



III

Restructuring

Why Municipal Amalgamations? Halifax, Toronto, Montreal

Andrew Sancton

Entre 1995 et 2001, trois provinces de l'est du Canada, soit la Nouvelle-Écosse, l'Ontario et le Québec, ont légiféré pour la fusion des municipalités au sein de leurs grandes métropoles. Il y a trois raisons qui peuvent expliquer l'adoption de politiques similaires dans ces provinces : (1) les gouvernements provinciaux faisaient face, directement ou indirectement, à la pression du mouvement de mondialisation (2) les gouvernements provinciaux répondaient aux demandes de forces politiques internes, qui pouvaient être ou ne pas être similaires dans chaque province, mais qui étaient clairement indépendantes du mouvement de mondialisation; ou (3) les gouvernements provinciaux agissaient de façon autonome, avec peu d'égard aux pressions politiques internes. Le point majeur soulevé par ce chapitre est que la troisième explication semble celle qui concorde le mieux aux faits. Ce point est développé en donnant plus de précisions d'abord sur chacune des deux autres explications, et en examinant ensuite plus en profondeur les raisons politiques des fusions municipales à Halifax, Toronto et Montréal.

Between 1995 and 2001 legislation was passed in three eastern Canadian provinces – Nova Scotia, Ontario, and Quebec – to implement major municipal mergers within the largest of their respective metropolitan areas. There have been three types of explanation for the adoption of these similar policies: (1) provincial governments were responding, directly or indirectly, to pressures caused by globalization; (2) provincial governments were responding to demands of internal political forces, which may or may not have been similar in each province but were clearly independent of globalization; or (3) provincial governments were acting “autonomously,” with little regard to internal political pressures. The main argument of this paper is that it is the third type of explanation that best fits the facts. This argument will be advanced first by

exploring each of the other two types of explanation and then by examining, in more detail, the political causes of municipal amalgamation in Halifax, Toronto, and Montreal.

DID GLOBALIZATION CAUSE AMALGAMATION?

Globalization involves the increasing interconnectedness among different regions of the world, involving trade, rapid communication (especially through the internet), and the formation of social and economic networks – some very powerful – that transcend national boundaries.¹ Different analysts emphasize different characteristics of globalization, and as a result the whole concept is deeply contested. It has been considered at one time or another as a possible cause of almost any significant development in various societies around the world. Municipal amalgamations are no exception. By definition, however, globalization is widespread. If it has a direct impact on the structure of governmental institutions, we should expect to see similar changes everywhere. But, contrary to what many in Canada have assumed, the recent round of municipal amalgamations in eastern Canada has not been part of any worldwide trend (Sancton 2000). Since 1990, municipal amalgamations in the Western world outside Canada have occurred only in New Zealand, parts of Australia, a very few local authorities in England, post-apartheid South Africa, and, most recently, Denmark. If globalization causes municipal amalgamations, surely there should be many more cases than these. In particular, we would expect to find them in the United States.

If anything, pressure in the United States has been for municipal secession, not municipal amalgamation. In the early 1990s, there was a movement on Staten Island to have it secede from New York City, but the plan was blocked in the state assembly (Benjamin and Nathan 2001, 80). On the eve of the centennial of the New York consolidation in 1898, the Brooklyn borough president saw no reason to celebrate. He wrote, “If consolidation had not taken place ... continued independence for Brooklyn, Long Island City or Queen’s and New York would have fostered intense competition among the municipalities, resulting in dynamic economic growth and an even stronger metropolitan region than we have today” (ibid.).

It has been in Los Angeles, however, where the issue of municipal secession has been most prominent. In the end, as a result of local referenda, the City of Los Angeles continued with its same boundaries, but only after secession had been impartially evaluated by a government agency and only after all the plans for its implementation had been made. The case of Los Angeles is therefore highly significant for anyone claiming that there is a direct link between globalization and municipal amalgamation.

Although there were various other proposals for breaking up Los Angeles (including the establishment of a new City of Hollywood), the main one involved the establishment of a new city in the San Fernando Valley. The valley had been incorporated into the City of Los Angeles in 1915. By 2002 its population was over 1.3 million, while that of all of Los Angeles was 3.7 million. For almost ninety years, the valley had been part of the city. At various times during this period, secessionist movements had appeared, but none was stronger than the one that developed during the 1990s. Under the state rules that were legislated in 1985, any proposed municipal breakup of a city within Los Angeles County required the approval of the Local Agency Formation Commission for Los Angeles County (LAFCO). Before it could allow a local referendum, a detailed study needed to be made of all of the implications, the theory being that voters needed to know what was at stake and that implementation plans needed to be worked out before the breakup was approved, rather than after.

On 24 April 2002 the executive officer's report on the *Special Reorganization of the San Fernando Valley* was released. It is a landmark document for the study of municipal secession because it lays out exactly how a secession would be implemented, including a detailed financial plan for the new city to compensate the City of Los Angeles for its fiscal losses as the result of the secession. On the subject of the implications for future municipal costs resulting from the establishment of the new city, the report stated:

The academic studies on this topic have found that economies of scale are relevant only among the smallest of cities.

For larger metropolitan cities the literature suggests that *diseconomies* [emphasis in original] of scale exist in policing as well as refuse collection, general government and fire services. This means that the per capita costs of providing of local government *rise* as city population, crime or other measures of government output increase ...

