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CANADIAN RESPONSE TO URBAN GOVERNANCE QUESTIONNAIRE: OECD GROUP ON URBAN AFFAIRS

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CANADIAN RESONSE TO URBAN GOVERNANCE SURVEY:

OECD Group on Urban Affairs

prepared for

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PURPOSE

The Organisation for Economic Co-operation and Development is undertaking, with its member countries, a number of projects on urban governance. The purpose of this project is to collect quantitative and qualitative information on urban governance of Canadian metropolitan areas in response to the questions posed by the OECD survey. The survey is aimed at assessing the policies and programs of federal, provincial and municipal governments through improving urban governance. It will also identify obstacles to reform and highlight the best practices and innovations.

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EXECUTIVE SUMMARY

The history and evolution of urban governance in Canada is a product of the 1867 British North America Act, an Act which designated the sole responsibility for municipal government to the provinces. The structures, financing and responsibilities of municipalities evolved separately as each province developed its own approach to its urban regions. Larger provinces, such as Ontario, Quebec and British Columbia have used two-tier systems of local government to meet the needs of metropolitan areas. The tradition on the Prairies has been single-tier metropolitan areas. The Maritime provinces have used single and two-tier systems with both Nova Scotia and New Brunswick moving towards amalgamation of municipalities into single-tier systems in metropolitan areas.

The past five years have been a time of uncertainty for municipalities in Canada. Provinces and the federal government, faced with large deficits and soaring debts, began a period of fiscal constraint and funding cuts. As a consequence, the provinces are seeking new structures for their major municipalities that can be more efficient and less costly to operate. Larger municipalities and expanded two-tier systems of local government in metropolitan areas have been the proposed solution to questions of providing urban centres with a political and administrative structure more suited to dealing with regional issues.

In proposing amalgamation as a solution to the problems facing metropolitan areas, the provinces have stressed the long-term cost savings that can accrue through such changes. What has been less often discussed is the effect these changes might have on the access of residents to local government. This issue has focused opposition to the amalgamation process in both Halifax and Toronto. It is these competing interests, effectiveness and efficiency on the one hand and citizen access and participation on the other, that reflect the pressures for centralization versus fragmentation of local government in Canada. Even so, if the present trends are an indication, centralization through amalgamation is in its ascendancy.

The five cities selected for the urban governance survey, Halifax, Montreal, Toronto, Winnipeg and Calgary, are representative of the regions and of the various metropolitan structures that exist in Canada. They also are typical of the various sizes of metropolitan areas in Canada.

The urban governance of metropolitan areas in Canada has three basic approaches. The first is a limited interventionist approach

by provinces. Over time as metropolitan areas grew, neighbouring municipalities came together, as required through joint municipal agreements, to deliver regional services that affected their respective municipalities. The second approach used in Canada is the two-tier system of local government, where regional services are delivered by an upper-tier and local services are delivered by the local municipalities. This is well developed in Ontario where the province has clearly defined which services are delivered regionally, which services are delivered locally and which responsibilities are shared. The third approach is amalgamation. Forced on the municipalities by the provinces, it has raised concerns and strong opposition from local politicians and residents. The long-term implications of a more centralized delivery of services and its effect on access to local decision-making are yet to be determined.

The changes in the financial arrangements of municipalities in Canada have been modest. Provinces have tended to pursue structural changes to how municipalities are governed rather than to how they are financed. What changes have occurred have been related to cuts in transfer payments, often without corresponding access to additional sources of revenues. It is this that has forced municipalities to rethink their revenues and expenditures.

Of interest are the different expenditure patterns between the two tiers in metropolitan areas. In Halifax, a weak two-tier system with limited responsibilities for the upper tier, the Metropolitan Authority operating expenditures are only 6.9% to 8.7% of the total operating expenditures. In Toronto, where the upper tier delivers more regional services, Metropolitan Toronto expenditures are 68% to 72% of the total expenditures. In Montreal, the Montreal Urban Community (MUC) expenditures are 25.4% to 27.9% of the total expenditures of the MUC and its 29 local municipalities.

The increases in operating expenditures between 1990 and 1995 also show differences between the upper and lower tier in metropolitan areas. In the three metropolitan areas with two-tier systems the increases of the metropolitan authorities were 50% for Halifax, 27.5% for Montreal and 28.6% for Toronto. The increases in operating expenditures for the local municipalities within the metropolitan authorities were substantially less, 18.9% for Halifax, 19.3% for Montreal and 6.1% for Toronto. In comparison, the two single-tier systems of metropolitan government, Winnipeg and Calgary, had increases in operating expenditures of 21.8% and 16.3% respectively.

Canada has a well established framework for participation through its planning legislation. Groups and individuals have the opportunity to make representations before committees of council and have access to appeal procedures. This opportunity for representation before elected officials also exists for a variety of other municipal decisions including the budget process. There is, in addition, a well established body of informal and semi-formal groups and organizations that use this access to ensure that their interests are heard in advance of council making a final decision. These groups normally do not have decision-making or voting powers and their role is one of persuasion and public pressure.

Central governments have played a limited role in Canada in assisting local and metropolitan governments in their economic development activities. Traditionally, provinces have been hesitant to allow municipalities to compete against one another for economic activity. Provinces have tended to restrict municipalities in the way they can provide incentives to businesses interested in locating in their municipality. Municipalities, on the other hand, have been competitive in their search for businesses that can increase their tax base. Since local municipalities in a metropolitan area often do not have an equalized tax base, new tax revenues accrue to the individual municipality rather than to the metropolitan area as a whole. This has been one of the arguments in support of amalgamation since it provides for such benefits to be distributed to a larger area. It is also for this reason that many municipalities have their own economic development agencies that work independently of the larger metropolitan area.

It can be argued that the recent activity of provinces in municipal reform is related to two issues, decreased financial resources and increased growth around urban centres. The financial constraints provinces face have caused them to search for ways to reduce their expenditures to municipalities. This has been reflected in the review of municipal acts and in the cuts to grants and transfers to municipalities. Municipalities are expected to be more self-reliant, to turn to their own sources for increased revenues and to cut expenditures.

This does not explain the rush to change in such metropolitan areas as Halifax, Montreal and Toronto. Rapid growth, particularly in the Greater Toronto Area, has put pressure on local governments. Metropolitan areas have outgrown the political and administrative structures put in place years before. The complex urban problems metropolitan areas face have moved far beyond the hard services municipalities were initially

established to deliver. Differential property tax rates, different levels of services and unequal sources of revenues do not always represent well the commonality of interests and the similar requirements for services that exist in a metropolitan area. Municipalities, as creatures of the provinces, have evolved only to the extent allowed by the provinces. The move to give a local government structure to metropolitan areas which is better suited to them governing themselves suggests provinces are prepared to give urban governance a more prominent role in Canadian life.

TABLE OF CONTENTS

PURPOSE	i
ACKNOWLEDGEMENTS	ii
EXECUTIVE SUMMARY	iii
TABLE OF CONTENTS	vii
LIST OF TABLES	viii
INTRODUCTION	1
PROFILE OF THE SELECTED CITIES	5
Halifax Metropolitan Region	5
Montreal Metropolitan Region	5
Toronto Metropolitan Region	6
Winnipeg Metropolitan Region	7
Calgary Metropolitan Region	8
URBAN GOVERNANCE SURVEY	9
Country: Canada	9
1. Institutional Arrangements For Metropolitan Areas	9
2. Public Finance	18
3. Social Cohesion	38
4. Economic Competitiveness	42
CONCLUDING COMMENTS	46
BIBLIOGRAPHY	49

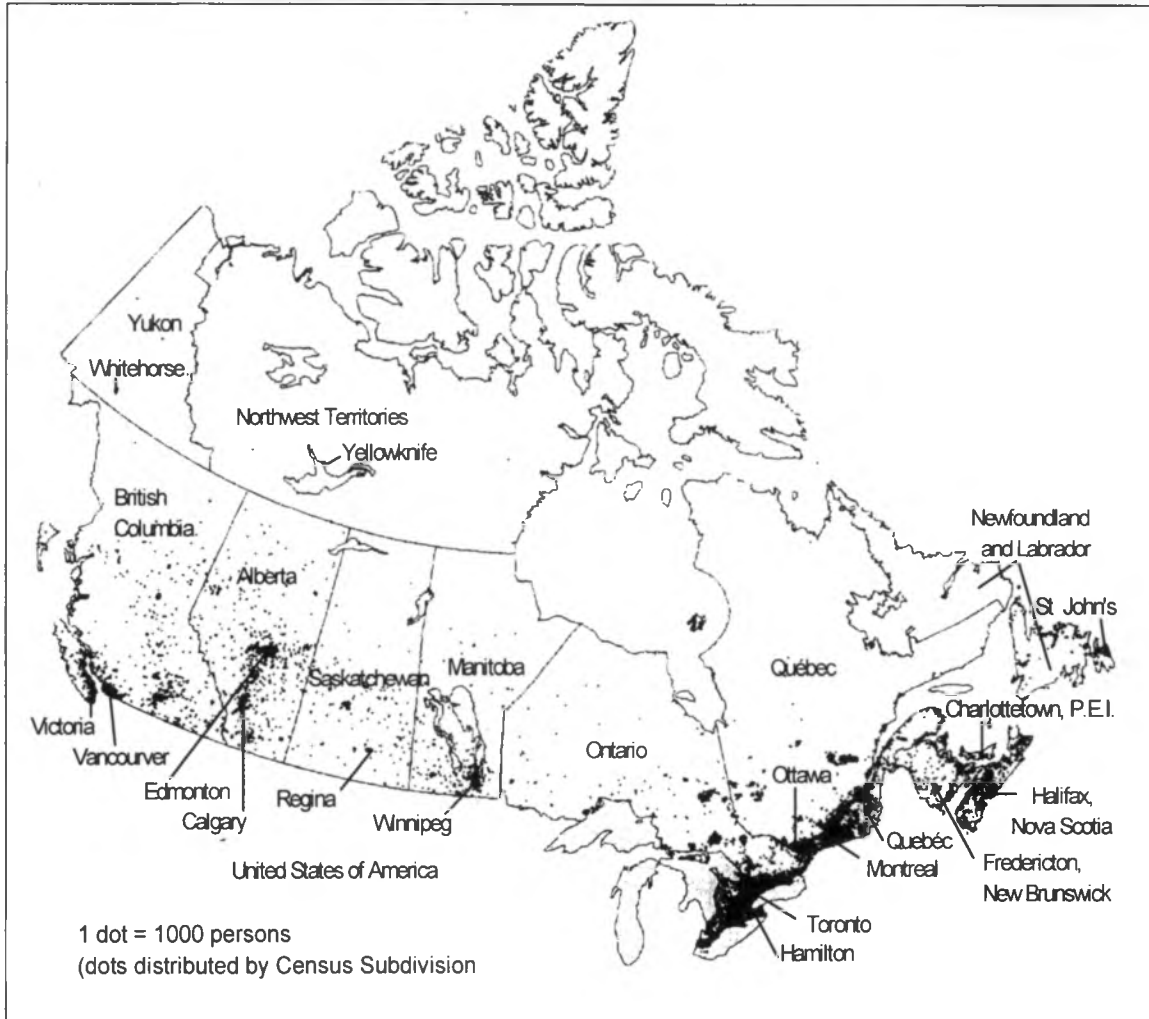
LIST OF TABLES

Table 1: Divisions of Responsibilities in Halifax Metropolitan Area	13
Table 2: Divisions of Responsibilities in Montreal Metropolitan Area	14
Table 3: Divisions of Responsibilities in Toronto Metropolitan Area	15
Table 4: Operating Budget Revenues: Halifax Metropolitan Authority	20
Table 5: Operating Budget Revenues: Four local municipalities in Halifax metropolitan area	20
Table 6: Capital Budget Revenues: Halifax Metropolitan Authority	20
Table 7: Capital Budget Revenues: Four local municipalities in Halifax metropolitan area	21
Table 8: Operating Budget Revenues: Montreal Urban Community	21
Table 9: Operating Budget Revenues: 29 local municipalities in the Montreal Urban Community	22
Table 10: Capital Budget Revenues: Montreal Urban Community	22
Table 11: Capital Budget Revenues: 29 local municipalities in the Montreal Urban Community	22
Table 12: Operating Budget Revenues: Municipality of Metropolitan Toronto	23
Table 13: Operating Budget Revenues: Six local municipalities in Metropolitan Toronto	23
Table 14: Capital Budget Revenues: Municipality of Metropolitan Toronto	23
Table 15: Capital Budget Revenues: Six local municipalities in Metropolitan Toronto	24
Table 16: Operating Budget Revenues: Winnipeg	24
Table 17: Capital Budget Revenues: Winnipeg	24
Table 18: Operating Budget Revenues: Calgary	25
Table 19: Capital Budget Revenues: Calgary	25
Table 20: Operating Expenditures: Halifax Metropolitan Authority	26
Table 21: Operating Expenditures: Four local municipalities in Halifax metropolitan area	27
Table 22: Capital Expenditures: Halifax Metropolitan Authority	27
Table 23: Capital Expenditures: Four local municipalities in Halifax metropolitan area	28
Table 24: Operating Expenditures: Montreal Urban Community	28
Table 25: Operating Expenditures: 29 Local municipalities in Montreal Urban Community	29
Table 26: Capital Expenditures: Montreal Urban Community	29
Table 27: Capital Expenditures: 29 local municipalities in Montreal Urban Community	30
Table 28: Operating Expenditures: Municipality of Metropolitan Toronto	30
Table 29: Operating Expenditures: Six local municipalities in Metropolitan Toronto	31
Table 30: Capital Expenditures: Municipality of Metropolitan Toronto	31
Table 31: Capital Expenditures: Six local municipalities in Metropolitan Toronto	32
Table 32: Operating Expenditures: Winnipeg	32
Table 33: Capital Expenditures: Winnipeg	33
Table 34: Operating Expenditures: Calgary	33
Table 35: Capital Expenditures: Calgary	34
Table 36: Level of debt in five selected cities	35

INTRODUCTION

Canada is a vast country with a small population concentrated close to the Canada-United States border (Figure 1). It is a democratic federation with a national government, ten provinces and two territories in the sparsely populated North. There is a complex system of division of powers between the federal (national) government and the provinces. The federal government has broad taxing, monetary and income redistribution powers and has substantial control over national fiscal and economic policy. The provinces and territories govern the use of most resources and have sole responsibility for municipal government. Through legislation, the provinces establish municipal governments and determine the powers and responsibilities of municipalities. Although the provinces have broad powers in areas such as health and social assistance, the federal government, through financial incentives, has greatly influenced the development and standardization of health programs and social assistance across the country. Municipal governments have regulatory power related to zoning, land use, infrastructure and transportation.

