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Local Government and Politics in Ontario

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A STUDY OF THE GOVERNMENT AND POLITICS OF ONTARIO would be incomplete without an analysis of local governments, whose decisions and actions have a significant impact on the provincial economy, environment, and quality of life. Local governments are the community-level arm of the political system, providing a mechanism to resolve public problems and facilitate collective action within a defined territorial jurisdiction. Empowered by provincial enabling legislation and vested with a democratic mandate from the electorate, local governments have authority to make and enforce binding rules of behaviour, levy taxes and fees to raise operating revenue, and decide on the range and quality of services to be provided to residents, businesses, and organizations in communities.

Local governments also play a crucial role as implementers of provincial policy. Bills passed in the Legislative Assembly often impose legal and financial obligations on local governments, who are expected to serve as administrative agents in carrying out directives from Queen's Park. Provincial laws and regulations affect local governments in many ways, including their physical boundaries, the degree of autonomy they enjoy in decision making and service delivery, and the fiscal resources they can draw upon to carry out their responsibilities. As explained below, all three of these aspects of Ontario's municipal system were dramatically altered in the late 1990s by the Progressive Conservative government under the leadership of Mike Harris, and the impacts are still being addressed.

This chapter begins by describing the structure of Ontario's local government system and the reforms implemented by the Harris Conservative government. It then examines the political leadership and administrative structure of municipal governments. The third section analyzes the authority and functional responsibilities of local governments and how these have evolved over time. Finance is the focus of the fourth section, including sources of local government revenue and general fiscal capacity. The last section examines the dynamics of provincial-municipal relations, highlighting both the ways in which provincial decisions affect municipalities and how local politics can obstruct the provincial government's plans.

Structure of Local Government

The term “local government” includes various types of municipalities, such as cities, towns, townships, and villages, which have corporate status under provincial law and are endowed with broad powers and responsibilities. It also includes a large number of agencies, boards, and commissions, such as conservation authorities, school boards, and public utilities commissions, which are created under provincial or municipal authority to serve specific governing functions in communities or regions.¹ The analysis in this chapter focuses primarily on the 444 municipal governments in Ontario at the time of writing.

Municipalities vary greatly in size, ranging from small, rural villages like Westport, with a population of about 650 people, to the dense urban metropolis of Toronto, which houses a population of more than 2.6 million, or nearly 8 per cent of Canadians. Most municipalities are small- to medium-sized communities, and only about 7 per cent have a population greater than 100,000. About one-third of municipalities are located in Northern Ontario (north of Lake Huron), which makes up nearly 90 per cent of the land area of Ontario, but contains only about 6 per cent of the total population.

About 40 per cent of Ontario municipalities are single-tier units with sole responsibility for funding and providing services to residents. They are typically geographically distinct (such as St. Mary’s, Guelph, and Kingston) or were created through amalgamation of several smaller units, such as Kawartha Lakes, Hamilton, and Greater Sudbury. However, most municipalities are part of a two-tier structure, in which service responsibilities are divided between several lower-tier municipalities and a single upper-tier authority (8 regional governments and 22 counties) that delivers services to the lower-tier units and their residents. The division of responsibilities varies, but largely reflects an attempt to coordinate regional interests and capture economies of scale in service provision. That is, while lower-tier municipalities normally retain responsibility for services that are sensitive to the needs and demands of local residents (such as fire protection, recreation, and property standards), upper-tier units generally manage functions and services that can be delivered more efficiently and effectively at a regional scale, such as arterial roads, solid waste management, and strategic land-use planning.

In these two-tier arrangements, lower-tier municipalities are usually represented on the upper-tier council by their mayors and select councillors, but in some cases regional councillors are elected directly by voters. The warden or chair of the upper-tier council is normally elected internally by the members of the governing council, but is sometimes elected directly by the regional voters. For example, the Region of Waterloo comprises three urban municipalities and four rural townships, and is governed by a

16-member regional council. The council is composed of the mayors of the seven lower-tier municipalities, eight councillors elected by voters in the various member municipalities, and a regional chair, who is elected at large by all eligible voters within the regional boundaries.