The evidence does indicate that in the area of street maintenance and possibly, sanitation, there are likely economies of scale. The Executive Officer encourages the parties [i.e., the two potential cities] to consider a long-term contractual relationship in such areas with clear efficiencies from a large-scale operation. (Local Agency Formation Commission for Los Angeles County 2002, 24 and 26)

When LAFCO approved the implementation plan derived from this study, the stage was set for the referendum that took place on 5 November 2002.² Within the boundaries of the proposed City of San Fernando Valley that had been established by LAFCO, the proposal was narrowly approved: 51 percent to 49 percent. The relatively high vote against secession has been attributed to

all kinds of factors: high spending by opponents of secession; fears of increased electricity costs in an independent city; and a poor campaign strategy by the secessionists. In any event, the proposal also had to be approved by voters in the entire city, and here it lost by 67 percent to 33 percent.

The results of the referendum in Los Angeles will no doubt be analysed by students of urban politics in Los Angeles for many years to come. Meanwhile, the secession movement provides plenty of opportunity for theorizing about what was really going on (Hogen-Esch 2001; Haselhoff 2002). The most creative of such attempts has been by Roger Keil, who has explicitly compared developments in Toronto and Los Angeles and linked both cases to globalization. The heart of his argument is: "Both current developments, the amalgamation of government in Toronto and the push towards secession in Los Angeles, are reactions to new urban realities created by globalization. Ideologically, there are many similarities between the secessionists' desire for smaller government, fairer taxation and better services on the one hand, and the Ontario Tories' neoliberal agenda of more accountable, streamlined government on the other" (Keil 2000, 776).

Creative as such theorizing may be, it relies primarily on linking globalization to the obvious ideological similarities between San Fernando Valley secessionists and Mike Harris's Conservatives. But it does not help much in understanding the practical politics of the two cities. Globalization, according to Keil's line of argument, can explain everything, even plans for institutional change that are the opposite of each other. If globalization explains the rise of the secessionist movement, does it also explain the fact that the secessionist movement has, temporarily at least, been defeated? Does it explain why there was a binding referendum in Los Angeles and not in Toronto? And what about the impact of globalization on the vast majority of North American metropolitan areas (including Vancouver), where dozens or hundreds of municipalities continue to exist and where there have been no significant movements for either secession or consolidation? Finally, how do we explain the consolidation of New York City in 1898? Was it caused by globalization? (Answer: Possibly.) How do we explain the creation of Unicity in Winnipeg in 1971? Or the many European municipal amalgamations of the 1960s and 1970s?

Globalization is indeed having a profound effect on the physical, societal, and economic characteristics of our metropolitan areas. These changes have been well documented by scholars from a wide variety of disciplines in the social sciences (Scott 2001). Many of these changes in turn lead to pressures for new governmental arrangements of one sort or another. There is absolutely nothing new, however, in the claim that municipal structures need to be changed to meet changes in the pattern of urbanization, changes caused by streetcars, automobiles, new methods of (fordist) industrial production, or globalization. Such claims have been made for at least a century and a half. Just because the occasional politician claims that globalization requires amal-

gamation – or secession – does not mean that academic analysts should accept such a claim as being empirically true (Boudreau 2003, 180–3).

Some credence to the claim that globalization requires amalgamation has recently come from Thomas J. Courchene. As part of his argument about Ontario becoming a North American region-state, he applauds the Harris government for implementing market-value assessment for Ontario's property-tax system. He claims that, for the new system to be workable,

there needs to be some restructuring of boundaries to internalize the externality arising from the fact that there is a divergence in terms of where citizens earn their incomes and where they consume services. Hence the rationale for amalgamation, not only for the megacity of Toronto but for other Ontario cities as well. And as an added bonus from the province's vantage point, the creation of the megacity merged the high-business-tax preferences of the former city of Toronto with the more competitive-oriented policies of the other five former municipalities. Arguably the new megacity is now more attuned to a global city-region mentality and more attuned to the larger vision of Ontario as a North American region-state. (Courchene 2001, 180)

Arguments about internalizing externalities and equalizing taxation levels have nothing to do with globalization. Such arguments have been made in the literature on metropolitan government for at least a century. Given that Courchene is trying to situate Ontario in its North American (rather than Canadian context), it is mystifying that he thinks municipal amalgamation is at all relevant to anything with which he is concerned. Why is the new mega-city any more attuned to its global or North American reality than the former municipalities were? The American reality is that municipal amalgamations have not taken place for a century. The global reality is that they have had nothing to do with the public-sector reforms that have swept all industrialized countries since the time of Margaret Thatcher and Ronald Reagan.³

WAS THERE POLITICAL PRESSURE FOR AMALGAMATION?

Pluralist, corporatist, and Marxist views of the state all assume that forces in civil society ultimately determine state actions; they reject the notion that the state itself is an autonomous actor (Nordlinger 1981, 44). Marxist views are consistent with the notion that economic forces associated with globalization have caused central governments to restructure municipalities in particular ways. Pluralist and corporatist approaches suggest that particular groups – business corporations, labour unions, or organizations representing people with particular policy interests (the environment, for example) – are the causes of policy changes. A pluralist approach to the politics of municipal restructuring

would, at some stage, look for all the groups favouring such a policy. It is an interesting question whether municipalities themselves can be classified as groups or interests within the pluralist universe. Some may wish to classify them as being part of the state itself; others (especially in the Anglo-American tradition) may emphasize their distinct legal existence apart from the central state (Frug 1999, 26–53).

