned problems. The major difference between departmental and OGO participants lay in the special concern of the latter for the competence of other

personnel and their understanding of programme needs (see Table VII - 5).

Table VII - 4

"In your experience in working with the Programme, do you feel that most of the problems people see in its administration are real or imagined?"

Location	Real	Part real- Part imagined	Imagined	Undecided	Total
Operating Departments	10	11	11	1	33
Other Departments	4	2	1	1	8
0G0-seconded	2	2	-	1	5
OGO	1	5	3	-	9
Total	17	20	15	3	55

 η_{1} - G.K. = .054

Table VII - 5

"Which problems, if any, do you see as real ones?"

Problems	Depart Operating	nents Other	0G0- Seconded	OGO	Total	¶_G.K.
Administrative: Inadequate implementa- tion, organization and procedures	11	3	2	3	19	.002
Regional organization	10	2	-	í.	16	.058
Public relations	8	-	-	_	8	.113
<u>Human</u> : Inadequate training and capabilities	4	2	1	6	13	•213
Inadequate recruitment	5	3	1	-	9	.081
Attitudes of other administrators Political shortcomings	3 4	1 -	1 -	4 1	9 5	• 120 • 031
N	(33)	(8)	(5)	(9)	(55)	

Uneasiness with the administrative framework and the capabilities of the provincial public service was still more apparent in the reception of critical statements as to what items might interfere with the success of the programme. (See Table VII - 6). Only 24 per cent disagreed that inappropriate administrative structures and procedures would interfere and, while just under half agreed that insufficient staff would also interfere, when qualified by adding the adjective "experienced or trained," this proportion increased to 87 per Sensitivity in these areas was also matched in the cent. concern for lack of public understanding which had also figured among the real problems identified above. Notwithstanding such perceptions, there was an even distribution of opinion among all groupings of participants on the effects of the amount of change being attempted and the financial constraints on the programme. Fifty per cent disagreed that too much change was being attempted at one time and, while a sensitivity to the potential constraints imposed upon the programme by the province's financial resources was shown in a large amount of indecision in this item, 55 per cent disagreed that there was or would not be enough money to finance the programme. The overall pattern of response was thus one of realism in the difficulties encountered in the implementation of the programme, but at least half of the participants retained an underlying confidence in the basic premise that it was both necessary and financially possible for the province to embark on the whole programme at this time.

Table VII - 6

"There are a number of different views about the sort of things that might interfere with the success of the Programme. The following are the sort of things some people see. Would you agree or disagree that they are interfering or will interfere with the success of the Programme?"

	Agree	Disagree	Undecided
Too much change being attempted at one time	21	28	6
Not enough understanding of the	~ 1	20	0
Programme among the general public	40	13	2
Inappropriate administrative struc- tures and procedures to carry the Programme out	34	13	8
Ũ	74	1)	O
Not enough staff to carry the Programme out	27	23	5
Not enough experienced or trained staff to carry the Programme out	48	4	3
Not enough money to finance the Programme	5	30	24

N = 55

The above pattern of perceptions is consistent with the earlier finding that the active participants persistently revealed a strong identification with the general design of the programme. It is now clear, however, that this position was tempered by reservations concerning the process by which the programme had been initiated and that considerable tensions had been generated in its implementation within the provincial public service. Further evidence of this was shown in the matters which they reported as giving them the most satisfaction and dissatisfaction in their work related to the programme. A sense of accomplishment in working with the programme and of providing the basis for improved public services matched the participants' interests in the programme and their perceptions of its aims which were discussed in Chapter VI. The satisfaction derived from seeing the accomplishment of programme goals was particularly apparent among the departmental participants. Those associated with OGO also tended toward a more process orientated satisfaction in being involved in the shaping of the programme (see Table VII - 7).

Table VII - 7

"What had given you the most satisfaction in your work to do with the Programme?"

	Departmo Operating	ents Other	0G0- Seconded	OGO	Total	1 _G.К.
Seeing goals accomplished	16	7	2	3	28	•104
Laying basis for bette public services	er 12	1	2	1	16	.066
Participation in policy process	5	1	2	5	13	.140
Participation in pro- gramme of this nature	e 1	3	2	3	9	• 197
Improved administration	on 5	-	-	-	5	•037
Working with others involved	1	1	-	2	4	.083
Nothing in particular	1	1	-	1	3	.036
N	(33)	(8)	(5)	(9)	(55)	

Sensitivity to the public relations aspects of the Programme, the political debates, and shortcomings of politicians figured among the participants' perceptions of real problems confronting the administration of the programme. This was still more apparent in the dissatisfaction they experienced in their work. Other reactions, however, continued to predominate in their response to the process of change and departmental personnel asserted their dissatisfaction both with the organization and direction of the programme. OGO participants were for their own part characterized by their dissatisfaction with resistance to change, political shortcomings and lack of understanding among departmental officials (see Table VII - 8). Table VII - 8

	Departme Operating		0G0- Seconded	OGO	Total	К .
Resistance to change	5	4	2	4	15	.114
Inadequate organiza- tion and direction Public relations and	12	2	-	-	14	•125
political debate	9	-	-	2	11	.079
Inadequate staff	5	2	1	1		.013
Communications	4	1	2	1	8	.052
Delay in decision- making Political shortcomings	2 2	2	1	2 4	7 6	•061 •232
Interference by out- siders and novices Lack of understanding	5	-	-	-	5	•292
in the public service	1	1	-	3	5	•154
Pressure of time and work	2	1	_	-	3	•029
N	(33)	(8)	(5)	(9)	(55)	

"What had given you the most dissatisfaction in your work to do with the Programme?"

In addition to inter-departmental frictions and the external communications aspects of the change process, two further significant dimensions were present in the active participants' perceptions of the matters that had given them the most difficulty. Here the pressure of time in the making and implementation of policy and departmental staffing were the two predominant concerns throughout the public service. Departmental participants were also again especially concerned with the inter-departmental organizational aspects of the initiation and implementation stages and drew attention to the difficulties of "breaking new ground," the "disruption of existing organization," delays in decision-making, failures of communication and generally inadequate preparations. If many of the latter's difficulties were imputed to the intervention of the OGO staff, the latter also considered departmental officials as a source of their difficulties through direct personal clashes, resistance to change or lack of understanding of the programme (see Table VII - 9).

OGO officials reported that many departmental personnel did not know what was expected of them, that they could not perceive the magnitude of the programme and that they reacted rather than initiated. When matched with departmental responses, much of the difficulty appears to have lain in mutual suspicions rather than substantive issues. A member of OGO, for example, explained that, "High ranking officials were not too enthusiastic about outsiders coming to discuss <u>their</u>

Table VII - 9

"What matters have given you the most difficulty in your work to do with the Programme?"

	Departme Operating	ents Other	0G0- Seconded	OGO	Total	√_ G.K.
Staffing/assimilation		<u>.</u>				
of local employees	11	2	2	1	16	.037
Time	9	1	2	3	15	.026
Unfamiliar operations	10	1	1	1	13	.039
Inadequate prior preparation	10	1	-	-	11	.109
Delays in decision- making	7	1	1	1	10	.012
Availability of information	3	2	1	3	9	.066
Personal relationships	2	1	2	3	8	•129
Resistance to change	-	1	1	4	6	.271
Communications	4	1	-	-	5	.034
N	(33)	(8)	(5)	(9)	(55)	

problems - everything follows from there." Similarly a departmental participant argued that his department was confronted with a "superimposed group which made us take time out while we were working at full tilt to put in reports when the whole job could have been equally well done by our own senior people." The pressing deadlines which constantly confronted the public service also served to heighten the intensity of such reactions and there was some resentment of the additional time taken up in any ligison with OGO staff.

Feeling their position threatened by an external bureau, the departments insisted on the maintenance of the

existing hierarchical patterns of authority within their own structures and emphasized their own "monopoly" of knowledge and expertise. In Michel Crozier's and Robert Merton's terms, the departments may be said to have engaged in rebellion through ritualism.²⁷ There began to develop a bureaucratic vicious circle of increased pressure to change and increased resistance to change with each side leaning heavily on its own resources of power. Limited co-operation led to the carrying out of further studies into the departments' goals and structures, which in turn increased the uncertainty experienced by the departments and their resistance to further change. While in part due to such stress only limited progress was made in the development of a new programme infrastructure to promote the goals of the 1966-67 reforms, the transfer of functions did necessitate immediate provision of new administrative machinery and in particular of an effective field organization. It is, therefore, here that a further assessment of New Brunswick's experience of administrative reform may be made.

²⁷Michel Crozier, <u>The Bureaucratic Phenomenon</u>, Phoenix Boods edition (Chicago: University of Chicago Press, 1967), p. 191 and pp. 198-203.

CHAPTER VIII

ADMINISTRATIVE REFORM: FIELD ORGANIZATION

General Considerations

Although the two most prominent features of New Brunswick's "Programme for Equal Opportunity" entailed adjustments in the functional relationships between provincial and local governments and in the areas served by units of local government, a more fundamental adjustment was required in the relationship between the provincial government and the citizens of the province. The assumption of the full responsibility for acceptable minimum standards of education, health, welfare and justice required not only a reframing of governmental areas, but also a refashioning of the machinery of the provincial government to provide such services. Many of the departments of the provincial government had already been involved in the regulation or supervision of local functions, but the transfer of these functions brought to them, for the first time, the responsibility for directly providing specific public services throughout the province. The programme thus called for both a re-orientation in roles and a re-allocation and increase in

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the physical and human resources of the provincial public service.

The transfer of responsibilities to the provincial level of government was represented by some as a move to centralization. By virtue of their immediate association with other values the concept of the two polar extremes of centralization and decentralization may have some usefulness in providing a contrast between two alternatives, but is an oversimplification of the problem of devising an appropriate distribution of governmental responsibilities. This problem is rather to be understood in terms of a continuum between the two poles.¹ Without attempting to plot their exact position, it is clear that the mere existence of a local government or central government structure is not sufficient to place them at either extreme. Such considerations as the level of effective self-government or decision making are as or more relevant than the location of formal structures. The transfer of responsibilities did not automatically place the provincial government at the extreme of centralization but left room for the design of degrees of centralization appropriate to the performance of those new responsibilities within the general framework of the provincial government.

Four features are customarily considered in the

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¹J. W. Fesler, "Approaches to the Understanding of Decentralization," <u>Journal of Politics</u>, XXVII, no. 3 (August, 1965), 548.

delineation of governmental competence - the appropriate natural areas, administrative efficiency, fiscal adequacy, and popular control.² The need for reciprocal adjustments between the provincial and local levels of government in relation to such features had, in effect, been the major concern of the Byrne Commission when it was instructed to inquire into finance and municipal taxation within the province. The Commission had felt that its proposed structural reform would satisfy the need to obtain a balance between these features. Having accepted this, it was left to the provincial government to reconcile within its own structures the problems of function and area. The new organizational structures needed for the transfer thus called for the design of an appropriate field organization at the provincial level, the establishment of field service areas, and the distribution of responsibilities between headquarters and field. Such steps were dictated by the administrative needs of the new functions and were reinforced by a value commitment on the part of the provincial government to the principle of decentralized administration.

Where the provincial government was already exercising its full operating or regulatory responsibilities it had developed some degree of decentralized administration. Thus in the areas of natural resources and transportation and

²See: J. W. Fesler, <u>Area and Administration</u> (University, Alabama: University of Alabama Press, 1949), pp. 24-32.

communications there existed long established patterns of field services.³ The Department of Natural Resources, formerly known as Lands and Mines, had decentralized its forest administration in 1945 by dividing the province into five forest districts according to its major watersheds. The field organization of the Department of Public Works-Highways was administered through a Technical Services Division, known prior to 1966 as the Maintenance Branch, and was composed of fourteen districts. District boundaries largely corresponded to county lines with some variation and five further sub-divisions in the southern portion to take account of topographical factors and road mileage. The Department of Agriculture had a provincewide field service consisting of seventeen extension service districts drawn up on the basis of such factors as language and types of agriculture. Several of the technical branches of the Department, however, also maintained their own district offices and, while many of these branches shared district facilities with the Extension Branch, field district boundaries varied considerably.

These patterns of field organization are not unique to New Brunswick and reflect variables common to the natural growth of field services. From a territorial or "areal" view-

³See:- New Brunswick, Department of Agriculture and Rural Development, <u>Annual Report, 1967</u> (Fredericton, 1967), p. 6; Department of Natural Resources, <u>Annual Report, 1967</u> (Fredericton, 1967), pp. 5-6, 144-161; Department of Public Works - Highways, 1967 <u>Highway Report</u> (Fredericton, 1967), p. 15 and pp. 35-36.

point each of the departments had developed its own field areas around the natural areas applicable to their own particular function with no inter-departmental co-ordination. The location of field offices within the districts had also been determined by the same natural factors, modified to a minor extent by such considerations as the personal convenience of employees where they work from their own homes, or a recognition of some political interest in their location. Considerations of administrative convenience such as the availability of communication links between various communities were, however, common to all departments. When one adds the probability that some common centres will be chosen quite at random it is not surprising that different departments located field centres in the same cities or towns.

The functions performed by the three departments mentioned above are not intimately related and the divergence in their field boundaries was therefore quite natural. There was some room, however, for greater uniformity in at least the location of field centres or even congruent district boundaries. This lack of uniformity in field areas was most striking in the case of the Department of Agriculture, which within a single specialized area of responsibility maintained its own series of separate technical field services in addition to a system of field area generalists. From an administrative viewpoint the relationship between the field and headquarters level that had developed in these departments provides an example, in the

case of Natural Resources, of the results of a compromise between functional and areal considerations, in the case of Agriculture, of the influence of the character of the headquarters organization on its field services, and in the case of Public Works-Highways, of the influence of the character of the departmental function.

Both the Departments of Agriculture and Natural Resources are composed of various technical branches and divisions brought together under a single ministry. The former, however, is a smaller department with little formal coordination between its constituent branches at the headquarters level. Thus, while the Department of Agriculture had a generalist field service, its other technical divisions also directly provided their own field services. As a result there tended to be a bias in favour of function rather than area in field administration. It may be noted that external factors exercised some influence in shifting the balance between these two factors. The increasing role of the Department in rural development which stemmed from federal agricultural rehabilitation and development programmes had already led to the grouping of several generalist functions including Extension under an assistant deputy minister. The Department of Natural Resources presents a more orderly framework in the development of its field services and had reached a compromise between functional and areal considerations. In this instance the responsibility for the development and overall supervision of

policy rested with the specialized branches, while a common field service was provided for the performance of their funct-The relationship was thus one of "dual supervision"4 ions. based on the distinction drawn between area administration and technical function. As James Fesler observes, however, this concept again leaves the presumption in favour of function rather than area.⁵ Unlike the other two departments, the Department of Public Works had developed a field organization which lent more emphasis to the district level. This field organization reflected both its own narrow field of direct operating responsibilities and a long tradition of local influence in administration through the once overwhelming use of highway maintenance and construction as a means of political patronage. While the Public Works-Highways Technical Services Division provided field services for other branches and was subject to their technical supervision, it differed from the field services organization of the Department of Natural Resources in possessing its own particular functions subject to its own supervision and possessed a greater scope for local administrative discretion.

The manner in which these three forms of field organi-

⁴See: John D. Millett, "Field Organization and Staff Supervision," in L. D. White, <u>et al.</u>, eds., <u>New Horizons in</u> <u>Public Administration</u> (University, Alabama: University of Alabama Press, 1945), pp. 96-118.

⁵See: J. W. Fesler, <u>Area and Administration</u> (University, Alabama: University of Alabama Press, 1949), pp. 82-84.

zation had been determined by the gradual development of their respective departments is in marked contrast with the opportunity of designing a co-ordinated field organization which was provided to the provincial government in the assumption of its new responsibilities. Furthermore, unlike the three areas of responsibility described above which deal with specialized technical functions with their own natural areas, the services to be assumed by the Province were in general of the type to be provided directly to the people at large and the achievement of a co-ordinated field organization presented itself as both a desirable and possible goal. This goal required the provincial government to weigh and mould the various factors which determine the shape of a field organization into operating structures within a relatively short period of time. In such a situation, however, many factors acquire a weight not merited by longer term considerations which hinders the design of freshly conceived co-ordinated structures.

The Byrne Recommendations

Some guidance had been provided by the Byrne Commission in that it had foreseen that the proposed transfer of responsibilities would lead to charges of excessive centralization and of the creation of an unresponsive remote bureaucracy.⁶ The

⁶New Brunswick, Royal Commission on Finance and Municipal Taxation, <u>Report</u> (Fredericton: Queen's Printer, 1963), p. 117.

commissioners argued that such fears were unfounded since New Brunswick formed a compact geographical unit which was small both in size and population. They held that it was absurd to leave the responsibility for vital and complex general services to a profusion of small local units. They argued, furthermore, that a distinction should be drawn between the centralization of the responsibility for the provision of general services by the provincial government and the centralization of the administration and operation of such services. Thus even though the commissioners saw little cause for concern if a highly centralized administration were to be adopted, they emphasized that this was not their intention but rather administrative decentralization through the formation of a regional field organization to take account of local circumstances. The regions to be established by the departments would be of a size appropriate to the particular service. In the fundamental area of education locally elected boards would be retained.

The commissioners reported that they had explored the possibility of dividing the province into six uniform regions which would provide common regional offices for the provincial departments, uniform statistical reporting and effective coordination of such interrelated programmes as public health, welfare and education.⁷ Seven government departments and the Treasury Board had been asked to submit working papers on the

7_{Ibid.}, pp. 320-21.

subject to the Commission. It was found that departments advanced their own peculiar considerations which precluded the establishment of entirely uniform regions. If there was little agreement on regional boundaries, there was however some consensus on the location of the administrative centres for the regions envisaged by the departments. The commissioners were therefore optimistic that the adoption of their proposals would re-open the question of an appropriate field organization and the formation of uniform regions and regional centres.

