

MEMORANDUM OF UNDERSTANDING

between

THE UNION OF NOVA SCOTIA MUNICIPALITIES (UNSM)

and

THE PROVINCE OF NOVA SCOTIA

This memorandum of understanding dated this 8 day of November, 2007, is entered into as a reaffirmation of the MOU signed September 15, 2005, a renewal of commitment following the required review, and a mutual commitment of specific further advances in the progress of municipal government in Nova Scotia.

WHEREAS:

The provincial and municipal orders of government are dedicated to the well-being of Nova Scotia's economy, society and environment and the promotion of vibrant, healthy communities;

The provincial and municipal orders of government serve the same taxpayer and recognize the importance of consultation in developing sound policies and programs for the taxpayer;

An effective relationship between the provincial and municipal orders of government results in:

- better government planning;
- more efficient provision of government services;
- a reduction in duplication of services;
- a better public perception of government; and
- a clearer and more thorough understanding of each order of government.

Effective cooperation between the Province and UNSM enhances governmental performance and promotes public confidence and sound planning;

The Province recognizes the role of the UNSM as the single, unified voice of municipalities in Nova Scotia;

The Province reserves the right to discuss issues of a local nature with individual municipalities or groups of municipalities from time to time.

THEREFORE:

The following guiding principles established in this MOU form the basis of the relationship between the UNSM and the Province. This MOU is to serve as a statement of intentions of the UNSM and the Province and not as a contract in the legal sense.

GUILDING PRINCIPLES

1. Regular and Ongoing Consultation

- 1.1 The Province and UNSM will consult with each other in a timely manner on any municipally related legislative, regulatory, policy or financial proposal that has a specific impact on the Province or on municipalities.
- 1.2 Consultation should occur as early as possible in advance of the implementation process.
- 1.3 The Province and UNSM will endeavour to include in any consultation, where applicable, a costing of the proposed financial changes and an analysis of possible revenue sources.
- 1.4 A municipal-provincial roundtable is established and will continue to schedule meetings three times annually to promote the consultation process.
- 1.5 The municipal-provincial roundtable will work cooperatively to develop a short-list of priority areas to address on an annual basis. The list should include a reasonable number of items that may be resolved within the following fiscal year.

2. Respect for Areas of Jurisdiction

- 2.1 The Province and municipalities respect the right of each order of government to discharge their responsibilities within their areas of jurisdiction.
- 2.2 The Province and the UNSM will promote a clear definition and understanding of the roles of the provincial and municipal orders of government to clarify accountability for specific policies and programs.

3. Robust Two-Way Communication

The Province and UNSM will communicate in a timely manner and in an open and transparent way when addressing concerns or questions raised by the other.

4. Resolve Differences Through Direct Dialogue and Discussion

- 4.1 The Province and UNSM will endeavour to resolve differences, conflicts or disagreements through direct dialogue and discussion.
- 4.2 Both parties agree that if one party notifies the media of an upcoming provincial/municipal meeting, that party also commits to notifying the other party of this fact, in advance of the meeting.

5. Commitment and Responsibility

- 5.1 The Province is committed to consultation with the UNSM when considering new legislation or regulations that will have a municipal impact.
- 5.2 This MOU builds on the strong relationship between the Province and UNSM and formalizes the Province's support for the principle of consultation with the UNSM.

ADVANCES IN THE PROGRESS OF MUNICIPAL GOVERNMENT

WHEREAS the Parties hereto in a spirit of cooperation acknowledging the importance of municipal government to the people of Nova Scotia and the important positive contributions by the Province of Nova Scotia to the improvement of municipal government and finance have agreed on further improvements.

AND WHEREAS the parties are committed to an equitable distribution of the costs of government services, now therefore the Parties agree that the following measures will contribute to that commitment and that the Province will consider appropriate steps, including provisions in the *Financial Measures (2008) Act*, to do the following:

1. That, over the life of this agreement (seven years beginning 2008-2009), the Province not increase the amount of the mandatory municipal contribution to the cost of education by a proportion greater than the increase in the cost of living as measured by the percentage increase in the Consumer Price Index for Nova Scotia for the preceding calendar year.
2. That the Province not increase the amount of total municipal contribution to correction costs over the next seven years beginning in 2008-2009, and beginning in 2010-2011 (year three), phase out all municipal contributions to corrections by year seven.
3. That the Province phase out required municipal contributions to public housing over a two year period, beginning in 2010-2011 (year three).

The Parties further agree as follows:

4. The Province remains committed to assisting in ongoing investment in municipal infrastructure.
5. The Province acknowledges the importance and durability of the Guiding Principles reiterated above.
6. The UNSM and the municipalities acknowledge the importance of continued effective and accountable municipal government.
7. The UNSM and municipalities acknowledges the unique division of service responsibilities which exist in Nova Scotia between the Province and municipal orders of government and recognizes that Nova Scotia municipalities are not required to contribute to social programs, which is the case in other Canadian jurisdictions.

8. The UNSM and the municipalities acknowledge and appreciate that the Province is making significant additional contributions through the commitments expressed in this memorandum.
9. The UNSM and the municipalities acknowledge that unforeseen costs or revenue losses may impair the Province's ability to achieve its commitments as expressed in this memorandum and that in any event all are subject to the appropriation of the necessary funds by the Legislature.
10. The UNSM and the municipalities agree to work with the province from time to time in support of common objectives, including increasing competitiveness, building stronger communities and strengthening democracy, as outlined in the New Nova Scotia Initiative.
11. The UNSM and the municipalities agrees to work with the Province towards the establishment of a municipal auditor general, in whatever form may be most appropriate, in order to enhance government accountability to citizens.

REVIEW OF THE MOU

The parties will review the MOU within two years of its adoption to ensure its relevance and appropriateness, to maintain a common understanding of its meaning, and to monitor progress towards the achievement of the goals and objectives set out herein.

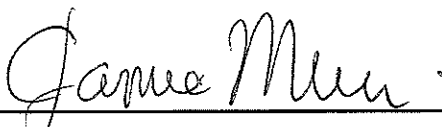
ADMINISTRATION OF THE MOU

The lead contacts for administering this MOU are the President of the Union of Nova Scotia Municipalities and the Minister of Service Nova Scotia and Municipal Relations.

COMMITMENT

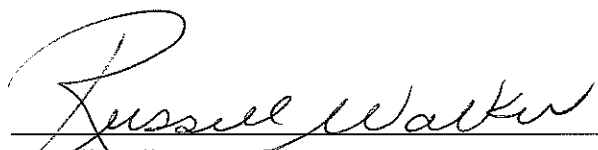
IN WITNESS WHEREOF, the parties hereto have caused this MEMORANDUM OF UNDERSTANDING to be signed as of this 8 day of November, 2007.

SIGNED on behalf of the **PROVINCE OF NOVA SCOTIA** by:



Jamie Muir, Minister
Service Nova Scotia and Municipal Relations

SIGNED on behalf of the **UNION OF NOVA SCOTIA MUNICIPALITIES** by:



Russell Walker, President
Union of Nova Scotia Municipalities