It is extremely difficult to argue that there were strong societal forces urging Canadian provincial governments in the 1990s to implement sweeping municipal amalgamations in major metropolitan areas. In Halifax, the Royal Commission on Education, Public Services, and Provincial-Municipal Relations called for a single municipality as early as 1974. In 1992 the provincially appointed Task Force on Local Government arrived at a similar conclusion. In neither of these cases was there great public interest in the issue. None of the municipalities – not even the City of Halifax – was urging that the amalgamation be implemented. It is true that the Halifax Board of Trade supported the amalgamation plan after it was announced, but there is no evidence from the relevant government reports that it actively promoted such a policy beforehand (Sancton 1994, 51).

In Toronto in the early 1990s, the Golden Task Force on the Greater Toronto Area (GTA) received 211 written submissions, including a number from various kinds of business associations (Ontario 1996, 244–9). Only two individuals and three municipalities argued for any form of municipal consolidation within the GTA, and no one argued for the amalgamation of all the municipalities within the territory of the Municipality of Metropolitan Toronto (Sancton 1996, 281–2). It is true, of course, that influential forces need not write reports for government task forces. In the case of supporters of municipal amalgamation in Toronto, Graham Todd has suggested exactly how such powerful forces are comprised:

The current coalition of large downtown firms (banks and consumer retail outlets), media outlets (like the *Toronto Star*), politicians (such as Paul Godfrey the former appointed chair of Metro and publisher of the *Toronto Sun*), and politically connected law firms (like McCarthy Tetreault which reportedly helped draft the legislation and which was represented on the province's "transition team" for the new city) is organized around the Toronto Board of Trade. In one form or another these interests have pushed for amalgamation since the early 1970s. At present the main concern of this group – whose membership might better fit the definition of an urban regime – has been how to translate the amalgamation victory into further tax reductions (commercial office space has already received a windfall from property reassessment). (Todd 1998, 206–7)

Unfortunately, Todd presents no evidence to support this claim; it is not accompanied by footnotes or references. Looking for evidence, we discover

that, of the entities mentioned above, only the Board of Trade of Metropolitan Toronto made a submission to the GTA task force. It was concerned primarily with levels of commercial and industrial property taxation and made no reference to amalgamations. The closest reference was this: "Governance design changes in the GTA are not essential to the resolution of commercial/industrial tax problems in Metro."⁴ It was only after the government announced that it would be implementing amalgamation that the board came out in favour. The chronology was similar for the editorial positions of the *Toronto Sun* and *Toronto Star*, although in past debates about municipal structures in Metro, the *Star* had officially supported amalgamation.

It may well be true that Paul Godfrey pushed privately for amalgamation before to the governments's announcement, but he does not personally comprise a regime. In fact, whatever involvement he may have had was likely more closely linked to his activities as a backroom activist in the Ontario Progressive Conservative Party than as a representative of a business or media elite. If Todd or anyone else wants to argue that business interests played a profound role in the creation of Toronto's mega-city, they should produce some evidence. Then, given that there have been no similar amalgamations in the United States for more than a hundred years, they will need to explain why business interests in American cities either take a different position or are less powerful.

In the Montreal amalgamation, it seems that there is little or no evidence that business groups favoured such a policy before its adoption by the Quebec government. For example, the *Chambre de commerce du Montréal métropolitain*, which eventually supported the provincial government's policy on amalgamation in 2000, stated the following in its brief to the Bédard Commission on 2 October 1998:

Municipalities must be encouraged to reorganize, even to amalgamate. Although the chamber does not take a dogmatic position about a specific size, we are convinced that Quebec unduly wastes public funds in having here almost twice as many municipalities as Ontario, with almost 1,500 for a population of seven million compared to 700 for a population of ten million in Ontario.

Municipalities must be encouraged to amalgamate by a program of financial incentives that will bring value to citizens through a reduction in taxes (author's translation).⁵

Among other things, this passage indicates how important it was for the chamber of commerce that Quebec follow Ontario's example in amalgamating municipalities. Nevertheless, there was no specific reference in the brief to the need to create only one municipality within Montreal Island – roughly the territory covered by the *Communauté urbaine de Montréal* (CUM). Indeed, the chamber clearly implies that the CUM should continue to exist: "The

chamber believes that the CUM is an important level of decision-making and of fiscal redistribution and that its mandate should be enlarged to manage on a truly metropolitan basis common services relating to transport, land-use planning, and perhaps waste management and the environment, even though it appears difficult to reach consensus on jurisdiction” (author’s translation). This does not look like pressure from the business sector to amalgamate all the municipalities within the CUM. Unlike the cases of Halifax and Toronto, the central city of Montreal promoted amalgamation long before the provincial government did. But there is no evidence that any particular interest groups ever adopted the city’s position.

AUTONOMOUS POLICYMAKING BY THREE PROVINCIAL GOVERNMENTS

The main argument of this paper is that recent municipal amalgamations in Canada can only be explained by a state-centred account of policymaking. Provincial leaders sponsored amalgamations because they thought this was the right policy in the circumstances, even though there was little or no societal demand for such a policy and even though there were many other possible courses of action. This is not to say that the actions of one provincial government did not have an impact on others; it is especially evident that the actions of the Quebec government (and its interlocutors, as we have seen above) were significantly affected by what had happened in Ontario. The rest of this paper is largely concerned with describing and analysing the particular circumstances under which each province acted.