Writing in 1997, David Siegel labelled the 1990s as the “age of restructuring,” referring in part to a major structural overhaul of Ontario’s municipal system initiated by the Harris government, which permanently changed the face of local government for many Ontario residents.² The Tories took office with a strong majority government, propelled by a popular campaign platform, the “Common Sense Revolution,” which pledged to simplify governing processes, do away with “nonpriority” services, and generally reduce public spending.³ Although structural reform was not a prominent pillar of the electoral mandate, while in office from 1995 to 2003 the Harris (and later Eves) government nearly halved the number of municipalities from 815 to 447, largely by amalgamating groups of communities.⁴

Guided by a set of principles rooted in neoconservative doctrine—fewer politicians, lower taxes, streamlined service delivery, less bureaucracy, and simplified lines of accountability—the Harris government introduced the Savings and Restructuring Act in 1996, which authorized municipalities to initiate voluntary restructuring agreements with neighbours to consolidate their government and service delivery functions.⁵ In the event that voluntary negotiations failed, a commissioner could be appointed by the province to impose a restructuring plan from above. The first such instance occurred in 1997, when a provincially appointed commissioner issued a binding decision amalgamating the City of Chatham with Kent County and the 21 lower-tier municipalities within its jurisdiction.⁶

Regional governments were also targeted. In 1999 the provincial legislature passed the Fewer Municipal Politicians Act, which eliminated the two-tier governance structures in Hamilton–Wentworth, Ottawa–Carleton, and Sudbury, and replaced them with single-tier, amalgamated cities.⁷ The most striking case of structural reform during this period was the creation of the “megacity” of Toronto, formed through amalgamation of the upper-tier Municipality of Metropolitan Toronto with its six lower-tier municipalities.⁸ The decision, which took effect in 1998, created a city more populous than six Canadian provinces, governed by an enormous council of 57 ward-based members (reduced to 44 in 2000), headed by a mayor elected at large. The City of Toronto is now the sixth largest government in Canada, with an operating budget of more than \$9 billion and a workforce of approximately 50,000, including both direct employees and members of agencies, boards, and commissions.

At the time, the Harris government framed the amalgamation as a strategy to effect cost savings, increase efficiency, and simplify governance, but it

appears none of these objectives were achieved.⁹ Operating costs have risen, largely owing to the harmonization of wages and services after amalgamation, and governance is complicated by a large, cumbersome council whose members continue to perpetuate pre-consolidation rivalries between the central city and suburbs. Furthermore, the megacity amalgamation has not resolved the challenges of regional governance: although the Greater Toronto Area constitutes a single, continuous urban area and economy, there is no overarching government body to address region-wide issues such as economic development, growth management, and infrastructure investment.¹⁰ The Government of Ontario has had to assume some of these responsibilities. For example, in 2006, regional transportation planning was assigned to a new provincial agency, the Greater Toronto Transportation Authority (renamed Metrolinx in 2007).

By the time the Liberal government under the leadership of Dalton McGuinty had taken office in 2003, the wave of restructuring was complete, and since that time there have been only two municipal amalgamations. Apart from some political campaigns to de-amalgamate municipalities merged during the earlier period,¹¹ the issue of municipal restructuring has had low salience on the provincial agenda.

Government and Administration

Local decision-making authority is exercised by the council, a body of officials elected for a four-year term. In some municipalities, members of council are elected at-large (by all eligible voters) to represent the entire community, while in others members are elected to represent residents from a particular ward (a subjurisdiction within the community). Primary duties of the council include approving an annual budget, setting policies to direct municipal operations, and overseeing the administration to ensure decisions and legal obligations are effectively discharged. The head of council, generally referred to as the mayor, reeve, or warden, is elected at-large to represent the municipality in official business, provide leadership to the council, and preside over municipal business as chief executive officer.