Figure 1:
Canada -Population Distribution



Source: 1991 Census of Canada
Produced by the Geography Division, Statistics Canada, 1995.

The history and evolution of urban governance in Canada is a product of the 1867 British North America Act, an Act which designated the sole responsibility for municipal government to the provinces. As a result a municipality is the "creature" of a provincial government¹. The structures, financing and responsibilities of municipalities evolved separately as each province developed its own approach to its urban regions. Larger provinces, such as Ontario, Quebec and British Columbia, have used two-tier systems of local government to meet the needs of metropolitan areas. The tradition on the Prairies (Alberta, Saskatchewan, and Manitoba) has been single-tier metropolitan areas. The Atlantic provinces (New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland and Labrador) have used single- and two-tier systems, with both Nova Scotia and New Brunswick moving towards amalgamation of municipalities into single-tier systems in metropolitan areas.

There has been a trend in recent years for provincial governments to consider the amalgamation of neighbouring municipalities in metropolitan areas. Where this has not been feasible, provinces have considered two-tier systems of government to consolidate the delivery of regional services in metropolitan areas. The pressures for amalgamation are countered by forces at the local level that encourage fragmentation and decentralization of municipal structures. There has been resistance by local residents and politicians to amalgamation and metropolitan governments. Concerns have been raised that those characteristics that make local governments the government closest to the people will be lost. In many metropolitan areas, municipalities and the province, working independently or together, have established agencies and commissions to deliver regional services. As a result, there has been a proliferation of joint municipal agreements, boards, agencies and commissions. These agencies often have taken on a life of their own with limited political supervision or monitoring. This, in turn, has placed pressure on provinces to consider new structures to deliver regional services that are more closely tied to the political process at the municipal level. Thus there are competing forces in Canada for both increased consolidation of municipalities and the delivery of regional services on the one hand, and increased fragmentation on the other.

Many of the provinces have responded to these pressures through "the common practice of numerous, usually minor, amendments to municipal acts over a long period of time."² This has resulted in ad hoc changes to municipal legislation that lack consistency, often are unrelated and make more complex the political and administrative structures of municipal government. Broad and comprehensive legislative changes have occurred from time to time, witness the amalgamation of Winnipeg in 1972, the revamping of local government in New Brunswick in 1967, and the introduction of regional districts in British Columbia in 1963. But until recently, the tendency has been to make small amendments to municipal legislation to meet individual issues as they arise.

Municipal government and metropolitan regions in Canada are in a state of flux. Provinces as varied as New Brunswick, Nova Scotia, Ontario, Saskatchewan and Alberta are rethinking the organizational structures of their municipalities. The structure of the two largest metropolitan areas, Toronto and Montreal, are currently both under review by their respective provinces. The four municipalities in the Halifax region were amalgamated into one urban municipality in 1996. Both Alberta and Manitoba have introduced new municipal legislation in the past three years.

1 Since municipalities are the "creatures" of the provincial governments, unless otherwise noted, when this report refers to the central government, it is referring to the province.

2 Diamant, P. and A. Pike, 1994. *The Structure of Local Government and the Small Municipality*. The Rural Development Institute, Brandon University, p. 6.

While in Manitoba the new municipal act is an updating of the municipal legislation and makes only modest changes to the responsibilities and powers of municipalities, the Alberta changes were a rethinking of municipal government. The tradition in Canada has been for municipalities to have only those powers designated to them by provincial legislation, with all residual powers being the responsibility of the province. The new legislation in Alberta makes the first steps toward giving municipalities more comprehensive powers in their spheres of influence.

In Ontario, dramatic changes to the responsibilities of municipalities has been proposed. The province has proposed that the education residential tax burden on municipalities be taken over by the province and that in exchange, certain programs, such as community police financing, social housing, municipal transit, community public health, ambulance services and property assessment services, be under the control and management of the municipalities. In financial terms, however, the most significant change is the proposed 50-50 cost sharing of social assistance, child-care services and long-term health care.

Tindal and Tindal argue that because of the strong provincial role "municipal government in Canada never really had an opportunity to develop as an extension of the community, as a political mechanism which allows local citizens to decide what services they want and need."³ Local governments were established at the discretion of the provinces to deliver services as determined by the provinces. While municipalities until recently were primarily service delivery agents, they are becoming increasingly responsible for a broader range of governance functions, including regulation, taxation and public policy. As subsequent changes in legislation have demonstrated, the provinces can, and do, make changes to municipal structures and powers independent of the municipality. For example, although there was substantial opposition to the amalgamation of the six local municipalities which comprise Metro Toronto by both local residents and municipal politicians, the province proceeded with the changes unilaterally.

Two aspects of local government, particularly outside the province of Quebec, have influenced urban governance in Canada. One is the lack of formal political parties. Thus decisions are usually made by consensus of a majority of councilors and do not necessarily reflect a coherent party platform or policy. The second is the strong council/weak mayor system of government. The mayor, with only one vote on council and limited control over appointments, administrative structures and policy, does not always have adequate powers to take on a strong leadership role. The powers, duties and responsibilities of municipalities and municipal politicians are those given to them by the provinces and do not derive from the local citizenry. It can be argued that the legacy of this constitutional arrangement is a weak local government system where the services provided are those that provinces "see fit to authorize or mandate."⁴

Metropolitan areas in Canada have reached the point where the major metropolitan area in a province is often well over 35% of the province's population. Only 15% of Canada's workforce derives principle income from rural and resource employment sources. Rapid urbanization, changing economic conditions and globalization have placed pressure on provinces and their metropolitan areas to compete nationally and internationally. While the federal and provincial governments have aggressively pursued international investment, municipalities and metropolitan areas are just beginning to develop strategies to attract national and international investment. These

3 Tindal, C. R. and S. N. Tindal, 1995. *Local Government in Canada*. Fourth Edition, McGraw-Hill Ryerson Limited, p. 5.

4 Ibid., p. 6.

strategies have been limited by provincial legislation which restricts the activities of municipalities in these areas. Municipalities are not usually allowed to give grants, property tax benefits or financial incentives to businesses interested in locating in their city. And provinces have been less interested in where the investment is located as long as it comes to the province. Provinces and their metropolitan regions, particularly in large centres like Montreal and Toronto, are forming economic development strategies for the metropolitan areas.

Given the fiscal problems of deficits and debts faced by the provinces over the past five years, the provinces are seeking new structures for their major municipalities that can be more efficient and less costly to operate. In conjunction with this, provinces are decreasing financial transfers to their municipalities and are shifting responsibility for the delivery of certain services, formerly delivered by the province, to municipalities. The trend, although not universal, has been to consider amalgamation of municipalities in metropolitan areas and to extend two-tier regional systems to take into account the total metropolitan region. These trends have the potential to strengthen the role of municipal government in two ways. They provide metropolitan regions with a structure that can respond to regional needs and they simplify the delivery and political management of regional services. The danger of these trends is a loss of access by residents to local politicians and a corresponding loss of influence on local decision-making.

Provinces, faced with less revenue than expected from the federal government through transfer payments, have looked at ways to cut transfers to municipalities. Alberta, Saskatchewan, Ontario, Quebec and Newfoundland are examples of provinces that have cut, or are in the process of cutting, financial support to municipalities. Municipalities, faced with fiscal restraint, are being forced to rethink their policies and to look for new ways to deliver services in a less costly manner. Privatization, public private partnerships and increased contracting out have been raised by some municipalities as potential areas for cost savings. The tradition in Canada has been the public delivery of municipal services. Larger municipalities and expanded two-tier systems of local government in metropolitan areas have been the proposed solution to questions of providing urban centres with a political and administrative structure more suited to dealing with regional issues.

PROFILE OF SELECTED CITIES

The five cities selected for the urban governance survey, Calgary, Winnipeg, Toronto, Montreal and Halifax, are representative of the various metropolitan structures that exist in Canada. They also are typical of the various sizes of metropolitan areas in Canada. These areas are defined by incorporated boundaries of metropolitan government, as opposed to entities such as Census Metropolitan Areas (CMAs), which are large urban areas that do not correspond to incorporated boundaries of government and may comprise several municipal and metropolitan governments.

Halifax was a weak two-tier local government system⁵ which has now been amalgamated into a single-tier system. This reflects the emerging trend of amalgamation of local governments in Canada. The Montreal Urban Community (MUC) is a two-tier system for the 29 local municipalities on the island of Montreal. There is limited coordination between the MUC and the other surrounding municipalities. New provincial legislation was passed in 1997 to provide a structure to bring representatives from all of the metropolitan areas together to deal with metropolitan wide issues. Toronto has a strong two-tier system but the rapid growth in the Greater Toronto Area (GTA) has resulted in Metropolitan Toronto encompassing only one half of the population of the GTA. Both Winnipeg and Calgary are single-tier governments with different histories and influences over their metropolitan areas.

Halifax Metropolitan Authority

Halifax is the capital and major city in Nova Scotia. The Metropolitan Authority was created in 1978 to provide regional services for the City of Dartmouth, the City of Halifax, the Town of Bedford and the Halifax County Municipality. These municipalities were amalgamated into one single-tier municipality, the Halifax Regional Municipality, on April 1, 1996. Unless otherwise noted, the discussion in this paper covers the years from 1990 to 1995, prior to amalgamation. The Halifax region at that time was organized as a weak two-tier system with the Metropolitan Authority as the upper tier of government in the region. The Authority was governed by a twelve member Board of Directors, the mayor and two councilors from Halifax, Dartmouth and the Halifax County Municipality, and the mayor and one councilor from Bedford. The chair was independently chosen by the board and was not an elected official. The two main responsibilities of the Authority were transit and solid waste. Budgets were set by the Authority and charged to the municipalities.

The Halifax Regional Municipality (HRM) has a population of 342,966, which is 37.7% of the population of the province. The Council of the amalgamated municipality is composed of 23 councilors elected by ward and a mayor elected at large. Consideration is being given to community committees as a means of dealing with local issues. The water system in the new municipality is operated by a separate commission, the Halifax Regional Water Commission, which has taken over responsibility for water services that previously existed in the region.

Montreal Urban Community

Montreal is the second largest metropolitan area in Canada and is the major metropolitan area in the province of Quebec, with 46.6% of the province's population. The Montreal Census Region

5 In a weak two-tier system, responsibilities are not clearly divided and regional services may be delivered independently by the municipality or jointly through inter-municipal agreements.

(MCR), is made up of 102 municipalities⁶ and 12 Regional County Municipalities, (RCM) and has a population of 3.3 million. The City of Montreal, the largest municipality in the region has a population of 1.1 million. Its council is made up of the mayor elected at large and 51 councilors elected by ward. A two-tier system of local government, with the Montreal Urban Community (MUC) as the upper tier, exists on the island of Montreal. It has a population of 1.8 million and has 29 local municipalities including the City of Montreal. The MUC is composed of 80 members, the chair, the mayor and all the councilors of the City of Montreal and the mayor or designate of each of the other local municipalities except for Île Dorval, which is represented by the mayor of Dorval. Decisions of the MUC council require a double majority — a majority of the representatives from the City of Montreal and a majority of the representatives of the other municipalities.

The metropolitan area outside of the MUC has a weak two-tier system with 12 Regional County Municipalities. The boundaries of the RCMs are not in every instance completely within the boundaries of the metropolitan area. These RCMs have small budgets, with their major responsibility usually being solid waste disposal. Other activities of the RCM include tourism and economic development promotion. The regional councils are composed of the mayors or designates of the local municipalities, and voting is usually weighted by population. There are limited formal relationships between the MUC and the other local and regional municipalities in the metropolitan area. The MUC also provides part of the financing of the Montreal Urban Community Transportation Corporation (MUCTC) and the Agence métropolitaine de transport (AMT), the agencies responsible for public transportation in the MUC and for public transportation in the metropolitan region respectively. The AMT was established in 1995. Legislation has been passed in 1997 to establish the Commission de développement de la métropole (Metropolitan Development Commission) which has a mandate to support the development of the metropolitan region.

Municipality of Metropolitan Toronto

Toronto is the major metropolitan region in Canada with a population of 4.2 million in 1996 for the Greater Toronto Area (GTA) and 2.4 million for the Municipality of Metropolitan Toronto (Metro Toronto). The GTA is 39.6% of the population of the province of Ontario. Metro Toronto is the upper tier of government for six local municipalities including the City of Toronto. The Metro council is made up of the mayors of the six local municipalities and 28 councilors elected by ward. Metro councilors do not sit on the local councils. The chair of the Metro Council is elected by the council and is not necessarily an elected official. This is also the case for the chairs of the four other regional councils in the GTA. Each of the local municipalities in Metro Toronto has a mayor elected at large and councilors elected by ward. There is a total of 72 councilors in the six local municipalities.

The metropolitan Toronto area has a well defined two-tier system of local government with five regional governments and 30 local municipalities. As of January 1, 1998, Metro Toronto and the six local municipalities will be amalgamated into one single-tier municipality. The mayor will be elected at large and 52 councilors will be elected by ward. The relationship of Metro Toronto to the other local and regional governments in the GTA is limited. *The Report of the Special Advisor:*

⁶ The number of municipalities in the MCR varies as the populations and characteristics of municipalities change between census periods. See *Montréal: a city-region*, The Task Force on Greater Montréal, December 1993, p. 17.

Getting together,⁷ makes recommendations on the establishment of a Greater Toronto Services Board which would take on certain regional responsibilities. Representation on the board would be based on population and composed of the Mayor of Toronto, the four regional chairs, nine additional mayors and 14 councilors from the local municipalities, of which 13 will come from the new amalgamated Toronto.