Amalgamation in Halifax had first been called for by the Graham Commission in 1974. The Task Force on Local Government – comprising six provincial public servants, three senior staff members from three different municipalities, the executive director of the Union of Nova Scotia Municipalities, and an accountant with a major accounting firm (Nova Scotia 1992, 51) – resurrected the idea in 1992. There is no evidence in the task force’s report of any consultation outside provincial and municipal circles. Premier Donald Cameron, a Progressive Conservative, announced in late 1992 that amalgamations would proceed in Cape Breton and Halifax. But in May 1993 he was replaced by John Savage, a Liberal and former mayor of Dartmouth, who had proclaimed during the election campaign that amalgamation in Halifax was “a crazy idea.”⁶ In mid-1994 Savage’s government sponsored legislation to create the single-tier Cape Breton Regional Municipality, primarily to prevent the impending bankruptcy of some of the existing cities and towns in industrial Cape Breton (Sancton, James, and Ramsay 2000, 25–39). The process went relatively smoothly and probably contributed to Savage’s decision later in the year to impose a similar structure in Halifax, but for different reasons.

Everyone who has addressed Savage's decision accepts that it was his alone, taken at a time when he was convinced that dramatic action needed to be taken to reduce public spending and promote economic development. Debate continues on what exactly he was trying to accomplish (Stewart 2000), but no one has argued that he was in any way pressured to implement amalgamation. The Halifax Board of Trade had supported Cameron's initiative and also supported Savage's, but it always appeared to be following rather than leading.

The best explanation for Savage's action is that he was convinced that Nova Scotians had to understand that major sacrifices were needed to extract the province from its fiscal and economic problems. Things could not go on as before. What better way to demonstrate this than for Savage, recently mayor of Dartmouth, to sponsor legislation merging his former municipality with its arch-rival, Halifax, especially when one of the municipal critics of his Cape Breton merger legislation had claimed, "Fish will fly when this happens in metro Halifax" (quoted in Stewart 2000, 206). Savage no doubt genuinely believed that money would be saved, that economic development would be easier, and that his policy of "service exchange" would be facilitated by sharing the central city's tax base with the outlying areas (Vojnovic 1999). But amalgamation was either of dubious value in achieving such objectives, or the objectives could be accomplished in other ways. Amalgamation for Halifax was implemented primarily for its symbolic value. It was something dramatic that Savage could do without affecting most people in any direct way. Amalgamation was implemented not because there were societal pressures to do so but because there were no significant societal pressures on either side. It was the perfect opportunity for autonomous state action.

The Toronto case was quite different. It turned out that there were significant societal pressures against amalgamation in Toronto, though these were obviously grossly under-estimated by Mike Harris's government when it made its initial decision. John Duffy, a "Liberal strategist," has been quoted as saying that the decision to amalgamate Toronto was, for the Harris government, "the Mistake that Ate the Agenda" (Ibbitson 1997, 240). There are three contending state-centred explanations of why the Harris government acted as it did. The first appears on the surface to be linked with the globalization hypothesis. It was advanced by John Ibbitson in his book *Promised Land*. Ibbitson claims that when Harris went abroad to "sell Ontario," he found that no one knew anything about Ontario, but people did know about Toronto. In order for Toronto to compete with the major cities of the world, however, it needed to be "bigger, stronger, bolder ... And so the plan to amalgamate the cities of Metropolitan Toronto was born" (Ibbitson 1997, 242).

As a globalization explanation for amalgamation, this approach fails completely. There is simply no connection between the municipal organization of a metropolitan area and its rank in the hierarchy of global cities. For example, would anyone have considered that Los Angeles had lost a significant portion

of its global role if the San Fernando Valley had seceded? As a relatively parochial and uninformed provincial politician, Premier Harris possibly believed that municipal size mattered for global competition. But this does not mean that he was right – or that the more sophisticated globalization hypothesis advanced by scholars such as Keil and Courchene is right.

Ibbitson's claim actually takes state-centred explanations of policymaking to new heights. The strongest version of this approach is that states sometimes adopt policies for which there is little or no societal support (Nordlinger 1981, 28–9). Ibbitson is actually claiming that the Government of Ontario (a North American region-state, as Courchene insists) adopted a policy for which there was little or no societal support, for which there turned out to be much active opposition, and which was based on the completely faulty premise that Toronto (as a global city, not as a municipality) could be made “bigger, stronger, and bolder” by enlarging its boundaries to take in neighbouring municipalities which, in any analysis by business consultants (let alone academics) of Toronto as a global city, would have been included as part of Toronto anyway.⁷

Perhaps the Ibbitson explanation is only partly true; perhaps it helps us understand Harris's frame of mind as he approached this issue, even if it was not itself the determining factor. In any event, there are two other more plausible – and not mutually exclusive – state-centred explanations of the Toronto amalgamation. The first is the better known. It is that the amalgamation was a deliberate effort by the Harris government to eliminate the power of the dominant left-wing majority on Toronto City Council by swamping the amalgamated city council with more conservative representatives of the suburbanites. The fact that Mel Lastman of North York defeated Barbara Hall of Toronto in the first mayoral election in the amalgamated city is the most dramatic evidence available of how the strategy was allegedly meant to work.