To some observers, mayors might appear to be powerful leaders. They are often the primary focus of local media attention, speaking on behalf of the council to explain decisions and new initiatives, and promoting priorities outlined in their election campaigns. Directly elected by all eligible voters in the community, mayors can also claim a sizeable constituency: in Ontario's 10 largest cities, for example, the mayor represents more voters than the prime minister and the premier, considering the population of federal and provincial electoral districts. However, the Municipal Act grants the mayor

no formal powers, and the duties as chief executive officer are general and vague. Although mayors have some influence over the council agenda, their vote on decisions is weighted equally to those of other members. Unlike the prime minister and premier, who lead political parties and can use patronage to induce loyalty from the caucus, mayors must persuade independent councillors to support their position on issues, often without success.¹² In Toronto, for example, a proposal by Mayor Rob Ford to abandon an approved development plan and build an entertainment and shopping area on the Port Lands (a 400-acre plot on the edge of Lake Ontario) was stymied by councillors opposed to the idea.¹³

Some mayors have a higher profile than others, commanding public and media attention with their charisma, passion, or performance. For example, “Hurricane” Hazel McCallion of Mississauga was one of Canada’s longest-serving mayors, winning all 12 mayoralty races in the city between 1978 and 2014. McCallion’s reputation as a fiscal conservative was underpinned by her commitment to keeping the city debt-free, a pledge the council supported throughout her tenure.¹⁴ A 2011 poll of residents in the 15 largest Canadian cities placed McCallion as the most popular mayor, with a 78 per cent approval rating.¹⁵ Mayors of large cities typically garner more media scrutiny, particularly if their rhetoric or behaviour is newsworthy. Mayor Rob Ford of Toronto was perhaps the epitome of both: elected in 2010 on a pledge to “stop the gravy train” at city hall by scaling back departmental budgets and “focusing on the fundamentals,” Ford’s leadership was overshadowed by numerous allegations of scandalous behaviour.¹⁶

A municipality’s daily operations are managed by appointed staff, who administer programs, implement policies, and provide expert policy advice to elected decision-makers. The size and organization of municipal administrations vary considerably, but at a minimum all Ontario municipalities are required to appoint a clerk, who is responsible for recording council decisions, keeping a record of bylaws and meeting minutes, and other duties outlined in the Municipal Act. In supervising staff, municipal councils in many communities are aided by a chief administrative officer (CAO), who occupies the highest appointed office in the administrative hierarchy. The CAO ensures political direction is reflected in the programs and activities of staff and, conversely, presents to the council the needs and interests of the various departments.¹⁷

Authority and Functions

Canada’s constitution allocates no independent legal authority to local governments, but rather assigns exclusive jurisdiction over municipal institutions

to the provinces. The nature of the provincial–municipal relationship is one of superior to subordinate: local governing authority is limited to powers specifically delegated by provincial statute and these can be radically altered with a simple act of the provincial legislature.¹⁸

The general powers and duties of municipal governments are specified in the Municipal Act, which has been amended many times since its first iteration in 1849. Historically, municipal government functions were limited in scope, related largely to regulating disorderly behaviour and nuisance, preserving order, and supporting the production and maintenance of the built environment. Modern municipal governments continue to perform many of the functions necessary to facilitate economic development and growth, such as installing buried infrastructure, maintaining roads, and regulating construction standards by enforcing codes and guidelines. However, they also provide a diverse array of other services to residents and organizations, including:

- *protective services*, such as policing, firefighting, and emergency planning, which are intended to protect people and property from human and environmental threats;
- *transportation services*, including road construction and maintenance, public transit, and snow clearing, which facilitate movement of people and goods in the community;
- *environmental services*, such as waste collection, sanitary and storm water treatment, and recycling, which protect health and safety and contribute to environmental sustainability;
- *social services* to assist members of the community with personal and family needs, such as public health, child care, social housing, and immigrant settlement services; and
- *recreation and cultural services*, such as parks and libraries, which contribute to a vibrant community and enhance quality of life for residents.

The responsibilities of municipal governments changed considerably under the Harris government. As part of their “Common Sense Revolution” agenda, the Conservatives pledged to eliminate “waste and duplication” by “reducing government entanglement,” giving rise to a massive “Local Services Realignment” in January 1997, which dramatically altered the scope of municipal duties.¹⁹ Municipalities were assigned greater responsibility for public health, land ambulance, and social services, including an increase from 20 per cent to 50 per cent of the cost of social assistance, as well as the full cost of child care, long-term care, and social housing.²⁰ Many facilities, such as ferries and airports, were transferred to municipal care and control, and

maintenance of infrastructure assets such as roads would no longer be subsidized through provincial grants. In return, the province assumed a larger share of the cost of education and stripped local school boards of their authority to levy education property taxes on households, which freed up tax room for municipalities. A large, unconditional grant, the Community Reinvestment Fund, was created to assist municipalities in paying for new service delivery responsibilities delegated through the Local Services Realignment. Although the process was nominally intended to be revenue neutral, municipal leaders decried it as “downloading” of the province’s financial liabilities to local governments.