Implementation

From the first, the provincial government had accepted in principle this aspect of the Commission's Report and with the formal transfer of responsibilities under the "Programme for Equal Opportunity" in January 1967, it announced the establishment of twelve regional centres and twenty-one sub-offices throughout the province. These centres were to be staffed so as to handle enquiries or problems arising in the areas of health, welfare, assessment, tax collection, local services in rural areas and "other services to people."⁸ Each centre was conveniently provided with a common post office box and telephone number for the departments it was to house. Behind the formal facade, however, the actual design of the centres left room for greater co-ordination and further clarification

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⁸Province of New Brunswick, Office on Government Organization, <u>Regional Centres</u>, Information Booklet (1967).

of the role of the regional service organization. Asked during the summer of 1967 if they expected changes in the ideas contained in the programme and if so, in which direction or items they might take place, twenty-seven of sixty-four senior departmental officials closely connected with the programme raised the subject of field organization. It was remarked by one that the replacement of the courty by the new regional boundaries had retained the formers' illogicality but not their uniformity. Of the twelve centres, four were termed co-centres (that is to say, they were in two locations), so that there were in fact sixteen centres and of these only five actually provided the full range of the general services assumed by the provincial level of government.

This initial unco-ordinated pattern of field service was due in large part to the necessity for its prompt provision. Such factors which normally help shape a field organization as the headquarters organizational pattern, and the technical and administrative requirements of the function concerned were overriden by the time factor. The latter lent increased weight to three further considerations: the inclination to use the existing fragmented departmental structures or administrative relationships in providing a ready framework for operations (a factor which would have been less significant had the departmental structures been abandoned as suggested by the Eyrne Commission); the utilization of existing capital

plant and human resources (particularly the newly acquired former county office facilities and the former municipal employees who transferred to the provincial public service under the government's transitional procedures);⁹ and finally, the political interest in the location of the centres, which was of pressing importance given the vociferousness of the opposition to the programme and the approaching deadline for a provincial election. The overall effect of the pressure of time was still more critical in its hinderance of the efforts of the Cabinet Committee on Government Organization and its staff to bring together the field services under a master plan. The relative weight of these and other factors varied somewhat from department to department and the existing departmental capabilities stood some in better stead than others.

Each department which assumed new responsibilities under the programme was affected by the need to frame an appropriate system of field services. Education raised peculiar and difficult administrative considerations in that the provincial government made provision for a degree of direct local participation in administration. The field organization of the Department of Education thus became a hybrid of a government and field service area.¹⁰

⁹The terms of this transition were set out in individually addressed letters to municipal employees from the premier on August 30, 1966.

¹⁰See chapter IX.

Social Services

The Department of Youth and Welfare was the youngest of the provincial departments affected by the programme and, with the Department of Education, was the major focus of its social and economic goals. The welfare function had, however, been singled out for special criticism by the Byrne Commission. The commissioners found, for example, that too great a reliance was placed on the distribution of money, that the department lacked trained social workers and that there was generally little co-ordination and control in the welfare programmes. They therefore recommended that "one of the first acts of the Welfare Commission should be to establish as many regional offices as are required to directly administer these welfare programmes and to relieve the municipalities of all responsibility and participation in social welfare." A single welfare agency would thus be formed to administer "a co-ordinated programme of aid to the blind, disabled, all aged, ill, our youth, and indigent adults, and indigent children."11 The weaknesses found by the Byrne Commission stem directly from the manner in which this function had developed within the pro-Prior to 1960 the Department had been a branch of the vince. Department of Health charged with the administration of old age assistance, and blind and disabled persons' allowances

¹¹Province of New Brunswick, Royal Commission on Finance and Municipal Taxation, <u>Report</u> (Fredericton: Queen's Printer, 1963), pp. 142-48.

and mothers' allowances. The provision of all of these categorical programmes, with the exception of the latter, had been the direct result of federal conditional grants. Eligibility was the principle consideration in the provision of these programmes and as a result their administration was a centralized one. All decision making, record keeping and payment were processed centrally and what field organization there was consisted of some twenty general welfare investigators. The function of each investigator, who generally operated out of his own home, was to carry out local investigations as to the eligibility of potential and existing recipients.

The provision of general social assistance had, with the exception of some assistance during the late 1930's, remained entirely a local responsibility and up until the 1960's was still in the fashion of the old Elizabethan Poor Law. Federal shared cost assistance under the Unemployment Assistance Act, however, engaged greater provincial participation and occasioned the formation of a separate department in 1960 with the establishment of a provincial social assistance programme. Part I of the programme was an extension of the existing mothers' allowances, first begun in 1943. Part II provided for the first time for a system of shared cost grants to be paid to local government for their social assistance costs which had been formerly known as local relief. The administration of Part I continued under centralized control

and the new provincial Social Assistance Branch shared the services of the investigators employed by the Old Age and Elind Assistance Board. Part II of the social assistance programme, however, remained a local responsibility, though shifting its burden from the parish to a municipal level. Some attempt was made by the province to encourage the establishment of an effective local government field organization by offering an additional grant towards administrative expenses for those municipalities which established a single welfare district with a full-time qualified staff.

The introduction of provincial participation in this field resulted in a more than doubling of the number of recipients. This development could only serve to reinforce the department's traditional concern for strong central administrative and financial controls and its attention to the determination of eligibility. Thus while the 1960 programme sought to provide assistance on the basis of need, the department emphasized that need "must be established in accordance to legislation and policy in order to be eligible for this assistance."¹² Not until 1965 did the department report that now there could be a "more welfare-minded programme."¹³ The department attempted to maintain a close supervision over the local administration of welfare. The Welfare Division, at

¹²Province of New Brunswick, Department of Youth and Welfare, <u>Annual Report, 1963</u> (Fredericton, 1963), p. 22. ¹³<u>Ibid</u>., 1965, p. 43.

first mainly concerned with child welfare, had supervision of the social assistance programme. After two years it was transferred directly under the deputy minister. A special social assistance division was firally established in 1964. Close liaison was maintained with the local welfare committees and their district offices established in the counties and cities which provided services for a majority of the towns. Departmertal regulations and directives governed the local administration of the programme and supervision was strengthened by the appointment of a provincial specialist director and assistants, including a municipal standards officer. Three regional officers, who reported directly to the deputy minister, had also been appointed to ensure uniformity between local administration and provincial standards.

Child welfare services including child care and protection, foster home and adoption services, and aid to unmarried mothers had been provided in the province by some eighteen children's aid societies. These voluntary agencies thus, in effect, performed field services on behalf of the provincial government, subject to the legislation and regulations administered by the Department of Youth and Welfare and supervised by the Child Welfare Branch. In some instances the agencies also directly participated in the administration of social assistance. Financial assistance was provided from the provincial as well as local government including, since 1965, provincial shared-cost contributions toward administrative

expenses. The major section of the Department, also formed in 1960, the Youth Division, also maintained its own field services with representatives strategically located in some five regional centres so as to cover all sections of the province and to provide a guidance counselling service for some thirty to forty schools.

The new programme required substantial changes in this pattern of headquarters and field administration if it was to be more than a simple transfer of financial responsibilities and local employees. In introducing the draft social welfare legislation in both November 1965 and May 1966, the two successive ministers of Youth and Welfare stressed that the programme would provide for an integrated welfare system which would be in harmony with the new federal programme under the Canada Assistance Plan.¹⁴ The new provincial programme would be primarily concerned with determining need rather than means so that primary attention would be paid to the individual requirements and closer relationship established between administrator and recipient. To translate these functional requirements into appropriate structures and patterns of administration, the department would be required to achieve three basic objectives - to integrate or co-ordinate all welfare

¹⁴See: Province of New Brunswick, Legislative Assembly, <u>Synoptic Report of the Proceedings: 1965</u>, Vol. III (November 24, 1965), pp. 1078-84 and <u>1966</u>, Vol. II (May 5, 1966), pp. 511-513.

programmes, to provide professional services for rehabilitation and to generally provide a degree of administrative decentralization through an effective field organization. Due to the manner in which the department had grown and the still relatively underdeveloped stage of welfare administration, all three objectives tended to run contrary to the existing pattern of administration. The reorganization of the department and the introduction of an effective field organization therefore progressed cautiously despite considerable effort by the consultants hired by the department, and the Office on Government Organization as well as the department itself.

As with the Departments of Municipal Affairs and the Provincial Secretary, the new field organization of the Department of Youth and Welfare was essentially based on twelve regional centres according to its own field requirements. In the case of Welfare, each region was designed according to demographic and geographical factors including patterns of population concentration and their ethnic composition, together with so-called community facilities and travel and retail shopping patterns so as to provide ready access to the regional centres and to the homes of those serviced by the centres. Wherever possible county lines or, failing their suitability, parish lines were followed; but in this instance former county areas were retained in only three cases. Due to workload factors, a further thirteenth district was also formed in the

north-east portion of the province to service a particularly heavy concentration of unemployment and a further sub-centre was established to serve a smaller pocket in the south. During the first two years of the Programme adjustments continued to be made to the location of centres and in 1968-69 one centre was re-located and another office provided so that in effect the department was operating with fifteen districts.¹⁵

The administrative pull between areal and functional factors during the reorganization of the department and the formation of an appropriate field organization posed still more complex problems. As a result of the programme the functionally differentiated centralized branches of the department were to absorb over 130 local employees, the majority of whom lacked higher education, and to assume the full responsibility for a new welfare programme which called for an integrated decentralized system of welfare administration provided by professionally trained personnel. As the Minister of Finance observed in presenting the financial outline of the first few months of the programme's operation, the "degree of regionalization" would take some time to achieve. 16 The government's commitment to employ those local employees affected by the transfer of responsibilities, as well as ordinary recruitment difficulties, for example, made the provision of

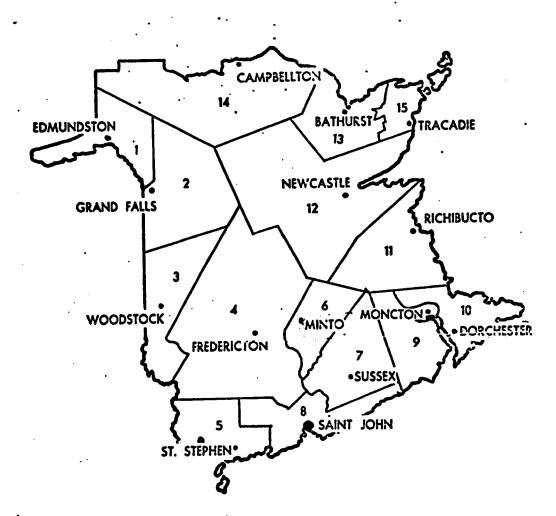
¹⁶Province of New Brunswick, Department of Finance, <u>Budget Speech</u> (November 15, 1966), p. 10.

^{15&}lt;sub>See Map VIII</sub> - 1.

MAP VIII - 1

WELFARE REGIONS AND REGIONAL OFFICES

March 31, 1967



Source: New Brunswick, Department of Youth and Welfare, Annual Report (Fredericton, 1967), p. 14.

the services of fully professional field workers for all casework a long term goal. Despite the initial efforts that had gone into the preparation for the programme, the estimates for the Department of Youth and Welfare continued to provide for entirely separate welfare divisions with separate regional offices under their own unit supervisors.¹⁷ By the end of 1967 the Department however moved closer to an effective reorganization. During the year the welfare functions were integrated under a single welfare director and a field organization established so as to provide effective administrative decentralization within the broad terms of departmental policy. In each region the welfare programme became the responsibility of district welfare supervisors who reported directly to a regional welfare services director so as to provide the administrative co-ordination needed to ensure uniformity and efficiency among the field offices.

The Vocational Rehabilitation Branch was the only division related to the welfare function to retain its own field organization. It maintained five field officers under rehabilitation counsellors who reported directly to their own headquarters director. This Branch which provided rehabilitation services to disabled persons over the age of seventeen had been transferred from the Department of Health in 1966 to

¹⁷Province of New Brunswick, Department of Finance, <u>Supplementary Estimates for the Fiscal Year Ending 31 March</u>, <u>1967</u>, pp. 27-28 and <u>Estimates for the Fiscal Year Ending</u> <u>31 March</u>, <u>1968</u>, pp. 80-83.

provide a closer liaison in services to the socially handicapped under the provisions of the federal Canada Assistance Plan. Its current focus on services to the physically handicapped gave some ground for the retention of the Branch's separate field organization.

By making the headquarters functionally integrated, the administrative balance was shifted toward area. This shift was achieved not by the usual movement from the functional specialist toward the area generalist, but rather by attempting to increase the overall functional professional orientation of the headquarters itself. This change is well illustrated by reference to the senior staff changes which took place during 1967. Following the provincial election held in the fall of 1967, a separate Department of Youth was created and the Welfare function transferred, though retaining its own deputy head, to the Department of Health. The formation of a Department of Health and Welfare provided a co-ordinated structure to correspond with the federal department which had increasingly become a source of financial assistance. With this merger, the former deputy Minister of Youth and Welfare also transferred to the new Department of Youth and relinquished a long association with the welfare function. A son of a former provincial minister with a distinguished war record and some business experience, the deputy had become acting chief welfare officer just prior to the creation of the department

in 1960 and was appointed as its first deputy. Possessing an intimate knowledge of the administration of all aspects of the assistance programmes, the deputy was in every respect an administrative generalist. His place as deputy was initially taken by the newly appointed Director of Welfare, a qualified professional social worker, who had formerly been the Director of Child Welfare. If the latter's experience had not been confined mainly to child welfare, his successive appointments to these two positions and in particular to that of deputy minister, where administrative capabilities normally precede professional ones, would have matched in every respect the changing character of the department. The third newly created administrative position of regional welfare services director was initially filled by the former director of a city agency which had already integrated both the child welfare and social assistance functions.

Health

The transfer of responsibility for the other general services of health and justice and the revenue functions of assessment and tax collection posed less complex considerations for field administration than had the welfare services. In the case of the Department of Health it had already established a close relationship with local authorities in the actual provision of all health services throughout the province and its own field organization proved readily adaptable to its new

requirements. Since 1887 the responsibility for the administration of local public health services had been delegated to local boards of health.¹⁸ On the formation of what is claimed as the first department of health in the British Empire in 1918, the local boards were adapted to a system of health districts under the professional and administrative supervision of provincially appointed District Medical Health Officers. Each district was further divided into Boards of Health Subdistricts which followed county boundaries and operated under the direction of boards, which were in the main locally appointed and chaired by the medical health officers. The boards were responsible for a miscellany of public health functions including the inspection and licensing of such establishments as abattoirs, dairies and restaurants, the control and abatement of health nuisances, the supervision of sanitation in housing, water supplies and waste disposal, the provision of local medical and nursing services, and the collection of vital statistics for the provincial Registrar-General. Financed in the main by the county, the boards also received provincial grants toward the salaries of locally employed sanitary inspectors and, in the case of the largest sub-division in Saint John, for the nursing services it provided. The duties of the local personnel were co-ordinated by the district medical

¹⁸Province of New Brunswick, Department of Health and Social Services, <u>Health Services in New Brunswick</u> (Fredericton, 1951), p. 16.

health officer, who was also responsible for the local dayto-day activities in areas of direct provincial responsibility which included public health nursing, mental health and the provision of local clinics. Such provincial field staff as the public health nurses were, however, also responsible to and professionally supervised by their own headquarter division. The pull between area and function, technician-generalist, had been resolved in favour of the function and technician in that this direct professional relationship was stronger than that within the looser district organization. The relationships of the district medical health officer with both the department's several specialist divisions and the local boards of health carried all the difficulties of divided governmental responsibilities and of the tension between area and function. The operation of this system thus relied to a large extent on a measure of flexibility in its administrative relationships.

The transfer of local health functions entirely to the provincial level occasioned a careful reorganization of the field services and the headquarters-field relationships. In terms of area, the Department of Health reduced the number of health districts from eight to five so as to permit greater co-ordination with the provision of hospital services. The number of districts and hospital regions had already been subject to some re-adjustment in recent years. Hospital regions had been increased from five to eight in accordance with a master plan drawn up on the introduction of the

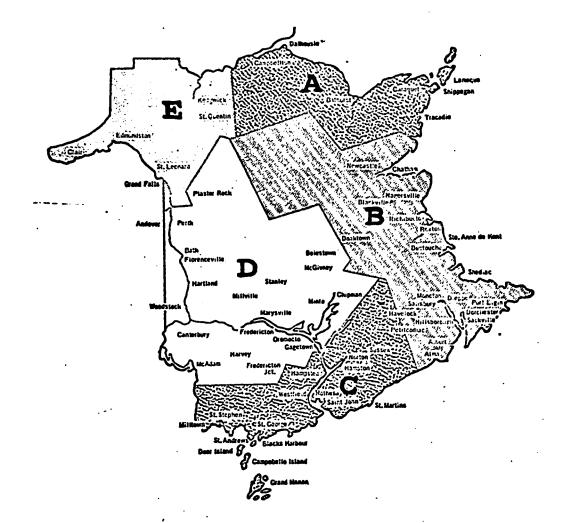
provincial hospital insurance programme in 1959 which envisaged that wherever possible hospital services should be available to residents within distances of twenty to thirty miles.¹⁹ In 1964 the number of health districts had also been increased from five to six. With the introduction of the new programme, the hospital regions took on added significance since, short of the actual ownership of existing facilities, all hospital operations fully became a provincial responsibility. The number of regions was reduced to five; these were designed so as to provide for a major regional hospital in each region capable of providing specialist services, together with satellite district hospitals for more local service. The five provincial laboratories were already suitably located so as to provide services for the new regions.

Of the departments affected by the programme, the Department of Health had the smallest number of regions.²⁰ Each of the regions centred on one of the five largest population centres within the province (excluding Oromocto). These were the only centres shared by all the programme departments. The regional boundaries had some resemblance to those used in hospital planning up to 1960, which were drawn up with regard to such factors as distances from hospitals, ethnic origins and

¹⁹Province of New Prunswick, Legislative Assembly, <u>Synoptic Report: 1965</u>, Vol. I (March 12, 1965), pp. 336-39.
²⁰See: Map VIII - 2.

