

A Comparative Analysis of Municipal Government in Ontario:  
A Pre-Amalgamation and Post-Amalgamation View of Windsor-Essex, Ottawa and  
the Greater Toronto Area

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A Pre-Amalgamation and Post-Amalgamation View of Windsor-Essex, Ottawa and  
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I hereby affirm that the attached dissertation is entirely my own, except where the words or ideas of other writers is specifically acknowledged according to accepted citation conventions. This assignment has not been submitted, either in whole or in part, for any other course granting activity at the International School of Management or any other institution. I have revised, edited and proofread this paper.

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## **Abstract**

This Paper explores the genesis of municipal amalgamation in Ontario, Canada with a focus on those amalgamations that occurred in the Cities of Toronto and Ottawa, as well as the County of Essex. The primary question asked is whether these amalgamations resulted in cost savings to the municipalities involved. All three areas considered underwent amalgamation at different times and in different ways. The current City of Toronto was born by collapsing the former Metropolitan Toronto with neighbouring jurisdictions thereby creating a single-tier government. The current City of Ottawa was created by amalgamating the Regional Municipality of Ottawa-Carleton with the then City of Ottawa thereby creating a new single-tier government. Essex County saw a reduction in overall municipalities from 21 to seven following their amalgamation however the region maintains a two-tier municipal structure.

Data related to the cost of providing services in eight specific areas was reviewed for each of the three jurisdictions mentioned above for the periods 1995 to 2008. This data was further refined based on its capital or operating nature as well as the overall dollar amount spent *vis-à-vis per capita* spending amounts. Savings were found to occur in certain services while costs increased in other services. Overall budget amounts continued to rise over the period considered.

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I also would also like to acknowledge the support of my parents who contributed in many ways to my success in this program. Their strong belief in the strength of continuing education and my mother's continuous questioning of my progress in the program helped propel me along the way and ultimately reach the end. For that I am thankful. I would be remiss without properly acknowledging my extended family for their support as well. My mother-in-law was always available to assist my wife when needed and I am thankful for her contributions.

Undertaking this program at the International School of Management has been a wonderful experience. I have had a chance to meet so many smart, articulate, experienced, and interesting people from around the world, each of whom helped to enrich my academic experience beyond belief. Studying in Paris, Japan, China, and New York added a dimension to the program that is unparalleled to any other academic institution of which I am aware. I

would recommend the ISM program to anyone with the desire to broaden their mind in a global way. The program is unconventional in many ways, but really, that is the point.

I truly want to thank my thesis advisor, Dr. Lloyd Brown-John who stepped into his role without hesitation and with little in return. As retired Professor Emeritus in political science, Lloyd's experience and insight was invaluable and helped immensely. His frequent messages of encouragement were appreciated and his passion for life-long learning is infectious. With Lloyd's assistance, I became a better writer which is a skill that I will use in perpetuity.

I would also like to acknowledge the assistance of Methods Consultants for their insight and experience in helping me develop the statistical formula used in this Paper. Learning how to program statistical software was above my experience level but thanks to their assistance I was able to generate useful output which I could then analyze and interpret.

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As a City Councillor in the City of Windsor who has proposed a consolidationist, regional approach to municipal government in the past, I felt a deeper obligation to ensure that my results were both meaningful and useful. John Maynard Keynes once said, "When the facts change, I change...". Although the research for this project has been enlightening to me (and I hope to the reader) I'm not entirely sure my position has changed as a result of my conclusions. Both theoretical models show strengths and weaknesses, but one thing holds true – every decision must be fact specific and situation dependent. It is my desire to live long enough to

see the full integration of the region in which I live. The place I call home. The place that is, at times, frustrating and exhilarating. The place where I see so much potential, hope and opportunity waiting to be created. The name is unimportant – whether Windsor or Essex. Ultimately it is all about the people, their interactions, their collaboration and their willingness to work together to create a wonderful place to live, work and play. The regional relationship is necessarily symbiotic yet we still view borders as a ‘line in the sand’ as opposed to invisible lines that once divided two areas. This will change. It must.

Finally, I would like to acknowledge the hard work and efforts of all those municipally elected officials with whom I serve and otherwise, for the sacrifice and efforts made to the betterments of your communities. You know first-hand that the job is often thankless. You also know that it takes only one genuine expression of appreciation to feel that you’ve made a real difference. The reward is in the service for which we are honoured to be chosen by our communities to provide.

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## Chapter 1: Introduction and Theoretical Framework

“Municipal institutions constitute the strength of free nations.”  
Alexis de Toqueville

### Introduction

The *Common Sense Revolution* was the name given to the guiding political document that was the basis for a winning election by the Progressive Conservative Party in Ontario in 1995. The leader of the Progressive Conservatives and the architect of that document was Conservative Party Leader Mike Harris who became the 22<sup>nd</sup> person to serve as Premier of the Province of Ontario; a position he would hold until 2002.

The Common Sense Revolution contained the roadmap on how the Progressive Conservatives intended on governing Canada’s largest and most economically important province. The document barely touched upon the subject of municipal amalgamation and consolidation however it was to become the hallmark of Premier Mike Harris’ government. As with most policy areas dealt with by government, there were people and organizations which supported the concept and those which opposed. In the end, municipal amalgamations took four years to complete and drastically reshaped the face of municipal government in Ontario.

