BEYOND THE MUNICIPAL: GOVERNANCE FOR CANADIAN CITIES

Andrew Sancton

Provincially legislated municipal mergers in the last decade have affected eight of Canada's census metropolitan areas (CMAs), and have been implemented with uneven degrees of success and varying degrees of controversy. The two largest mergers, in Toronto and Montreal, are definitely works in progress, writes Andrew Sancton, a leading authority on municipal governance and amalgamation. Both the new Toronto and Montreal "super cities" cover only about half of their respective CMAs. The Toronto merger has been slowed by scandal, and the Montreal government has been handcuffed by the refusal of many suburbs to accept "forced mergers" with the old city and their continuing desire to "de-merge," resulting in proposals from Montreal City Hall to decentralize many powers to the suburban boroughs, including the election of borough mayors. In Toronto much thought is being given to new ways of bringing centralized leadership and cohesion to a huge municipal bureaucracy. But it is time to realize, Sancton argues, that the issue of city governance goes far beyond the municipal. There is a wide variety of municipal structures in Canada and very little evidence that one form is better than another. Canadians have devoted too much attention recently to municipal structures and not enough to improving our cities.

Les fusions municipales décrétées par les provinces ont touché en dix ans huit régions métropolitaines de recensement (RMR), donnant lieu à des réussites variables et des controverses plus ou moins nourries. Pour les deux plus importantes, celles de Toronto et de Montréal, le processus est d'ailleurs loin d'être achevé, note Andrew Sancton, spécialiste de la gouvernance et des regroupements municipaux. Ces nouvelles « super villes » n'englobent en effet qu'environ la moitié de leur RMR respectives. Dans la Ville-Reine, ce sont les scandales qui ont freiné le processus, tandis que l'administration montréalaise s'est trouvée menottée par le refus persistant de nombreuses municipalités d'accepter les « fusions forcées ». Résultat : Montréal a proposé aux « défusionnistes » de décentraliser bon nombre de pouvoirs au profit des arrondissements et d'élire des maires d'arrondissement. Pendant ce temps à Toronto, on s'efforce d'apporter cohésion et leadership à une bureaucratie municipale gigantesque. Il est temps d'admettre, dit Sancton, que la gouvernance urbaine déborde largement le milieu municipal proprement dit. Il existe de nombreux modèles de structures municipales à travers le pays, et rien ne permet de croire que l'un soit meilleur que l'autre. En fait, nous avons consacré trop d'attention récemment à la question des structures municipales, trop eu à l'amélioration de nos villes.

During the last 10 years much attention has been paid to the governance of Canadian cities. In eastern Canada the issue has, at one time or another, dominated provincial politics in virtually every province, and radical changes have been made to municipal boundaries and functions. In western Canada there have been few structural changes, but the issue has been thoroughly investigated (especially for Edmonton) and has caused the Canada West Foundation to devote considerable resources to the topic.

The first part of this article outlines the issues that are associated with the debates about boundaries and functions. The second part points out that, especially for Toronto and Montreal, the recent municipal amalgamations have prompted wide-ranging attempts to fix the internal municipal governance problems apparently

caused, in some respects at least, by the amalgamations themselves. The third part points out that the governance of Canadian cities is too important to be left to municipalities alone — no matter how big and powerful they might have become.

In 1994, the IRPP published a monograph I wrote entitled *Governing Canada's City-Regions*. Its main object

In Montreal, the new City of Montreal comprises only 53.2 percent of the CMA population. However, in the same year (2000) that the province legislated the Montreal amalgamation it also established the *Communauté métropolitaine de Montréal* (CMM) as an upper-tier municipal authority. When it chooses to do so, the CMM can take responsibility for: regional planning and

and the Regional Municipality of Niagara. Regional districts in British Columbia are governed by boards of directors comprising members chosen by and from the councils of the constituent municipalities and by elected representatives of voters in areas that are municipally unincorporated. Their functions are flexible in the sense that each regional district provides different

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bundles of services in different places under different financial arrangements. The regional municipalities in Waterloo and Niagara, in contrast, are both governed by councils that are directly elected and both have functional responsibilities that are common throughout their entire territory. Most of their expenditures relate to social services (especially income security), a government function quite outside the responsibility of municipalities in B.C.

was to "assess various existing institutional arrangements in terms of their compatibility with the economic development of Canada's city-regions." The study examined the municipal structure of the Greater Toronto Area (GTA), as defined by the Government of Ontario, and of Canada's other 22 census metropolitan areas (CMAs), as defined by Statistics Canada, excluding the CMAs of Toronto, Hamilton and Oshawa because they overlapped with the GTA.