NEW BRUNSWICK

HEALTH REGIONS 1967-69



Source: New Brunswick, Department of Health and Welfare, <u>Annual Report</u> (Fredericton, 1969), p. 20.

natural physical boundaries. The boundaries, however, also reflect an attempt to achieve some correspondence with the boundary lines used by the Departments of Education and Welfare in order to facilitate inter-departmental liaison in such programmes as school health and medicare. While for purposes of overall planning the general public health and hospital services were brought within a common regional boundary, an attempt was also made to provide for a greater co-ordination in the provision of such services by the encouragement of increased contacts between the district medical health officers and their regional and district hospitals.

The retention of the local ownership of existing hospital facilities reduced the impact of the programme on the Hospital Services Division of the department, which was already responsible for the bulk of hospital expenditures shareable under the hospital insurance plan. Although the Byrne Commission had recommended that the provincial government assume the ownership of the general public hospitals, they continue to be under religious, lay or municipal ownership and are administered by local boards of trustees or religious orders. The participation of the provincial government in the federal shared-cost hospital insurance programme under the federal Hospital Services and Diagnostic Services Act had already brought the hospitals into a special relationship with the provincial level of government, which bore the full cost, with federal contributions, of all shareable expenditures under the insurance programme.

Control of the development of hospital facilities as well as the maintenance of adequate hospital services was a provincial responsibility, and federal grants to assist in hospital construction were also matched by the Province. With the new programme, the responsibility for hospital costs including those for the operation, maintenance, and construction of hospitals and their debts and liabilities was transferred to the Province. Hospital administration remains with the local hospital boards and although new hospitals will be constructed and owned by the Province, local hospital boards will also be appointed for hospital administration. While the new relationship implies a close provincial supervision and raises such special considerations as those related to employer-employee relations, the degree of local administrative autonomy is not necessarily less than before.

The major shift in field organization was thus confined to public health administration, where regional considerations were significantly strengthened. For the first time in a number of years, full-time district medical health officers were appointed for the regions and were now responsible to a Co-ordinator of Public Health Services. The officers were given the responsibility for the planning, supervision and coordination of all public health functions within their regions performed by such personnel as public health nurses and inspectors, nutritionists, alcohol education representatives and

dental hygienists. The continuing services of voluntary organizations were also co-ordinated through the officers. Offices that had been operated by departmental personnel under the former administrative divisions outside of the six regional centres were designated as sub-regional offices. Public health work became assigned on a day-to-day basis by the district medical health officer and regional budgets were to be prepared and administered at that level. Planning and co-ordination of public health nursing services at the regional level was also strengthened through the appointment of regional nursing supervisors who were responsible in each region to the district medical health officer for the direct supervision of the field The role of the specialist headquarters directors nurses. had thus become primarily concerned with the development of policy standards, the provision of professional advice and professional personnel administration and inspection.

The six specialist divisions - public health nursing, sanitary engineering, dental health, child and maternal health, alcohol education and communicable disease control - reported to the Co-ordinator of Public Health Services together with the district medical health officers. Every effort was made to provide a fully co-ordinated service and to maintain the balance between area and function by bringing together both the headquarters specialists and field generalists on a regular basis. The district medical health officer is himself not entirely a field administrator and acts in a consultative

capacity in preventive medicine and as an epidemiologist. The collection of vital statistics and the issuing of birth, marriage and death certificates, which had been a further responsibility of sub-deputy registrars employed by the local boards of health, was entirely centralized under the provincial Registrar General of Vital Statistics.

Three major health functions: cancer and tuberculosis control and mental health services, which were largely unaffected by the new programme, retained their own special field organization within the Department of Health and Welfare. Cancer control, formerly incorporated with communicable disease control, remained a separate entity when the latter became part of the integrated public health service structures. Diagnosis and treatment of cancer thus remained under specialized supervision at the three treatment centres and seven diagnostic clinics operated by the Department through the cancer control programme. Although part of the provincial public health programme, in that clinics were provided and much of the followup work was performed by the regional organization, tuberculosis control, like mental health services, remained subject to the direction of its own headquarters. This was due both to their particularly specialized nature and the need for continuing professional 'co-ordination of institutions within the various regions. Both functions had long had their own specialist field organization and in the case of tuberculosis control, the head office was itself located outside the

provincial capital. Thirteen tuberculosis diagnostic clinics were maintained at sub-centres throughout the province and a treatment programme provided at the three provincial sanatoria. The Mental Health Division operated four community psychiatric clinics and provided provincial in-patient services at two provincial hospitals, a provincial children's hospital school and a geriatric clinic.

Due to its ability to readily adapt its own existing field organization formerly used in the supervision of local authorities to provide an integrated provincial public health service, the Department of Health proceeded with the transfer with relative ease. While the balance between area and functional factors is an uneasy one and the new headquarters relationships will continue to undergo mutual adjustments, three factors made the department's existing structures amenable to the adoption of an integrated field service. In this instance the departmental area generalist as well as the technical divisions was able to draw on the support of an administrative tradition; the transfer of responsibilities did not have any major impact on departmental policies but was mainly a means of improving the performance of existing ones; and finally, due to the specialized nature of the departmental function, the area generalist was himself a professional. There was little likelihood of his becoming simply an office manager, as is the more usual experience in the attempt to balance area and function under a system of dual supervision.

Justice

Although also a relatively simple change, the transfer of the full responsibility for the administration of justice to the provincial level of government differed from the health transfer in that it called for a marked adjustment in the character of the department concerned. It was formerly known as the Department of the Attorney General and is now more appropriately designated as the Department of Justice. Prior to 1965, this department was responsible for a variety of legal and supervisory functions associated with justice administration, together with such functions as the administration of correctional programmes, the regulation of insurance companies, the fire prevention programme and, since 1962, the operation of county registry offices. Each function was performed by quite autonomous units which were loosely gathered together under a single ministry. The central branch directly supervised by the deputy attorney general was primarily concerned with legal functions, and its small staff of lawyers, who themselves relied on legal assistance from outside the public service, had only a limited capability for general departmental administration. The transfer of functions which took place in 1967 from the local authorities increased the direct operating responsibilities of the department and required an expansion of its administrative capabilities and a rationalization of its structures.

The nature of the new field organization of the

department was determined by the structure of the districts used by the various courts of the Province. The reorganization of these districts, traditionally rooted in the county level of government, followed the basic recommendations of the 1959 Committee on Administration of Justice, which had been echoed by the Byrne Report. Among its findings, the Committee had observed that "...owing to developments in transportation and communications, particularly in districts adjoining larger cities, certain of the counties have ceased to become a nesessary or even convenient unit for the purpose of the administration of justice in the Supreme Court The administration of justice generally would be improved by the consolidation of these counties with others into judicial districts."21 The Committee went on to make specific recommendations for the consolidation of ten of the fifteen counties into four judicial districts and a series of alternative locations for the place of trial in a number of counties. Consolidations of the areas served by County and Probate Courts were also recommended as well as "in the interests of economy" the counties served by the sheriffs.²² Originally the principal local protective officers, the sheriffs, had primarily become judicial officers. Like the clerks of the peace, appointments to

²¹Province of New Brunswick, Committee on the Administration of Justice in New Brunswick, <u>Report</u> (Fredericton: Department of the Attorney General, 1959), p. 7.

²²Ibid., pp. 12-14 and p. 18.

the office of sheriff were matters of patronage and were made annually by the Lieutenant Governor-in-Council. A nominal provincial grant was paid to the municipalities for the remuneration of the sheriffs, who generally received a nominal salary plus fees and expenses.

The department followed the intent of the Committee's recommendations in planning the reform of the judicial system and substituted eight judicial centres for the fifteen counties as locations for sittings of the County Courts and the Queen's Bench Division. The field organization of the department was built around these centres to provide the departmental services associated with the administration of justice and to bring together a variety of functions previously performed by such local officials as the clerks of the county and circuit courts, the registrars of probate and the sheriffs. Many of these functions were formerly performed by local part-time staff but under the reorganization of the new programme are to be combined into single full-time positions.

Over the years the division of the responsibilities related to the administration of justice between the provincial and local level of government had grown into a complicated network of <u>ad hoc</u> arrangements.²³ In transferring the responsibility for all justice administration to the Province, the

^{23&}lt;sub>Province of New Brunswick, Royal Commission on Finance and Municipal Taxation, <u>Report</u> (Fredericton, 1963), chapter XI.</sub>

new programme offered the opportunity to provide a coordinated system of administration. Some minor local responsibilities were retained and, while provincial law enforcement is carried out under contract by the R.C.M.P., local communities continue to be able to provide their own local police forces, enforce their local by-laws and maintain local lockups. The full implementation of the programme by the department, however, progressed slowly in the first two years of its formal introduction. In many cases the field organization simply involved a change in the financial responsibility for existing local functions rather than a restructuring of the field organization. Nevertheless, four of the judicial centres were made operative and illustrate the pattern to be followed elsewhere. The senior departmental official in each centre was a full-time crown prosecutor responsible for all public prosecutions in the centre. By virtue of his seniority the prosecutor supervised the work of the sheriff and his deputies, who performed such functions as the serving of legal documents, property seizures and sales, and the transportation of prisoners. The prosecutor also exercised administrative supervision over the justice administration officer, who was to be located in each centre to perform or, in some instances, to supervise the functions of the clerk of the county court, the clerk of the circuit court, the clerk of the peace and the registrar of probate. These officers provided administrative services for the courts in each region and supervised the

work carried out by the court reporters and secretaries and the handling of revenues collected through the courts and the sheriffs.

This new field organization was thus primarily designed to service the higher courts of the Province and was an addition to the department's local functional field offices (i.e. those of the county registry offices and the magistrates and juvenile courts). Some co-ordination and uniformity in office management was, however, envisaged through the appointment of an inspector of legal services, who exercises a central supervision of the field offices. The other major function of the department, the supervision of correctional programmes, had been administered as a semi-autonomous unit and also has its own field organization. The Probation Services division maintained its own nine probation district offices, three of which differed from the new judicial centres. In addition, the Corrections Branch, which was previously responsible for the supervision and regulation of the jails, assumed full responsibility for the direct operation of twelve former county jails. An earlier 1951 Commission on the Gaol System recommended that the county jails be replaced by five local jails²⁴ and a further study used by the Byrne Commission had recommended the construction of district jails in six major population centres. This recommendation had been accepted by the

^{2b} New Brunswick, Commission on Gaol System of New Brunswick, <u>Report</u> (Fredericton, 1951), p. 26.

provincial government and in the long run the new system was to provide jails in six of the judicial centres. Each jail was to be administered by a regional jailer responsible to the Correctional Programmes Director.

With the exception of an intended emphasis on the rehabilitative aspects of the correctional programme, the transfer of responsibilities affecting justice was unlike that in the field of public health and social welfare in that it was essentially administrative. But although virtually all of the changes in the field organization for the exercise of justice had been contemplated for some time, the immediate provision of an effective field organization was delayed by two factors the patronage element of some of the appointments involved, and the ease with which former local government facilities and employees could be initially used to continue the services with a change only in the location of financial responsibility. While the department remained fragmented, it nevertheless strengthened its central administrative capabilities and established an effective organization plan for the administration of justice. The major problem here was thus one of political and administrative timing.

Tax Collection

The administrative function most central to the programme, the collection of provincial real property taxation, was originally allocated both in the Byrne Report and the first drafts of the government's legislative programme to the Department of Municipal Affairs²⁵ together with the assessment function. In the preparation of the final Real Property Tax Act, however, it became clear that by virtue of its existing expertise in tax administration and its network of field offices the Department of the Provincial Secretary would be more qualified to assume the responsibility for the administration of the real property tax.

The primary responsibility for all provincial tax administration had to this time rested with the Department of the Provincial Secretary, formed as a separate department in 1961 together with the Department of Finance from the Department of the Provincial Secretary-Treasurer. The department had assumed responsibility for a number of general administrative and regulatory functions, but was essentially composed of the former Provincial Tax Branch headed by the Provincial Tax Commissioner and the Registrar of Motor Vehicles. The department's responsibilites included the administration, collection and audit of such provincial consumption or sales taxes as the social services and education tax, tobacco tax, and gasoline and motive fuel tax, which comprise some 60 per cent of the tax revenue of the provincial government. In addition,

²⁵To be precise, the Byrne recommendation, of course, pertained to the proposed Municipal Affairs Commission. See: Province of New Brunswick, Royal Commission on Finance and Municipal Taxation, <u>Report</u>, pp. 247-9, also <u>Bill 119 - Tax</u> <u>Collection Act</u>, 3rd Session, 45th Legislature, New Brunswick, 14 Elizabeth II, 1965.

the department was also responsible for the regulation of motor vehicles in the province, including licensing, registration, highway safety, and enforcement of gasoline tax regulations, and some aspects of highway law. For the purposes of motor vehicle registration and driver licensing, the department had established an extensive field service with twelve major field centres and twelve sub-agents, in keeping with an apparent sensitivity to a public preference for the provision of such services in their immediate localities.

The department therefore offered an ideal combination of both an existing expertise in tax administration and a network of established field offices. The field organization for tax collection under the government's programme was in large measure built upon the existing facilities, personnel and administrative machinery of the Motor Vehicle branch of the Department. The department followed the general pattern established for Municipal Affairs in the formation of twelve regions which followed the former county boundaries with a consolidation of three pairs of southern counties into three regions. Regional centres were established at ten of the former motor vehicle field offices with the addition of one population centre and one former county shiretown. Each centre was designed so as to offer the public ready access to a single office for the payment of property and business taxes, of tax arrears, of sales taxes on the registration or transfer of motor vehicles, for the registration of motor vehicles, for

driver licensing and, in addition, to accommodate such specialized field staff as driver examiners, improvement officers and auditors.

The structure of field organization established for purposes of tax collection had the advantage of being established under a department already specialized in tax administration and of being able to use an already firmly established system of field offices to facilitate public access. The decision to place responsibility with the Department of the Provincial Secretary rather than Municipal Affairs was in these respects entirely logical. Although the collection and assessment function require some administrative co-ordination, it may be argued that the formal separation of the two functions into separate departments also has some psychological advantage in distinguishing the establishment of true and equitable property values from the actual collection of revenue based on such values. While the drawing of this distinction may have some value, the inter-relationship of these two functions at the point at which taxes are actually paid would seem to indicate that, quite apart from other considerations, it would be of some advantage to the public if the field offices for each of these functions were in the same location, that is to say, the same city or town and, if possible, building. While the two departments shared regional boundaries, however, the Department of Municipal Affairs had followed the traditional municipal pattern and, with the exception of one major centre,

established its regional centres in former county shiretowns, whereas the Department of the Provincial Secretary had tended to use the location of its existing district offices as a basis for its centres. As a result of the differences, four of their twelve centres were in different towns and, due to the utilization of different facilities, four further centres were in separate locations, even where they were in the same community. It may be said that, ideally, all of the functions associated with the programme would have been established in the same regional centre and building. If the provision of public access had been the only factor to be considered, this might have been achieved. Each of the programme areas, however, carried its own territorial and organizational imperatives.

The existing field organization of the Department of the Provincial Secretary had grown in response to a perceived demand for the provision of local departmental facilities for motor vehicle licensing and registration. This tradition appears to have been carried forward to the provision of tax collection facilities and was probably reinforced by the concern of the provincial government to provide some concrete evidence of its good intentions in the avoidance of a highly centralized system of administration. As a result, some twenty-four sub-centres, and three others to be operated on a part-time basis, were formed, in addition to the department's twelve main regional centres. In doing so, the Department of the Provincial Secretary was also able to provide employment

for former municipal employees whose functions had been affected by the new programme and wished to transfer to the provincial public service. The volume of work discharged in many of the sub-offices in the first two years of the operation of the programme was, however, small. The Department had made provision for property taxation to be paid by mail directly to the headquarters at Fredericton. It also adapted its field offices for the handling of the property tax collection, but the public had, in fact, shown a marked propensity to use the mails. The population served by the sub-regional centres was therefore limited and if workload had been the sole justification for their operation, such centres would have been an unnecessary element in the Department's field organization.

The reorganization of the department which took place in respect of its administrative relationships on the assumption of the new tax function was originally intended to be accomplished with the establishment of a Field Services Branch with its own director reporting directly to the deputy head. This plan was revised so as to group the operation of the field offices under a general administrative services branch, which was also responsible for such functions as personnel administration and departmental accounting.²⁶ Each regional centre was directed by a revenue supervisor who was also

²⁶See: Province of New Brunswick, Department of Provincial Secretary, <u>Annual Report, 1966</u> (Fredericton, 1966), p. 9 and <u>Annual Report, 1967</u>, p. 9.

responsible for the sub-offices that fell within the region. While the supervisor represented the department at the regional level and acted as a channel of communication between the field and headquarters levels, he and his staff were primarily the field staff held in common by the two major functional branches of the department and were responsible to these branches in the discharge of their major functions. In motor vehicle law, the regional centres followed the procedures established by the Motor Vehicle Branch and in tax collection, the procedures established by the Tax Administration Branch. Where there were any departures from the norm, they were referred to the appropriate headquarters branch. In addition, in the handling of revenue and accounting procedures, the regional centres were made subject to the review of the Audit and Procedures Branch. The latter was responsible for a continuing review of all of the department's systems and procedures, as well as the conduct of its external and internal audits. Where other departmental personnel from other branches used the regional centre, the supervisor was also responsible for the provision of administrative services and facilities they require and was in this respect a local office manager.

"his field-headquarters relationship followed the administrative requirements of the functions being performed. A wide degree of local discretion can have little place in efficient revenue administration. Thus the regional structure of the Department of the Provincial Secretary cannot be

described as a system of decentralized administration for public services, but is rather simply the provision of local offices for public convenience.

Assessment and Municipal Services

Local government in New Brunswick is assisted and regulated in the performance of many of its functions through the provincial Department of Municipal Affairs. A small department, it naturally underwent a substantial transformation as a result of the new reforms. As the corner-stone for the "Programme for Equal Opportunity," the transfer of the full responsibility for property assessment to the Department of Municipal Affairs was the first item in the programme to be implemented. The increase in the scope of the department's functions resulted in an increase in the number of its employees from thirty to over two hundred.