Did the downtown big-business community dream up this strategy and suggest it to top Harris operatives? We shall probably never know. What we do know is that their prime concern was with excessively high taxes on commercial property within the old City of Toronto. Since the mega-city was created, this problem is in the process of being fixed, partly by market-value assessment and partly by caps on commercial tax increases. The point, however, is that both these policies were implemented by the provincial government through different pieces of legislation that were entirely separate and apart from the amalgamation itself. Neither policy was in any way dependent on the amalgamation being in place. In any event, former mayor Mel Lastman became (publicly at least) a strident critic of the provincially imposed cap on commercial property tax increases. If he had been operating as the tool of downtown business interests, he disguised it well. Unlike many American central-city mayors who rely on local bankers for access to capital funding, Canadian mayors (especially in prosperous cities such as Toronto, in which there are provincially imposed limits on campaign contributions) have few

reasons to take instructions from local business elites. On the other hand, they do have electoral reason to listen to homeowners whose taxes are going up largely because of commercial tax freezes.

As noted previously with respect to the Golden Task Force, business groups in Toronto had little interest in promoting amalgamation until after it became government policy. In fact, it is much more plausible to suggest that business supported the government's policy on amalgamation as a trade-off for getting tax relief by other means than it is to suggest that business supported amalgamation as an end in itself. Provincial governments in Canada (and the national government in the United Kingdom, as concerns England) have unlimited legal authority with respect to municipalities. Since the mid-1960s, any informal political conventions about the sanctity of established local governments have been almost completely eroded, a development that has not occurred in the United States. There appeared to be no constraints on what a determined Harris government could do to its municipal political enemies in the old City of Toronto.⁸ In the absence of such constraints, the Harris government acted. It was precisely because the amalgamation policy was such an obvious attack on the established and articulate middle-class political interests within the old city that the reaction was so quick and effective (Horak 1998). But the Harris government realized that it would lose too much by backing down, and it pushed the measure through at considerable short-term political cost.

The other state-centred explanation relates more to the "state" (of Ontario) as a whole than to the political interests of its leaders. Both the Golden Task Force and Harris himself, when in opposition, were leaning towards eliminating the Metro level of government, not the lower-tier municipalities. Metro was to be replaced by some new form of authority for the entire Greater Toronto Area. This plan did have political costs for Harris, because it brought the "905" voters – his core support group – much closer to Toronto political issues than they ever wanted to be. But there were also severe practical, governmental difficulties that even the Golden Task Force did not fully work out. These difficulties related especially to the fate of some services (notably, the police) that could not be uploaded to the new GTA authority or to the province or be downloaded to the area municipalities. Furthermore, even leaving aside the preferences of "905" voters, there were real practical difficulties in determining how a GTA authority would actually work. Harris could dispense with these problems – and meet his electoral promise of abolishing Metro – by creating the mega-city. The fact that no one was actually advocating such a policy was irrelevant.

The Montreal amalgamation is in many ways more complicated, in part because the mayor of Montreal, Pierre Bourque, was a fervent advocate of it. He obviously played a significant role in affecting the final decision of Lucien Bouchard's provincial government, and in this sense the decision is arguably less state-centred, though advocates of such a position presumably have to

claim that a mayor of a major city is not part of the state apparatus. One point is clear: Bourque himself was not responding to any societal forces (business or otherwise) that were urging Island-wide amalgamation – they did not exist. In many ways, Bourque's success in having his unlikely policy adopted can be seen as the most remarkable accomplishment ever of a Canadian mayor.

Before beginning the Montreal analysis, we must take account of a few contextual factors. First, like Toronto but unlike Halifax, there has never been (before 2001, at least) any official report sponsored by the Province of Quebec advocating the amalgamation of all the municipalities covered by the original metropolitan government (the CUM), despite the fact that dozens of such reports have examined municipal issues in the Montreal area. Second, unlike Toronto and Halifax, the merger in Montreal was implemented by a provincial law (Bill 170) that simultaneously merged municipalities elsewhere (Quebec City, Gatineau, and Longueuil). Third, unlike Toronto and Halifax, the merger in Montreal was directly linked to sensitive issues relating to constitutionally recognized linguistic minorities.⁹

In 1999, Mayor Pierre Bourque of Montreal was already working hard to accomplish his objective of amalgamating all the municipalities on Montreal Island into a new City of Montreal. The suburbs – francophone and anglophone alike – were resisting. The political dynamics were almost identical to what they had been when Mayor Drapeau of Montreal launched a similar campaign in the 1960s (Sancton 1985, 93–5). The main difference was that, at the level of the Quebec government and in the anglophone municipalities, there was a heightened sense of the linguistic implications. For the Quebec government, the concern was that an amalgamated City of Montreal would have only a razor-thin francophone majority and could conceivably be captured politically by declared non-sovereignists – even by partitionists, who could threaten to have Montreal separate from a newly independent Quebec.¹⁰ For the anglophone suburbs, the concern was that under the provisions of Quebec's *Charter of the French Language*, their territories would lose their bilingual status if they were absorbed by a city whose majority was French-speaking. In the mid-1960s, sovereignty, partition, and language laws were not serious political issues. In the late 1990s they were.