Nearly 10 years after the Local Services Realignment, the weight of the added responsibilities had taken a major toll on municipal budgets and demands were mounting for the province to address the imbalance between local government resources and responsibilities. These demands were most stridently asserted by the Association of Municipalities of Ontario (AMO), a nonprofit advocacy organization whose membership includes most of Ontario’s municipalities. AMO launched a campaign in 2005 to draw attention to “the \$3 billion gap”—the approximate cost to municipalities of “subsidizing” formerly provincial responsibilities, particularly health and social services. By this time, the McGuinty government had taken office, and it proved receptive to a re-examination of provincial and municipal responsibilities. Between 2004 and 2007, the province increased its share of public health funding from 50 to 75 per cent and pledged \$300 million to support local land ambulance services. The provincial government also agreed to partner with AMO to undertake a more comprehensive analysis of the provincial–municipal relationship.

In December 2006, the Provincial–Municipal Fiscal and Service Delivery Review was launched, bringing together elected officials and senior public servants to review provincial–municipal arrangements with respect to financial resources and service delivery responsibilities, and to recommend improvements. In a 2008 agreement, the province pledged to gradually take over full funding of social assistance benefits, which the task force argued are best supported by province-wide revenues, to protect municipal budgets from uncertainty and volatility. The province also agreed to assume the costs of providing court security, which had long been borne by some municipalities (and not others) and were generally increasing. Provincial grant support to municipalities would be reduced to offset these costs, but once fully implemented the agreement is expected to bring a net benefit to municipalities of approximately \$1.5 billion per year. In addition, a memorandum of understanding was signed with the Association of Municipalities of Ontario, which obligates the provincial government to consult with AMO on key policy issues that could affect municipal services or finances.

Local Government Finance

Despite their many responsibilities, municipal governments operate with limited fiscal resources. The primary source of municipal revenue is the property tax, a levy on owners of real property (land and improvements), calculated based on the assessed value of the property multiplied by rates set by the municipal council, which typically vary by property class, such as residential, commercial, and industrial. A second important source of income for municipalities is user fees, which comprise about 20 per cent of total municipal revenue. The Municipal Act authorizes municipal governments to levy charges for a wide range of services, including, for example, licensing and permit fees, use-based charges for water and wastewater, and entrance fees for recreational facilities.²¹

Transfer payments from higher-level governments are a third source of municipal operating revenue. The primary provincial transfer payment program is the Ontario Municipal Partnership Fund, the broad objective of which is to equalize municipal fiscal capacity across the province. The federal government also offers funds to municipalities for targeted purposes. For example, as part of his government's "New Deal for Cities and Communities," Prime Minister Paul Martin signed an agreement in 2005 to share approximately \$1.9 billion raised through the federal gas tax with municipalities in order to support investments in environmentally sustainable infrastructure.²² The agreement was subsequently extended by the Harper government until 2015.

Since the mid-1990s, Ontario's municipal governments have become more reliant on own-source revenue—mainly property taxes and user charges—and less dependent on intergovernmental transfers. To some extent, this has served to increase the autonomy of municipal councils, in that they are less vulnerable to sudden changes in transfers, and have flexibility to adjust property tax rates and service fees to generate the revenue needed to fulfill their spending commitments. However, it also puts greater responsibility on local decision-makers, who face political resistance from residents when they attempt to increase property taxes or user fees. Moreover, fiscal sustainability remains a concern, especially in light of the impacts of the global recession of the late-2000s.²³ Contraction of economic activity had various negative impacts on local economies, ranging from higher unemployment due to the closure of manufacturing facilities to weaker property tax revenues as a result of more vacant properties and escalating arrears.²⁴ Concurrently, municipal spending on social services increased in response to greater demand for social assistance, public housing, and other forms of community support.²⁵