The Byrne commissioners had been critical of the administration of assessment within the province as carried out by the some forty-four local assessment units. Efforts to improve the conduct of assessments had been made by the Department of Municipal Affairs in 1960 with the formation of a separate Assessment Branch to provide guidance and training in assessment practices. A great deal of progress had been made toward some uniformity in assessments throughout the province, but the department had not attempted to exercise its full authority in enforcing standards. The Byrne Commission had devoted considerable attention to this matter and concluded that a satisfactory system could only be achieved by a centralization of the assessment function. The Commission stressed that this would bring several advantages of large scale operation, including specialized technical equipment and personnel. There was concern, however, that their proposal be understood as a centralization of the <u>responsibility</u> for the assessment function, rather than its actual administration. The Report thus envisaged a series of local assessment branch offices serving an area not necessarily following municipal boundaries, but where possible, conterminous with local real estate markets. The size of the larger areas to serve the more sparsely populated regions was to take into account the necessity of providing ready public access to assessment offices.²⁷

In order that the assessment rolls and lists would be ready for the commencement of the programme in 1967, a massive crash programme had to be carried out to ensure that the assessments conformed to the provisions of the new Assessment Act.²⁹ Beginning in May 1966, all local assessment staffs, initially carrying on their work from their own offices, were integrated into the provincial public service. For administra-

²⁷Province of New Brunswick, Royal Commission on Finance and Municipal Taxation, <u>Report</u>, p. 234.

²⁸See: R. H. Craig, "Revolution in Assessment and Taxation in New Brunswick," <u>Assessors' Journal</u> (July, 1967), pp. 25-33.

tive purposes the department divided the province into twelve These conform to the county boundaries, with the regions. exception of three of the smallest counties, Albert, Queens and Sunbury (excluding the federal town of Oromocto), which had populations of less than 14,000 and were combined with their neighbours. In this instance, the availability of physical facilities proved a significant factor in the location of regional offices. Four centres were established in former shiretowns and two in the major population centres for the region. In the remainder of the centres, the former shiretowns correspond to the largest population centres. These regions were the ones used by the Department of the Provincial Secretary for purposes of tax collection; this department, however, located its field offices in the major population centres for all twelve. The Department of Municipal Affairs used the regions as a basis for a common departmental field organization and the regional centres were used as bases for the newly-appointed Regional Municipal Services Representatives. In the initial transfer of the full responsibility for Emergency Measures, six centres were also used for civil defence co-ordination. The whole emergency measures function was, however, terminated by the provincial government during 1968.

The assessment staff of each region was, in the main, composed of some eighty of the 140 former local government employees. These field staffs were responsible for all assessments within the region with the exception of major commercial and industrial assessments which were carried out by headquarters specialists. Day-to-day planning direction and review of regional assessments are the responsibility of regional assessment supervisors, who are also responsible for the maintenance of assessment records and the handling of public relations in providing the general public with a ready access to the department, in giving out assessment information and in the initial handling of appeals.

The department was successful both in the preparation of assessments and in providing an effective de-centralized assessment field service. This success was due in large part to the assessment work previously initiated by the department and to the efforts of the former Assessment Director. It was reinforced by the determination on the part of the provincial government to lay a firm basis for its programme and the resultant decision to give highly qualified and experienced direction at the headquarters level through the appointment of a new Director of Assessment. Although the obligation to former municipal employees led to a less than optimum staffing pattern, this was due more to numbers rather than capabilities and the Byrne Report's reservations in this regard were found to be exaggreated.

Much of the department's financial supervision of local authorities had previously been performed by an Audit and Accounting Branch, which was responsible for the review of

municipal budgets, the conduct of audits and the preparation of an annual municipal statistical report. In 1967 this branch was reorganized as a Municipal Services Branch and given the additional responsibility of the direct administration of local service districts and the supervision of village administration. The administration of these functions was decentralized to the regional level under Municipal Services Representatives. Nine of these twelve representatives were former county secretary-treasurers and each served as the general administrative representative for the Department of Municipal Affairs in providing information, assistance and advice to local authorities within the region. The local service districts which may be established to provide local services in areas outside of the municipalities were to be administered by the municipal services representatives. In addition, the latter were to maintain a review of budgeting and accounting practices and give particular assistance and advice to the villages. Each representative reported directly to the Municipal Services Director, who was assisted at headquarters by a small supervisory staff, specializing in local government finance and budgeting, village and local service district administration. The Municipal Services Branch was also made responsible for the calculation of the unconditional grants paid to the municipalities.

The municipal services representatives also performed field services for two other branches of the department. They assisted the Community Planning Branch in the local administration of community planning and the Municipal Elections Branch as deputy electoral officers for the conduct of all local government elections. With the exception of the specialized area of assessment, these representatives were thus in every respect the general field representatives for the department and the province has been able to make good use of their experience in local government.²⁹

In considering the overall character of the provincial government's field organization, the position of Municipal Services Representative carried with it some potential in field administration beyond the Department of Municipal Affairs. Primarily a general administrator and regional manager, the representative was also a potential general liaison officer for the various departmental field offices in a regional centre and might assist in the co-ordination of the use of the physical facilities and also possibly clerical supporting staff. This role had been conspicuously absent following the preliminary establishment of the regional centres. As it proved easier to publicize than to organize, the opening of the regional centres had been accompanied by a certain amount of confusion. The participation of the Office on Government Organization ensured, however, that some overall direction and control

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²⁹ See: J. I. McKeen, "The Role of the Municipal Services Representative in New Brunswick," <u>The New Brunswick</u> <u>Municipal Monthly</u>, XXIV, nos. 7 and 8 (July and August, 1968), 1, 2 and 9.

was achieved for each centre. Following this initial burst of activity, departmental autonomy in matters of field organization became more apparent. Thus while the Maintenance and General Services Branch of the Department of Public Works-Buildings was able to provide ordinary maintenance and operations services to each centre shared by the various departments, each of the departments had its own staff under its own senior field administrators with no single provincial liaison officer or co-ordinator.

As James Pesler has observed, the "field problems are less <u>suigeneris</u> than a mirroring of problems at the centre."³⁰ The non-achievement of a fully co-ordinated field service fundamentally reflected the pervading necessity of providing field services within a short period of time amid a broad reorganization of provincial and local government responsibility. The extent to which the province can achieve a closer liaison of the departmental headquarters will determine the manner in which the field service is provided. The whole future of the reforms depends in large part upon the outcome of such liaison.

³⁰J. W. Besler, <u>Area and Administration</u> (University, Alabama: University of Alabama Press, 1949), p. 74.

CHAPTER IX

ADMINISTRATIVE REFORM: EDUCATION

The Existing Framework

Prior to 1967, the basic administrative unit in the field of education was the local school district. Each district possessed corporate status and was normally administered by a board of locally elected trustees with an appointed secretary.¹ With the exception of Restigouche County, local rural districts submitted their budgets to County School Finance Boards (first formed in 1943) and were not revenue raising bodies. As with the pre-1962 regional and consolidated boards, three members of the seven member finance boards, including the chairman, were provincial appointees with the remainder appointed by the county councils. Such boards were responsible for the review of local budgets and the determination of a uniform county rate of taxation for education purposes, subject to adjustments for local community property values. Capital expenditures were borne by the local district itself subject to departmental approval in a local supplementary budget together with any expenditures in excess of county

¹Until 1962 where school districts were consolidated under a single consolidated or regional board the latter was composed of three provincial government appointees and four locally elected members.

standards. The administrative duties of the finance boards in four counties were performed by county secretary-treasurers and by full time board officials in the remainder. Cities and towns were in the main designated as single school districts administered by local school boards composed of four provincial and five municipal appointees. As in the rural areas, funds for the urban districts were generally raised through the local municipalities. One city and five town districts, however, raised money for education through a County school finance board, while four other town districts levied their own taxes directly. Day-to-day responsibility for school administration essentially rested with the local boards. The provincial Department of Education carried out general supervision and control through, for example, the determination of curriculum, teacher supervision and licensing, the establishment of minimum teachers' salaries, the control of the financing of school construction and school board borrowing, and other budgetary measures through its system of financial aid.²

The early field administration of the provincial Department of Education had taken the form of provincial inspectors who policed the application of provincial schools legislation and regulations by the local districts and reported upon the conduct of schooling to both local and provincial

²For detailed description of this pattern see: H. J. Whalen, <u>The Development of Local Government in New</u> Brunswick (Fredericton, 1963), pp. 54-57.

levels of government. The introduction of the county as the primary financial unit in school administration in 1943 increased the role of the inspector, now known as the county superintendent. For purposes of field administration, the province was divided into thirteen "inspectorial districts" which essentially followed county boundaries. These districts were serviced by county superintendents working with the assistance of county school supervisors. As the department's representative within each county, the county superintendent combined what was seen as both administrative and supervisory roles. The latter was seen as of primary importance and included the carrying out of school visits, teacher evaluation, the provision of professional advice and encouragement in teaching methods and the use of new text books, as well as the organization of local conferences and workshops. Such functions had directly evolved out of the duties of the original provincial inspectors.

In addition to the duties mentioned above, the superintendent was also responsible for the supervision of departmental examinations, the distribution of various departmental forms and documents and, more significantly, the representation of the department at county school finance meetings and the provision of advice to school trustees and secretaries of county boards on various aspects of school administration and finance. The superintendent thus came to play a prominent

role in local decision-making. This was most marked in the department's attempts to encourage school consolidations and the groundwork which he laid in this regard was often of crucial importance to a successful consolidation. The superintendent was thus a liaison officer for both levels of government and while his primary responsibility was the supervisory one, the administrative role had also taken on an increas-The county supervisor assisted the superining significance. tendent in both functions and, in an attempt to reduce the administrative load, steps had been taken to appoint senior clerical assistance in a number of the larger county superintendent offices.³ The five cities and two towns had appointed their own superintendents and supervisory staff. While not strictly part of the department's own field organization, they occupied a position not unlike that of the county superintendent in respect of their own school jurisdiction. The city superintendents exercised both supervisory and administrative functions but the precise administrative responsibilities which were assumed by county superintendents varied considerably from one area to another.

A 1955 Commission on the Financing of Schools, chaired by Dr. W. H. MacKenzie, had found a marked difference of opinion among county superintendents as to their degree of authority and the nature of their relationship with local boards. This neglected forerunner of the Byrne Commission recommended that the responsibilities of the superintendents

³See: Chief County Superintendent's Report in, New Brunswick, Department of Education, <u>Annual Report: 1963</u>, (Fredericton, 1964), p. 69.

be more clearly defined and that they serve as administrators for county school boards. Concern for improving the administrative capabilities at the local level had also led the Commission to anticipate that the superintendent would become a local officer as power shifted to the consolidated district and county. If this took place the Commission deemed it essential for the supervisory function to be assumed by a provincial inspector in order to maintain provincial standard.⁴

While local bodies continued to play a role in the education system after 1967, the transfer of the financial responsibility for education to the provincial level radically transformed this pattern of government. A system of local school boards was retained under the 1966 Schools Act but while they could exercise local initiatives through supplementary programs over and above province wide standards and were to play a role in the determination of the location of schools, the administrative autonomy of the new school board became ultimately circumscribed by provincial budgetary control. In some respects an analogy may be drawn between their new position and that of hospital boards operating under the sharedcost provisions of the hospital insurance arrangements. The tradition of local participation and popular control in local school affairs is, however, strong and still provides a potential base for the mobilization of support for the local

New Brunswick, Royal Commission on the Financing of Schools, <u>Report</u> (Fredericton, 1955), p. 59.

districts in their relationships with the provincial regional and departmental administration.

Basic Principles and Reform Goals

It was argued earlier that as it was seen as a major vehicle for social change and economic development, educational reform lay at the heart of the Programme for Equal Opportunity. A primary element in this reform was the reorganization of the regional and district structures of the Department of Education. It had been long recognized that the profusion of small districts and their accompanying financial weaknesses lay at the root of the disparities in educational opportunity within New Brunswick. Indeed, a concern for the rationalization of the administrative districts may be traced back to the very beginnings of free public education within the province. Four years after its introduction in 1871 the Superintendent of Education began to urge the enlargement of the school districts so that their boundaries would be co-terminous with parish lines and by the early 1900's the provincial government had already begun to provide grants to the local districts for transportation and other related costs in order to assist those who had amalgamated into a single "consolidated district."

The small district units were from the beginning generally dependent upon financial assistance from the province and the county levels of government. As attention was drawn in the 1920's and 30's to the wide disparities in educational opportunities and in the burden of education finance, it

became increasingly evident that the large number of small school districts could not provide the required financial base to support an adequate educational system. In 1931, for example, the chief superintendent of education had argued in terms which are strikingly similar to those of the Byrne Commission and the 1965 White Paper on the Responsibilities of Government that:

Irrespective of who have the children, and irrespective of who have the wealth, the children should receive an equal opportunity to be educated. As far as possible there should be an equalization of the burden of taxation, equalization in the distribution of the burden of revenue for the support of the school, and equalization of the educational opportunities offered to children... The more centralized schools are and the more centralized the control, the more cfficient and economic are the schools. The more decentralized the schools and the control, the more inefficient and costly are the schools.5

These arguments were echoed in the 1932 report of the Commission on Education which recommended that the county be established as a unit for taxation and the financial management of the schools. This commission noted that, "While the ideal arrangement could be to eliminate the local school districts entirely and place the operation of all the schools directly in the hands of the County School Commission, as is done in most cases where the county has become the educational unit, the situation in New Brunswick is scarcely such, perhaps, as to permit of this."⁶ Although the 1932 Commission found

⁵Dr. A. S. MacFarlane, address quoted in Union of New Brunswick Municipalities, <u>Proceedings of the twenty-fifth</u> <u>Annual Convention</u> (1931), p. 33.

⁶New Brunswick, Commission on Education for the Province of New Brunswick, <u>Report</u> (Fredericton, 1932), p. 18.

that sparsely settled sections, difficult winter communications, and lack of telephones and limited mail deliveries made a complete consolidation to the county level impossible, it also saw that the number of local districts might be considerably reduced by consolidations. These and other recommendations were finally reflected in legislative action in 1943 with the passage of a County Schools Finance Act and the Rural Schools Assistance Act. Both statutes provided for increased financial assistance to the school districts through a system of grants designed to encourage the formation of larger administrative units. With revisions and additions for such purposes as school conveyances and consolidations of contiguous districts, such grants were used to help shape the pattern of school administration within New Brunswick down to 1967.

The provincial government's effort to encourage larger school districts in order to permit an improvement in the school programme, resulted in a progressive reduction in the number of school districts from 1,555 in 1941 to 1,227 in 1951 and to 562 in 1961. The high rate of consolidation which marked the 1950's, however, could not be sustained and in 1966 there were still 377 districts (see Table IX - 1). It is questionable if the limited grants which were made available to encourage consolidation of the school districts were ever of much significance. Wo matter how inadequate the school facilities were, local pride in local schools together with

TABLE IX - 1

NEW BRUNSWICK

NUMBER OF SCHOOL DISTRICTS

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1936-1967

County	1936	1941	1946	1951	1956	1961	1966	1967
Albert	51	52	45	36	27	17	12	10
Carleton	137	135	124	130	65	32	12	11
Charlotte	103	93	80	28	26	19	18	18
Gloucester	123	148	146	133	114	92	52	49
Kent	125	126	124	137	102	56	21	27
Kings	132	131	117	96	94	81	62	49
Madawaska	83	89	84	67	32	25	20	20
Northumberland	137	130	138	142	102	44	37	36
Queens	93	90	87	79	26	7	7	7
Restigouche	64	63	70	70	68	64	33	31
Saint John	44	42	38	40	26	26	20	19
Sunbury	43	43	38	31	10	8	7	7
Victoria	77	75	73	48	9	8	7	7
Westmorland	150	145	137	105	64	53	41	41
York	156	153	149	85	51	30	28	27
TOTAL:	1,518	1,515	1,460	1,227	816	562	377	359
	ince of Ne dericton).		.ck, Depar	tment of]	Education	, <u>Annual</u>	Reports,	<u> 1936–67</u>

fears of increased taxation were powerful obstacles to any consolidation. The formation of the county administrative and financial unit for the review of the budgets of the rural school districts and the determination of a county tax rate for educational purposes revertheless appear to have eroded some of the prevalent parochial attitudes. Until 1966 the provincial government persevered with a policy of "voluntary" consolidations and refrained from imposing a systematic programme of school consolidation. Provincial departmental officials and in particular the departmental county superintendents attempted to exert all the moral suasion they could muster on the local rural communities in order to achieve adequately sized local units.

In 1955 the MacKenzie Commission had drawn attention to the unsatisfactory condition of educational finance and administration in the province and in particular the difficulties that had arisen in the relationships between the county and local district levels of school administration. It found that changing conditions of transportation and communication made the small neighbourhood unit "no longer a unit sufficient unto itself."⁷ The MacKenzie Commission therefore recommended that either administration be transferred from the nonconsolidated local boards to county hoards or alternatively that the existing county finance boards be at least able

⁷New Erunswick, Royal Commission on the Financing of Schools, <u>Peport</u>, p. 5⁸.

to exercise financial control and supervision of instructional programmes.

The inadequacy of the voluntary approach in securing a rational, financial and administrative structure was most marked in Restigouche county which had refused to adopt a county finance system. Although the local school districts within the county had voted in favour of the formation of a county finance unit, after a trial period the Restigouche County Council refused to proceed with the formation of a permanent unit. The MacKenzie Commission had found that the county could not offer a satisfactory education to its children. While schools in the towns and some rural areas offered an effective education, there were schools and districts where the children had no schooling at all.⁸ The Commission therefore recommended that in the general interest of the province the county firance unit should become mandatory for Restigouche's seventy rural school districts or failing that, they should be consolidated into ten new districts. No initiatives were taken by the provincial government until 1961 when it extended a 10 percent budget grant already available to county finance units to consolidated districts within Restigouche County and provided a special fixed grant for the purchase of equipment.9 This step was accompanied by a vigorous effort on the part of

8<u>Ibid</u>., p. 70.