Municipal amalgamations in the last decade have dramatically affected the pattern of municipal organization in eight of these CMAs (listed in descending order of population): Toronto, Montreal, Ottawa, Quebec City, Halifax, Greater Sudbury, Saguenay, Sherbrooke, and Kingston. Except for Montreal and Toronto, the newly-amalgamated municipality at the centre comprises a very high proportion of the total CMA population, although the percentages for Ottawa, Quebec City, and Kingston are only 72.7, 74.4, and 77.8 respectively. For Ottawa and Quebec the amalgamations did not cross the relevant river, a provincial boundary in the case of Ottawa-Gatineau. In the case of Kingston, the amalgamation did not extend west of the border of Frontenac county.

economic development, social housing, artistic and cultural development, metropolitan infrastructure, planning for public transit, the management of solid waste, and air and water purification. The chair of the CMM is the mayor of Montreal. Its territory corresponds closely to that of the CMA. A similar organization, the *Communauté métropolitaine de Québec* (CMQ), is established for Quebec City, with the mayor of Quebec City acting as chair.

Although these two organizations are still in their infancy and have received little public attention in light of the highly visible controversies about the municipal amalgamations, they have the potential to become institutions that can help guide the development of the entire metropolitan area.

Among Canada's 22 CMAs, there are now only four others that have two-tier systems of municipal government in which the upper tier handles municipal functions of concern to the entire built-up area: Vancouver and Victoria in British Columbia and Kitchener and St. Catharines-Niagara in Ontario. The relevant upper-tier authorities are the Greater Vancouver Regional District, the Capital Regional District, the Regional Municipality of Waterloo,

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POPULATION OF CENSUS METROPOLITAN AREAS

	1998	1999	2000	2001	2002
	persons (thousands)				
Toronto (Ontario)	4,586.7	4,673.3	4,773.6	4,907.0	5,029.9
Montreal (Quebec)	3,423.9	3,449.2	3,479.4	3,511.4	3,548.8
Vancouver (British Columbia)	1,998.4	2,028.9	2,060.7	2,099.4	2,122.7
Ottawa-Hull (Ontario-Quebec)	1,055.6	1,069.0	1,087.3	1,108.5	1,128.9
Calgary (Alberta)	903.1	926.2	947.9	969.6	993.2
Edmonton (Alberta)	914.4	928.1	941.8	954.1	967.2
Québec (Quebec)	686.6	688.5	690.8	694.0	697.8
Winnipeg (Manitoba)	677.8	679.9	682.4	684.3	685.5
Hamilton (Ontario)	657.8	664.8	672.1	680.0	686.9
London (Ontario)	416.0	418.6	422.3	425.2	427.3
Kitchener (Ontario)	408.5	415.8	423.8	431.2	438.0
St. Catharines-Niagara (Ontario)	387.5	388.8	390.8	391.9	392.3
Halifax (Nova Scotia)	348.9	353.4	356.0	359.1	363.2
Victoria (British Columbia)	316.8	316.9	317.1	319.4	318.9
Windsor (Ontario)	295.9	300.6	307.0	313.7	319.9
Oshawa (Ontario)	287.5	292.5	298.9	304.6	310.0
Saskatoon (Saskatchewan)	229.5	230.7	231.0	231.5	231.8
Regina (Saskatchewan)	199.2	199.8	199.3	198.3	197.0
St. John's (Newfoundland and Labrador)	175.2	175.4	176.2	176.4	177.2
Chicoutimi-Jonquière (Quebec)	162.6	161.8	160.3	158.8	156.9
Sudbury (Ontario)	162.0	159.3	157.7	157.0	155.9
Sherbrooke (Quebec)	152.3	152.7	153.8	155.0	156.5
Trois-Rivières (Quebec)	141.9	141.8	141.6	141.2	141.4
Thunder Bay (Ontario)	127.5	126.9	125.9	125.7	125.1
Saint John (New Brunswick)	127.5	127.7	127.7	127.3	127.0

Note: Population as of July 1.
Source: Statistics Canada, CANSIM, table 051-0014 and Catalogue no 91-213-XIB.

provincial government. Not all were elected municipal officials, although the chair was Hazel McCallion, the mayor of Mississauga. Its functions were purely advisory. The panel ceased to exist in April 2003 when it presented its final report about how to prevent urban sprawl and promote public transit. The first response of the McGuinty government has been to take action itself to limit sprawl by beginning to take steps toward creating greenbelt areas within the GTA. However we might define the larger Toronto region, it is clear that the amalgamated City of Toronto includes, at most, only about half of the total population. It is the province of Ontario, it seems, that will be providing the governance of the larger Toronto region.