There are four regional governments surrounding Metro Toronto, Halton, Peel, York and Durham, and 24 local municipalities. The regional councils are composed of the mayors of the local municipalities and regional councilors elected at large within the local municipality. These regional councilors, unlike those in Metro, sit on the local council as well as the regional council. The chair of the regional council is elected by the regional council and is not required to be an elected official. At the local level, councilors are elected by ward.

Winnipeg

Winnipeg is the major urban centre in Manitoba with nearly 60% of the province's population living within the city. Of the five selected cities, Winnipeg's metropolitan area has the smallest increase in population with only a 1% increase from 1991 to 1996. The City of Winnipeg is a single-tier system of local government with smaller municipalities surrounding it.

In 1972, 12 municipalities in the Winnipeg metropolitan area were amalgamated into a single municipality and 12 Community Committees were established, composed of councilors from a specific geographical area. They were intended to reflect the communities that existed within the original municipalities and provide residents with access to the political process at the local level. Since the establishment of a single-tier government, there has been a move to centralize administrative and political power and decrease the influence of the Community Committees. Today only five Community Committees exist, and their boundaries bear no relationship to traditional communities within the metropolitan area.

Since amalgamation 25 years ago, urban development on the periphery of the city has continued. During the period between 1991 and 1996, the population of Winnipeg increased by 2,262, while the population in the remainder of the census metropolitan area increased by 4,497, indicating that the neighbouring municipalities are growing more quickly in absolute terms than the City of Winnipeg. These municipalities now make up 7.2% of the census metropolitan area. The province has established an informal Winnipeg Capital Region Committee which meets from time to time to discuss regional issues of mutual interest.

The council is composed of a mayor elected at large and 15 councilors elected by wards. Recent legislative changes have given the mayor power of appointment of a deputy mayor and the chairs of the four standing committees. The appointments are made annually, and the mayor has the authority to remove and replace an appointee during the year. As well, the mayor is chair of Executive Policy Committee (EPC), which is composed of the mayor and his/her five appointees. The only other selected city where the mayor has similar powers is the City of Montreal. However, a recent court decision indicated that the mayor of Montreal did not have the authority to fire appointees after having appointed them.

⁷ Farrow, M. 1997. *Report of the Special Advisor: Getting together*, Office of the Special Advisor, Toronto.

Calgary

Calgary is one of the fastest growing metropolitan areas in Canada. It has a population of 821,628, and during the 1991 to 1996 period its metropolitan area population increased by 9%. Of the metropolitan areas with a population over 300,000 in Canada, only Toronto with an increase of 9.4% and Vancouver with an increase of 14.3% grew more quickly. Calgary is a self-contained one-tier system of government that has been able to annex areas of urban growth on its borders as they developed. Thus the city has control over the delivery of all municipal services in the built up urban area and functions as a metropolitan government. Other municipalities included in the Calgary metropolitan area, except for the Sarcee 145 First Nations Reserve, are bedroom communities that are not contiguous with the boundaries of the city and are independent municipalities both territorially and functionally.

Calgary city council is composed of a mayor elected at large, who is the presiding officer of council, and 14 aldermen elected by wards. There are standing committees of council but no regional or local community committees. It is a young, self-contained city with a centralized administration and political system.

Summary

The five cities reflect the different approaches provinces take to metropolitan areas. In Halifax, a weak two-tier system, the metropolitan level of government was given very limited responsibilities and water was delivered by a separate commission which, after amalgamation, remained and expanded to encompass all of the water services for the new municipality. In Toronto, responsibilities of Metropolitan Toronto are extensive and cover nearly all of the regional services. In Montreal, the responsibilities of the Montreal Urban Community rest somewhere in between, although transit and regional transportation are the responsibility of separate agencies. Both Winnipeg and Calgary, self-contained single-tier municipalities, deliver local and regional services without the jurisdictional complexities that often complicate the delivery of services in two-tier metropolitan systems.

URBAN GOVERNANCE SURVEY

COUNTRY: Canada

1. Institutional Arrangements For Metropolitan Areas

1.1 *Urban Hierarchy:*⁸

- a) Number of urban areas of over 1,000,000 inhabitants: 4
 - Montreal CMA, Québec
 - Toronto CMA, Ontario
 - Vancouver CMA, British Columbia
 - Ottawa-Hull CMA, Ontario and Québec
- b) Number of urban areas of over 500,000 inhabitants: 5
 - Québec CMA, Québec
 - Hamilton CMA, Ontario
 - Winnipeg CMA, Manitoba
 - Calgary CMA, Alberta
 - Edmonton CMA, Alberta
- c) Number of urban areas of over 100,000 inhabitants: 25
 - Newfoundland: 1
 - Nova Scotia: 2
 - New Brunswick: 2
 - Quebec: 4
 - Ontario: 12
 - Saskatchewan: 2
 - British Columbia: 2

1.2 *Names of selected metropolitan areas for which information is supplied in this questionnaire:*

Metropolitan Area 1:	Montreal Urban Community
Metropolitan Area 2:	Municipality of Metropolitan Toronto
Metropolitan Area 3:	Winnipeg
Metropolitan Area 4:	Calgary
Metropolitan Area 5:	Halifax Metropolitan Authority

1.3 *Do metropolitan area authorities (i.e. legally defined entities) exist in urban areas in your country?*

⁸ The populations for the cities listed under the urban hierarchy are taken from the 1996 census information of Statistics Canada for Census Metropolitan Areas (CMA). A CMA is defined as "a very large urban area together with adjacent urban and rural areas that have a high degree of social and economic integration with the urban core." A CMA does not correspond to incorporated boundaries of municipal and metropolitan levels of government. They do however identify the metropolitan areas of Canada. The responses in this survey are related to the areas defined by incorporated boundaries of municipal and metropolitan governments. They do not examine CMAs but rather political entities which are part of a given CMA.

Yes. Metropolitan authorities are common in Canada in the provinces of Quebec, Ontario and British Columbia.

In Quebec there are three regional urban communities, Montreal, Quebec and Outaouais and 95 regional county municipalities. The RCMs are often, but not always, centred around an urban area.

In Ontario there are 13 regional municipalities that are the upper tier of a two-tier system. Five of these regional municipalities are in the GTA. In general, the regional municipal governments are strong two-tier systems with clearly defined responsibilities allocated to the regional and local municipalities. There are also 26 counties in Ontario. These are the upper tier of a weak two-tier system and are sometimes centred around smaller urban centres.

British Columbia has a two-tier system of regional districts which covers all of the inhabited areas of the province. Thus all metropolitan areas in the province are included in a regional district.

Other examples of metropolitan authorities in Canada include Winnipeg and Halifax. Winnipeg from 1960 to 1972 had a two-tier system of local government, but the metropolitan government and the twelve local municipalities were amalgamated into a single municipality in 1972. Halifax in Nova Scotia was a two-tier system until its amalgamation in 1996.

1.4 *How are metropolitan areas defined in your country from a territorial (geographical and functional) viewpoint?*

Metropolitan areas are defined in two geographical ways. Provincial governments establish by legislation the boundaries, powers and responsibilities of both local and regional municipalities. Metropolitan areas are also defined, for data gathering purposes, by Statistics Canada, the federal government agency responsible for the census for Canada. These are not official municipal boundaries although in some cases, such as Montreal, the provincial government has tended to use some form of the census metropolitan area informally to define the metropolitan area.

The functions of the metropolitan area are determined by the provincial government, which also allocates the powers and responsibilities to each of the levels of local government where a two tier system exists. In general, urban governments are responsible for the delivery of services such as land-use planning, city streets, water, sanitary and solid waste disposal, protection including fire and police, transit, city and regional parks, recreation and some aspects of the delivery of environmental, cultural, health and social services. The extent to which a municipality delivers environmental, health and social services varies from province to province.

1.5 *How are metropolitan areas defined in your country in administrative or institutional terms? (For instance do they represent groupings of municipalities, a separate administrative entity, etc.)*

There are three basic ways in which metropolitan areas are defined in administrative or institutional terms in Canada. In some cases, metropolitan areas are composed of municipalities which have evolved without formal structural arrangements. In these cases, regional services are delivered either through joint agreements between some or all of the municipalities in the metropolitan area or by separate boards, commissions or agencies usually established by the province. This has been prevalent in New Brunswick and in smaller urban centres in provinces such as Ontario, Manitoba and Saskatchewan. In New Brunswick, the government is now moving toward the amalgamation or the establishment of two-tier systems for its urban centres. In 1995 the Miramichi Region was amalgamated, and a Greater Moncton Service Board for the coordination of certain regional services is being established as an upper tier metropolitan government for the three municipalities that make up the greater Moncton area.

The second common approach to defining metropolitan areas in administrative terms is the establishment of a metropolitan authority or municipality which is the upper tier of a two-tier system. This has been common in larger urban centres in Quebec, Ontario and throughout British Columbia. As both Toronto and Montreal demonstrate, the metropolitan areas have expanded far beyond the boundaries of the metropolitan authorities, and Quebec and Ontario are rethinking the metropolitan institutional structure. In both cases some form of upper-tier system is being considered.

The third approach is a single-tier system for all, or most of, the metropolitan area. This is accomplished in two ways, either by amalgamation or by annexation. Amalgamation has been used recently by Nova Scotia for Halifax, and by Ontario for Metropolitan Toronto and for Kingston. In Alberta the province has allowed annexation to be used by its larger cities to ensure that areas of urban growth neighbouring on their boundaries become part of the single-tier system of the city.

1.6 *Have reforms in the institutional arrangements for urban areas, in particular metropolitan areas, been undertaken or proposed recently, e.g. reform of boundaries; creation of strategic function (e.g. transport) area-wide authorities; voluntary cooperation between central and fringe municipalities; political/administrative reform e.g. deconcentration or decentralisation; other types of reform?*

A number of reforms in the institutional arrangements for urban areas have occurred in Canada over the past three years. These have been specific to individual metropolitan areas rather than for all metropolitan areas in a province. Three major metropolitan areas subject to recent changes are Halifax, Montreal and Toronto.

The three local municipalities and one county municipality that make up the Halifax metropolitan area have been, since April 1, 1996, amalgamated into a single-tier municipality. Prior to that time, Halifax was a weak two-tier system of government with a Metropolitan Authority responsible for solid waste disposal and public transit. The four local municipalities were responsible for the delivery of other municipal services. Joint agreements were common between the municipalities where the delivery of services crossed municipal boundaries.

As of January 1, 1998, Metropolitan Toronto and its six local municipalities will be combined into one single-tier municipal government. The rapid growth in the Toronto

metropolitan area has resulted in the boundaries of the new City of Toronto still encompassing only 56% of the metropolitan population. The remainder of the metropolitan area includes four upper-tier regional municipalities and 24 local municipalities. The province of Ontario has released the *Report of the Special Advisor: Getting together*, which recommends a Greater Toronto Services Board as a form of regional government for the Greater Toronto Area.

In the Montreal metropolitan area, legislation was passed in 1997 to create the Commission de développement de la métropole (Metropolitan Development Commission). Its mandate is to oversee the development of the metropolitan area with particular reference to economic development, regional planning and transportation. The affairs of the commission are administered by a council composed of a chair, 13 members from the Montreal Urban Community municipalities, 13 members for the remaining metropolitan area, and 13 citizens appointed by the province to represent such interest groups as business, labour and social services. The provincial minister responsible for the metropolitan area is the chair of the commission.

The Montreal metropolitan area has a regional transportation plan with a planning framework imposed by the province. The agence métropolitaine de transport (AMT) was adopted in 1996, with responsibilities for activities such as fare integration, transit coordination, bus lanes and transportation corridors for the Montreal metropolitan area.

Similar reforms through amalgamation have occurred in the Kingston metropolitan area in Ontario and the Miramichi metropolitan area in New Brunswick.

1.7 *Do metropolitan area authorities have their own directly elected representatives?*

Both direct election and appointment of locally elected officials are used by metropolitan area authorities.

It is most common for the representatives of the metropolitan authorities to be locally elected officials. An exception is Metropolitan Toronto where regional councilors are elected by wards and do not sit on the local council. The chair is elected by the council. In the remainder of the GTA, the councilors of the regional authorities are elected by ward and sit on both the local municipal council and the regional council.

In the Regional Municipality of Hamilton-Wentworth in Ontario, the chair of the council is elected at large and the remainder of the council is composed of elected officials from the local municipalities. In both British Columbia with its regional districts and Quebec with its urban communities and regional county municipalities (RCMs), the membership is composed of elected officials from the local municipalities. One exception in British Columbia is where an area in a regional district is not incorporated as a municipality. In that case, the member representing that area is elected directly to the regional district board.

The selection of elected members from local municipalities to the metropolitan authority council is determined by the provincial legislation establishing the authority. In most cases, it will include the mayors or reeves of the local municipalities and a designated number of local councilors who are selected by the local council.

1.8 *What are the main areas of responsibility of metropolitan area authorities?*

Tick the appropriate reply. If some of these responsibilities are shared with municipalities please indicate.

In general, in strong two-tier systems, regional services and regional planning are delivered by the upper tier while the local municipalities have responsibility for local services and local planning. In weak two-tier systems, the responsibilities are less clearly divided and regional services may be delivered independently by the municipality or jointly through inter-municipal agreements.

Metropolitan Area 1: Halifax (Metropolitan Authority and four local municipalities)

Table 1:

Divisions of Responsibilities in Halifax Metropolitan Area

	Metropolitan Area	Local Municipality	Shared
Planning		✓	
Public Transport	✓		
Roads		✓	
Environment			provincial
Waste Management (sanitary)		✓	
Education ¹	not applicable	not applicable	
Economic Development		✓	
Culture		✓	
Health		✓	
Housing		✓	
Employment Services ²	not applicable	not applicable	
Solid Waste Disposal	✓		
Protection (fire, police)		✓	
¹ Education is the responsibility of the provincial government and single purpose elected school boards. A portion of education costs is collected through the municipal property tax bill, but the municipality has no say in the amount raised for education purposes. ² Employment services are usually the responsibility of the provincial and federal governments.			