See: New Prunswick, <u>Restigouche Schools Grant Act</u>, 1061-62, chapter 11.

officials of the Department of Education to encourage the consolidation of the local districts. Following consultation with county representatives and school trustees it was proposed that nine area units be established out of some sixty existing districts. Nevertheless, implementation still rested upon local approval and a series of meetings with local priests and ministers, followed by meetings with local school trustees and finally meetings of ratepayers to vote on the proposals were necessary to secure any consolidations. Due largely to the efforts of the local county superintendent and four other departmental officials, the Chief Superintendent, the Director of School Planning, and the Municipal Bond Co-ordinator, the number of school districts in the county had been halved by 1966.¹⁰ While this represented a substantial achievement, it was still however far short of their goal.

After the shelving of the MacKenzie Report, the appointment of the Royal Commission on Finance and Municipal Taxation in New Brunswick provided a fresh opportunity for a further effort to achieve a more efficient unit of school administration. Among a number of submissions presented to the Byrne Commission on this subject, a joint brief from the New Brunswick Trustees Association and the New Brunswick Teachers' Association argued strongly in favour of the creation of larger

¹⁰See: Annual Reports for Restigouche County in New Srunswick, Department of Education, <u>Annual Reports, 1965-67</u>.

administrative units.¹¹ A tentative plan was also presented by the Department of Education based on research carried out by the Chief Superintendent. This plan proposed a reduction in the number of school districts from 422 to 62. It envisaged that each district would be composed of at least one central high school which offered both academic and vocational programmes plus a system of feeder elementary and secondary schools. District boundaries and new school locations were drawn up so as to ensure that wherever possible the school population would be within fifteen miles of a high school and that elementary school children would not have to be transported over long distances. The principles of this plan were adopted by the Byrne Commissioners and they recommended that school districts should be reorganized and consolidated by the provincial government with a view to reducing their number to about sixty.¹² "he commissioners were also cognizant of the difficulties that had attended previous attempts at consolidation and added that they were in agreement with the widely expressed view that the reorganization could only be accomplished if it were made mandatory and carried out under provincial supervision. 13

On the release of the Pyrne Report further studies were carried out by the Department of Education on the amount of new school construction which would be required for a new

> ¹²<u>Jbid</u>., p. 132. ¹³<u>Tbid</u>., p. 128.

field organization of sixty districts. A more exhaustive study was also made of the proposed district boundaries. This resulted in a recommendation to the provincial government that educational opportunities would be maximized if the number of districts were to be reduced still further in number to approximately thirty-four. This became the basic framework for the educational aspects of the government's subsequent programme. Two major factors had influenced this decision, the school population requirements of a new programme of instruction and the utilization of financial assistance offered by the federal government.

Concurrent with the studies of the "yrne Commission and the subsequent development of the government's reforms, the Department of Education had itself been engaged in a study for the reorganization of its instruction programme. Wegun by department officials and superintendents and later expanded to allow for the participation of teacher representatives, this study was especially concerned with the possibility of the introduction of a continuous progress or non-graded educational system within the province. Although the full study was not entirely completed until the fall of 1966, the anticipated physical requirements had been given special attention in the formulation of proposals for a new field organizatior. In its final form the new school programme provided for a continuous progress system at the elementary school

level with opportunity classes provided for educable retardates. Junior high schools would also use the continuous progress system and provide two types of school programme. The first permitted progress to university, institutes of technology or other post-secondary education, while the second was designed for those pupils who would be probably entering the labour force upon leaving school. High school programmes were based on a subject promotior principle with individual time tabling. Of some eighteen courses, half were to be elective.¹⁴

It is evident even from this brief outline that such a programme would require large school units. While the variety of courses to be offered and the continuous progress system necessitated large school populations at all levels of schooling, this was particularly so at the high school level. In 1967, the department estimated that the personnel and physical requirements of the total high school programme would be such that below 600 students neither technical nor practical courses could be offered, below 1,000 students the total vocational programme could not be offered and below 1,500 students certain technical and occupational preparatory courses would be curtailed.¹⁵ The distribution of population would not permit all districts to offer a full high school programme in their composite high schools, but provision was made for pupils

¹⁴ ew Brunswick, Department of Education, <u>Annual</u> Beport, 1967, pp. 297-300.

to attend a senior high school in a neighbouring district which offered a programme not available in their own district. The new instructional programme was not published until after the introduction of the new Schools' Act in 1966, but the Department of Education had already set a target of at least 600 students to be enrolled in the three senior grades. In drawing up the proposed new school districts the department therefore sought to ensure that the school population would be sufficient to support one or more central high schools, preferably situated in the geographical centre of the districts surrounded by a series of junior and elementary schools located according to population distributions so as to obtain optimum enrollments within reasonable travelling distances. The difference between the original number of districts tentatively proposed to the Byrne Commission and the number used in the actual reorganization of the school system is accounted for by the difficulty of attaining a target base high school population of 1,000 students for much of the province.

The establishment of a minimum enrollment of 600 students was of special significance since it represented the population required to qualify for capital assistance through the agreements signed by the province with the federal government under the Technical and Vocational Training Assistance Act. Under the initial federal-provincial technical and vocational agreement approved in July 1961, the province was eligible to receive from the federal government up to 75 per cent

of provincial expenditure on technical and vocational school facilities up to March 31, 1963 and 50 per cent thereafter until the established maximum federal contribution based on \$800 per capita of the provincial population aged fifteen to nineteen as of 1961 had been reached. Under a new 1963 agreement the federal 75 per cent share of provincial costs was continued for the full life of the programme due to expire in March 1967 up to the fixed maximum federal contribution.¹⁶ In the period April 1961 to Tebruary 1967, New Brunswick had claimed only \$7.6 million from the federal government. 17 This represented some 18 per cent of the total amount available. Some \$42.6 million had originally been allocated to the province with the stipulation that vocational high school buildings should have an enrollment of 1,000. Few areas within New Brunswick could justify or provide such facilities under the pre-1967 school system and the province trailed conspicuously behind others in the utilization of these funds. 19 After representation, however, the enrollment base was reduced by the federal government to 600. Whis reduction made it possible to conceive the attaining of compatible school complexes throughout the province and the new federal base was a major considera-

<u>16</u>See: Canadian Tax Foundation, <u>The National Finances:</u> <u>1966-67</u> (Toronto: Canadian Tax Foundation, 1966), p. 204.

¹⁷New Brunswick, Legislative Assembly, <u>Synoptic Report</u> of the Proceedings, 1967, Vol. I (April 13, 1967), pp. 408-409.

¹⁸The first major high school complex within New Brunswick was not advanced until 1966. Focated in the city of Saint John, it was to provide technical-commercial and composite high school education for some 1,800 students with a total planned capacity of 3,000.

tion in the decision to set the number of new school districts at thirty-four.

District Boundaries and Pransportation

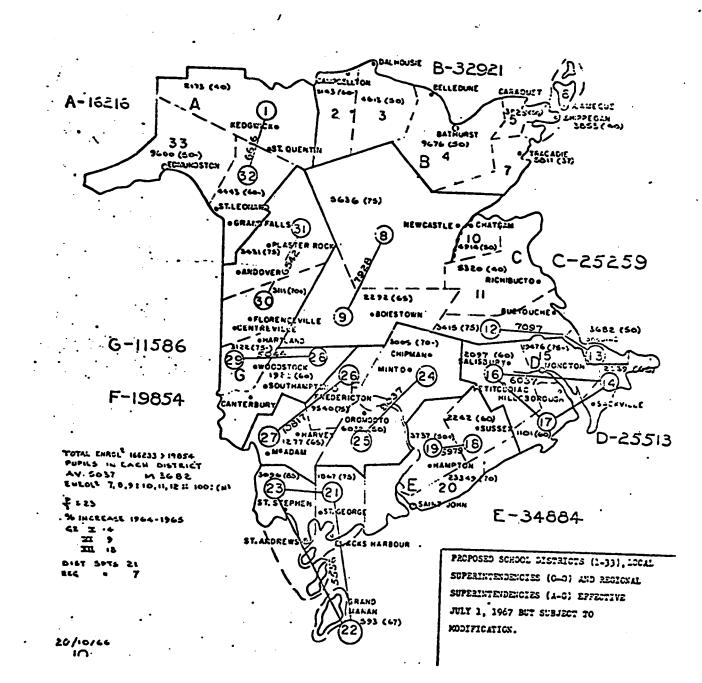
In the formulation of the boundaries of the new 1967 school districts, programme and financial requirements were circumscribed by the consideration of the distribution and character of the population of school age. Whe sparseness of population in some areas of the province required a considerable increase in the transportation of the children to the proposed larger school units and a trade-off had to be made between the need for larger schools and the need to keep the distances to be travelled to and from them at an acceptable level. District boundaries were therefore drawn with regard to existing school locations such that wherever possible no child would travel for longer than one hour on a school hus.¹⁰ Since high school students would generally be required to travel longer distances, a dual system of transportation was planned so as to segregate high school students from those from elementary and junior schools. Where school programmes could not be provided within reasonable distances, the Department of Education envisaged some extension of an existing practice of providing hoarding for the pupils concerned. District boundaries had also to take into account the first language of the school population in each area. In cases where a small language minority existed

¹⁹New Erurswick, Legislative Assembly, <u>Synoptic Report</u>, <u>1966</u>, Vol. III (June 14, 1966), p. 1106.

within a proposed district, provision was made for attendance at suitable schools in neighbouring districts. In addition, since implementation of the instructional programme would inherently entail a considerable programme of school construction, the new districts had to be drawn so as to maximize the utilization of the capacities of existing school facilities. Some effort was made, however, to immediately close the smaller rural school units and in particular the one-room elementary schools still in use.

The first outline of school districts prepared in 1965 provided for thirty-four districts and was subsequently revised during 1966 to thirty-three with the provise that they would be varied with changes in the size and distribution of the repulation of school age.²⁰ Special attention was given here to the school population in the junior grades in anticiration of a greater retention rate at the serier high school level. Finer revisions continued to be made in the boundaries before the election of new school trustees in June 1967. These were made to take account of local representations as the Department of Education became more fully versed with local needs. The department was particularly conscious of the need for administrative units to keep pace with population chifts which might accompany industrial development projects and anticipated the need for a further district to be created in the

²⁰Ibid., 1965, Vol. III (November 26, 1965), 1095. See Map IMI- 1,



NEW SCHOOL DISTRICTS AND REGIONS

Polldune area where a major development project was underway. The size of the new districts as of September 30, 1967 ranged in size from 404 on the island of Grand Manan with seven schools, to 23,701 for the district centered around Saint John city with sixty-five schools. Of 942 schools throughout the province at this date, 192 one-room schools were still in operation and 123 two-room schools.²¹

The closing of smaller rural schools and changes in the local transportation systems which immediately resulted from the formation of the new districts had a major impact on communities throughout the province. Where changes required a major effort on the part of the Department of Education and the Supervisor of School "rensportation in ensuring that the local districts had designed appropriate bus routes, that uniform personnel policies had been established for hus drivers and that sufficient vehicles were available prior to the opening of the new school year in September 1967. We ensure the arrival of a school bus, in one instance, the supervisor himself took on its delivery from "oronto nearly one thousand miles away. It was estimated that as a result of the restructuring of the field organization, nearly 44 per cent of the school population would be transported daily to and from school. One hundred, twice the normal annual increase, additional buses were also rought for the programme's

²¹New Frunswick, Department of Education, <u>Profile of</u> Education in New Frunswick, VII, no. 2 (Arril, 1969), 13.

first year of operation.²² To be certain that a suitable transportation system had been devised, private management consultants were also engaged by the provincial government to carry out a survey of the proposed school bus system throughout the province in the summer of 1967.

The closing of schools and especially the new transportation systems made the new school districts a major issue in the controversy which surrounded the implementation of the provincial government's reforms. Opposition to the proposed districts began with the introduction of the first version of the new Schools Act in 1965 and continued to be strongly voiced throughout 1966 and 1967.²³ Fears for the suffering of young children who might be subjected to the elements, unsafe crowded vehicles, the crossing of busy highways without adequate road signs and travel for inordinate distances to school In the 1907 provincial general election the Conservabounded. ative Party pledged itself to an increase in the number of districts in order to shorten bus rides. With adjustments during the year, local school boards and the Department of Education were, however, able to put into effect an adequate transportation for the first school year of the new programme without encountering at least any major administrative

²²New Brunswick, Legislative Assembly, <u>Synoptic Report</u>, <u>1967</u>, III (May 19, 1967), pp. 1105-06. ²³See for example: <u>Ibid.</u>, <u>1966</u>, III (June 14, 1966), p. 1128 and <u>1967</u> I (March 16, 1967), p. 27.

difficulties.

The Formulation of Administrative Relationships

The Byrne Commission had recommended that the new districts would operate under local school boards but that their responsibility should be confined to four areas. These included the recruitment of teachers, truant officers, and maintenance personnel, subject to the control of the proposed Public Schools Commission, the provision of advice on local educational requirements, the initiation (subject to departmental approval and local plebiscite) of programmes beyond the standard provincial school programme to be financed by district ratepayers, and acting as an agent of the Schools Commission in carrying out various directives and regulations.²⁴ Board trustees would be elected for three year terms by universal adult siffrage and could appoint a secretary. Operating expenses of each board were to be borne by the province.

The Byrne Report went no further in explaining the role it envisaged the local boards would play in the administration of education, but it is clear that the scope for local initiative and the amount of local responsibility under such proposals would be limited. Essentially they were to be confined to providing some degree of liaison between the local community and the provincial level of administration. In

²⁴ New Brunswick, Royal Commission on Finance and Municipal Taxation, <u>Report</u>, pp. 140-41.

contrast, the responsibilities of the proposed Provincial School Commission in the formation and administration of education policy were set out by the Byrne Commission in some detail.²⁵ The degree of centralization which was implied in its recommendations with respect to education carried some danger of the development both of an unresponsive school administration and of local apathy toward education policy. Furthermore, the assignment of new administrative duties entirely to the provincial level and the potential profusion of administrative controls might have hindered a new overall policy planning and the future development of the provincial education system.

In the design of the administrative structures in the field of education, the provincial government displayed a considerable degree of responsiveness to the concern expressed by a number of organized groups that it intended a highly centralized form of governmental administration. As is evident from the content of the two versions of the Schools Act which were presented to the provincial legislature, provincial policy makers moved steadily away from the Byrne Commission proposals toward permitting an increasing degree of local participation and authority in the administration of the schools. It was clear at the outset that the provincial government was more concerned than the Byrne Commission that a degree of local

²⁵<u>Ibid</u>., pp. 138-40.

participation be preserved in the administration of the province's education system. As initially developed in 1965, the new legislative proposals attempted to increase the responsibilities of the new local school districts beyond those envisaged in the Byrne report and specified that they would be responsible for the preparation of their operating budgets and for the day-to-day administration of such budgets. Furthermore, in order to encourage local participation and interest in educational matters the new boards were to contain a minority group of appointed members in order to ensure an even representation of the whole district. It is conceivable that the budgetary and operating responsibilities that were to be granted the local boards could have easily grown beyond matters of simple day-to-day administration. The provincial government was, however, to continue a direct supervision of the districts through its own field organization under the provincial school superintendents. Indeed the functions of the originally proposed twenty-one superintendents were both supervisory and administrative ones and included attendance at all school board meetings and responsibility for the initial provincial review of local district budgets.²⁶

Due to wide variations in school populations among the districts it was proposed that certain districts be combined for administrative purposes under one superintendent. It was

²⁶New Brunswick, Legislative Assembly, <u>Synoptic Report</u>, <u>1965</u>, Vol. III (November 26, 1965), p. 1098.

estimated that twenty-one new superintendents would be required, one more than the existing number of provincial and local superintendents. As a rule of thumb, those districts which fell below the median of the school population for all of the districts were to be combined with their neighbours and in particular with those who also fell below the median size after taking account of such factors as transportation facilities. By reducing the range in school populations under each superintendent it was hoped to reduce any differences in status among superintendents.

In the preparation of its second version of the new education structures the provincial government substantially revised its original proposals contained in Bill 137 which was allowed to die during the 1965-66 session of the Legislative Assembly. The new version of the Schools Act, Bill 22, reflected the government's response to the criticisms of excessive centralization which had been generally levelled against its reform programme and against its educational aspects in particular.²⁷ The revisions took special care to remove any hints of undue ministerial discretion. Of special significance was a decision to draw more clearly a distinction between administrative and supervisory responsibilities in education. In presenting the new bill in April 1966 the Minister of

²⁷See, for example, brief submitted to the Select Committee on Law Amendments by The Board of School Trustees of the Town of St. Andrews (January 25, 1966), mimeographed, p. 1.

Education now distinguished between the Department of Education's responsibility fot the "learning aspects of education" and the local responsibility for "the physical and administrative aspects of education.²⁸ The new bill contained two significant changes affecting the field administration for education. All references to provincial superintendents had been removed from the new bill although such appointments would be provided in a blanket provision for persons to act on behalf of the minister. Local school boards were also given power to appoint a "chief administrative officer.²⁹

Although the relationship envisaged between the chief administrative officer and the provincially appointed superintendents was not made entirely clear at that time, the administrative structures subsequently articulated by the provincial government show that many of the administrative duties originally assigned the twenty-one provincial superintendents had been reallocated to the local administrative officer, that is to say, district superintendent. The primary unit in the field administration was, however, to be a regional one. The locally appointed chief administrative officers were to be responsible for the administration of schools within each district, while the provincial inspectors or superintend-

²⁸New Brunswick, Legislative Assembly, <u>Synoptic Report</u>, <u>1966</u>, Vol. I (April 19, 1966), p. 231.

²⁹<u>Schools Act</u>, chapter 24, New Brunswick Acts, 15 Elizabeth, II, 1966, Section 27.

ents were to act on behalf of the minister in the discharge of the supervisory functions assigned to him by legislation.³⁰ The principle that the provincial department should be primarily concerned with the learning aspects of education and the school board with the physical and administrative aspects had in effect brought the provincial government back to the Byrne Commission's concept of six provincial regions administered through provincial regional superintendents.