Disputes about the internal structures of municipalities carry on almost always as a kind of background noise in the local politics of most cities. Is the council too large? Should councillors be elected at-large or by ward? Should the city manager (or chief administrative officer) be recognized as the sole link between council and administrative staff or should council have direct and equal access to the heads of all major line departments? Should neighbourhoods or neighbourhood associations be delegated some form of direct control over decision-making in their respective areas? Attempting to answer such questions has for decades been a cottage industry for students of municipal government, consultants, and "good governance" committees of chambers

of commerce. The cities of Toronto and Montreal are now experiencing particularly important disputes around different aspects of such questions. The disputes result directly from unanticipated consequences of municipal amalgamation, consequences that have been quite different in the two places. Each will be examined in turn.

In Toronto, the key post-amalgamation problem has been leading and controlling the vast administrative behemoth that the amalgamation created. The problem starts right at the top. Mayors in Ontario municipalities have very little independent legal authority. Furthermore, they almost never control a stable majority of votes on city council, so they can rarely make credible commitments that the city will follow one course of action rather than another. Toronto Mayor David Miller's victory immediately after his recent election in gaining council support for overturning its previous decision to support a bridge to the Toronto island airport so that Miller could deliver on his most important election promise is surely the exception that proves the rule. Such a system borders on the dysfunctional in medium-sized cities; it was a disaster in post-amalgamation Toronto, although in the early years Mayor Lastman successfully disguised its shortcomings. During these years, Lastman had a strong personal staff and was able to work with senior administrators from his former suburban municipality, North York. The amalgamated city's first Chief Administrative Officer, Michael Garrett, was appointed from outside Toronto by the provincially-appointed transition team. When Garrett was relieved of his position by city council early in Lastman's second term, it was clear that he and Lastman never really developed a trusting relationship.

It was during Lastman's first term that the events took place that are now being investigated by the Toronto Computer Leasing Inquiry. Testimony at the inquiry has shown that Garrett

and other senior administrators were so pre-occupied by ensuring that the amalgamation appeared to be working (and by the trauma of Y2K) that they were unable to enforce simple practices of good management, let alone develop new ones for a municipal bureaucracy so large that it bore no resemblance to that of any other municipality in Canada. Testimony at the same inquiry has also painted pictures of certain individual councillors becoming deeply involved in the work of individual senior (and even not-so-senior) administrators, as was the practice in the old pre-amalgamation city of Toronto, and the lack of any apparent central control over, or even knowledge of, what was going on.

In these circumstances, both the city of Toronto council and the inquiry have become very interested in reforming the political and senior administrative structures of the city of Toronto. Council has issued a discussion paper on the subject and the inquiry has recently begun the second, or good governance, phase of its hearings, after having commissioned its own consultants' research on the subject. Much attention has been focused on the possibility of enhancing the political and administrative authority of the mayor (through appointing council committee chairs and senior administrators) and/or creating a more politically powerful executive committee that could focus on providing strategic direction for the city.

The main potential difficulty with any such changes is that they would (rightfully) be seen as eroding the power of council as a whole and, therefore, of individual councillors. Both Mayor Miller and the provincial Liberal Party opposed the amalgamation in Toronto, in large measure on the grounds that it would diminish the ability of neighbourhoods and individual citizens to influence local decision-making. It will be

difficult — but perhaps not impossible — for such opponents of the amalgamation to attempt to counter its obvious weaknesses by supporting structural reform aimed at moving more power to the centre at the expense of the power of individual councillors.