Metropolitan Area 2: Montreal (Montreal Urban Community and 29 local municipalities)

Table 2:
Divisions of Responsibilities in Montreal Metropolitan Area

	Metropolitan Area	Local Municipality	Shared
Planning			✓
Public Transport	✓		
Roads		✓	
Environment (water, air)	✓		
Waste Management (treatment)	✓		
Education ¹	not applicable	not applicable	
Economic Development			✓
Culture			✓
Health (inspection of restaurants)	✓		
Housing		✓	
Employment Services ²	not applicable	not applicable	
Protection (police)	✓		
Protection (fire)		✓	
Assessment	✓		
Regional Parks	✓		
Local Parks		✓	
Regulation of Taxis	✓		

¹ Education is the responsibility of the provincial government and single purpose elected school boards. A portion of education costs is collected through the municipal property tax bill, but the municipality has no say in the amount raised for education purposes.

² Employment services are usually the responsibility of the provincial and federal governments.

Metropolitan Area 3: Toronto (Metropolitan Toronto and six local municipalities)

Table 3: Divisions of Responsibilities in Toronto Metropolitan Area			
	Metropolitan Area	Local Municipality	Shared
Planning (land use)		✓	
Planning (regional)	✓		
Public Transport	✓		
Local Roads		✓	
Arterial Roads	✓		
Environment			provincial
Waste Management	✓		
Education ¹	not applicable	not applicable	
Economic Development		✓	
Culture			✓
Health	✓		
Housing		✓	
Employment Services ²	not applicable	not applicable	
Protection (police)	✓		
Protection (fire)		✓	
Regional Parks	✓		
Local Parks and Recreation		✓	
¹ Education is the responsibility of the provincial government and single purpose elected school boards. A portion of education costs is collected through the municipal property tax bill, but the municipality has no say in the amount raised for education purposes. ² Employment services are usually the responsibility of the provincial and federal governments.			

Metropolitan Area 4: Winnipeg

As Winnipeg is a single-tier system of government which includes over 90% of the population of the metropolitan area, all municipal services are delivered locally. Neighbouring municipalities with built up areas on the boundary of Winnipeg deliver their own services independently of Winnipeg. There is some minor sharing of services through joint agreements between municipalities.

Metropolitan Area 5: Calgary

As Calgary is a single-tier system of government which includes over 90% of the population of the metropolitan area, all municipal services are delivered locally. In most instances, other municipalities in the metropolitan urban area are not contiguous with the boundaries of Calgary. Urban development when it occurs on the edge of the city is usually annexed to the city and becomes part of the single-tier system. The exception is Sarcee 145, a First Nations Reserve on the edge of the city.

- 1.9 *Are any services covering metropolitan areas provided purely (or mainly) by the private sector?*

Not usually. Most services are funded and delivered by the public sector. Some services are funded by the public sector but contracted out to the private sector, for example, garbage collection and landfill management. In Quebec, the 911 emergency telephone service may be delivered in some smaller urban centres by the private sector. In the larger metropolitan regions, the telephone company collects the money for the service through billing, and this is transferred to the regional government which delivers the 911 service.

Examples of services provided solely by the private sector include sports facilities and recycling in some cities. In Winnipeg, the recycling program is contracted out to the private sector at no cost to the municipality. In Hamilton-Wentworth, the wastewater treatment facility is privately managed and operated.

- 1.10 *Do one or more metropolitan areas in your country have an atypical/innovative institutional arrangement for the planning and management and the delivery of services in the metropolitan area?*

While there are no typical institutional arrangements, the differences are often a matter of degree rather than substantive since provincial legislation tends to be similar from province to province. Institutional arrangements for metropolitan areas range from the clearly defined responsibilities of regional municipalities in Ontario to the loosely defined responsibilities of regional districts in British Columbia.

Of the three major metropolitan areas in Canada, Toronto has the most clearly defined allocation of responsibilities between the upper and lower tier of government, with the upper tier undertaking the delivery of the major regional services.

The system of regional districts in British Columbia is a unique institutional arrangement for metropolitan areas. The Greater Vancouver Regional District (GVRD) is composed of seven cities, eight districts that are urban in character and three unincorporated electoral districts. This is a two-tier system of government, where many of the responsibilities are allocated to the local or regional level as determined by a consensus of the municipalities involved. The approach to regional planning and joint service delivery is based on voluntary cooperation among the municipalities. As O'Brien suggests, in Vancouver "there may be an attempt to find solutions based on good relationships, good information, and democratic wisdom."⁹

- 1.11 *Do programmes with specific policy objectives (e.g. economic development, social integration, infrastructure, environmental improvement) exist at the metropolitan area level?*

⁹ O'Brien, A. 1993. *Municipal Consolidation in Canada and its Alternatives*, Intergovernmental Committee on Urban and Regional Research, ICURR Publications, Toronto, p. 93.

Yes. Most urban and regional municipalities have economic development agencies that promote the municipality as a place to locate business and as an agency that can assist businesses in finding their way through the municipal bureaucracy.

Metropolitan authorities and single-tier metropolitan municipalities are usually required by provincial legislation to include within their regional plans policies and strategies for the social, economic, cultural, physical and environmental improvement of the region.

Some provinces require the municipalities to deliver components of social services, such as welfare, and to share some of the costs. Cost sharing exists in Manitoba, Ontario and Nova Scotia.

Municipalities also require development charges from developers when they undertake major developments in their municipality. These may include a dedication of land for recreational and educational purposes and a payment for a portion of off-site infrastructure costs.

- 1.12 *Do formal procedures (either those required by law or entered into voluntarily) exist to bring together actors specifically in order to develop co-operation between municipalities in metropolitan areas?*

Yes. Formal procedures are in place through the metropolitan authorities, such as the Montreal Urban Community, Metropolitan Toronto and the Greater Vancouver Regional District, as established by provincial legislation. The legislation to establish the Metropolitan Development Commission in Montreal and the proposal for the Greater Toronto Services Board are recent examples of formal procedures.

Informal procedures are common in metropolitan areas. In Montreal, the Table des préfets et maires is an informal grouping of mayors and prefects of the municipalities in the metropolitan area that meet from time to time to discuss regional issues, lobby senior governments, carry out joint trade missions, and coordinate economic development activities. The Winnipeg Capital Region Committee is another informal grouping of representatives from the Winnipeg metropolitan area and the provincial government that meet to discuss regional issues and build consensus. In Toronto, there is the GTA Mayors' Committee which is used for consensus building and for lobbying other levels of government. The Greater Toronto Coordinating Committee (GTCC), composed of senior officials from the province and the local and regional municipalities in the GTA, is an informal body established by the province to improve cooperation, coordination and collaboration among the municipalities of the GTA.

- 1.13 *Do these procedures include other bodies (business, voluntary and other local public bodies)?*

Yes. In general, the formal structures of the metropolitan authorities are made up of elected officials. An exception is the Metropolitan Development Commission of Montreal, established by provincial legislation this year. It includes representatives from business, labour and social services. Sub-committees, boards and agencies of the metropolitan councils usually include various interest groups and citizen representatives.

- 1.14 *Do fiscal or financial incentives exist to increase co-operation between municipalities in the metropolitan area?*

No. There are limited resources available outside of the formal structures of metropolitan regions. Some funds are available in some provinces for municipalities to undertake studies for the amalgamation of municipalities or for the development of joint delivery of regional services.

- 1.15 *Do technical and/or research structures exist at the level of metropolitan areas (e.g. planning or study agencies, sectoral public corporations, etc.)*

Although there are no specific technical or research structures at the metropolitan level outside the formal metropolitan and local municipalities, there are agencies and boards established by the municipality, or by the municipality in conjunction with the province, that do undertake specific research activities. For example, Winnipeg 2000 is established by the city to promote economic activity in Winnipeg. This agency has taken on research activities related to economic development opportunities. Similar agencies exist in other metropolitan areas. The GTCC, mentioned in section 1.12, has also undertaken research. The activities of these agencies are usually confined to the metropolitan area as defined by the municipal boundaries of the supporting municipalities. Also, departments within many municipalities, for example planning or transportation departments, conduct their own research, as needed.

- 1.16 *Are there arrangements through which national government discharges its responsibilities locally which interact with the activities of metropolitan authorities?*

Not usually. The three year federal government Canada Infrastructure Program, introduced in 1993, provides money for infrastructure development in municipalities across the country. This program was not specifically targeted to metropolitan areas, and the projects selected were determined through negotiation with the province, the municipality and the federal government. The federal government also has money for regional development such as the Western Economic Diversification Fund, but its programs are not targeted specifically to metropolitan areas. One housing program, Residential Rehabilitation and Assistance Program, does target money for housing in deteriorated areas of urban centres.

2. Public Finance

- 2.1 *Has there been a recent (past five years) reform or proposed reform which has substantially modified urban public finance and how has this affected the financial situation at the metropolitan area level?*

There has been a trend toward decreased central government financial support to municipalities of all sizes. In the 1980s, Saskatchewan decreased funding to its two major cities, Saskatoon and Regina, and starting in 1993, Alberta made substantial cuts over a three year period to its funding to municipalities. Ontario, Quebec and Nova Scotia have all substantially cut transfer payments to their municipalities.

In addition to cuts in grants and transfers to municipalities, provincial governments have undertaken two related activities. They have attempted to limit duplication in the delivery of services between the province and its municipalities, and to off-load or down-load responsibilities to the municipalities.

This is particularly evident in the proposed changes in Ontario. The province has proposed to take over financial responsibility for the Community Reinvestment Fund and to remove the education residential tax burden from municipalities. This totals \$6.4 billion in present expenditures by municipalities in the province. In exchange, a number of programs are to be under municipal control and management. These include community police financing, property assessment services, social housing, municipal transit and GO Transit services, community libraries, community public health, community ambulance services, homes for special care, community ferries and municipal airport services, and sewer and water inspections. In addition, social assistance, child-care services and long-term health programs are to be funded through a 50-50 partnership between local governments and the province. The additional cost to the municipalities of these programs is \$6.355 billion.

2.2 *Indicate revenues (% by origin) of selected metropolitan areas for the period 1990-1995:*

In most instances, the revenue and expenditure information shown in the following tables was gathered from provincial financial statistics for Halifax, Montreal and Toronto and from consolidated financial statements for Winnipeg and Calgary. The categories are dependent on how these numbers are gathered by the relevant province or municipality. Where information on federal government transfers is not available, it should be noted that federal transfers are a very small component (under 0.1%) of operating budgets and, except for the Canada Infrastructure Program described elsewhere in the survey, a similarly small component of capital budgets. Federal transfers are normally specific transfers.

The following explains terms used in the tables:

Local taxes. These include both property taxes and grants-in-lieu of taxes. Grants-in-lieu are grants made by the provinces and the federal government to a municipality in place of property taxes and are therefore included in the property tax category. Provincial grants-in-lieu, in most instances, are equivalent to the property taxes that would be applicable against provincial properties within the municipality. The federal government has not increased its grants-in-lieu of taxes over the past number of years, and therefore its grants are no longer equivalent to the property taxes that would be applicable against federal properties.

User fees/charges. These include the sale of goods and services of the municipality. In general these include such things as water and sewer services, transit, permits and licenses, rentals, fines and recreation and cultural services. Note that in Halifax water services are delivered by a separate water commission and user charges for water are not included in the operating budget revenues.

Private sources. In capital budgets, these include such items as developer charges and contributions for land dedication and off site infrastructure.

Metropolitan Area 1: Halifax

Table 4:
Operating Budget Revenues: Halifax Metropolitan Authority

	1990	1991	1992	1993	1994	1995
Local taxes (collected by local municipalities and transferred to metropolitan authority)	41.8%	38.4%	37.5%	39.8%	41.8%	49.3%
User fees/charges	53.1%	57.0%	56.8%	54.5%	51.2%	48.3%
Provincial government transfers						
global	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
specific	4.5%	4.5%	4.4%	4.0%	4.8%	0.0%
Other Revenues	0.6%	0.1%	1.3%	1.7%	2.3%	2.4%

Percentages are rounded to one decimal point.

Table 5:
Operating Budget Revenues: Four local municipalities in Halifax metropolitan area

	1990	1991	1992	1993	1994	1995
Local taxes	65.1%	65.7%	65.1%	69.3%	65.9%	62.5%
User fees/charges	7.7%	8.5%	8.1%	4.1%	8.2%	8.6%
Provincial government transfers						
global	0.3%	0.2%	0.2%	0.2%	0.3%	0.7%
specific	21.5%	20.8%	22.1%	20.6%	21.2%	23.4%
Federal government transfers ¹	na	na	na	na	na	na
Other Revenues	5.4%	4.8%	4.5%	5.8%	4.5%	4.8%

¹ A breakdown of federal government transfers was not available and federal transfers are included in central government transfers. As with the other municipalities, the federal transfers are a small percentage of municipal revenues.

Percentages are rounded to one decimal point.

Table 6:
Capital Budget Revenues¹: Halifax Metropolitan Authority

	1990	1991	1992	1993	1994	1995
General revenues/reserves	na	na	na	21.8%	15.7%	22.9%
Private sources (user fees/charges)	na	na	na	0.0%	0.0%	0.0%
Provincial government transfers						
global	na	na	na	0.0%	0.0%	0.0%
specific	na	na	na	13.9%	0.0%	12.8%
Federal government transfers	na	na	na	0.0%	0.0%	0.0%
Loans	na	na	na	63.7%	63.6%	27.9%
Other Revenues	na	na	na	0.6%	20.7%	36.3%

¹ Capital revenues for the 1990, 1991 and 1992 years for the Halifax Metropolitan Authority were not available.

Percentages are rounded to one decimal point.

Table 7:
Capital Budget Revenues: Four local municipalities in Halifax metropolitan area

	1990	1991	1992	1993	1994	1995
General revenues/reserves	29.3%	20.0%	21.7%	32.1%	35.6%	36.6%
Private sources (user fees/charges)	3.0%	0.4%	0.2%	1.9%	0.0%	0.0%
Provincial government transfers						
global	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
specific	10.7%	23.1%	12.4%	19.8%	21.6%	20.4%
Federal government transfers	0.0%	0.2%	0.1%	0.0%	5.3%	8.6%
Loans	51.9%	33.1%	28.1%	30.3%	22.7%	28.4%
Other Revenues	5.2%	23.2%	37.5%	16.0%	14.9%	6.0%
Percentages are rounded to one decimal point.						