The provincial government's willingness to respond to fears of excessive centralization and its own predilection for local participation in school administration, was finally crystallized into a concrete plan in the fall of 1966. As approved by the Cabinet Committee on Government Organization, this plan provided for seven provincial regions to be administered through regional superintendents in order to provide for effective communications, uniform application of departmental policies, and inter-district co-ordination and planning. Thus the original simple notion of provincial superintendents for each of the new school districts, a plan which would have permitted the relatively straightforward integration of existing departmental and local personnel into a single provincial field organization, had evolved into a more intricate two tier structure.

³⁰Under the <u>Schools Act</u>, Bill 22, 4th Session, 45th Legislative Assembly, New Brunswick, 14 Elizabeth II, 1965, sections 2 and 27.

Policy Implementation

The transfer of full responsibility for the financing of education to the provincial level and the introduction of the new system of thirty-two school districts formally came into effect with the first elections held under the new system in June 1967. In order to facilitate the transition to the new administrative structures, thirty-two interim boards had previously been appointed to work alongside the existing school boards pending the elections. 31 The retention of local participation in the new administrative structures which accompanied the transfer of functions involved especially complex considerations in the initial implementation of the new programme. They were made still more complex and difficult by the high degree of professional consciousness which was prevalent among educational administrators both at the departmental and district level. Indeed, the type of tensions which were described in Chapter VII were particularly felt in the field of education and hindered the development of effectworking relationships between the staff of the Department of Education and the Office on Government Organization. While, as mentioned earlier, such tensions were also evident in OGO's relationship with the Department of Youth and Welfare, in this instance they prevented the formation of any joint departmental-OGO group to assist in the implementation of the programme.

³¹Appointed under <u>Schools Act</u>, section 64. See: New Brunswick, <u>Order-in-Council, 67-73</u>.

This situation also had a parallel within the Department of Education where although the Department was able to maintain an effective relationship with the provincial teachers, particularly with respect to the negotiation of a new provincewide salary scale,³² it was unable to do so in the case of the school superintendents. The latter raised considerable objections, both to the salary proposals which had been presented them and to the manner in which the implementation of the new Schools Act had proceeded. Speaking as an association the nineteen superintendents warned that they felt the Act would fail due to the lack of firm, coherent direction from the department. They deemed it absolutely essential that the administrative structure of the department be completely modernized and that new competent staff be hired. More significantly, from the standpoint of our previous findings, the superintendents also argued that:

BECAUSE OF THE LACK OF STRUCTURE IN THE DEPARTMENT, HEAVY RELIANCE IS BEING PLACED ON OUTSIDE, NON-PROFESSIONAL ADVICE. Because of lack of knowledge of professional matters and lack of effective co-ordination no firm policies of administration are followed. It is not necessary to rely on outside advice; if the Department is properly reorganized and the policy of competent staffing adopted, the deputies and the able professional men in the Department are perfectly competent to run their own affairs and administer the Act.³³

³²See: New Brunswick, Royal Commission on Employer-Employee Relations in the Public Services of New Brunswick, <u>Report</u>, pp. 83-84.

³³New Brunswick School Superintendents Association, "A submission to the Lieutenant-Governor in Council concerning the administration of the Schools Act and Salary Scales for Administrative officials," (January 16, 1967), in press release dated April 24, 1967, p.1. See also: <u>Saint John Telegraph Journal</u> (April 25, 1967).

They further argued that no provisions had been made for local administration and that the teaching profession and especially the superintendents had been virtually ignored in the policy making process. They called attention to the fact that the superintendents had not been asked for advice or direction concerning the Schools Act until mid November 1966 and summed up some of their frustrations by stating that, "The plain truth of the matter is that as professional people, the Superintendents bitterly resent professional decisions being made by outsiders and must insist on running their own affairs within the professional framework."34 These positions were put together in a submission to the members of the cabinet together with a number of recommendations with respect to their own salary schedules. While the appointment of superintendents in April 1967 no doubt removed some of the uncertainties which underlay such tensions, personnel relations within the field organization of the Department of Education were a primary consideration in the preparations made for the opening of the schools under the new administrative structure in the fall of 1967. It should, perhaps, be noted here that the death of the Chief County Superintendent in November 1966, a man who had played a primary role in the design of the reform of the educational system within the department, could only have had a detrimental effect on the policy making and implementation

³⁴<u>Ibid</u>., p. 2.

process.

In summary, the planning and implementation of administrative changes in the field of education was circumscribed by two major elements. Firstly, the decision to retain and then to extend still further the degree of local participation in matters of school administration resulted in a substantial delay in the development of new effective administrative systems and procedures. Secondly, the latter was further hindered by inter-departmental tensions. As elsewhere, qualitative programme changes must be considered as long term objectives and, in this instance, are ultimately dependent upon the provision of adequate school facilities and teaching personnel as well as curriculum changes. The task of providing effective administrative change was, however, an immediate one in the 1965-67 period but again, as elsewhere, advanced little further beyond the structural framework for the transfer of functions. While areal considerations were well articulated in the delineation of the new school districts, delayed decision making, difficulties in personnel relationships, and above all the pressure of time, combined to prevent the immediate formulation of clearly delineated headquarters-region-district responsibilities. Even with the opening of the new school year in 1967, the Minister of Education's division of labour in terms of supervision and administration still awaited translation into a concrete system.

CHAPTER X

CONCLUSIONS

The study of the place of the administrative system within the economic and political modernization or development process has tended to be focussed on under-developed countries. Such countries have been seen as being on a type of production line culminating in the political, administrative, and economic systems of so-called developed countries. Although this description particularly applies to the work of such theorists as F. R. Riggs, both in his early typology of "Agraria and Industria" and his more sophisticated "Prismatic" theory,¹ there have been some attempts to break out of a closed-end "continuum" by shifting the focus to development administration which is defined so as to include any "action-orientated, goal-orientated" administrative system.² The truism that the

Asia Publishing House, 1961).

¹F. W. Riggs, "Agraria and Industria - Toward a typology of comparative administration," in William J. Siffin, ed., <u>Toward</u> <u>the Comparative Study of Public Administration</u> (Bloomington, Indiana University Press, 1957), pp. 23-116.

²E. W. Weidner, "Development Administration: A New Focus for Research," in Ferrel Heady & Sybil L. Stokes, eds., <u>Papers in Comparative Public Administration</u> (Ann Arbor: Institute of Public Administration, University of Michigan, 1962), p.98.

problems of development are most critical in under-developed countries should not obscure the fact that "developed" countries are themselves undergoing a continuing process of modernization and development. Insofar as this includes an improvement in the performance of their political capabilities, this process is not only an economic and social one but also political. In this instance the process of development has become symbolized in the concept of the welfare state. As Gunnar Myrdal has observed:

In the last half century, the state in all the rich countries in the Western world has become a democratic "Welfare State," with fairly explicit commitments to the broad goals of economic development, full employment, equality of opportunity for the young, social security and protected minimum standards as regards not only income but nutrition, housing, health, and education for people of all regions and social groups. The Welfare State is nowhere as yet, an accomplishment; it is continually in the process of coming into being.³

In a Canadian context, a federal state with striking regional economic and social disparities, the provincial level of government has come to possess significant responsibilities in the development process and the extension of social services.⁴ The experience of the province of New Brunswick in the discharge of such responsibilities may be seen as being particularly relevant to the analysis of the policy process

³Gunnar Myrdal, <u>Beyond the Welfare State</u>, Bantam Matrix edition (New York: Bantam Books, 1967), p. 54.

⁴See discussion in E. R. Black and A. C. Cairns, "A Different Perspective on Canadian Federalism," <u>Canadian Public</u> <u>Administration</u>, IX, no. 1 (March, 1966), 27-45,

of development administration and the accompanying patterns of administrative reform. As a political and socio-economic unit within one of the relatively most under-developed regions of Canada, New Brunswick's political and economic dilemma is in many respects akin to that of an under-developed country which, as Hans Singer has observed, is "poor because it has no industry, and it has no industry because it is poor."5 Under such conditions economic and social retardation mutually reinforce each other from one generation to the next and tend to impose significant political and cultural constraints on any attempts to induce rapid social change. The reorganization of the responsibilities of provincial and local government structures in New Brunswick which took place in 1967 as part of what was known as the Programme for Equal Opportunity is seen as an attempt to counter the political legacy of the province's economic and cultural environment. The institutional reforms developed by the New Brunswick government in the 1965-67 period attempted to provide a basis for the modernization of the province through the achievement of more uniform and higher levels of provincial public services and the induction of new norms of inter-dependency and mutual responsibility throughout the province.6

⁵Hans W. Singer, "Economic Progress in Underdeveloped Countries," <u>Social Research</u>, XVI, no. 1 (March, 1949), 5.

⁶The importance of such a process of "institutional building" to induced social change and the development process is argued by Milton Esman and Fred C. Bruhns in, Peter W. Hollis, ed., <u>Comparative Theories of Social Change</u> (Ann Arbor: Foundation for Research on Human Behaviour, 1966), chapter 10.

Economics, Culture and Public Policy

In Part One of this study, patterns of public policy and administration in New Brunswick were seen to originate in an environmental context of economic retardation and cultural cleavage. The immediate occasion for the 1967 reform was in the first instance a response to the financial and other strains which were imposed upon the province's system of local government through increasing demands on public services. A familiar problem throughout North America and elsewhere, economic and cultural factors made it an especially critical one for New Brunswick. While the province has been regarded as one of the most static in Canada, during the 1960's there had emerged a provincial political leadership which was bent on fully assuming its responsibilities for provincial economic and social development and on breaking out of existing economic cultural constraints. Economic under-development diminishes the extractive capabilities. Low rates of manpower utilization, urbanization, capital investment, productivity and low levels of educational achievement combine to make New Brunswick a low income province. The province's persistently low rate of economic growth relative to other parts of Canada has resulted in a marked degree of net out-migration of its population and this has in turn further contributed to its economic retardation. Migrants tend to have included the younger and more dynamic elements of the province's population and out-migration has left the province's age distribution

abnormally weighted toward the under-25 and over-65 age groups. As these groups demand more public services than the 25-65 age group and tend to be economically dependent upon the latter, continued out-migration seriously threatens the viability of the entire provincial economy. The provincial government is thus faced with the task of meeting demands for provincial social services from an extremely limited resource base. In 1965, at the time of the initial formulation of the Programme for Equal Opportunity, provincial-municipal per capita revenue was less than half of that in British Columbia. The provincial government has come to rely upon assistance from the federal level of government and in 1965 42 per cent of provincialmunicipal revenue came from this source. Limitations in financial resources have hindered the provincial government in the provision of adequate standards of education, social services and other areas of government activity. Low levels of economic activity have expanded the fiscal needs of the province while limiting the fiscal resources available to it in meeting such needs.

Economic disparities within the province of New Brunswick have been similarly responsible for wide disparities and low levels of public services performed by units of local government. Financial assistance from the provincial government had not been sufficient to remove inequitable property tax burdens and inter-municipal disparities in standards of education and social services. The strain of providing such services had

reached critical proportions in many of the rural municipalities by 1963. The 1967 reform programme represents an attempt to do more than treat these symptoms of economic imbalance and to design a provincial public policy for the provision of an adequate distribution of public services as a basis for future provincial economic development.

The restraints imposed upon provincial public policy in New Brunswick by economic retardation and the accompanying traditionally static and parochial political culture are made still more complex by the bilingual and bi-cultural character of the province. Both the English-speaking and Acadian communities have preserved a strong sense of their own individual cultural identity. Rivalry between the two cultures has, however, been dampened by the spatial distribution of the two communities within the province, the absence of an overwhelmingly dominant linguistic group, and their traditional cultural isolationalism.

The design of a programme for development administration which involves some degree of redistribution of public goods and services by definition disrupts the existing allocation among different segments of society. As a result, difficulties of administrative reform are accompanied by the critical problem of seeking and sustaining sufficient political support to legitimate public policy. Cultural cleavages may further intensify this problem. Three factors made this aspect of development administration an especially costly one in New Brunswick. Firstly, the political balance between the two cultural groups was in the process of being eroded by a shift within the Acadian minority culture away from an isolationist concern for survival toward a more outward-going developmental orientation. Indeed, given the composition of the provincial political executive during the development of the 1967 reform programme, such a shift may be seen as a direct contributing factor in the decision to proceed with a policy of radical The resultant cultural tensions were heightened by a reform. second factor, namely the concentration of a high proportion of the province's Acadian population in the poorer areas of the province. This left the new programme open to the suspicion that it would be primarily of benefit to the Acadian community. The concept of the mutual inter-dependence of all segments of the province which lay at the heart of the programme was similarly regarded with suspicion by the majority cultural group and as such may be itself seen as a third factor in making the 1967 reforms culturally divisive ones.

If, given their cultural environment, the political costs of mobilizing support for new allocative policies were potentially high, such costs were made still higher by the radical nature of the structural reforms which also formed part of the 1967 programme. The Royal Commission on Finance and Municipal Taxation had reported in 1963 that the ills of the province were such that they required a radical cure. It had proposed that a functional rationalization of governmental

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structures be carried out and that the administrative and financial responsibility for all programmes of "provincewide significance" be centralized at the provincial level.7 The latter were taken to include those related to education, health, welfare and justice. The structural reorganization of government was also to entail the abolition of the rural county unit of local government, the centralization of property assessment, and the abolition of the more regressive forms of local taxation. The commissioners had stressed the need to maintain an equitable distribution of public services, both provincial and local, throughout the province and proposed a system of equalization grants for assistance to local government. Also recommended was the adaptation of an independent commission form of government to replace existing provincial departments in the administration of education, hospitals, welfare, and municipal affairs. This step, it had been argued, would provide for an efficient and economic administration, free of political pressure. As a result of its proposals, the Commission had held that the municipal level of government would be placed in a position of greater autonomy and accountability than prevailed elsewhere in Canada.⁸ In total the Commission's proposals for structural reform were designed to

⁷New Brunswick, Royal Commission on Finance and Municipal Taxation, <u>Report</u> (Fredericton: Queen's Printer, 1963), p. 4.

provide a basis for the economic growth of the province by raising the educational level of the labour force and providing a tax structure and levels of public services favourable to the location of industry.

In the programme which was subsequently developed by the provincial government there was an acceptance of virtually all of the principles put forward by the Royal Commission with two major structural omissions: the proposals for the transfer of hospital ownership and the creation of a commission form of government. In the vital education function the provincial government accepted a proposal to reduce the number of local school boards from the existing 422 to 34, but also coupled the transfer of responsibility to the provincial level with the retention of a considerable degree of local autonomy. A proposal for the termination of existing local tax concessions to private industry was also subsequently rejected. Notwithstanding such modifications, it is clear from the White Paper on the Responsibilities of Government prepared by the provincial government as a preliminary to the presentation of its own policy design that the government shared the emphasis placed by the Royal Commission on the performance of a distributive capability by the provincial level of government rather than the potential responsive capabilities of local government. This particular trade-off was in part a reflection of an overriding priority placed upon the public service prerequisites for economic development and in part an administrative

assessment of the geographic compactness and population size of the province.

The declaration by the premier that the provincial government accepted full responsibility for "acceptable minimum standards of education, health, welfare, and justice for all New Brunswickers"9 together with the principle of equal opportunity were used to symbolize the reforms in the attempt to mobilize public support. Concern for the latter and other political costs of administrative reform led the government to proceed with the legislative framework in two stages. In the first stage the provincial government sent the major items of legislation to a Law Amendments Committee following their second reading in the legislative assembly and agreed to allow the bills to die at the close of that session of the legislature where they still attracted debate. The one exception to this was the provision for provincial property assessments which comprised a keystone to the implementation of the transfer of governmental functions. This procedure had the affect of drawing the opposition to the new programme to one of its more complex and technical aspects. The provincial government, however, displayed some readiness to respond to intense public pressure both within the legislature and from organized groups in a number of amendments to the assessment provisions before

⁹New Brunswick, Legislative Assembly, <u>Synoptic Report</u>, <u>1965</u>, Vol. III, (November 16, 1965), pp. 1042-51.

their final legislative approval. This response to the exacerbation of political conflict was again shown in the second stage of the passage of the government's proposals when entirely revised versions of the legislative framework for the more substantive items in the programme were placed before the provincial legislature. In a number of areas aspects of provincial control were restated so as to provide for less provincial ministerial discretion and more local autonomy. Such revisions showed an especial attention to the charge that the provincial government was destroying local initiative and democracy.

Between the premier's announcement of the government's intentions in November 1965 and royal assent to the last major item of legislation for the programme in November 1966, the government had achieved the amendment or repeal of nearly one third of the province's public statutes and provided a new structural framework for provincial and local administration. In October 1967 the provincial government faced the ultimate test of its ability to mobilize public support for its programme in a provincial general election. With a 1 per cent increase in the government's share of the popular vote the latter was returned with a majority of six seats in a newly enlarged legislature of fifty-eight. While this result may be seen to point to the provincial government's success in promoting its programme and to the general compatibility of radical reform for development administration with electoral

success, one of the most striking features of the election returns was the reduction in representation from the Englishspeaking areas of the province on the government benches. The continuance of the Liberal government in office was essentially due to the retention of its traditional support from the French-speaking, Catholic, Acadian population. Promotion of the new developmental goals and the related concept of mutual interdependence thus in a sense fell back on one of New Brunswick's static political traditions.

Administration and Reform

It has been repeatedly argued throughout the study that the design and implementation of the allocative-structural reforms were ultimately dependent upon the resources of the provincial public service and that the actual policy outcomes were conditioned by the costs of administrative reform. The process of administrative reform in fact began with a highly pessimistic assessment of the capabilities of the provincial bureaucracy. The recommendations of the 1963 Byrne Commission for the establishment of a commission form of government was a direct attempt to provide a new administrative climate which was favourable to change. The rejection of this proposal was the first major decision taken by the provincial government in its review of the Commission's recommendations. As a result, the New Brunswick government incurred considerably high costs in the process of administrative reform in terms of the

overloading of the innovative capacity of the system.