Provincial-Municipal Relations

The major changes to municipal boundaries and duties described above illustrate two key aspects of provincial-municipal relations. First, local governments operate in an uncertain political environment, where shifts in provincial policy can dramatically alter their fiscal resources and the scope and range of their functional responsibilities. It is difficult to make plans with a multiyear time horizon because these could be undermined when a new provincial government takes office or an existing government realigns responsibilities in pursuit of its policy objectives. Second, the terms of the provincial-municipal relationship evolve over time, sometimes influenced by intergovernmental negotiation, but often as a result of changing provincial government interests.

In examining the intergovernmental relationship, Frances Frisken identified five prominent motivations for provincial governments to intervene in municipal affairs, and all of these factors are evident in Ontario's approach to local governments.²⁶ First, it is in the interests of the province to promote local economic growth as a means to create employment and generate revenue to pay for municipal services. In pursuit of this objective, Ontario has implemented a number of initiatives to assist local governments in ensuring their communities are "investment-ready." For instance, the Communities in Transition program was created in 2007 to provide support for projects aimed at diversifying local economies and attracting new business investment, such as business case development, feasibility studies, and marketing initiatives. The province has also made major investments in municipal infrastructure, through programs such as ReNew Ontario, a five-year, \$30 billion investment plan initiated in 2005, which allocated funding to many municipal infrastructure projects, and the \$450 million Municipal Infrastructure Investment Initiative, which funded dozens of municipal infrastructure renewal projects in 2008.

A second provincial policy objective is to encourage sustainable development and growth. Ontario's Planning Act empowers municipal governments to create an official plan, which sets out goals and policies concerning land use, and to establish zoning by-laws that regulate development. However, all municipal planning is required to be "consistent with" a Provincial Policy Statement, which articulates the provincial government's interests, including, for example, planning for future land use, ensuring a range of housing types and affordability, stewardship of natural heritage, water, and agricultural land, and protecting public health and safety by directing development away from hazardous areas.

Over the last decade, provincial officials focused greater attention on growth management in specific areas of Ontario. One such area is the Oak Ridges Moraine, an ecologically significant landform north of Lake Ontario, which contains prime agricultural land, stores large volumes of clean water, and provides habitat for a diverse range of plant and animal species. Because of its location at the northern edge of the sprawling Greater Toronto Area, pressure was mounting in the late 1990s to develop parts of the moraine, and this was vehemently opposed by advocacy groups that sought to preserve the lands in their natural state.²⁷ Extensive media coverage of the dispute compelled the Ontario government to introduce the Oak Ridges Moraine Conservation Act in 2001, which temporarily suspended all development. A conservation plan, promulgated in 2002, divided the moraine into four areas with increasingly stringent controls, such that only about 8 per cent of the land is now accessible for development.²⁸

Third, the province seeks to strengthen the effectiveness and legitimacy of municipal governments as democratic decision-making bodies. Consistent with this objective, in 2000 the Government of Ontario passed the Direct Democracy through Municipal Referendums Act, which empowers local governments to refer important questions directly to voters at election time. In a 2010 referendum in Waterloo, for instance, a majority of voters indicated that the municipality should end the practice of adding fluoride to the water supply.²⁹ Other provincial initiatives target transparency and accountability. Section 239 of the Municipal Act specifies that all meetings of municipal councils and boards must be open to the public, except in limited circumstances, such as labour negotiations, when confidentiality is paramount. Complaints regarding municipal noncompliance can be referred to the Ontario Ombudsman, an independent Officer of the Provincial Legislature who monitors accountability by providing oversight of the administration of government services.