Another kind of structural reform that might counter such weaknesses is to establish special operating agencies to run discrete municipal services, especially those that generate their own revenues. The aim is to free such agencies from rigid central administrative (but not political) control so that they can be more innovative and entrepreneurial with respect to providing such services. Examples of such recently-created agencies at the federal level are NavCan (for air-traffic control) and the Canada Customs and Revenue Agency. Transit commissions and police services boards are longstanding examples at the municipal level of roughly the same phenomena. Significantly, these municipal "special-purpose bodies" have traditionally been frowned upon by progressive municipal administrators intent on clarifying lines of accountability by making municipal councils directly responsible for all local services. The only serious attempt to establish a new

special operating agency in the amalgamated city of Toronto was a proposal to establish an independent agency for water and wastewater. Traditional concerns about accountability, combined with fears in the wake of Walkerton that the agency would be simply a prelude to privatization, led to the proposal's early demise. The governance

consultants for the Toronto Computer Leasing Inquiry state, as a kind of concluding afterthought to their report, that "there is a general sense that it will be increasingly difficult for Council to effectively govern a City the size, scope, and complexity of Toronto without additional reference to alternative service delivery mechanisms such as special operating agencies."

In Toronto, concern about weakness at the centre means that proposals to weaken central control in any way are looked on with great suspicion. In the wake of the Montreal merger, the situation is almost exactly opposite. In contrast to the old pre-amalgamation city of Toronto, the old city of Montreal was noted for its highly centralized and powerful executive committee and its mayors who derived considerable power from leading relatively well-disciplined partisan majorities within the Montreal city council. One of the genuine problems that the Parti Québécois government of Lucien Bouchard was trying to correct in sponsoring municipal amalgamation in Montreal was that established neighbourhoods within Montreal had virtually no control over their immediate built environments while residents of smaller suburban municipalities were almost all-powerful. Legislation amalgamating the municipalities on

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the island of Montreal provided that borough councils would replace the suburban municipalities and, more importantly, that nine such councils would be established within the territory of the old city. Considering that borough councils were given direct control over local zoning decisions and a surprisingly extensive list of

local services, the main effect of amalgamation within the old city was, paradoxically, a remarkable degree of political decentralization. The latest proposals from Mayor Tremblay, aimed at countering the possibility of "demergers," have involved granting taxation powers to boroughs and designating the council chair in each borough as a "mayor." Whether suburban municipalities in Montreal will demerge and still be subject to considerable city control or whether they will remain within the city as quasi-autonomous boroughs is far from clear. Indeed, it is not even clear — except symbolically — how or if one alternative differs from the other.

The key point about governance debates in Montreal since amalgamation is that they have focused on weakening the control of the centre. It is assumed that the apparatus of central leadership and control within the city of Montreal (the mayor and his political party and the executive committee) are strong enough to set local political priorities and to control the city bureaucracy. Governance debates within the new city are all about political decentralization to the boroughs. It looks now as though Montreal will actually experience a form of demerger, continued territorial decentralization, or both. Any such course of action will be unprecedented in the history of the municipal government of the world's major cities. Montreal's amalgamation is interesting and important not because of how it has centralized local political and administrative authority but because of how it has attempted to decentralize it. Whether such decentralization within the framework of a single large municipal corporation will actually work — or be given the opportunity to work — is still far from clear.

Much of the concern about municipal governance in Canada during the last decade has been caused by the realization that what goes on in our cities is now more crucial to economic well-being than what goes on in our mines, farms and fishing boats. For some, there is a mistaken belief that the fate of our cities is in the hands of municipal governments. It is true that in theory municipal governments could do much damage — by failing to maintain municipal infrastructure, for example. No one wants to invest in a city where the sewers don't work or where it is impossible to move on the roads. But municipal governments are rarely guilty of such sins, except perhaps

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when they are so starved for funds that they have no choice. One of the current subjects of debate in Canada is whether or not our urban municipalities are in precisely such a position right now.

Cities are economically successful when they attract innovative people who are able to use resources available in the city to convert their best ideas into reality. There has been much analysis recently about exactly what those resources might be. Such analysis focuses on factors that are not directly related to economic production and those that are. The point is that very few of these resources are subject to direct municipal influence or control. Municipal councils have no control over the main levers of economic policy (interest rates, corporate-tax regimes, immigration levels) and only very limited involvement with

policies and institutions relating to research (universities), health care (hospitals) and major cultural facilities (museums, art galleries, opera houses).

This is why policy-making for successful competitive cities involves so much more than what the most effective and efficient of municipal governments could ever possibly accomplish. Effective city governance (as opposed to effective municipal governance) involves complex intergovernmental networks in various policy fields aimed at maximizing the capacity of the city to support innovation. It also involves active involvement from the private sector, especially in relation to the nurturing of the educational and cultural facilities that are now understood to be so important for the health of our cities.