Metropolitan Area 2: Montreal

Table 8:
Operating Budget Revenues: Montreal Urban Community

	1990	1991	1992	1993	1994	1995
Local taxes (collected by local municipalities and transferred to metropolitan authority)	52.2%	55.1%	47.8%	49.1%	48.3%	47.9%
User fees/charges	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Provincial and federal government transfers ¹	22.0%	19.6%	18.0%	17.8%	16.9%	19.8%
global	na	na	na	na	na	na
specific	na	na	na	na	na	na
Transfers from other levels of government (transfers from local municipalities for transportation purposes)	20.6%	20.3%	30.1%	30.1%	30.6%	29.8%
Other revenues	5.2%	5.0%	4.0%	3.0%	4.2%	2.4%
^{1.} A breakdown of global and specific transfers was not available. Information on federal government transfers was not available and federal transfers are included in central government transfers. As with the other municipalities, the federal transfers are a small percentage of municipal revenues. Percentages are rounded to one decimal point.						

Table 9:
Operating Budget Revenues: 29 local municipalities in the Montreal Urban Community

	1990	1991	1992	1993	1994	1995
Local taxes	75.8%	78.7%	77.3%	81.4%	76.9%	74.9%
User fees/charges	7.4%	7.5%	9.4%	4.4%	9.3%	9.5%
Provincial and federal government transfers	2.3%	0.5%	0.7%	0.8%	0.9%	0.7%
global	na	na	na	na	na	na
specific	na	na	na	na	na	na
Other Revenues	14.5%	13.2%	12.6%	13.4%	12.9%	14.9%
Percentages are rounded to one decimal point.						

Table 10:
Capital Budget Revenues: Montreal Urban Community

	1990	1991	1992	1993	1994	1995
General revenues/reserves	8.7%	6.4%	0.0%	0.0%	0.0%	0.0%
Provincial and federal government transfers	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%
global	na	na	na	na	na	na
specific	na	na	na	na	na	na
Loans	90.6%	93.3%	97.0%	87.4%	96.1%	98.8%
Other Revenues	0.6%	0.2%	3.0%	12.6%	3.9%	1.2%
Percentages are rounded to one decimal point.						

Table 11:
Capital Budget Revenues: 29 local municipalities in the Montreal Urban Community

	1990	1991	1992	1993	1994	1995
General revenues/reserves	13.5%	11.3%	9.6%	16.0%	10.4%	15.1%
Private sources (user fees/charges)	2.8%	1.4%	1.2%	0.0%	0.0%	0.0%
Provincial and federal government transfers	2.2%	2.0%	5.5%	8.5%	6.4%	13.3%
global	na	na	na	na	na	na
specific	na	na	na	na	na	na
Loans	76.2%	81.8%	81.3%	70.1%	73.6%	65.8%
Other Revenues	5.3%	3.6%	2.3%	5.4%	9.6%	5.7%
Percentages are rounded to one decimal point.						

Metropolitan Area 3: Toronto

Table 12:
Operating Budget Revenues: Municipality of Metropolitan Toronto

	1990	1991	1992	1993	1994	1995
Local taxes (collected by local municipalities and transferred to metropolitan authority)	37.4%	37.6%	38.1%	36.2%	36.2%	36.9%
User fees/charges	24.8%	17.8%	16.8%	15.7%	16.0%	16.4%
Provincial government transfers						
global	4.5%	4.4%	3.9%	2.3%	1.9%	1.9%
specific	24.4%	33.3%	34.7%	38.1%	39.4%	38.0%
Other revenues	8.8%	7.0%	6.5%	7.8%	6.6%	6.8%

Percentages are rounded to one decimal point.

Table 13:
Operating Budget Revenues: Six local municipalities in Metropolitan Toronto

	1990	1991	1992	1993	1994	1995
Local taxes	68.3%	70.7%	70.6%	72.5%	72.5%	72.0%
User fees/charges	8.5%	8.3%	8.3%	8.5%	9.3%	9.3%
Provincial government transfers						
global	4.3%	4.4%	4.2%	2.4%	1.9%	1.9%
specific	5.3%	5.4%	5.2%	4.9%	4.9%	4.5%
Federal government transfers	0.3%	0.2%	0.2%	0.2%	0.2%	0.2%
Other Revenues	13.2%	11.0%	11.4%	11.5%	11.2%	12.1%

Percentages are rounded to one decimal point.

Table 14:
Capital Budget Revenues: Municipality of Metropolitan Toronto

	1990	1991	1992	1993	1994	1995
General revenues/reserves	52.4%	37.1%	29.9%	26.0%	26.7%	22.7%
Provincial government transfers						
global	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
specific	31.5%	32.6%	38.7%	32.5%	40.9%	46.8%
Loans	8.6%	28.4%	29.5%	39.7%	29.6%	25.4%
Other Revenues including federal transfers and revenues from private sources.	7.4%	1.9%	1.9%	1.8%	2.7%	5.2%

Percentages are rounded to one decimal point.

Table 15:
Capital Budget Revenues: Six local municipalities in Metropolitan Toronto

	1990	1991	1992	1993	1994	1995
General revenues/reserves	50.6%	45.5%	50.8%	43.4%	55.8%	48.2%
Provincial government transfers						
global	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
specific	11.0%	9.9%	8.0%	7.3%	12.0%	13.3%
Loans	16.0%	34.4%	11.2%	39.2%	19.7%	17.9%
Other Revenues including federal transfers and revenues from private sources.	22.4%	10.2%	30.0%	10.1%	12.5%	20.6%
Percentages are rounded to one decimal point.						

Metropolitan Area 4: Winnipeg

Table 16:
Operating Budget Revenues: Winnipeg

	1990	1991	1992	1993	1994	1995
Local taxes	47.1%	48.4%	48.4%	47.8%	47.9%	45.8%
User fees/charges	35.3%	35.1%	34.0%	33.7%	34.0%	35.9%
Provincial government transfers						
global	2.4%	2.4%	2.3%	5.1%	5.0%	1.9%
specific	10.1%	10.6%	12.1%	10.0%	9.9%	12.9%
Federal government transfers	0.0%	0.2%	0.3%	0.1%	0.1%	0.2%
Other Revenues	5.1%	3.3%	3.0%	3.2%	3.0%	3.3%
Percentages are rounded to one decimal point.						

Table 17:
Capital Budget Revenues¹: Winnipeg

	1990	1991	1992	1993	1994	1995
General revenues/reserves	18.8%	17.7%	20.3%	28.7%	27.0%	32.1%
Private sources (user fees/charges)	0.3%	0.3%	0.8%	0.6%	0.3%	0.1%
Provincial government transfers						
global	0.0%	4.4%	2.6%	3.3%	2.5%	2.9%
specific	8.1%	4.9%	9.9%	4.7%	6.9%	11.9%
Federal government transfers	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Loans	63.4%	67.9%	61.4%	55.6%	60.6%	47.9%
Other Revenues	9.4%	4.9%	5.0%	7.1%	2.7%	5.2%
¹ Figures for capital budget revenues for Winnipeg are taken from budgeted revenues and are not actual revenues. Percentages are rounded to one decimal point.						

Metropolitan Area 5: Calgary

Table 18:
Operating Budget Revenues: Calgary

	1990	1991	1992	1993	1994	1995
Local taxes	34.1%	34.0%	34.0%	34.9%	35.5%	35.0%
User fees/charges	51.8%	53.1%	54.0%	55.3%	56.2%	57.2%
Provincial government transfers						
global	7.4%	6.8%	6.6%	4.6%	3.8%	3.0%
specific	1.9%	1.7%	1.6%	1.5%	1.4%	1.0%
Federal government transfers	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Other Revenues	4.7%	4.3%	3.7%	3.7%	3.1%	3.7%

Percentages are rounded to one decimal point.

Table 19:
Capital Budget Revenues: Calgary

	1990	1991	1992	1993	1994	1995
General revenues/reserves	47.7%	45.2%	37.4%	26.1%	13.1%	44.4%
Private sources (user fees/charges)	23.6%	19.3%	17.0%	26.9%	26.3%	26.2%
Provincial government transfers						
global	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
specific	16.8%	18.2%	13.0%	7.0%	11.6%	18.9%
Federal government transfers	0.0%	0.0%	0.0%	0.0%	0.9%	7.4%
Loans	11.1%	16.9%	30.8%	40.7%	45.2%	0.0%
Other Revenues	0.9%	0.3%	1.7%	-0.7%	3.0%	3.2%

Percentages are rounded to one decimal point.

2.3 Give examples of annual budgets of selected metropolitan areas from 1990-1995.

Each province and municipality organizes its expenditures in different ways. For example, only three provinces, Manitoba, Ontario and Nova Scotia, require municipalities to pay a portion of the cost of welfare services. In the other provinces, welfare costs are a provincial expenditure. Thus, in Montreal, any costs to the municipality for transactions related to various income security programs are reimbursed by the province.

The following explains terms used in the tables:

General government. Expenditures include council and administrative costs, and may include other central agency costs such as financial management and insurance.

Debt charges. These are the debt servicing costs for the capital debt of the municipality. In some municipalities, debt charges are listed as a separate expenditure and in others, they are included as part of departmental expenditures.

Protective services. In general, expenditures include fire and police expenditures and may include emergency measures and ambulance services.

Transportation. Expenditures include roads and streets, traffic control and street related infrastructure costs. Where transit is included as part of transportation expenditures, it is noted.

Environmental services. Expenditures include sewage collection and disposal, solid waste collection and disposal, water treatment and distribution, and storm drainage.

Metropolitan Area 1: Halifax

The Metropolitan Authority in Halifax is responsible for two regional services, transit and solid waste. All other services are the responsibility of the local municipalities, with the exception of water in Halifax, which is the responsibility of a separate water commission.

Table 20:
Operating Expenditures: Halifax Metropolitan Authority (millions of dollars)

	1990	1991	1992	1993	1994	1995
General government	0.4	0.5	0.6	0.7	0.4	0.4
Transit	23.1	31.5	23.7	24.8	29.5	32.9
Solid waste	4.7	5.4	5.8	7	7.7	8.2
Environmental planning and zoning	0.2	0.3	0.2	0	0	0
Debt charges	4.1	4.2	4.1	4.6	5.8	7.3
Total operating expenditures	32.5	41.9	34.4	37.1	43.4	48.8

Percentages are rounded to one decimal point.

Table 21:
Operating Expenditures: Four local municipalities in Halifax metropolitan area
 (millions of dollars)

	1990	1991	1992	1993	1994	1995
General government	26.1	34.4	28	27.9	28.3	34.3
Protective services	60.1	81.8	66.1	67.4	69	75.6
Transportation	27.5	39.1	30.3	30.4	24.7	28.7
Environmental services, public health and welfare services	121.6	171.8	150.4	158.6	152.1	152
Environmental development services ¹	8.4	10.2	11	8.4	7.5	8.4
Recreation and cultural services	29.6	39.3	29.6	33.8	33.2	29.6
Fiscal services ²	124.6	147.4	123.8	122.2	127.6	150
Debt charges	40.7	47.5	40.7	35.8	31.7	32.7
Total operating expenditures	438.6	571.5	479.9	484.5	474.1	511.3
Total operating expenditures Metropolitan Authority and four local municipalities	471.2	613.4	514.3	521.6	517.5	560.1
Metropolitan Authority expenditures as a percentage of expenditures for Halifax area	6.9%	6.8%	6.7%	7.1%	8.4%	8.7%

1. Environmental development services includes environmental planning and zoning, community development, housing and tourism.

2. Fiscal services include transfers to reserves and transfers to other governments and agencies. Transfers to reserves are for future expenditures and transfers to other governments and agencies are for expenditures related to services delivered to the municipality by the other government or agency.

Table 22:
Capital Expenditures: Halifax Metropolitan Authority (millions of dollars)

	1990	1991	1992	1993	1994	1995
Solid waste	na ¹	na	na	9.4	13.1	7.3
Transit and ferry system	na	na	na	4.3	1.9	3.6
Other	na	na	na	0	0	2.1
Total capital expenditures	na	na	na	13.7	15	13

¹ not available

Percentages are rounded to one decimal point

Table 23:
Capital Expenditures: Four local municipalities in Halifax metropolitan area
(millions of dollars)

	1990	1991	1992	1993	1994	1995
General capital expenditures: (streets, sewer, storm drainage, etc.)	59.7	48.3	67.3	38.1	42.7	77.9
Utilities: (water)	6.6	9.3	3.3	4.9	5.3	5.2
Other	4.2	5.8	3.5	14.8	8.7	9.3
Transfers to reserves and agencies	1.2	1.1	0.4	0.9	1.9	1.1
Total capital expenditures	71.7	64.5	74.5	58.7	58.6	93.5
Total capital expenditures Metropolitan Authority and four local municipalities	na	na	na	72.4	73.6	106.5
Metropolitan Authority capital expenditures as a percentage of expenditures for Halifax area	na	na	na	18.9%	20.4%	12.2%

1. Transfers to reserves are for future expenditures and transfers to other governments and agencies are for expenditures related to services delivered to the municipality by the other government or agency.

Percentages are rounded to one decimal point.

Metropolitan Area 2: Montreal

Table 24:
Operating Expenditures: Montreal Urban Community (millions of dollars)

	1990	1991	1992	1993	1994	1995
General government	48.9	53.5	55.7	57.4	56.2	52.9
Protection	353.8	374.2	398.9	394.8	390.8	390.2
Transportation	145.9	159.8	306.7	306.3	306.1	298.7
Environmental services and health	35.7	39.7	44.2	45.1	47.7	49.5
Planning and development	3.5	4.2	4.7	5	4.8	4.5
Recreation and cultural services	11	12.2	13.5	14.1	14.3	13.9
Debt charges	291.4	287.9	310.9	306.2	303.8	325.8
Total operating expenditures	890.2	931.5	1,134.6	1,128.9	1,123.7	1,135.5

Percentages are rounded to one decimal point.