Those most active in the policy making process related to the programme at this time were located either in the departments most intimately concerned with the programme content, the central non-operating service departments or the new specialized reform co-ordinating agency, the Office on Government Organization. The composition of this group of active participants reflected the dominance of the English culture within the province in that they were in the main Anglophone. Although the group included a number of newcomers to the province in positions of leverage within the policy making process, the overwhelming majority of active participants were New Brunswick born. Participation in the policy process appeared to be a function of an individual's own, or his department's status and responsibilities within the provincial public service. In terms of administrative experience within the province the active policy participants were essentially either older career provincial public servants within excess of sixteen years experience or younger newcomers. Their backgrounds, however, also showed that a good deal of recruitment had taken place at the senior departmental level of personnel with high levels of education since the appointment of the Royal Commission on Finance and Municipal Taxation.

The interactions that took place among these active participants in the process of administrative reform were examined in Part Two of this study, both in terms of the

participants' perceptions and the immediate effects of their patterns of behaviour on particular policy outcomes. Evidence was found of considerable tensions among the participants during the formulation and definition stages of the policymaking process. These were also found in especially critical proportions in some departments as they embarked upon the actual implementation of the programme after the major statutory provisions had received legislative approval. Such tensions may be interpreted as symptoms of a general condition of innovation overload. Administrative conflict based upon differing perceptions of reality, power struggles centered around uncertainty, and pressures of time are three major components of overload upon an administrative system. Of these the second appears to have been the major contributing factor to the costs of administrative reform in New Brunswick.

Conflict and Perceptions of Reality

The perceptions of the programme among the public service policy shapers showed a good deal of correspondence with the provincial government's rationale for its reforms and a general receptivity to change. This affinity in perceptions of the primary goals of the programme was shared throughout the public service. Although those participants associated with the central co-ordination of the reforms in the Office on Government Organization projected a greater personal interest in participation in a programme of this

nature than other participants, a majority of the latter reported satisfaction in seeing their own goals accomplished. Confidence in the programme was also shown in a readiness to foresee that other provinces would follow New Brunswick's example and more than three-quarters saw the programme as helping them in their careers. Of special importance was an identification with its anticipated long-term social effects. Since the provincial government had rejected the commission concept of provincial government recommended by the Royal Commission, the policy participants readily identified with the general aims of the Commission and the ensuing government programme and their responses show that they were in fact able to embrace them as their own. This situation would appear to have provided a potentially favourable basis for the pursuit of administrative reform and to have minimized the possibility of an overload upon the system due to conflicts related to reform goals.

In their perceptions of the programme, however, this group of public servants tempered their identification with the general design of the reforms with a number of reservations with respect to the process through which it had been initiated. Especially marked among departmental participants was the dissatisfaction with inadequate organization and direction and difficulty with inadequate prior preparation. Perceptions of resistance to change, inadequate personnel, personal resentments,

dissatisfaction with a lack of understanding of the programme and political shortcomings were in turn reported by members of the Office on Government Organization. While such responses point to specific areas of conflict, they may also in large part be explained as a function of the response of existing departmental structures to the modes of policy-making adopted in the introduction of administrative reform and its accompanying uncertainties.

Uncertainty and Power

Following release of the report of the Royal Commission, the initial preliminary review and interpretation stage of the policy process within the provincial public service had, in a sense, been controlled by the provincial departments in that the task of studying the report and of advising the provincial cabinet as to its disposition, was placed in the hands of an inter-departmental committee. Of the two major questions raised by the report, the transfer of many functions of local government to the provincial jurisdiction and the reform of the provincial governmental structures from a departmental to an administrative commission form the latter represented a serious challenge to the departmental representatives. The transfer of functions would make some departments far more significant than others in their claims on the resources of the provincial government, but each would greatly increase its operating responsibilities. This meant an addition to the resources

controlled by the senior departmental administrators. The Byrne Commission recommendations, in this regard, were generally interpretated as conforming to the department's own immediate aspirations or long-term goals. The recommendation concerning the adaptation of administrative commissions to the provincial public service was, however, in a large part a direct criticism of the capabilities of the departments to effectively administer reform. Objections on the grounds of its conflict with the principles of responsible government notwithstanding, it was not surprising that this aspect of the report was rejected.

Unlike the preliminary stage, in the formulation and definition of the provincial government's own response to the problems and possible solutions identified by the Royal Commission, senior departmental administrators were essentially excluded from any role in the overall co-ordination of policy making. The Cabinet Committee on Government Organization which was formed for this purpose was served by a special secretariat, the Office on Government Organization. A parallel committee of officials, chared by the director of the secretariat was not a functional element in the policy making process. The provincial departments concerned with the government's reforms were to look to the Cabinet Committee for overall policy direction on both programmes and administrative machinery. Rather than a simple transfer of functions under

the guidance of each provincial department, the administrative change process was one in which the departments were to work with a new co-ordinating agency which had a virtual monopoly of access to the central policy making body. The process of administrative change and the nature of the government's programme had also brought the provincial departments into closer relationship with each other and gave them a greater sense of interdependence. The new patterns of interaction, however, also brought about interdepartmental friction. While this was most apparent in respect of departmental relationships with the Office on Government Organization as the central change agent, it was also true, for example, with respect to the Department of Public Works in its responsibilities for provincial public buildings.

Much of these circumstances may be explained in terms of organizational power relationships. Significant disruptions and readjustments in the existing network of power relationships among the various components of the administrative system were an inherent part of the reform process. The degree of policy co-ordination and control exercised by the Cabinet Committee on Government Organization and its secretariat to ensure that the new developmental orientation was reflected in new administrative programmes and structures represented a major disruption of established allocations of power. Still more significantly, the process of administrative reform introduced many uncertainties in administrative relationships. The

ability of a central co-ordinating agency or change agent to control these uncertainties and the limited direct participation of senior departmental personnel in the central coordination of change, further heightened the degree of uncertainty experienced by the latter. The incursion of the Office on Government Organization into traditional patterns of administrative relationships thus became a major source of tension. Because of the power struggle which arose in the interaction between the secretariat and the provincial departments, the highly successful framing of the massive legislative framework for the government's reforms was not matched in the formulation of actual programme content and administrative structures. The object of suspicion both within the public service and outside, this agency was allowed to lapse following the formal introduction of the newly designed provincial-municipal structures of government.

Pressures of Time

When asked how the Programme affected their job, the majority of departmental participants replied either that it had given them increased responsibility or a greater workload. Thirty-eight per cent agreed that too much change was being attempted at one time and while only three departmental participants reported dissatisfactions due to pressure of time, the latter was one of the leading factors mentioned as giving the most difficulty in work to do with the programme. Related

differences in time perspectives were also expressed in a departmental emphasis on immediate administrative problems connected with the transfer of governmental functions rather than the broader long-term structural and programme goals which were the primary concern of the Office on Government Organiza-The influence of this third dimension in the overloading tion. of a system was most marked in the immediate formulation of the new structures of the provincial field organization. This aspect of the programme was of particular significance to the provincial government since it had become highly sensitive to the charges of excessive centralization which had been levelled at its programme. The wide scope of its reforms placed the provincial government in a position to develop a highly coordinated field organization for the provision of provincial public services. The structure which emerged during the first year of the programme's operation, however, reflected the difficulties which had emerged as the policy makers moved into the final implementation stage of their work.

From the outset the provincial government had accepted the distinction drawn by the Royal Commission on Finance and Municipal Taxation between centralization of responsibility and centralization of administration.¹⁰ In the field of education the provincial government had revised its initial plans for regional and district organization so as to provide for

¹⁰New Brunswick, Royal Commission on Finance and Municipal Taxation, <u>Report</u>, p. 117.

greater local autonomy and in the other areas affected by the programme provided for the establishment of provincial regional centres and sub-offices throughout the province. In the case of the regional centres the pressure of time on the policy making process hindered the development of a co-ordinated administrative machinery by encouraging the use of existing departmental structures, the utilization of existing capital plant, and with the approach of a provincial election, attention to political considerations. Under such conditions the immediate concerns of the provincial departments resulted in the formation of a relatively fragmented field service which failed to reflect the aspirations of the Office on Government Organization. Insufficient co-ordination at the departmental headquarters left its mark on the new field organization.

In its assumption of the full financial responsibility for education, the New Brunswick government retained a system of locally elected school boards. Educational reforms were a central part of the 1967 programme and entailed a drastic reduction in the number of local school districts in order to provide for a sufficiently large local school population to support a new programme of instruction and an accompanying new network of larger school units. In response to public pressure provincially appointed superintendents originally located at the district level were made regional officers of the provincial department and the local school boards were given power to appoint their own chief administrative officers or district

superintendents. This retention of local participation and the continuing propensity of the provincial government to respond to political pressure in this area of policy raised especially complex considerations for the policy making process. The especially high degree of professionalism prevalent among administrators in this field further complicated the situation. In this instance, the pressure of time combined with the struggle between education officials and those of the Office on Government Organization, and tensions within the department itself with respect to the position of the existing school superintendents hindered the development of a clearly delineated system of field organization. The formulation of its new provincial administrative structures had proved more difficult for the New Brunswick government than the formulation of the statutory provisions for its programme.

Consequences

The formulation of any programme of reform imposes considerable strain on the resources of any administrative system. In this instance a government was able to carry out some immediate significant administrative reforms through the use of a special change agency with powers to co-ordinate the resources of its administrative system on behalf of a developmental goal. The uncertainties of reform and the disruption that resulted from its activities, however, placed still more strains on an already overloaded system. Given the limited resources of the New Brunswick public service, the existing departmental structures retained a residue of power which circumscribed the scope of the administrative reforms sought by the change agency. The overloading of the innovative capacity of the system due to uncertainty and the pressure of time hampered the operation of the entire administrative system. While the basic legislative framework and transfer of functions were very major accomplishments, new provincial administrative structures and specific programme content became neglected as these costs of administrative reform absorbed virtually all the energy available among provincial government leaders and their senior public servants. When coupled with intense political opposition, it appeared expedient to allow the disruption of the administrative system to continue only as long as necessary for the achievement of the preliminary structural goals. For the short run at least those attempting a quantum change in provincial programmes became prepared to settle for an incremental one.

APPENDIX

1.1

SURVEY OF NEW BRUNSWICK PROVINCIAL AND LOCAL GOVERNMENT OFFICIALS

1

 Since January 1st 1967, how much of your working time has been taken up with matters which are part of or directly connected with the Programme?

1 - All of the time	2 – Most of the time	3 – About half of the
		time
4 – A little of the time	5 – None at all	

 Did you take part in any of the preparation and planning for the Programme done by the Provincial Government before January 1st 1967?

1 – A very great deal	2 – Quite a lot	3 – Moderately
4 – Only a little	5 – Not at all	

 Did you take part in any of the preparation and planning for the Programme done by Local Government (municipal or schools) before January 1st 1967?

1 – A very great deal	2 – Quite a lot	•	3 – Moderately
4 – Only a little	5 – Not at all		

4. What sort of work related to any of the preparation and planning for the Programme did you take part in? (Please mark as many as apply)

0 - None at all

- Providing information and data (financial, statistical, etc. for provincial or local governments)
- 2 Advice and discussions on the aims and purposes of the Programme
- 3 Preparation of administrative details of the Programme
- 4 Drafting of Legislation or Regulations
- 5 Providing Information about the Programme to the general public
- 6 Local Government contacts with the Provincial Government
- 7 Provincial Government contacts with Local Governments (municipal or schools)
- 8 Contacts with interested outside groups and associations
- 9 Other (please explain)

RELATIVE AUX EMPLOYES DU GOUVERNEMENT PROVINCIAL

ET DES GOUVERNEMENTS LOCAUX DU

NOUVEAU-BRUNSWICK

1. Depuis le premier janvier 1967, quelle proportion de vos heures de travail avez-vous consacrée à des questions qui font partie du programme ou s'y rapportent directement?

1 - Tout le temps

2 - La plupart du temps

- 3 Environ la moitié du temps 4 Peu de temps 5 Rien du tout
- Avez-vous contribué, avant le premier janvier 1967, à la préparation et à l'organisation du programme entrepris par <u>le rouvernement</u> provincial?

1 - Dans une très grande mesure 2 - Dans une bonne mesure

3 - De façon modérée 4 - Très peu

- 5 Pas du tout
- 3. Avez-vous contribué, avant le premier janvier 1967, à la préparation et à l'organisation du programme entrepris par <u>le gouvernement local</u> (municipal ou scolaire)?

l - Dans une très grande m	esure 2 - Dans une	bonne mesure
3 - De façon modérée	4 - Très peu	5 - Pas du tout

- 4. À quel genre de travail ayant trait à la préparation et à l'organisation du programme avez-vous pris part? (Indiquer tous les articles qui s'appliquent)
 - 0 Aucun.

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- 1 Fournir des renseignements et des données (en matière financière, statistique, etc.) au gouvernement provincial ou local.
- 2 Conseils et discussions au sujet des buts du programme.
- 3 Préparation de détails administratifs du programme.
- 4 Brouillons de lois et de règlements.
- 5 Renseigner le public sur le programme.
- 6 Contacts pris par le gouvernement local avec le gouvernement provincial.
- 7 Contacts pris par le gouvernement provincial avec les gouvernements locaux.
- 8 Contacts pris avec des groupes et associations intéressés de l'extérieur.
- 9 Autres (práciser)....

2 5. What has personally interested you the most about the Programme? 5. Qu'est-ce qui vous a le plus intéressé dans le programme? 6. What has given you the most satisfaction in your work to do with the Programme? Quel genre de travail dans le programme vous a procuré le plus de 6. satisfaction? 7. What has given you the most dissatisfaction in your work to do with the Programme? Quel genre de travail dans le programme vous a procuré le moins de 7. satisfaction?

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8. What do you see as the major aims of the Programme?

8. Quels sont à votre avis les principaux objectifs du programme?

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The following stateme	opinions about what the air nts are the sort that other p they are among its aims?	ns of the Programme are. sople make. Would you
To increase the adminitional services.	istrative control of the Prov	incial Government over
1 – Agree	2 – Disogree	3 - Undecided
To provide acceptable and justice throughout	minimum standards of educ the Province.	ation, health, welfare
1 - Agree	2 - Disagree	3 - Undecided
To abolish local gover 1 – Agree	nment in New Brunswick. 2 - Disagree	3 - Undecided
To help all local gove 1 - Agree	rnments in the Province wit 2 – Disagree	h their financial problems. 3 – Undecided
To centralize governm 1 - Agree	ent administration in New I 2 – Disagree	Brunswick. 3 - Undecided
To mainly help the fre	nch speaking areas of the P	
1 – Agree	2 – Disagree	3 - Undecided
To spread the burden of 1 - Agree	f local taxation in the Prov 2 – Disagree	ince. 3 - Undecided
To take money from th the Province.	e richer areas and to give i	t to the poorer areas of
1 - Agrae	2 – Disagree	3 - Undecided

10. Do you feel there are any major or significant differences between the Programme as it now stands and the recommendations of the Byrne Report?

1 - Many 2 - A few 3 - None at all 4 - Don't know

11. If you consider that there are such differences, which particular ones do you see?

9.	Nombre d'opinions circulent au sujet des objectifs du programme. Voici des exemples d'affirmations que font d'autres rens. Etes-vous d'accord ou en désaccord pour dire qu'elles figurent parmi les objectifs du programme?
	Augmenter le contrôle administratif du gouvernement provincial sur les services locaux. 1 - D'accord 2 - Désaccord 3 - Indécis
	Assurer à travers la province un niveau minimum qui soit acceptable en matière d'éducation, de santé, de bien-être, et de justice. 1 - D'accord 2 - Désaccord 3 - Indécis
	Abolir le gouvernement local au Nouveau-Brunswick. l - D'accord 2 - Désaccord 3 - Indécis
	Aider tous les gouvernements locaux de la province à solutionner leurs problèmes financiers. 1 - D'accord 2 - Désaccord 3 - Indécis
	Centraliser l'administration gouvernementale au Nouveau-Brunswick. 1 - D'accord 2 - Désaccord 3 - Indécis
	Aider principalement les régions de la province qui sont d'expression française. 1 - D'accord 2 - Désaccord 3 - Indécis
	Répartir dans la province le fardeau du prélèvement des impôts à l'échelon local. 1 - D'accord 2 - Désaccord 3 - Indécis
	Enlever de l'argent aux régions plus riches et le donner aux régions plus pauvres de la province. 1 - D'accord 2 - Désaccord 3 - Indécis
10.	D'après vous, est-ce qu'il y a des différences importantes ou notables entre le programme dans son état actuel et les recommandations du Rapport Byrne? 1 - Plusieurs 2 - Quelques-unes 3 - Aucune 4 - J'ignore
<u> </u>	Si vous êtes d'avis qu'il y a de telles différences, quelles sont celles que vous y voyez en particulier?

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12. If you consider that there are such differences, what do you feel are the reasons for them? 13. Do you feel there are any parts of the Programme which would have come about quite independently of the work of the Byrne Commission? 1 - Many 2 - A few 3 - None at all 4 - Don't know 14. If you consider that there are such parts, which particular ones do you see? ***** ***** ****** 15. Do you expect that the problems of day to day administration will lead to any changes in some of the ideas contained in the Programme? 3 - None at all 1 - Many 2 - A few 16. If you expect such changes, in which particular direction or items do you feel they might possibly take place? ***** ****** ***** ***** ***** ***** ******

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12.	vous los raisons de ces différences?

13.	D'après vous, y-a-t-il des parties du programme qui se seraient réalisées indépendamment du travail de la Commission Byrne? 1 - Plusieurs 2 - Quelques-unes 3 - Aucune 4 - J'ignore
14.	Si vous croyez qu'il y a de telles parties, quelles sont celles que vous voyez en particulier?
	•••••••••••••••••••••••••••••••••••••••
15.	Vous attendez-vous à ce que les problèmes de l'administration courante vont entraîner le changement de certaines des idées contenues dans le programme?
	1 - Plusieurs 2 - Quelques-unes 3 - Aucune
16.	Si vous vous attendez à de tels changements, en quel sens et sur quel point croyez-vous qu'ils vont se produire?
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- 17. Has the Programme affected any relationships your office or department has with provincial government offices?
 - 1 A very great deal2 Quite a lot3 Moderately4 Only a little5 Not at all6 Question does not apply

If it has, please explain how they have been affected.

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• • • • • • • • • • • • • • • • • • • •	• • • • • • • • • • • • • • • • • • • •	

18. Has the Programme affected any relationships your office or department has with other <u>municipal</u> or school district offices?