The tragedy for many Canadian cities during the past decade — especially Toronto and Montreal — is that so much time and effort has been devoted to reorganizing municipal structures that smart people in municipal government, politicians and senior staff, have been unable to focus on what it is that municipal governments *can* do to enhance the quality of life in cities: provide an interesting and diverse built environment, the services for which are reliable and efficient. In an almost panic-driven effort to make municipal governments bigger, provincial politicians have forgotten that the intricately built environments of our central cities might actually be better managed by those who live there rather than by residents of distant suburbs, or that some potential investors might be better attracted to a metropolitan area by a diversity of municipal jurisdictions, each with different mixes of taxes and services, rather than by the grandiose claim that the central municipality is the third, fourth, or tenth largest in North America.

None of this is to suggest, however, that Canadian provincial governments should ever abandon policies that ensure that residents of well-off municipalities provide funds to support services in those that are not so well-off or that provide for some kind

The urban area around Toronto has become so vast, complex, and interconnected that it is quite unrealistic to expect there to be any agreement as to its boundaries. The fact that the Oshawa and Hamilton CMAs, as defined by Statistics Canada overlap

The Adapted City: Institutional Dynamics and Structural Change claims that structural arrangements for such cities as Cincinnati, Oakland, Hartford, and Kansas City "defy classification" in that "they are not the mayor-council form or the adaptation of that form nor the council-mayor form nor the adaptation of that form." In short, these cities have strong mayors, full-time councillors, *and* a single strong appointed manager heading the entire municipal staff. The authors, H. George Frederickson, Gary A. Johnson, and Curtis H. Wood present evidence to suggest that

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of mechanism to ensure that the overall planning needs of the entire metropolitan area can be examined and provided for.

There is still a remarkable diversity in how our cities are governed. The central city of Vancouver comprises only 27.5 percent of the population of the Vancouver CMA. It is governed by a ten-member council elected at large in which municipal-party slates structure electoral choice. The police force is run by the city but water, sewer, and transit services are provided by agencies associated with the Greater Vancouver Regional District. The cities of Calgary and Winnipeg, on the other hand, each comprise 92 percent of the populations of their respective CMAs and provide all of the common municipal services. Both have councils elected by wards in which there are no functioning municipal political parties. Unlike other Canadian mayors, the mayor of Winnipeg has been given the authority to choose the members of the council's executive committee. It is not at all obvious that one of these sets of governmental arrangements is superior to any of the others, although there are lots of strong arguments to suggest that Vancouver might be better off with a ward system so as to ensure that all areas of the city receive equal representation.

with the area that the Ontario government has traditionally defined as the GTA is ample testimony to this fact. Such complexity is also apparent elsewhere. How can we take account of the obvious connections between Canmore and Banff and Calgary? What about the Calgary-Edmonton corridor? Do these areas require planning institutions separate and apart from the government of Alberta? There can be no definitive answers to such questions. It seems obvious, however, that contemplating a single municipal government for such a large area is an absurdity. Even if there was agreement in principle that our provinces should be replaced by city-states, where would we draw the boundaries? If the Calgary-Edmonton corridor were conceived as a city-state, how would it really differ from Alberta as it is today?

Even traditional classifications of internal municipal government structures are breaking down. The consultants for the Toronto Computer Leasing Inquiry have attempted to delineate five different "political governance structures," including the common distinctions between strong-mayor and weak-mayor systems. Unfortunately, however, very few big-city governance systems clearly fit into a particular classification. A just-published American book on the subject,

this "conciliated" form of municipal government is what urban Americans often want, because they are demanding political leadership, political responsiveness, and administrative effectiveness all at the same time.

Institutional arrangements matter and we need to pay attention to them. But Canadians have probably paid for too many studies searching for the ideal municipal structure. Ironically, many recent provincial interventions in our city's structural arrangements (especially in Montreal and Toronto) have occurred despite the careful and measured conclusions of the studies these same governments have sponsored and paid for. Because such arbitrary actions provoke continuing opposition and unanticipated consequences long into the future, it is unlikely that our recent obsessions with municipal structures will soon subside. However, it is surely time to acknowledge that structural changes in municipal government can do very little, if anything, to improve quality of life and economic competitiveness in Canadian cities.

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