Table 25:
Operation Expenditures: 29 Local municipalities in Montreal Urban Community
 (millions of dollars)

	1990	1991	1992	1993	1994	1995
General government	437	426.6	443.7	354.5	369.8	348.2
Protection	567.6	612.4	621.1	659	652.5	650.9
Transportation	486.2	513.8	656.2	682.8	690.9	687.7
Environmental services and health	275.6	270	280.1	313	328.6	320.4
Planning and development	138.3	141.4	147.4	127	107.1	144.4
Recreation and cultural services	277.9	285.4	294.3	345.8	348	347.7
Other	14.3	16	17.1	17.9	18.2	18.7
Debt charges	420.2	439.2	473.3	530.4	518.8	603.4
Total operating expenditures	2,616.9	2,705.0	2,933.3	3,030.4	3,033.9	3,121.4
Total operating expenditures MUC and 29 local municipalities	3,507.1	3,636.5	4,067.9	4,159.3	4,157.6	4,256.9
Montreal Urban Community expenditures as a percentage of total MUC and local municipality expenditures	25.4%	25.6%	27.9%	27.1%	27.0%	26.7%
Other operating expenditures in Montreal region (millions of dollars)						
Operating expenditures of MUCTC ¹ (transit)	603.7	633.9	675.6	692.2	707.3	715.3
Operating expenditures of Ville de Laval	55.5	57.2	61.9	63.2	63.7	63.6
Operating expenditures of Rive-Sud de Montreal	84	101.5	100	101.7	101	96.7

1. Montreal Urban Community Transportation Corporation, which is the agency responsible for public transportation in the Montreal Urban Community.

Percentages are rounded to one decimal point.

Table 26:
Capital Expenditures: Montreal Urban Community (millions of dollars)

	1,990	1,991	1,992	1,993	1,994	1,995
General government	2	6.4	2.1	7.2	2.8	2.9
Protection	15.7	5.1	1	0.2	0.4	0.2
Transportation	7.5	6.7	13	9.3	3.7	2.9
Environmental services and health	57.2	52.5	55.4	35.9	41.1	27.9
Planning and development	0.2	0.1	0	0	0	0
Recreation and cultural services	44.4	17.7	25.3	4.5	5.8	2.2
Total operating expenditures	127.1	88.5	96.8	57.1	53.8	36.1

Percentages are rounded to one decimal point.

Table 27:
Capital Expenditures: 29 local municipalities in Montreal Urban Community
(millions of dollars)

	1990	1991	1992	1993	1994	1995
General government	38.6	98	50.8	60.2	35.5	68.3
Protection	10.1	10.2	9.3	30.3	26.3	3.7
Transportation	132.7	136.9	94	123.4	141.7	154.7
Environmental services and health	164.5	71.7	62.9	48.7	52.8	85.7
Planning and development	60.3	52.2	51.5	22.5	77.6	68.7
Recreation and cultural services	69.1	41.1	39.2	32.4	78.9	39.6
Debt refinancing	0.9	0.4	4.2	185.9	2.6	1.6
Total capital expenditures	476.2	410.5	311.9	503.4	415.4	422.3
Total capital expenditures MUC and 29 local municipalities	603.3	499	408.7	560.5	469.2	458.4
Montreal Urban Community capital expenditures as a percentage of total MUC and local municipality expenditures	21.1%	17.7%	23.7%	10.2%	11.5%	7.9%
Other capital expenditures in Montreal region						
Capital expenditures of MUCTC	47.8	37.1	40.5	108.2	136.5	1,489.2
Capital expenditures of Ville de Laval	5.6	4.2	15.9	0.8	3.5	3.5
Capital expenditures of Rive-Sud de Montreal	30.8	39	6.8	6	7.1	5.6

Percentages are rounded to one decimal point.

Metropolitan Area 3: Toronto

Table 28:
Operating Expenditures: Municipality of Metropolitan Toronto (millions of dollars)

	1990	1991	1992	1993	1994	1995
General government	200.4	174.1	205.8	209.7	237.8	297.3
Protection	523.9	565.2	585.6	579.3	554.7	554.8
Transportation	868	863.1	846	838.3	838.9	851.4
Environmental services, health and social services ¹	1,314.9	1,617.9	1,860.6	2,107.5	2,126.7	2,088.7
Planning and development	17.1	21	19.2	21.1	16.2	15.1
Recreation and cultural services	150.9	151.7	151.9	150.3	154.4	148
Total operating expenditures	3,075.2	3,393.0	3,669.1	3,906.1	3,928.7	3,955.3

1. Environmental services includes sewer, water and solid waste; health includes health programs, public health inspections and ambulance services; Social services include welfare assistance, elderly assistance, assistance to children/home-making and nursing services.

Percentages are rounded to one decimal point.

Table 29:
Operating Expenditures: Six local municipalities in Metropolitan Toronto
(millions of dollars)

	1990	1991	1992	1993	1994	1995
General government	294	316.6	329.5	316.3	344.5	350.5
Protection	262.1	279.7	289.9	281.4	275.6	280.2
Transportation	222.6	224.6	225.3	214.4	213.4	209.4
Environmental services, health and social services	285.8	299.2	306.7	294.5	299.7	293.7
Planning and development	53.6	59.6	61.2	58.4	57.7	63.1
Recreation and cultural services	330.7	351.1	360.7	344.1	342	339.6
Total operating expenditures	1,448.8	1,520.8	1,573.3	1,509.1	1,532.9	1,536.5
Debt charges included in total expenditures	193.1	206.2	222.1	220	247.5	246
Total operating expenditures Metropolitan Toronto and six local municipalities	4,524.0	4,913.8	5,242.4	5,415.2	5,461.6	5,491.8
Metropolitan Toronto expenditures as a percentage of total Metro expenditures	68.0%	68.9%	70.0%	72.1%	71.9%	72.0%
Total Metro Toronto expenditures as a percentage of GTA expenditures	69.5%	68.7%	68.9%	69.2%	69.1%	68.8%

Percentages are rounded to one decimal point.

Table 30:
Capital Expenditures: Municipality of Metropolitan Toronto (millions of dollars)

	1990	1991	1992	1993	1994	1995
General government	52.2	70.9	64.3	9.5	4.5	13.1
Protection	25.4	19.5	26	28.8	23.9	27.5
Transportation	193	198.5	236	247.8	311.4	379.8
Environmental services, health and social services	162.5	131.6	122.7	99.3	75	80
Planning and development	0.2	1.1	0.2	1.8	0	0.1
Recreation and cultural services	19.5	15.2	12	21.2	22.3	55.4
Total capital expenditures	452.8	436.8	461.3	408.4	437.2	555.9

Percentages are rounded to one decimal point.

Table 31:
Capital Expenditures: Six local municipalities in Metropolitan Toronto (millions of dollars)

	1990	1991	1992	1993	1994	1995
General government	34.3	37.8	22.3	13.8	15.5	24.8
Protection	11	7.8	7	8.2	8.3	9.1
Transportation	78.4	58.3	70.3	57.2	65.2	71.8
Environmental services, health and social services	38.5	35.6	44.7	36.7	45.8	49.4
Planning and development	130.7	64	56.9	59.4	21.2	49.5
Recreation and cultural services	50.7	73.7	83.8	74.4	43.9	56.7
Total capital expenditures	343.6	277.3	285	249.7	199.9	261.3
Total capital expenditures Metropolitan Toronto and six local municipalities	796.4	714.1	746.3	658.1	637.1	817.2
Metropolitan Toronto capital expenditures as a percentage of total Metro Expenditures	56.9%	61.2%	61.8%	62.1%	68.6%	68.0%
Total Metro Toronto capital expenditures as a percentage of GTA expenditures	52.2%	53.0%	57.7%	54.9%	55.7%	53.1%

Percentages are rounded to one decimal point.

Metropolitan Area 4: Winnipeg

Table 32:
Operating Expenditures: Winnipeg (millions of dollars)

	1990	1991	1992	1993	1994	1995
General government	141.3	153.6	152.9	156.4	167.9	185
Protection, parks and culture	193.8	201.7	195.6	190.1	195.3	200.6
Works and operations (storm drainage, streets and transit)	94.2	97.4	76.1	69.2	68.6	73.2
Utility operations (sewer, water, solid waste and electrical utilities)	259.1	273.8	289.8	294.5	301.9	309
Planning and community service ¹	60.2	74.8	102.4	109	106.3	104
Other Expenditures	76	54.5	107.6	120.3	92.9	133.1
Total operating expenditures	824.6	855.8	924.4	939.5	932.9	1,004.9
Debt charges included in total expenditures	119.3	130.6	144	143.3	148.2	151.3
Winnipeg expenditures as a percentage of total metropolitan area expenditures	96.9%	96.9%	96.9%	96.7%	96.3%	96.3%

1. Planning includes land use planning and zoning, neighbourhood improvement and housing. Community service includes social assistance, health inspections and municipal health programs.

Percentages are rounded to one decimal point.

Table 33:
Capital Expenditures: Winnipeg (millions of dollars)

	1990	1991	1992	1993	1994	1995
Protection, parks and culture	15.9	9.3	6.9	8.6	3	6.6
Works and operations (storm drainage, streets and transit)	83.3	62.6	61.4	56.8	72.6	62.8
Utility operations (sewer, water, solid waste and electrical utilities)	40.2	68.2	84.9	53.4	54.1	57.4
Planning and community services	9.8	9.7	6.7	6.7	2.8	4.5
Other expenditures	14.8	20.5	12.5	11	16.9	26.2
Total capital expenditures	164	170.3	172.4	136.5	149.4	157.5

Percentages are rounded to one decimal point.

Metropolitan Area 5: Calgary

Table 34:
Operating Expenditures: Calgary (millions of dollars)

	1990	1991	1992	1993	1994	1995
General government	63.1	71.9	72.7	71.1	74.5	79.3
Protection (police, fire, emergency medical services, and by-law enforcement)	185.7	201.7	215.6	220.1	217.4	222.1
Transportation (public transit, streets and traffic)	149.4	162.7	169	169.3	163.5	163.8
Environmental services (water, sanitary sewer and control of environment)	95.1	101.5	103.7	106.3	107.1	108
Community development ¹	120.8	134.3	141	147.3	147.9	150.5
Electrical system	260.7	309.3	333.4	342.9	344.4	349.9
Property operations	13.1	13.1	8.5	6.6	4.7	16.8
Debt charges	234.7	235.4	232.8	226	221.1	214.9
Total operating expenditures	1,122.7	1,229.9	1,276.7	1,289.7	1,280.7	1,305.4

1. Community development includes parks and recreation, social services, planning and urban development, public housing, libraries and convention centre.

Percentages are rounded to one decimal point.

Table 35:
Capital Expenditures: Calgary (millions of dollars)

	1990	1991	1992	1993	1994	1995
General government	21.6	16.4	23.9	17.5	15	10.7
Protection	8.2	4.4	5.1	5.8	6.2	10.1
Transportation	57.7	69.9	61.8	50.7	30.4	64.7
Environmental services	57.5	66.7	80.4	117	98.3	87.4
Community development	21.1	17	14.7	21.9	18.1	32.2
Electrical system	48.2	51.1	61.7	41.3	42.7	42.3
Property operations	30.3	11.5	13.9	12.6	16.8	45.9
Total capital expenditures	244.6	236.8	261.5	266.7	227.5	293.3
Percentages are rounded to one decimal point.						

The three metropolitan areas with two-tier systems have very different expenditure patterns between the two tiers. In Halifax, a weak two-tier system with limited responsibilities for the upper-tier, the Metropolitan Authority operating expenditures are only 6.9% to 8.7% of the total operating expenditures. In Toronto, where the upper-tier delivers more regional services, Metropolitan Toronto expenditures are 68% to 72% of the total expenditures. Metropolitan Toronto is approximately 57% of the Greater Toronto Area (GTA) but the expenditures of Metropolitan Toronto and its six local municipalities are nearly 70% of the total GTA expenditures. The Montreal Urban Community (MUC) expenditures are 25.4% to 27.9% of the total expenditures of the MUC and its 29 local municipalities.

Of interest are the increases in operating expenditures between 1990 and 1995. In the three metropolitan areas with two-tier systems, the increases for the metropolitan authorities were 50% for Halifax, 27.5% for Montreal and 28.6% for Toronto. The increases in operating expenditures for the local municipalities within the metropolitan authorities were substantially less, 18.9% for Halifax, 19.3% for Montreal and 6.1% for Toronto. In comparison, the two single-tier systems of metropolitan government, Winnipeg and Calgary, had increases in operating expenditures of 21.8% and 16.3% respectively.

2.4 *What are the levels of debt of these metropolitan areas for the same period?***Table 36:**
Level of debt in five selected cities (millions of dollars)

	1990	1991	1992	1993	1994	1995
Metropolitan area 1: Halifax						
Metropolitan Authority	16.5	14.3	14.0	19.1	28.5	29.5
Four local municipalities in Metropolitan Authority	194.9	187.3	185.7	160.4	158.2	165.2
Total	211.4	201.6	199.7	179.5	186.7	194.7
Metropolitan area 2: Montreal						
Montreal Urban Community	606.4	623.8	661.1	663.6	663.6	637.7
29 local municipalities in MUC	2,924.8	3,002.4	3,045.6	3,718.7	3,871.9	3800.1
Total	3,531.2	3,626.2	3,706.7	4,382.3	4,535.5	4437.8
Total for Montreal Census Region (144 local and regional municipalities)	5,128.0	5,306.7	5,448.6	6,203.3	6,366.9	6,318.6
Metropolitan area 3: Toronto						
Metropolitan Toronto	430.5	475.8	512.7	633.9	637.0	637.1
Six local municipalities in Metropolitan Toronto	266.5	539.0	522.2	601.2	585.3	577.0
Total for Greater Toronto Area (35 local and regional municipalities)	957.5	1,344.9	1,403.6	1,604.0	1,523.6	1,553.3
Metropolitan area 4: Winnipeg	786.7	748.8	759.5	842.7	893.4	949.4
Metropolitan area 5: Calgary	1,586.9	1,561.0	1,560.9	1,483.0	1,460.2	1,370.5

It is interesting to note that the debt levels are low for Toronto and Halifax, moderate for Winnipeg and Calgary and high for Montreal. The per capita debt level in 1995 is approximately \$568 for Halifax Metropolitan Authority and the four local municipalities, approximately \$2500 for the Montreal Urban Community and its 29 local municipalities, approximately \$509 for Metropolitan Toronto and its six local municipalities, approximately for \$1535 Winnipeg and approximately \$1810 for Calgary.