But these were issues that could not be raised by mainstream politicians, francophone or anglophone, provincial or local. This is why they do not appear in any official reports, including the Bédard report on municipal fiscal issues (Quebec 1999), a report that favoured a drastic reduction of municipalities on Montreal Island, but not total amalgamation. The unspoken linguistic problem with any such proposal is that it involved, at a minimum, the merger of some francophone-majority municipalities on the West Island into a new and populous anglophone-majority municipality. In practical political terms, this simply was not possible.

The point, of course, is that total amalgamation seemed equally impossible. This was confirmed in June 1999 when both Premier Lucien Bouchard and Louise Harel, the minister of municipal affairs, explicitly rejected the plan espoused by Mayor Bourque. Premier Bouchard was quoted as saying, "One island, One city is not in the picture for us. But we know that we cannot leave the situation as it is" (author's translation).¹¹ A modest reorganization, such as one that would bring the municipalities of Westmount and Outremont into the City of Montreal, might have made sense to those who wanted to bolster the social and economic strength of the central city, but it would have been seen by many as an arbitrary and stopgap measure that could only be achieved at a huge political cost.

By September 1999, the option of complete amalgamation was back on the table. As with Premier Harris in Ontario when he had promised to do something about municipal structures in the Toronto area, the option of amalgamation re-emerged for Premier Bouchard after his own outer suburban MNAs rejected the option of a strong directly elected authority for the entire Montreal region. In April 2000, at the same time as it released its White Paper on municipal reform (Quebec 2000a), the government appointed chairs of advisory committees for municipal structures in Montreal, Quebec City, and the Outaouais area. For Montreal, the chair was Louis Bernard.

Bernard's report was made public on 11 October 2000. Although it called for the creation of a single City of Montreal covering the entire island, it also noted that it was important "to preserve the link between citizens and their immediate political environment, to reinforce the feeling of attachment to a way of life, and to encourage the development of social and cultural diversity" (author's translation). He also made reference to the need to "preserve the cultural and historical roots of diverse communities." Nevertheless, the report made no explicit reference to language (Quebec 2000b, 6–7). There was no evidence that Bernard consulted anyone other than municipal officials.

The report created a crucial political challenge for Montreal's larger suburban municipalities, especially the anglophone ones, because it went much further to accommodate suburban demands than anyone had predicted. Bernard proposed the creation of twenty-seven boroughs, each with a council that would have the authority to manage a significant range of local services and to levy a tax on property within the territory of the borough to pay for these services. Boroughs that were formerly autonomous suburbs could even maintain responsibility for negotiating collective agreements with their unions, a provision that enraged the existing unions within the City of Montreal. Never in Canadian municipal history had a serious proposal for an amalgamation been accompanied by such a high degree of political and financial decentralization. Indeed, the most compelling criticism of the Bernard plan was that it effectively involved the creation of a three-tier system of local government

for Montreal Island: the newly created Montreal Metropolitan Community covering the entire metropolitan area; the new City of Montreal covering the island; and the twenty-seven boroughs.

On 15 November 2000 the government announced the content of Bill 170. Boroughs were not given any authority to levy taxes or to enter into collective agreements. It appears that Premier Bouchard had decided he could not take on both union and suburban opposition at the same time (Milner and Joncas 2002). With some suburban municipalities objecting to the Bernard report just as strenuously as the unions in the City of Montreal, it is not surprising that Bouchard opted to gain at least some significant political support by satisfying the unions and limiting the autonomy of the boroughs. Nevertheless, even without any authority over taxation and collective agreements, the boroughs were given more legal authority over local services than similar bodies that were established after amalgamation in other Canadian cities, including Halifax and Toronto.

The language issue emerged in a much more public way at this same time. The government announced that boroughs formerly within anglophone municipalities would retain their bilingual status under the *Charter of the French Language*. This policy required in the West Island that the francophone municipalities be grouped together to form a single borough, even though their territories were not contiguous. Furthermore, the section of Bill 170 concerning Montreal opened with the declaration, "Montreal is a French-speaking city." Taken together, these provisions indicate how carefully the government had balanced the various linguistic imperatives it faced, both from within the Parti Québécois and from the anglophone minority.

The government's careful handling of the language issue shows that its imperatives were in fact more important than the amalgamation itself. In many respects the very existence of the boroughs is merely a mechanism to work around the language issues which the amalgamation created. But why did the Bouchard government choose the amalgamation option in the first place? One answer, as we have seen, is that the alternative of creating a new, stronger metropolitan authority was not acceptable to its own core supporters in the outer suburbs. Just as Harris amalgamated Toronto in order to be seen to be doing something to address an apparent crisis of governance in the province's largest city, so did Bouchard amalgamate Montreal. Bouchard had the added justification that he was merely following Ontario's example.

Unlike Harris in Ontario, Bouchard and his colleagues pointed to the benefits of equalizing taxes and services across the new city. These were powerful arguments for the more social democratic elements of the Parti Québécois. But if they were so intrinsically important, it is difficult to understand why they were rejected for so long by the government after Mayor Bourque first started advancing them. In any event, even if we assume that this was the government's real motivation, it is clearly a state-centred explanation. No one

except Bourque was calling for an amalgamation of the entire CUM, not even the various groups, such as unions, that traditionally supported the Parti Québécois and would normally be expected to favour political action leading to increased equality. But there is one additional fact that must be kept clearly in mind: by the time Premier Bouchard had formally committed himself to amalgamation, he had already announced that he was leaving. There is perhaps no easier time for state-centred policymaking than in a parliamentary system after a popular first minister has announced his or her impending retirement.