A fourth rationale for provincial intervention in municipal affairs is to prevent or correct disparities in the cost and quality of services. One approach involves spending, whereby funds are transferred from the provincial treasury to municipal governments with weaker fiscal capacity or special community needs. The Ontario Municipal Partnership Fund (OMPF) is the province's main transfer payment to municipalities, which aims to assist municipalities with social program costs, support communities with limited property assessment due to lower property values, address challenges faced by northern and rural communities, and offset policing costs in rural communities. As an illustration, the OMPF provided \$550 million to 388 municipalities across the province in 2014.³⁰

Regulation is another provincial tool for ensuring parity in municipal service quality. Many municipal services, such as water distribution, fire protection, roads, public works, and so on, are subject to detailed standards set by provincial statute. For instance, Ontario's Fire Protection and Prevention Act and regulations require local governments to provide fire protection services, but also to perform a fire risk assessment, implement a program to encourage smoke alarm use, distribute fire safety public education materials, and submit to the Office of the Fire Commissioner an annual Compliance Self-Assessment Form reporting on their implementation of the legislated standards.

Lastly, the province seeks to uphold a minimum standard of living for all Ontarians and therefore imposes obligations on local governments to ensure services and benefits are available to support disadvantaged residents. For example, Ontario municipalities are responsible for funding and administering social housing—government-subsidized accommodations for low- and moderate-income households. Whereas in the 1990s, social housing construction was supported through federal and provincial funding programs, fiscal and administrative responsibility was transferred to municipalities in 2000 as part of the Harris government's Local Services Realignment plan. But after nearly a decade of local administration, concerns were raised about the availability and quality of social housing, including in a 2009 report of the Auditor General of Ontario, which identified a number of weaknesses in the province's oversight system for social housing.³¹ The government responded with a new Long-Term Affordable Housing Strategy, which aimed to simplify the criteria for accessing affordable housing and streamline municipal reporting requirements. However, it also required municipal governments to prepare comprehensive, multiyear plans for housing and homelessness programs, and created a stringent accountability framework, complete with performance indicators.³²

The Evolving Nature of Provincial-Municipal Relations

Municipal governments have more operational autonomy than they did in the late 1990s, as a function of modernized enabling legislation.³³ Historically the Municipal Act was restrictive, enumerating specific powers available to municipal governments, beyond which provincial permission was required. However, a revised version was adopted in 2001 with the objective of establishing a "permissive policy framework," whereby local governments enjoy broad discretion to pass by-laws in key functional areas that are important to community life, such as public utilities, parks, and culture and recreation.³⁴ This approach reflects a view of municipalities as responsible and

accountable governments, which should have the freedom to take action deemed necessary or desirable for the public, constrained only by specific limits set out by the province.

Although they have been endowed with broader statutory authority, many municipal councils appear reluctant to fully exercise these new powers. David Siegel and Richard Tindal attribute this to a “culture of comfortable subordination,”³⁵ whereby municipal decision-makers have become accustomed to a limited role circumscribed by provincial controls. Shifting to a culture of “assertive maturity,” they argue, will require local governments to map out a long-term vision for the community, incorporate the public in setting priorities, value and engage the professional expertise of staff, and aggressively pursue the municipality’s interests with other levels of government.

Practically every policy decision taken at Queen’s Park has some implication for local governments, and municipal councils protest aggressively when they perceive an unfair financial or regulatory burden on their community. Provincial politicians are generally sensitive to the impacts their decisions have on municipalities, but the Government of Ontario ultimately reserves the power to impose its will on local governments in pursuit of its policy objectives. In contrast to the acrimonious nature of the provincial-municipal relationship under Mike Harris, the tenor of intergovernmental relations in Ontario since the turn of the millennium has been generally positive and cooperative. The McGuinty government appeared to regard local governments as partners, and tried to build a relationship of trust and mutual respect, as evidenced by the memorandum of understanding with AMO, the Provincial-Municipal Fiscal and Service Delivery Review, and ongoing consultations on other provincial policy initiatives that could affect municipal finances and service delivery responsibilities. This approach has endured under the leadership of Premier Kathleen Wynne, who built relationships with municipal leaders in her previous role as minister of municipal affairs and housing. Nevertheless, as explained below, and as discussed in greater detail in Chapters 13 and 14, a number of Liberal government policy initiatives were complicated or undermined by significant opposition from local politicians and residents.