2.5 *Can municipalities or metropolitan area authorities borrow on the market?*

Yes. In general, municipalities can and do borrow on the open market. Some provinces place certain restrictions on borrowing by municipalities. In Alberta, the provincial government borrows on behalf of the municipalities. In British Columbia, the Regional District borrows for the municipality. In Canada, municipalities are not allowed to deficit finance or borrow for operating expenditures. Borrowing by municipalities in Canada is for large capital expenditures.

2.6 *Does a system of financial equalization exist at the national level for municipalities and/or within metropolitan areas?*

No. The national system of equalization payments is not for municipalities or metropolitan areas in Canada. There is a national system of equalization payments that transfers resources between provinces.

2.7 *Do area-wide metropolitan authorities enjoy own-tax revenues?*

Not directly. Property tax revenues are requested by the metropolitan authority, collected by the local municipalities and transferred to the metropolitan authority by the local municipalities. In single-tier metropolitan governments such as Winnipeg and Calgary, the single-tier government has its own property tax revenues. Metropolitan authorities may have their own sources of revenues through the sale of goods and services.

2.8 *Have changes been introduced (1990-95) to allow municipalities/metropolitan areas to increase own tax revenues with a view to making their tax base more buoyant?*

No. Although major changes have not been introduced to allow municipalities to increase their own tax revenues, municipalities are using existing revenues, such as user fees, to increase revenues. In Ontario, the provincial government is proposing to remove the burden of education from the property tax bill and in exchange will require municipalities to take on certain additional costs. The change is intended to be revenue neutral and not to increase or decrease revenues for municipalities. While the total across the province may be revenue neutral, there is concern that expenditures and revenues will not be distributed evenly to the municipalities.

2.9 *Are financial resources from central government and/or intermediary levels of government designated specifically for all or selected metropolitan areas (e.g. for programmes of urban renewal, major infrastructure investment, etc.)?*

Yes. Although most provinces allocate resources, these are decreasing. For example, in Winnipeg, the Province of Manitoba has signed an Urban Capital Project Agreement with the city which includes funding for infrastructure projects. The agreement includes both conditional and unconditional funds from the province. Manitoba also assists neighbourhood development through its Manitoba/Winnipeg Community Revitalization Program.

Although the program was not specifically targeted to metropolitan areas, in 1993 the government of Canada introduced the Canada Infrastructure Program. The projects were cost-shared by the federal government, the provinces and the municipalities. The cost-sharing arrangement was, in most instances, split equally among the three levels of government. As municipalities are the responsibility of the provinces, the federal funds were channeled through the provinces. The distribution of funds usually was determined jointly by the federal government and the individual provinces, and the selection of projects was determined by the three levels of government.

2.10 *Does the private sector participate in the financing of certain services or infrastructures?*

1) Municipal level:

While most services and infrastructure are publicly financed, some private financing occurs for specific services. A recent example is a bridge over the Red River in the City of Winnipeg built by private funds and leased back to the city. The city will take ownership of the bridge after thirty years.

2) Metropolitan area level:

Again, services are financed primarily by the public sector. A recent example is the contract with a private company for the management and operation of the sewage treatment facilities with the Regional Municipality of Hamilton-Wentworth in the province of Ontario. The contract is for 10 years.

- 2.11 *What changes have taken place recently (1990-95) in the provision and management of urban services? Indicate as appropriate and explain why these changes were necessary and how they have been introduced.*

Privatization:

There has been a modest shift toward the privatization of the delivery of services at both the municipal and metropolitan levels, but the tradition in Canada is still the public delivery of services. A portion of such services as garbage collection and the construction of roads, sewers and water lines is usually done by the private sector. In some cases, such as the Regional Municipality of Hamilton-Wentworth, much of the maintenance of the sewer and water lines is contracted out to the private sector. In many municipalities, the contracting out of government services is limited by union contracts with the municipality. Labour contracts in Quebec limit the amount of contracting out that can occur at the municipal level.

Competitive tendering:

There have been few changes in the nature of competitive tendering by municipalities. Competitive tendering is the rule for both municipal and metropolitan governments. Provincial legislation requires competitive tendering by its municipalities. Sometimes there is a limit on the size of contracts that can be awarded without a competitive tender. For example in Winnipeg, the City of Winnipeg Act stipulates that competitive tendering is required. The city, through by-laws, has established tendering procedures. Any contract over \$100,000 requires an open public tender. Any contract under that amount is a competitive tender by invitation.

Increases in charges/user fees:

Both municipal and metropolitan areas have seen modest increases in charges and user fees, but there has not been a major change in the provision or management of urban services. Transit fares, sewer and water rates and charges for recreation facilities have gradually increased over the past five years in most municipalities. Some municipalities have seen larger increases in water and sewer charges. In Alberta, Saskatchewan and Manitoba, sewer and water rates are used as a source of general revenues for the municipalities. For example, in Calgary up to 17% of the revenues from these self-supporting utilities are transferred to the general revenues of the municipality. In the

other provinces, water and sewer utilities are self-supporting, but not generally used as additional sources of revenues.

Increases in charges and user fees serve two purposes. They are used by the utilities to undertake the repair, maintenance, replacement and expansion of the infrastructure. Increases in user fees for public facilities such as rinks and swimming pools have occurred in most local and metropolitan municipalities as a means of decreasing the subsidies necessary for such facilities. These increases have been introduced gradually and are determined during the municipal budget process.

Increases in local taxation:

Metropolitan governments in Canada normally do not have property taxing authority. The local municipalities raise the property taxes and transfer a portion of the tax to the regional government. In the past few years, property tax increases have been modest. Calgary has not increased property taxes for the past three years. Winnipeg has kept its tax increases under the inflation rate over the past three years. This trend to limited property tax increases has been due to a general dissatisfaction with the high level of taxes among the general public. As a result, most municipalities have kept property tax increases to a minimum and, as noted above, increased charges and user fees wherever possible.

- 2.12 *Does central government require or encourage municipalities/metropolitan area authorities to develop and use urban indicators and evaluation procedures to reduce costs and improve the management of service, notably in respect of finance?*

No. While there is no direct participation by the provinces to establish benchmarks for the delivery of services or for specific financial procedures, most provinces do require municipalities to report financial statistics in a common format to the province. These financial statistics are organized and published yearly so that various revenues, expenditures and debt levels can be compared. Unfortunately, each province uses a different format and comparisons between municipalities in different provinces are not easily done. The Canadian Association of Urban Transit (CAUT) does gather information on public transportation in urban centres across the country and does do some efficiency and effectiveness analysis of the data. These are published yearly, and provide an opportunity for comparisons among urban centres. The Federation of Canadian Municipalities (FCM) is undertaking a study of social indicators to develop a quality of life index for municipalities. FCM is also looking into the potential of developing benchmarking for the delivery of certain municipal services. Both CAUT and FCM are national organizations established by the municipalities themselves, and not by the provinces or the federal government.

3. Social Cohesion

- 3.1 *Does a legal framework exist for the participation of civil society (business, voluntary associations, inhabitants) in relation to the planning and management of metropolitan areas?*

Yes. The most common and universal framework in Canada for the participation of civil society in relation to the planning and management of metropolitan areas is the municipal

planning process for local and metropolitan governments. The process is determined by provincial legislation, usually in conjunction with official regional and community plans, and includes due notice, opportunities for presentations at standing committees of Council and appeal procedures. Whether the planning issue is a spot zoning or a regional plan, the procedures give interest groups and individuals the opportunity to have their voices heard before elected officials of the metropolitan or local municipality.

A unique experiment in citizen participation was undertaken at the time of the amalgamation of the City of Winnipeg in 1972. The City of Winnipeg Act included the formation of Resident Advisory Groups (RAGs). These groups consisted of residents of the community who were elected by community residents at an annual meeting. The RAGs received limited funding and had a formal, but never clearly defined, role to play in the planning and development of neighbourhoods. They could initiate local planning activities and oppose or support planning initiatives by the city as they affected their neighbourhood. They had a formalized, legal role in the planning process and were vehicles to facilitate public consultation and involvement. However, their decision-making powers at the local level were very limited and they were never funded sufficiently to undertake the research and community consultation necessary to make them an effective entity.

In subsequent amendments to the City of Winnipeg Act, RAGs lost their legal, formalized role and have been reduced to a consultative and advisory capacity. The City of Winnipeg Act establishes Community Committees which are composed of councilors elected from a particular geographic area in Winnipeg. These committees have responsibilities for certain local planning and management activities. Each committee was to be supported by a RAG but the council and the committees have tended to downplay their role. At present, out of the five committees, there are three functioning RAGs.

3.2 *What is the status of these participative structures?*

The standing committees, which under provincial legislation are responsible for hearing delegations on planning matters, are usually composed of elected officials from the metropolitan or local municipality. Appeals of planning matters are usually heard by a quasi-judicial board such as a Board of Revision or a Municipal Board. Generally, Municipal Boards are composed of citizen appointments made by the provincial government. Typically, Boards of Revision are composed of citizens appointed by the metropolitan or local council.

The Resident Advisory Groups in the Winnipeg experiment are elected by residents residing within the Community Committee boundaries at an annual meeting which is duly advertised.

3.3 *How do these structures interact with the metropolitan area authority or the municipalities of which the metropolitan area is composed?*

Usually, the standing committees of Council responsible for planning matters make recommendations to their local or metropolitan council which has power of approval or rejection.

In the case of Municipal Boards, their decisions are independent of the municipality or metropolitan authority and fall under the jurisdiction of the province. Boards of Revision may have certain decision making powers. Their decisions may be appealed, as defined in provincial legislation, to a Municipal Board or back to the relevant municipal council.

The Resident Advisory Groups work through the Community Committee structure. Community Committees make recommendations to Council.

3.4 *Do other forms of participation of civil society exist outside of the above-mentioned legal framework?*

Yes. There are many opportunities for civil society to participate in urban governance through a range of community organizations, business groups and non-profit and ad hoc associations. Individuals on their own or working through these groups can make representations to councils, engage the public in consultation, prepare reports and make recommendations. Under provincial legislation, municipalities and metropolitan authorities are required to hear public delegations. Usually, these representations are heard by standing committees of Council, which in turn make recommendations to Council. These groups range from chambers of commerce, boards of trade, home builders' associations and downtown merchants, which represent business interests, to non-profit based community groups such as social planning councils, environmental groups, resident associations and housing co-ops, which represent social or local interests.

Some of these groups are formal organizations with funding from various sources, including, in some instances, the municipalities, and maintain an office and staff. For example, organizations such as chambers of commerce and social planning councils often undertake research on urban issues and present the results to standing committees of Council. Other organizations such as all charities and community and private foundations provide resources to groups for such activities as social programs, support services and housing. Sometimes, these activities are undertaken in conjunction with municipal programs.

3.5 *Are there actions and programmes aimed at creating a feeling of belonging of the population in the metropolitan area?*

Yes. There are a number of activities of local and metropolitan municipalities that are intended to create a feeling of belonging of the population in the metropolitan area. They include formal consultative procedures where the public are invited to participate in the initial stages of the development of local and regional plans and strategies. Race relations committees are common at both the local and metropolitan level. Municipalities also encourage residents and businesses to participate in such activities as tree planting on public lands and river clean-ups. Major public projects, such as the development of the junction of the Red and Assiniboine Rivers into a central waterfront public and commercial space in Winnipeg, usually include a consultative process from their inception.

There are a number of entertainment and recreational activities supported by metropolitan and local municipalities that create a feeling of belonging. These range from the Stampede in Calgary to Folklorama and the Festival du Voyageur in Winnipeg to the Montreal Jazz Festival.

Most local and metropolitan authorities have tourism organizations, economic development boards, convention bureaus and promotional agencies that include in their activities a component that is intended to create a feeling of pride among residents in their metropolitan area.

3.6 *Do medium term strategic plans/visions of metropolitan areas exist in social and economic terms for the metropolitan area as a whole?*

Yes. Provincial legislation defines the components of the regional plans for metropolitan areas. It is usual in all provinces for such legislation to include a requirement for an economic and social component within the plan. For example, the City of Winnipeg Act states that a "Plan Winnipeg by-law shall contain plans and policies respecting ... the physical, social, economic, fiscal and environmental conditions and trends within the city."¹⁰ The recently passed legislation for the Montreal Development Commission includes in the Commission's mandate the support, development and coordination of the economic, cultural and social expansion of the metropolitan area.

Economic development agencies established by local and metropolitan municipalities usually include a medium term strategic plan and vision for the metropolitan area.

Is there any evaluation of these initiatives?

Yes. Provincial legislation usually includes a requirement for the evaluation and revision of the plan. For example, in Winnipeg and Toronto the legislation requires that the plan be revised every five years. Public participation is included in the regional planning process.

3.7 *Which policy areas are included in such strategies, for example:*

Measures to reduce extreme differences in the quality of life between different sectors of the metropolitan area;

These include affirmative action and equal opportunity programs and housing and social support programs. For example, Toronto and Winnipeg have made special efforts to include aboriginals and minorities in police and fire services.

Actions involving the entire population (e.g. special events);

Each metropolitan area has several activities such as Stampede Week in Calgary or Folklorama in Winnipeg that are intended to involve the entire population.

Area-wide actions to enhance sport, cultural activities and education;

Local and metropolitan municipalities construct major sport facilities, convention centres, parks and public amenities and undertake education, leisure and recreational programs. The legacy of the Summer Olympics in Montreal, the Winter Olympics in Calgary and the Pan-Am Games in Winnipeg has included a number of recreation and sports facilities.

¹⁰ Province of Manitoba. 1993. *City of Winnipeg Act*, Queen's Printers, Manitoba, p. 358.