While the Bouchard government was pushing Bill 170 through the National Assembly, a strong anti-merger movement appeared in affected areas of the province, especially on the western part of Montreal Island (Aubin 2004). Opposition leader Jean Charest promised that, if elected, he would establish a democratic mechanism for residents of merged municipalities to decide if they wanted their area to demerge. To the surprise of many, after the 2003 provincial election, Premier Charest kept his promise and introduced complex legislation (Bill 9) that provided for local decisions on demergers. On 20 June 2004, residents of fifteen former municipalities on Montreal Island voted in sufficient numbers to demerge (Whelan and Joncas 2005). Although many observers have pointed to the complexity and confusion surrounding the new arrangements that will come into force on 1 January 2006, there is little or no evidence that societal interest groups in Montreal are particularly concerned about the demerger process one way or another.

State-centred policy forcing municipal mergers in Quebec provoked societal opposition, which prompted an opposition party, later the government party, to provide for demergers, which in turn took place without much involvement by actors outside conventional municipal politics. If there had been strong societal interests favouring the mergers in the first place, surely we would have heard more from them during the demerger process.

CONCLUSION

This paper is not concerned with the political rationale for amalgamations; it is concerned with academic explanations. Just because we cannot know exactly how and why politicians behave in particular situations (Young 2003) does not give us the luxury of starting with some “broad force” such as globalization and deducing how it must have affected a particular policy decision. We must at least allow for the possibility that even the broadest and most powerful of such forces might, in certain situations, be of no relevance at all to a particular decision. This is precisely the point being made here about municipal amalgamations in Canada: there is very little about the broader politics of these amalgamations that was not present in amalgamation controversies in the United States during the nineteenth century. What is obviously

different is the presence of the linguistic issue in Montreal and the relative importance of the three provincial premiers on the one hand and the relative unimportance of American state governors on the other.

In the American system, state governors could do nothing without cajoling a majority in each of two houses in the state legislature to support an amalgamation initiative. Incentives for such support were very small, especially when it was generally accepted that even if an amalgamation proposal were accepted by the state legislature, it would still have to be approved in some form of local referendum. In short, American state politicians advocating municipal amalgamations understood that they had to mobilize a great deal of societal support or else it would not happen. There is plenty of evidence of pluralist, or society-centred, policymaking in any of the nineteenth-century American cases. Exactly the same claim can be made about the politics of the recent San Fernando Valley secession attempt – and for the same reasons.

There are no sweeping conclusions to be drawn from this attempt to understand why municipal amalgamation policies have been pursued in Nova Scotia, Ontario, and Quebec over the last ten years. These policies were brought in with little or no thought by provincial premiers, who acted as they did in response to the particular political circumstances in which they found themselves. They made little or no effort to mobilize consent for these policies, beyond a small group of cabinet ministers, who in turn helped control obedient caucuses. The adoption of these policies demonstrates how easy it is – in some circumstances, at least – for those who control the apparatus of the provincial state to have their way. Such a demonstration raises two questions: Is it a good idea for provincial premiers to be able to do what they want without having to mobilize political support? Or is the municipal sector in some way unique or unusual, such that similar state policymaking autonomy would not be possible in other sectors?

NOTES

- 1 There is, of course, a huge literature on globalization. This definition derives from one of the more recent contributions; that of Newman and Thornley 2005, 13–15.
- 2 For details, see www.latimes.com/news/local/la-secede-sg.gallery.
- 3 The best-known popular account of these reforms is Osborne and Gaebler 1992. The book is full of municipal examples, but none of them involve municipal amalgamations.
- 4 Letter from the Board of Trade of Metropolitan Toronto to Anne Golden dated 18 May 1995, reproduced in the CD-ROM accompanying Ontario 1996.
- 5 In response to my request in June 2003, a copy of the brief was graciously provided to me by Francis Letendre, a research assistant for the *Chambre de commerce*.

- 6 As quoted in Kevin Cox, "Halifax-area Leaders Fuming over Plan for Supercity," *Globe and Mail*, 28 October 1994.
- 7 Savitch and Kantor (2002) treat the territory of the Municipality of Metropolitan Toronto as metropolitan Toronto's "centre city," even for the period prior to amalgamation.
- 8 This was confirmed in legal terms by the results of the court challenge. See Milroy 2002.
- 9 For Guy Bertrand's legal argument on this point, see www.guybertrand.com/pdf/memoire2.pdf. The argument was rejected by the courts. For other approaches that emphasize the importance of the language issue, see Boudreau 2003 and Serré 2003.
- 10 Lysiane Gagnon, "Why the Suburbs Resist Merging with Montreal," *Globe and Mail*, 12 June 1999. For details on the partitionist movement, see Stevenson 1999, 225–9.
- 11 As quoted in Kathleen Lévesque, "25 élus dirigeront la suprarégion de Montréal," *Le Devoir*, 15 June 1999.