Local Resistance to Provincial Initiatives

Land-use decisions are some of the most contentious issues that local governments face, particularly when nearby residents mobilize in opposition to a proposed development. Freeways, low-income housing units, adult entertainment establishments, landfills, and many other potential land uses

typically trigger complaints from people who oppose the proximity of these developments, arguing that they will have a negative impact on the value of their property or their quality of life. This phenomenon is commonly referred to as the NIMBY syndrome: Not In My Backyard. Often dramatized by the media, these situations pose a difficult choice for politicians. On the one hand, development generates revenue for the municipality in the form of fees, charges, and property taxes, which can be used to provide services to residents. On the other hand, municipal councils have a responsibility to protect local quality of life, and concerted, strenuous objection to land use changes sends a clear signal that a decision is unpopular.

Provincial plans can be effectively derailed by NIMBY opposition, as evidenced in the difficulty the McGuinty government faced in pursuit of its strategy to close coal-fired power plants and expand renewable energy production in the province. A key part of this strategy was to build a number of natural gas power plants, but these projects were fiercely resisted by local residents in some communities. Notably, strong opposition in the Toronto area suburbs of Oakville and Mississauga prompted the McGuinty government to abandon two power plants after construction had begun. As Anna Esselment discusses in Chapter 13, these decisions cost the provincial treasury hundreds of millions and gave the opposition parties potent ammunition with which to attack the government.

Proposals for major wind power developments also encountered NIMBY opposition, as local residents protested against the erection of enormous turbines. One such proposal, which involved the construction of 60 wind turbines in the shallow water of Lake Ontario off the Scarborough Bluffs, ignited a well-organized and vocal opposition campaign that included both local residents and politicians.³⁶ Similar battles pitting residents against wind farm proponents were waged in dozens of other communities across the province. Responding to public opinion, some local governments attempted to fight wind power developments by passing resolutions, restricting zoning, and imposing exorbitant fees.

In the face of this local opposition, Dalton McGuinty vowed that provincial decisions would supersede local bylaws and regulations designed to block green energy projects, so that “NIMBYism will no longer prevail.”³⁷ Indeed, the province ultimately amended municipal planning powers, effectively removing local authority to regulate renewable energy production projects.³⁸ As this example illustrates, despite the more collegial tone of intergovernmental relations in Ontario, municipalities clearly remain “creatures of the province,” whose resources and authority are subject to the changing policy priorities of the premier and cabinet. Although cooperation and consultation with local governments may be the norm, the provincial

government will not hesitate to assert its authority to ensure municipal behaviour is in line with its policy interests.

Conclusion

Local governments are a vital element of Ontario's political system, providing a democratic means to authoritatively resolve community problems, a mechanism to finance and deliver services to people and property within defined jurisdictions, and an administrative network through which the provincial government can effectively implement its policy objectives. All of these roles have evolved over time, influenced by both the changing needs and demands of residents and the political priorities of successive provincial governments.

Since the late 1990s, Ontario's local governments have had to adapt to major changes in their operating environment, including a radical restructuring of the municipal system. An overhaul of provincial enabling legislation and adjustments to municipal revenue streams have conferred greater autonomy on local governments, while new responsibilities with respect to accountability and transparency have focused scrutiny on both the decision-making processes and the outcomes they bring about. Perhaps more than ever before, Ontario's local governments are publicly recognized by the provincial government as responsible and accountable governing bodies with a legitimate mandate to make decisions to serve the public interest. Questions remain as to whether this collegial, mutually respectful relationship will last, and the extent to which local governments will embrace and effectively harness their broadened sphere of discretion. Generally, however, local governments appear better-equipped to face the challenges of the twenty-first century.

Discussion Questions

1. Should the provincial government be legally required to consult local residents (e.g., through a referendum) before amalgamating two or more municipalities into one? Why or why not?
2. The chapter notes that mayors are granted no formal powers in the Municipal Act and possess the same authority as other members of council. In what ways can mayors influence municipal decision making?
3. The NIMBY problem is a serious obstacle to many important developments, including green energy projects. Under what conditions should the provincial government or a municipal council proceed with a development proposal, even if it is opposed by nearby residents?

4. Some argue that local governments are the most relevant and accessible to Canadians, because of their close proximity to residents and due to the immediacy of the issues they deal with, which often have significant and visible impacts on quality of life in the community. Do you agree with this assessment? What political issues have you gotten involved with in your community?

Notes

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