Area-wide actions to create and enhance employment opportunities;

Municipalities operate social and employment programs. For example, Winnipeg has participated for the past fifteen years in a tri-level agreement among the city, province and federal government. This joint initiative, the Core Area Agreement, and now the Winnipeg Development Agreement, directly targets disadvantaged residents. It includes both social and employment training programs and is intended to improve the social, economic and physical conditions in the inner city.

Area-wide planning and development of infrastructure and housing;

The Canada Infrastructure Program initiated by the federal government has focused federal, provincial and municipal funds on the improvement of the physical infrastructure.

A number of municipalities, including Calgary, Winnipeg, Toronto and Montreal, have well-established housing agencies that develop and manage low cost social housing. Neighbourhood Improvement Programs, which combine housing and neighbourhood planning activities, exist in some cities.

While the role of federal and provincial governments in housing has diminished in recent years, provinces such as British Columbia, Saskatchewan and Quebec, through their housing ministries, continue to provide support for initiatives such as cooperative and non-profit housing.

Cooperation between religious associations in the metropolitan area;

Several religious organizations focus their attention on inner city poverty and may be supported by municipal programs and activities. For example, funding from the Core Area Initiative in Winnipeg was used to help in the construction of a new Salvation Army facility and the expansion of a joint YMCA/YWCA facility. Other activities by religious organization include such programs as non-profit housing, food banks and soup kitchens, second hand stores and crisis centres.

There is a great deal of overlap among the various policy areas listed above and the strategies in place to deal with them.

4. Economic Competitiveness

4.1 *Do national or regional governments have programmes or initiatives to enhance overall economic competitiveness where lower tiers of government (e.g. metropolitan authorities) play an important part?*

Initiatives have been limited. There have been surprisingly few provincial or federal government initiatives to enhance the economic competitiveness of local and metropolitan municipalities in metropolitan areas in which the municipalities play an important part. Generally, provinces do not target specific metropolitan areas in attracting economic development but rather encourage development to locate in the province as a whole.

Provincial incentives are not usually metropolitan area specific, but a province will facilitate a specific municipality if an industry wishes to locate there. For example, when Honda wished to locate in an area 50 kilometres north of Toronto, the province forced the amalgamation of four municipalities in the area "to establish a municipal structure that could deal with the anticipated rapid economic and residential growth."¹¹

In Quebec, regional administrative districts have been established by the provincial government. There are five regional administrative districts in the Montreal metropolitan area. These include representatives from local and regional county municipalities who are not to exceed 49% of the membership, elected and non-elected officials from the province, and representatives from business, labour, cultural and social interest groups. These administrative districts undertake certain economic development initiatives.

- 4.2 *Have metropolitan authorities, municipalities composing a metropolitan area, or associations representing metropolitan areas or municipalities in your country developed innovative policies and programmes (perhaps in connection with nation-wide or regional programmes for creating a good environment for improving competitiveness overall) for promoting international trade, attracting investment, improving economic development in their metropolitan area?*

Yes. Metropolitan areas across Canada have established economic development agencies for purposes of attracting national and international investment in their metropolitan area. Examples include Montreal International, The Greater Toronto Marketing Alliance (GTMA) and Winnipeg 2000. Montreal International was established in 1988 and now has a budget of \$3 million annually and a staff of 15. It is funded and operated as a partnership among the city, the region, the province and the private sector. It was established to promote the image of the Montreal region abroad as a good place for businesses to locate and to facilitate the location of international firms in the region.

The Greater Toronto Marketing Alliance was initially a public partnership between the province and the GTA Municipalities. It has now evolved into a public-private partnership with businesses from the metropolitan area. It is an attempt to remove municipal boundaries as a determinant in the economic development strategy for the region. Among its various activities it has undertaken trade missions to other countries. Another technique used by local and metropolitan municipalities to promote international trade is the common twinning of Canadian cities with cities in other countries. Visits by officials are arranged between the cities and each has the opportunity to promote the advantages of their city for foreign investment.

Other actions to enhance the competitiveness of a metropolitan area, for example, partnerships:

Provincial legislation is often restrictive as to how municipalities may use grants and financial incentives as a means of attracting national and international investment into the metropolitan area. Winnipeg is one of few cities in Canada that can provide financial

11 Diamant, P. and A. Pike, 1996. *Consolidation and the Small Municipality: A Commentary*. The Rural Development Institute, Brandon University. RDI Report Series 1996-2, p. 41.

incentives to businesses.¹² Winnipeg has developed and sold industrial land at reduced rates to businesses prepared to locate in the city. It has also offered other financial assistance, usually in conjunction with the province, to businesses that locate in the city.

- 4.3 *Have metropolitan areas introduced multi-sectoral policies and programmes aimed at developing the metropolitan area in social, economic and environmental terms in order to improve the image of the city and its competitiveness at the national and international level?*

Programmes have been limited. There are signs that municipalities are becoming increasingly aware of the need for multi-sectoral policies that are aimed at promoting the social, economic and environmental quality of their city. In Canada, Toronto has taken the lead and such policies are in their formative stage. The city consciously invests in such areas as education, residential communities, safety and cleanliness, with a corresponding emphasis on social policies as part of the strategy for promoting Toronto as an international city. The concept of civility and its promotion also form an important part of this strategy.

Toronto is the major city in Canada for the head offices of national and international companies. The Office of the Greater Toronto Area, the provincial department responsible for the GTA and the Greater Toronto Marketing Alliance, which includes the business community, all participate in the promotion of Toronto as a civil city.

The National Capital Commission in Ottawa, in conjunction with municipalities in the Ottawa-Hull region in Quebec and Ontario, do promote strategies to improve the image of the capital region.

What are the main elements of such strategies?

Social policy, education and employment services, infrastructure investment and housing policies are the main elements of the strategy. Economic development, planning and environmental improvements are the second components of the strategy.

- 4.4 *Explain briefly the role of central government in the financial aspects of the policies and programmes identified. Does a national-level fund or financing mechanism exist for such projects? How are they targeted?*

The central government provides very few resources that are directed specifically to metropolitan areas that are outside the purview of normal provincial funding. Some examples include special social assistance supplements for clients living in more expensive metropolitan areas and neighbourhood improvement programs aimed at improving the social and physical environment in areas of poor housing.

In Winnipeg, the federal government and the provincial government shared the costs of tri-level agreements, the Core Area Initiative and the Winnipeg Development Agreement,

12 Skelly, M. 1995. *The Role of Canadian Municipalities in Economic Development*, Intergovernmental Committee on Urban and Regional Research, ICURR Publications, Toronto, p. 22.

which were specifically directed toward the social, economic and physical well-being of deteriorated areas of the city. In addition, the federal government introduced the Canada Infrastructure Program which was cost shared by the provinces and municipalities, and was targeted toward improving the deteriorating municipal infrastructure in all parts of the country.

CONCLUDING COMMENTS

The past five years have been a time of uncertainty for municipalities in Canada. Provinces and the federal government, faced with large deficits and soaring debts, began a period of fiscal constraint and funding cuts. Provinces have turned to transfer payments to municipalities as a potential area for reducing their expenditures. Saskatchewan in the 'eighties and Alberta in the 'nineties have made substantial cuts in transfer payments to municipalities. Ontario, in the early 'nineties and Quebec in the past year have done likewise.

Municipalities in Canada are required by legislation to have balanced operating budgets. As a result, municipalities are not allowed to carry a deficit from year to year and have, in most instances, maintained relatively low debt levels in comparison with the provinces and the federal government. Municipalities are allowed to borrow for large capital infrastructure expenditures, but generally municipalities have maintained a fiscally conservative approach to financing. There has been a move to "pay-as-you-go" financing for new capital projects, particularly in major urban areas in Alberta and Saskatchewan, and, of the selected cities, only Montreal and Winnipeg are still using borrowing as a major source of capital revenues. Although high debt levels in some metropolitan regions such as Montreal and deteriorating infrastructure in others such as Winnipeg have strained resources, the finances of most municipal governments across the country are healthy. Municipalities, until recently, have not faced the same fiscal restraint as the provinces. Cuts to provincial transfers and downloading of responsibilities to the municipalities have increased pressures on municipal revenues and expenditures.

The provinces, with sole responsibility for municipalities, have been rethinking urban governance. Recent legislative changes in provinces as varied as Alberta, Manitoba, Ontario, Quebec and Nova Scotia, all suggest the importance provinces place on making the structure of local government more efficient. Of particular note are the changes, initiated by the province, in the major urban centres of Halifax, Toronto and Montreal. The amalgamations in Halifax and Toronto, the establishment of the Metropolitan Development Commission in Montreal, and the proposal for the Greater Toronto Services Board indicate that the provinces are concerned about the efficiency of urban governance and how services are delivered at the regional level in metropolitan areas.

When amalgamation is proposed as a solution to the problems facing metropolitan areas, the provinces have stressed the long-term cost savings that can accrue through such changes. What has been less often discussed by the provinces is the effect these changes might have on the access of residents to local government. It is this issue that has focused opposition to the amalgamation process in both Halifax and Toronto. It is these competing interests, effectiveness and efficiency on the one hand and citizen access and participation on the other, that reflect the pressures for centralization versus fragmentation of local government in Canada. Even so, if the present trends are any indication, centralization through amalgamation is in its ascendancy.

The urban governance of metropolitan areas in Canada has three basic approaches. The first is a limited interventionist approach by provinces. Over time as metropolitan areas grew, neighbouring municipalities came together, as required through joint municipal agreements, to deliver regional services that affected their respective municipalities. In some situations, the province took the initiative and established single purpose boards, commissions or agencies to deliver a regional service such as water, transit or regional planning. To some extent, the regional districts in British Columbia are a formalized method of encouraging municipalities to work together without dictating how they operate regionally. As an alternative to amalgamation, inter-municipal co-operation independent of the province is increasingly being implemented to improve efficiency and for cost sharing of specific services, such as water and sewer.

The second approach used in Canada is the two-tier system of local government where regional services are delivered by an upper tier and local services are delivered by the local municipalities. This is well developed in Ontario, where the province has clearly defined which services are delivered regionally, which services are delivered locally and which responsibilities are shared. The establishment of the Metropolitan Development Commission for Montreal and the proposal for the Greater Toronto Services Board are attempts to more clearly define how regional services can be developed and delivered in Canada's two largest metropolitan areas without turning them into regional governments with populations larger than all but the two largest provinces. To cope with downloading and the need to be increasingly cost-efficient, many municipalities have turned to public/private partnerships for provision of financing, ownership and services.

The third approach is amalgamation, which is in its formative stages. Forced on the municipalities by the provinces, it has raised concerns and strong opposition from local politicians and residents. The long-term implications of a more centralized delivery of services and the effect this will have on access to local decision-making are yet to be determined.

The changes in the financial arrangements of municipalities in Canada have been modest. Provinces have tended to pursue structural changes to how municipalities are governed rather than to how they are financed. What changes have occurred have been related to cuts in transfer payments, often without corresponding access to additional sources of revenues. It is this that has forced municipalities to rethink their revenues and expenditures. The tables in the survey suggest that there is little consistency in the pattern of changes in revenues and expenditures between cities and over time within individual cities, and what changes have occurred have tended to be incremental.

Canada has a well established framework for participation through its planning legislation. Groups and individuals have the opportunity to make representations before committees of council and have access to appeal procedures. This opportunity for representation before elected officials also exists for a variety of other municipal decisions, including the budget process. There is, in addition, a well established body of informal and semi-formal groups and organizations that use this access to ensure that their interests are heard in advance of Council making a final decision. These groups normally do not have decision-making or voting powers and their role is one of persuasion and public pressure.

Central governments have played a limited role in Canada in assisting local and metropolitan governments in their economic development activities. Traditionally, provinces have been hesitant to allow municipalities to compete against one another for economic activity. Provinces have tended to restrict municipalities in the way they can provide incentives to businesses interested in locating in their municipality. Municipalities, on the other hand, have been competitive in their search for businesses that can increase their tax base. Since local municipalities in a metropolitan area often do not have an equalized tax base, new tax revenues accrue to the individual municipality rather than to the metropolitan area as a whole. This has been one of the arguments in support of amalgamation, since it provides for such benefits to be distributed to a larger area. It is also for this reason that many municipalities have their own economic development agencies that work independently of the larger metropolitan area. The establishment of Montreal International and the Greater Toronto Marketing Alliance are conscious efforts by the provinces and the metropolitan municipalities to work together in attracting national and international investment into their regions.

Although each province determines the structure, responsibilities and financing of its municipalities and metropolitan areas, there are many similarities in the services they deliver and in their political and administrative organization. The differences that do exist are as much the product of precedent and tradition as they are the result of a theory of local government — annexation and single-tier metropolitan government on the Prairies, two-tier structures in Ontario and Quebec. Provinces have tended to leave municipalities to their own devices unless forced to respond to a crisis or to pressure for change. Where amalgamation and two-tier systems have not been pursued, provinces and municipalities have turned to joint agreements between neighbouring municipalities in metropolitan areas to deliver regional services. This has been particularly the case in provinces with smaller populations such as New Brunswick and Saskatchewan, where there is frequently strong local resistance to amalgamation.

It can be argued that the recent activity of provinces in municipal reform is related to two issues, decreased financial resources and increased growth around urban centres. The financial constraints provinces face have caused them to search for ways to reduce their expenditures to municipalities. This has been reflected in the review of municipal acts and in the cuts to grants and transfers to municipalities. Municipalities are expected to be more self-reliant, to turn to their own sources for increased revenues and to cut expenditures.

This does not explain the rush to change in such metropolitan areas as Halifax, Montreal and Toronto. Rapid growth, particularly in the Greater Toronto Area, has put pressure on local governments. Metropolitan areas have outgrown the political and administrative structures put in place years ago. The complex urban problems metropolitan areas face have moved far beyond the hard services municipalities were initially established to deliver. Differential property tax rates, different levels of services and unequal sources of revenues do not always represent well the commonality of interests and the similar requirements for services that exist in a metropolitan area. Municipalities, as creatures of the provinces, have evolved only to the extent allowed by the provinces. The move to give a local government structure to metropolitan areas which is better suited to them governing themselves suggests provinces are prepared to give urban governance a more prominent role in Canadian life.

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