1 – A very great deal	2 – Quite a lot	3 – Moderately
4 – Only a little	5 – Not at all	6 - Question does not apply

If it has, please explain how they have been affected.

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19. Has the Programme affected any relationships your office or department has with interested groups and associations?

1 – A very great deal	2 – Quite a lot	3 - Moderately
4 – Only a little	5 – Not at all	6 - Question does not apply
		o - Question does not apply

If it has, please explain how they have been affected.

•••••	• • • • • • • • • • • • • •	************	
			• • • • • • • • • • • • • • • • • • • •
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17.		tains rapports que votre bureau ou ureaux du gouvernement provincial?
	l - Dans une très grande mesure 3 - De façon modérée 5 - Pas du tout	2 - Pans une bonne mesure 4 - Très peu 6 - La question ne s'applique pas
	S'il en est ainsi, expliquer la f influence.	açon dont s'est exercée cette
	••••••	• • • • • • • • • • • • • • • • • • • •
		• • • • • • • • • • • • • • • • • • • •
18.	Le programme a-t-il influencé cer département entretient avec d'aut de votre district?	tains rapports que votre bureau ou res <u>bureaux municipaux ou scolaires</u>
	 Dans une très grande mesure De l'açon modérée 	2 - Dans une tonne mesure 4- Très peu
	5 - Pas du tout	6 - La question ne s'applique pas
	S'il en est ainsi, expliquer la f influence.	•
		•••••••••
	• • • • • • • • • • • • • • • • • • • •	
19.	Le programme a-t-il influencé cen département entretient avec des g	rtains rapports que votre bureau ou groupes ou associations intéressés?
	l - Dans une très grande mesure 3 - De façon modérée 5 - Pas du tout	2 - Dans une bonne mesure 4 - Très peu 6 - La question ne s'applique pas
	S'il en est ainsi, expliquer la i influence.	•

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20. Which are the most important groups and associations that your department or office has had contact with in connection with the Programme? (Please give in order of importance)

1. 2. 3.

(If this question does not apply please pass to question 23)

21. What type of contacts in connection with the Programme has your department or office had with these groups.

- 22. Has the attitude of these groups generally been favourable or unfavourable toward the Programme?
 - 1 Very favourable 2 Fairly favourable 3 Fairly unfavourable 4 - Very unfavourable 5 - Don't know
- 23. Has the Programme affected the administrative structure or procedures of your own office or department?
 - 1 A very great deal
 2 Quite a lot
 3 Moderately

 4 Only a little
 5 Not at all

If it has, please explain how they have been affected.

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		• • • • • • • • • • • • • • • • • • • •
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20. Quel sont les groupes ou associations les plus importants avec lequels votre département ou bureau a entretenu des rapports ayant trait du programme? (Les énumérer par ordre d'importance)

	<pre>1 2 3 (Si cette question ne s'applique pas, passez à la question 23)</pre>
21.	Quel genre de rapports ayant trait au programme votre département ou bureau a-t-il entretenu avec ces groupes?
	······································
22.	L'attitude de ces groupes a-t-elle été, <u>en général</u> , favorable ou défavorable au programme?
	l - Très favorable 2 - Plutôt favorable 3 - Plutôt 4 - Très défavorable 5 - J'ignore défavorable

23. Le programme a-t-il influencé la structure ou les procédés administratifs de votre bureau ou département?

l - Dans une très grande mesure 3 - De façon modérée 5 - Pas du tout	2 - Dans une bonne mesur 4 - Très peu 6 - La question ne s'applique pas
S'il en est ainsi, expliquer la façon dont	t s'est exercée cette

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٠	•	•	•	٠	•	•	٠	٠	•	•	•	• •	•	•	•	•	٠	٠	٠	٠	•	•	•	•	•	• •	•	•	•	٠	•	•	•	•	• •	• •	• •	•	•	•	•	•	•	•	٠	٠	٠	•	٠	٠	٠	•	•	•	•	٠	٠	•	٠	٠	٠	٠	٠	٠	٠	٠	٠	•	•	٠	•
•	٠	•	•	٠	•		•	٠	•	•	•	•	•	•	•	•	•	•	٠	٠	٠	•	٠	•	•	• •	•	•	٠	٠	٠	•	•	•	• •	• •	• •	• •	•	•	•	•	•	•	•	٠	٠	٠	٠	٠	٠	٠	•	٠	٠	٠	٠	٠	٠	•	•	٠	٠	•	٠	٠	٠	٠	٠	٠	٠
•	•	•	٠	٠	•	•	•	•	•	•	•		•	•	•	•	•	•	٠	•	•	•	٠	•	•	•	•	•	•	•	•	•	•	•	• •	• •	•	•	•	•	•	•	•	٠	٠	•	٠	٠	٠	٠	٠	٠	٠	٠	٠	٠	•	٠	•	•	•	٠	•	٠	٠	٠	٠	٠	٠	٠	٠
٠	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	٠	٠	•	٠	•	•	•	•	•	•	٠	•	٠	•	•	•	•	• •	•	•	•	•	•	•	•	٠	٠	٠	٠	٠	٠	٠	٠	٠	٠	٠	٠	٠	۰	٠	•	٠	٠	٠	٠	٠	٠	٠	٠	٠	٠	٠	•
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	1 - Yes	2 - No	3 - Undecided
25.	provinces?	· ·	will or will not be made in other
			•••••••
	•••••		••••••
26.		d of changes that have t I not be made in other p	taken place in New Brunswick do provinces?
	Will be:		
	•••••		
	•••••	• • • • • • • • • • • • • • • • • • • •	
			••••••
	Will not be:		
			·····
27.	as New Brunswick?	rovinces do you think w	ill make the same kind of changes
			•••••
	• • • • • • • • • • • • • • • • • • • •		· · · · · · · · · · · · · · · · · · ·
28.	How has the Program	me affected your own ju	bb?

			• • • • • • • • • • • • • • • • • • • •
		• • • • • • • • • • • • • • • • • • • •	• • • • • • • • • • • • • • • • • • • •

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24. D'après vous, y-a-t-il des chances qu'une autre province effectue, dans ses propres rapports provinciaux-municipaux, des changements du même genre que ceux qu'a effectués le Nouveau-Erunswick?
1 - Oui
2 - Non
3 - Indécis
25. Pourquoi croyez-vous que le même genre de changements va ou ne va pas se produire dans d'autres provinces?

7

26. Parmi les genres particuliers de changements effectués au Nouveau-Brunswick, lesquels vont ou ne vont pas se produire, selon vous, dans d'autres provinces?
Vont se produire:
Ne vont pas se produire:

- 27. Quelle(s) provinces, selon vous, va (vont) effectuer les mêmes changements que le Nouveau-Brunswick?
- 28. Comment le programme a-t-il influencé votre propre travail?

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Do you feel that the Proor	amme has helped or hindered	vour camer?
1 - Clearly helped	2 - On the whole helped	•
4 – Clearly hindered	5 - Made no difference	nincered
Have you worked with or l government offices or dep	had any contact with any off artments as part of your work	icials in any <u>provincial</u> related to the Programme?
1 – A great deal 4 – Only a little	2 – Quite a lot 5 – Not at all	3 - A moderate amount

31. Did the ideas of these provincial officials about the Programme and its administration generally agree or disagree with your own?

1 – Agree	2 – Sometimes agr	ee-sometimes disagree
3 – Disagree	4 – Don't know	5 – Question does not apply

32. On which particular aspects of the Programme would you have the most agreement or disagreement with these provincial officials?

Agreement:

Disagreements		 	•••••
• • • • • • • • • • • • • •	**********	 	

33. Have you worked with or had any contact with any local government officials in other municipalities or school districts as part of your work to do with the Programme?

> 1 – A great deal 4 – Only a little

29.

30.

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2 – Quite a lot 5 – Not at all

tall

3 - A moderate amount

A votre avis, le programme vous a-t-il aidé ou embarrassé dans la 29. poursuite de votre carrière? 2- Aide dans l'ensemble 1 - Aide Svidente 4- Embarras évident 3 - Embarras dans l'ensemble 5 - Sans effet 30. Avez-vous travaillé ou eu des rapports avec des fonctionnaires de certains bureaux ou ministères <u>du rouvernement provincial</u> dans l'exercice de votre travail ayant trait ou programme? 2 - Dans une bonne mesure 1 - Dans une grande mesure 5 - Pas du tout 4 - Très peu 3 - De façon modérée 31. Est-ce que les idées exprimées par ces fonctionnaires provinciaux au sujet du programme et de son administration sont, de facon générale, en accord ou en désaccord avec vos propres idées? 2 - Tantôt en accord, tantôt en désaccord 1 - En accord 5 - La question ne s'applique pas 3 - En désaccord 4 - J'ignore 32. Sur quel aspect particulier du programme seriez-vous le plus d'accord ou le plus en désaccord avec ces fonctionnaires provinciaux? D'accord: En désaccord:

- 33. Avez-vous travaillé ou eu des rapports avec des fonctionnaires du gouvernement local d'autres districts municipaux ou scolaires dans l'exercice de votre travail ayant trait au programme?
 - 1 Dans une grande mesure2 Dans une bonne mesure3 De façon modérée4 Très peu5 Pas du tout

		9		. 9
34.	Did the ideas of these local officials about the Programme and its administration generally agree or disagree with your own? 1 – Agree 2 – Sometimes agree – sometimes disagree 3 – Disagree 4 – Don't Know 5 – Question does not apply		su en 1	t-ce que les idées exprimées par ces fonctionnaires <u>locaux</u> au jet du programme et de son administration sont, <u>de façon rénérale</u> , accord ou en désaccord avec vos propres idées? - En accord 2Tantôt en accord, tantôt en désaccord - En désaccord 4 - J'ignore 5 - La question ne s'applique pa
35.	On which particular aspects of the Programme would you have the most agreement or disagreement with these local officials. Agreements Disagreement:	3	ou D' 	r quel aspect particulier du programme seriez-vous le plus d'accord le plus en désaccord avec ces fonctionnaires <u>locaux</u> ? accord: désaccord:
36.	What matters have given you the most difficulty in your work related to the Programme?	3		nelles sont les affaires qui vous ont causé le plus de difficultés ans l'exercice de votre travail ayant trait au programme?
37.	In your experience in working with the Programme, do you feel that most of the problems people see in its administration are real or imagined? 1 - Real 2 - Part real-part imagined 3 - Imagined 4 - Undecided	-	tı	ans l'exercice de votre travail dans le cadre du programme, rouvez-vous que la plupart des problèmes que les gens trouvent ans son administration sont réels ou imaginaires? 1 - Réels 2 - En partie réels, en partie imaginaires 3 - Imaginaires 4 - Indécis

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38.	••••••	y, do you see as real ones									
39.	with the success of the	Programme. The following agree or disagree that the	sort of things that might interfere ng are the sort of things some hey are interfering or will inter-								
	Too much change bein 1 – Agree	g attempted at one time. 2 – Disagree	3 - Undecided								
	Not enough understanding of the Programme among the general public.										
	1 - Agree	2 – Disagree	3 - Undecided								
	Inappropriate administ	trative structures and proce	edures to carry the Programme out.								
	1 – Agree	2 - Disagree	3 - Undecided								
	Not enough staff to c	arry the Programme out. 2 — Disagree	3 - Undecided								
	• • •	ced or trained staff to corr 2 – Disagree	y the Programme out . 3 - Undecided								
	Not enough money av 1 - Agree	vailable to finance the Pro 2 – Disagree	gramme. 3 - Undecided								

40. What is your sex?

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1 - Male · 2 - Female

41. Which age group do you belong to?

1 - Under 25 2 - 25 to 29 4 - 35 to 39 5 - 40 to 44 7 - 50 to 54 8 - 55 to 59	3 – 30 to 34 6 – 45 to 49 9 – 60 and over
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42. What is your mother tongue? (language you first spoke as a child and still speak)

1 - English 2 - French 3 - Other (please write in here)

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	Quels problèmes, s'il en est, considérez-vous comme réels?
39.	Il y a un certain nombre d'opinions au sujet du genre d'obstacles qui risquent d'entraver la réussite du programme. Voici le genre d'obstacles que d'aucuns entrevoient. Etes-vous d'accord ou en désaccord pour dire qu'ils entravent ou vont entraver la réussite du programme?
	Trop de changements effectués d'un seul coup. 1 - D'accord 2 - En désaccord 3 - Indécis
	Compréhension insuffisante du programme de la part du grand public. 1 - D'accord 2 - En désaccord 3 - Indécis
	Structures et procédés administratifs non appropriés à l'exécution du
	programme. 1 - D'accord 2 - En désaccord 3 - Indécis
	Pas assez de personnel pour assurer l'exécution du programme. 1 - D'accord 2 - En désaccord 3 - Indécis
	Pas assez de personnel expérimenté ou bien formé pour assurer l'exécution du programme. l = D'accord 2 - En désaccord 3 - Indécis
	Pas assez d'argent pour financer le programme. l = D'accord 2 = En désaccord 3 = Indécis
40.	De quel sexe êtes-vous?
	1 - Masculin 2 - Féminin
41.	A quel groupe d'âge appartenez-vous? 1 - Moins de 25 ans 2 - 25 à 29 ans 3 - 30 à 34 ans 4 - 35 à 39 ans 5 - 40 à 44 ans 6 - 45 à 49 ans 7 - 50 à 54 ans 8 - 55 à 59 ans 9 - 60 ans et plus
42.	Quelle est votre langue maternelle? (la langue que vous avez d'abord parléedans votre enfance et que vous parlez encore) l - Anglais 2 - Français 3 - Autres (préciser)
<u> </u>	e.

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- 43. In which province (or country if outside Canada) have you lived for the longest length of time?
- 44. What is the highest level of schooling you completed?
- 45. What professional qualifications do you hold?
- 46. What is the total number of years that you have been employed in a <u>civil service</u> position? (Please write in the number)
- 47. What is the total number of years that you have been employed by <u>local government</u>? (municipal or school district)

- 48. What type of employment have you held outside the civil service or local government?
 - 1 Occupation No. of years

Dans quelle province (ou dans quel autre pays en dehors du Canada) 43. avez-vous vécu le plus longtemps? 2 - Provinces de l'Atlantique (à 1 - Nouveau-Brunswick l'exception du Nouveau-Brunswick) L - Ontario 3 - Québec 6 - Colombrie-Fritannique 5 - Provinces des Prairies 8 - Royaume-Uni 7 - Etats-Unis 9 - Autres (préciser)..... Quel est le plus haut niveau d'études que vous avez terminé? 1 - Etudes primaires 2 - Études secondaires en partie 3 - Etudes secondaires au complet 4 - Université en partie 5 - Université au complet (B.A., B.Sc. ou l'équivalent) 6 - Etudes de perfectionnement en partie 7 - Etudes de perfectionnement au complet (indiquer les diplômes obtenus) 8 - Autres études (préciser)..... 45. Quel titre professionnel possédez-vous? **** 46. Quel est le nombre total d'années que vous avez été en emploi dans un poste du service civil? (Indiquer le nombre en toutes lettres) Pour le gouvernement du Nouveau-Brunswick.....ans Pour un ou plusieurs autres gouvernements provinciaux.....ans Pour un ou plusieurs autres gouvernements.....ars Quel est le nombre total d'années que vous avez été à l'emploi d'un 17. gouvernement local? (district municipal ou scolaire) Au Nouveau-Brunswick.....ans En dehors du Nouveau-Brunswick.....ans Quel genre d'emploi avez-vous occupé en dehors du service civil ou en 48. dehors d'un gouvernement local? 1 - Occupation...... Nombre d'années..... -. 2 = Aucun

49. Where are you employed at present?

1 - Provincial Governme	nt (Department)
2 = City	3 – Town	4 - Village
5 - School District	6 – Other (please	write in here)

50. In which of the following salary groups does your present annual salary fall?

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1 - Under \$6,000 4 - \$ 8,000-\$ 8,999 7 - \$11,000-\$11,999	2 - \$ 6,000-\$ 6,999 5 - \$ 9,000-\$ 9,999 8 - \$12,000-\$12,999	3 - \$ 7,000-\$ 7,999 6 - \$10,000-\$10,999
7 - 311,000-311,999	8 - \$12,000-\$12,999	9 - \$13,000 and over

51. Where were you employed immediately prior to the implementation of the Programme?

 0 - Same as at present
 1 - Provincial Government (Department)

 2 - City
 3 - Town

 4 - Village - Local Improvement District

 5 - County
 6 - School Board (City, Town, County)

 7 - Other (please write in here)

52. Do you have any comments to add to any of the topics dealt with in this survey - or any other aspect of the Programme? (Please use the space below or another sheet of paper if necessary.)

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49. Où travaillez-vous à l'heure actuelle?

1 - Gouvernement p	rovincial (minist	ère)
2 - Cité	3 - Ville	L - Village
5 - District scola	ire 6	- Autres (préciser)

50. Dans laquelle des échelles de salaire qui suivent entre votre présent salaire annuel?

1 - Moins de \$6,000	2- \$6,000 - \$6,999	3 - \$7,000 - \$7,999
1 - Moins de \$6,000 4 - \$8,000 - \$8,999 7 -\$11,000 -\$11,999	2- \$6,000 - \$6,999 5 - \$9,000 - \$9,999 8 -\$12,000 -\$12,999	3 = \$7,000 = \$7,999 6 = \$10,000 = \$10,999
7 -\$11,000 -\$11,999	8 -\$12,000 -\$12,999	9 -\$13,000 et plus

51. Où travailliez-vous immédiatement avant la mise en vigueur du programme?

0 - Même en	droit que maintenant	1 - Gouvernement provincial (ministère	Ň
2 - Cité	3 - Ville 4 - 1	Village - district d'améliorati locale	on
5 - Comté 7 - Autres	6 - Commission sco (préciser)	olaire (cité, ville, comté)	••••

52. Avez-vous des commentaires à ajouter au sujet de l'un ou l'autre des points traités dans la présente enquête ou au sujet d'un autre aspect du programme? (Utiliser l'espace ci-dessous ou, au besoin, une autre feuille de papier.)

Thank you.

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