REFERENCES

- Aubin, H. 2004. *Who's Afraid of Demergers? The Straight Goods on Quebec Megacities*. Montreal: Véhicule Press
- Benjamin, G., and R.P. Nathan. 2001. *Regionalism and Realism: A Study of Governments in the New York Metropolitan Area*. Washington, D.C.: Brookings Institution Press
- Boudreau, J.A. 2003. "The Politics of Territorialization: Regionalism, Localism, and Other Isms ...The Case of Montreal." *Journal of Urban Affairs* 25 (2): 179–99
- Courchene, T.J. 2001. "Ontario as a North American Region-State, Toronto as a Global City-Region: Responding to the NAFTA Challenge." In *Global City-Regions*, ed. A.J. Smith, 158–90. Oxford: Oxford University Press
- Frug, G. 1999. *City Making: Building Communities without Building Walls*, Princeton N.J.: Princeton University Press
- Haselhoff, K. DeF. 2002. "Motivations for the San Fernando Valley Secession Movement." *Journal of Urban Affairs* 24 (4): 425–43
- Hogen-Esch, T. 2001. "Urban Secession and the Politics of Growth: The Case of Los Angeles." *Urban Affairs Review* 6 (6):783–809
- Horak, M. 1998. "The Power of Local Identity: C4LD and the Anti-Amalgamation Mobilization in Toronto." Research Paper 195. Toronto: Centre for Urban and Community Studies, University of Toronto
- Ibbitson, J. 1997. *Promised Land: Inside the Mike Harris Revolution*. Toronto: Prentice-Hall
- Keil, R. 2000. "Governance Restructuring in Los Angeles and Toronto: Amalgamation or Secession." *International Journal of Urban and Regional Research* 24 (4): 758–81

- Local Agency Formation Commission for Los Angeles County (LAFCO). 2002. *Special Reorganization of the San Fernando Valley: Executive Officer's Report*, 24 April
- Milner, H., and Joncas, P. 2002. "Montreal: Getting through the Megamerger." *Inroads* 11: 49–63
- Milroy, B.M. 2002. "Toronto's Legal Challenge to Amalgamation." In *Urban Affairs: Back on the Agenda*, ed. Caroline Andrew, Katherine A. Graham, and Susan D. Phillips. Montreal & Kingston: McGill-Queen's University Press
- Newman, P., and Thornley A. 2005. *Planning World Cities: Globalization and Urban Politics*. Basingstoke, England: Palgrave Macmillan
- Nordlinger, E.A. 1981. *On the Autonomy of the Democratic State*. Cambridge, Mass.: Harvard University Press
- Nova Scotia. Task Force on Local Government. 1992. *Report to the Government of Nova Scotia*. Halifax, April
- Ontario. Task Force on the Future of the Greater Toronto Area. 1996. *Greater Toronto: Report of the GTA Task Force*. Toronto: Queen's Printer
- Osborne, D., and Gaebler, T. 1992. *Reinventing Government: How the Entrepreneurial Spirit Is Transforming the Public Sector*. Reading, Mass.: Addison-Wesley
- Quebec. La Commission nationale sur les finances et la fiscalité locales. 1999. *Pacte 2000*. Quebec: Publications du Québec
- Municipal Affairs and Greater Montreal. 2000a. *Municipal Reorganization: Changing the Ways to Better Serve the Public*. Quebec: Gouvernement du Québec
 - 2000b. *Regroupements municipaux dans la région métropolitaine de Montréal: recommandations du mandataire*. www.mamm.gouv.qc.ca/accueil/livre_blanc_2000/documents/montreal/rap_mand_ber.pdf
- Sancton, A. 1985. *Governing the Island of Montreal: Language Differences and Metropolitan Politics*. Berkeley: University of California Press
- 1994. *Governing Canada's City Regions*. Montreal: Institute for Research on Public Policy
 - 1996. "Reducing Costs by Consolidating Municipalities: New Brunswick, Nova Scotia, and Ontario." *Canadian Public Administration* 39 (3): 267–89
 - 2000. *Merger Mania: The Assault on Local Government*. Montreal & Kingston: McGill-Queen's University Press
- Sancton, A., James, R., and Ramsay, R. 2000. *Amalgamation vs. Inter-Municipal Cooperation: Financing Local and Infrastructure Services*. Toronto: ICURR Press
- Savitch, H.V., and Kantor, P. 2002. *Cities in the International Marketplace: The Political Economy of Urban Development in North America and Western Europe*. Princeton: Princeton University Press
- Scott, A.J., ed. 2001. *Global City-Regions: Trends, Theory, Policy*. Oxford: Oxford University Press
- Serré, P. 2003. "La reconfiguration de l'échiquier politique au Québec: l'impact de fusions municipales de 2001." *Policy Options* 24 (4): 51–6
- Stevenson, G. 1999. *Community Besieged: The Anglophone Minority and the Politics of Quebec*. Montreal & Kingston: McGill-Queen's University Press

- Stewart, I. 2000. "The Dangers of Municipal Reform in Nova Scotia." In *The Savage Years: The Perils of Reinventing Government in Nova Scotia*, ed. Peter Clancy et al. Halifax: Formac
- Todd, G. 1998. "Megacity: Globalization and Governance in Toronto." *Studies in Political Economy* 56 (Summer): 193–216
- Vojnovic, I. 1999. "The Fiscal Distribution of the Provincial-Municipal Service Exchange in Nova Scotia." *Canadian Public Administration* 42 (4): 512–541
- Whelan, R., and Joncas, P. 2005. "Montreal Demergers: An Update." *Inroads* 16 (Winter-Spring): 94–9
- Young, R.A. 2003. "The Politics of Paying for Cities." In *Paying for Cities: The Search for Sustainable Revenues*, ed. Paul Boothe. Edmonton: Institute of Public Economics, University of Alberta

