

Editorial

“The Politics Behind Outrage: Examining New Brunswick’s Unconditional Municipal Grants Debate”

New Brunswick, we hear, is in crisis. The alarms being sounded are now familiar to us all. We have our own fiscal cliff on which we’ve been teetering for decades. We have a system of healthcare so ravenous that if deficits don’t destroy us rising health costs surely will. And perhaps most troubling of all, we have angry citizens (or at least their special interests) warring against each other over policy issues like bilingualism and electoral boundaries.

It is the latter point I want to explore because it reveals a troubling tendency in New Brunswick, a tendency that threatens any measure of unanimity we must achieve if we are ever to get out of the various messes we are in.

The tendency I am referring to is the tendency we display for wanting preferential treatment, and, on the flip side, the loud, expert protests we make if we don’t get what we feels is ours.

That tendency was never better illustrated than when Fredericton mayor Brad Woodside railed against the Alward government’s recent decision to restructure the unconditional grants formula for municipalities in New Brunswick.

But Mayor Woodside wasn’t alone. His outrage was abetted by the widest-circulating urban daily in the province. In a particularly incensed editorial on December 1, 2012 the *Telegraph-Journal*, in speaking to Premier Alward’s new formula, called for an end to “unequalization” (A13).

The editorial said: “This isn’t the first time that a provincial government has redirected funds from cities to smaller, more rural communities.” That alone, despite an immediate reference to Bernard Lord’s government, will strike chords for New Brunswickers who know something

about the history of equalization in the province: that it was contested most vigorously along class and language lines, reduced to the basest coin of “robbing Peter to pay Pierre.”

The December editorial goes further, suggesting a fundamental error in “the idea that money can easily be reallocated from communities where the tax base is growing to communities where it is not.” READ HERE: from Fredericton and Saint John to northern New Brunswick.

And therein lies our problem as a province: citizens warring against citizens, and communities warring against communities. The haves against the have-nots. We are a province always divided, either by language differences, population densities, or geographies.

The implications of Mayor Woodside’s outrage, and the *Telegraph-Journal*’s editorial, bear scrutiny, if only to get a fuller picture of the politics being played out.

First, it is true that Fredericton’s allocation of the 66-million dollar unconditional grant for municipalities was reduced by 75%. That’s considerable, and it justifies concern. But it is only part of the story, the perspective of the rich man that Robin Hood visited. The other part of the story, always omitted, is that for decades the industrial towns of northern New Brunswick contributed significantly to the cities of the south, especially Fredericton. Who paid for the civil service in Fredericton, for UNB’s sprawling campus, for the capital city’s incubation of an ICT infrastructure? Mayor Woodside would have us believe that it was solely Fredericton taxpayers.

In fact, Fredericton, unlike Saint John, produces very little. It is a service centre. It has become the urban centre that it is because of decades of tax subsidy by non-Frederictonians, much of that subsidy from industrially rich towns like Dalhousie, Bathurst, and Newcastle.

In the very recent moment of post-industrialization, do those formerly wealthy communities not warrant some support? Does equalization mean something different in New Brunswick than it does everywhere else?

A cynic might ask: where was the city of Fredericton when mills were closing in Dalhousie and Newcastle? What has been the city’s input concerning Via Rail’s reduction of services from

Halifax to Montreal, or CN's threat to abandon its freight line, both seriously isolating citizens and businesses in northern New Brunswick? What's been the city's input on the elimination of bus service to communities north of Miramichi, or ACOA's dismantling of regional economic development organizations, those organizations key to rebuilding what has been lost in recent years? Is Mayor Woodside aware that the town of Dalhousie, a major per-capita contributor to provincial coffers only six years ago, is now in such desperate need that its council recently voted to turn off streetlights at night in an effort to save money? These are the conditions that Mayor Woodside's protests and newspaper editorials are ignoring.

If Mayor Woodside and the *Telegraph-Journal* want an urban-only New Brunswick – a population scattered only in the south – they should have the courage to say so. If the urban consensus is that New Brunswick has embraced growth-pole economics (basically, investment in key industries and population densities whereby the more dense the population, the greater are the attentions of government) then urban leaders should come clean about this, for it marks a departure from the strategies of equalization that sought to create balances between rural (northern) and urban (southern) New Brunswick.

Woodstock mayor Arthur Slipp had it exactly right when he commented that “If people callously say, ‘Everyone should move to Fredericton or Moncton or Saint John for work,’ they’re basically saying there’s no future for rural New Brunswick, . . . [which is] a very serious mistake because the total New Brunswick economy is very dependent on the primary industries such as forestry” (*Telegraph-Journal* 5 May 2012: A6).

Are not all New Brunswickers equal? Do citizens north of Fredericton not deserve the same level of opportunity as citizens of Fredericton and Saint John? And why aren't citizens in the north agitating for pieces of Fredericton's civil service? That most of the provincial bureaucracy sits in the province's richest city makes little sense, especially in times of uneven wealth distribution. Where is it written that Fredericton should have a monopoly on government bureaucracy?

The distributive logic of this argument notwithstanding, I make the point not to be reckless or provocative but to illustrate the narrowness of Mayor Woodside's thinking. To want to retain a disproportionate part of an equalizing unconditional grant on top of having a disproportionate

part of the province's wealth is both mercenary and illustrative of the sense of entitlement that makes our challenge in New Brunswick so acute (perhaps "grave" is a better word).

How will we ever be able to come together as a provincial citizenry to make the difficult choices we must to preserve our quality of life in New Brunswick when entitlement is a first instinct? How will we ever be able to decide who shares, for the betterment of all, the diminishing resources at our disposal?

It is clear from recent events – Senate seat redistribution, transportation infrastructure, ACOA and EI retrofits – that the federal government sees the province as a financial liability, as a chronic taker rather than giver of social transfers. The numbers support their view.

When the base of federal power was concentrated in Quebec this situation was more tolerable than it seems to be today. With the westward-moving mean, however, we are now rapidly dimming in the rearview mirror, soon to be considered folklore.

There are enough threats from outside the province that we can ill afford threats from within. Suggesting that equalization is "unequalization" serves only to make the province untenable (and ungovernable) at a time when civic leaders should be bringing citizens together, not monopolizing on class and geographic differences to push them apart.

I, for one, applaud Minister Bruce Fitch and the Alward government for at least giving the non-urban municipalities of the province the opportunity to rebuild after five years of devastating losses. Premier Alward is absolutely correct in believing that their success will ultimately be ours.

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