It is the purpose of this study to look at three key regions in the Province of Ontario and to examine the impact of the Common Sense Revolution’s municipal amalgamation component on specific service areas delivered by municipal governments. The three regions under examination are: the Greater Toronto Area (the capital of the Province of Ontario), the City of Ottawa (the capital of Canada), and the region of Windsor and Essex County. The term ‘region’

is used with the full understanding that not all areas under consideration form part of a 'regional government' in the pure sense of the term as established in certain areas in Ontario by the Provincial Government starting back in the late 1960's.

### **Statement of Problem**

Politicians who advocate municipal amalgamation often suggest a range of benefits to taxpayers who, it is often alleged, are wary of such change. It is argued that one primary benefit is the tax dollars that can be saved by consolidating municipalities. This view, from the 'Consolidationist' perspective, suggests that amalgamations create economies of scale that will lower the overall total cost for the majority of taxpayers in the particular area. Conversely, the 'Public Choice' perspective suggests that such savings are rarely achieved and that people are better off when they can choose their place of residence among competing municipalities to best service their needs. It is suggested by several authoritative writers that this form of municipal competition is that which best serves taxpayers however the depth of the quantitative research supporting this claim appears uninspired.

The question for this analysis thus becomes, which perspective is more accurate? If money can be saved by amalgamation surely taxpayers will choose to save money if they can continue to receive the same level of service. If financial savings are not found then one must attempt to understand what benefits accrue from such amalgamation and for whom. This study will examine both perspectives as distinct models to determine which model, consolidation or public choice, has a greater probability of validity based upon financial results from within these separate urban regions of the Province of Ontario from the pre-

amalgamation period (1995) to the post-amalgamation period (2008). This study should offer a positive contribution to potential future decisions related to municipal amalgamation. Thus, future amalgamation decisions can be premised upon data driven, statistically sound reasons that neither over-promise nor under-deliver either to politicians and/or taxpayers respectively.

### **Purpose and Significance of Study**

The primary purpose of this study is to determine whether amalgamations in three Ontario municipal jurisdictions produced any financial benefits for municipal taxpayers. In addition, a secondary purpose is to determine whether the personal views of perceptions of residents in one of the three jurisdictions match the financial data analysis from that area. Specifically, do residents' views on amalgamation align with the actual financial outcomes found in that area?

The study will look at multiple financial variables, offered at the municipal, regional, and/or county level, including a review of the costs attributed to general government, police, fire, waterworks, library, planning, and garbage collection, disposal and recycling. Costs are separated based upon the nature of the municipal budgetary expense that is, either operating or capital expenditures.

The three areas examined for this study contain unique features which allow for a suggestive comparison. The nature of the amalgamations, the size of the areas, the service providers, and the types of governments operating within these areas all have some unique features that have not been comprehensively reviewed in prior literature.

## **Role of Municipal Boundaries**

It can be said that jurisdictional boundaries provide dimensions for internal municipal decision making. Those who are elected to municipal public office possess a heightened awareness of the geographic location within which they serve. They have walked streets within their electoral boundaries, they have spoken with residents in order to understand their concerns, and they have become so empowered to make their opinions known at decision-making tables. These boundaries provide a sense of place or commonality to residents who are able to begin to recognize the difference between those who are inside or outside their boundary. In essence, boundaries are an important consideration in consolidation because they provide a context through which people give meaning to their community and neighbourhood (Sack, 1986). In addition, boundaries help to establish the dimensions of “economic, political, cultural and social lives of residents” (Savitch & Vogel, 2004, p. 761). In almost all cases, boundary changes involve an increase in the size of a municipality both in terms of population and geography. These changes are often the cause of discontent among residents who are subject to potential tax increases, changes in service delivery and standards, a potential change in their elected representation, and a loss of their community identity (Feiock & Carr, 2000; Local Government Reform Steering Committee, 2009; Slegtenhorst, 2008). But boundaries are a tricky issue and not everyone views boundaries as a limiting function (Broadbent, 2008). For example, a tourist visiting a region may have no idea where the boundary is between municipalities in the same county or region. In this case the boundary may have no impact on their ability or desire to visit attractions located in the same region but not within the same boundaries. A corporate site-selection firm may be looking at a region in

which to locate a new plant. Boundaries may play a small role in the decision to locate in one particular municipality as tax rates could be dramatically different, however, a more important consideration may be the availability of skilled local labour which would likely include consideration of a much larger area. In this way, boundaries are seen as artificial and disconnected from the realities of the potential or actual 'customer' of a municipality (Sancton, 2008).

Regardless of the method chosen to redraw a municipal boundary the newly combined area can see improvements that are appreciated by the citizens. Services can be delivered to a wider area and thereby create more possibilities for new development, which in turn creates jobs and employs more people. The expanded tax base provides more revenue that can be redistributed across the new jurisdiction to improve service levels (Feiock & Carr, 2001). Those who already benefit from the highest service level will not likely notice the changes notwithstanding they are helping to fund the improvements. This can lead to dissatisfaction among residents of the former jurisdiction.

Alternatives exist to deal with the implementation of enhanced service levels that allow change to happen over time. For example, a municipality can implement a special tax rate for a defined area within its boundaries. This tax rate for the new jurisdiction, can be increased over a defined period of time to offset any tax increase shocks that emerge between the two different tax rates. Newly collected funds can be held in a special purpose account and used to fund improvements and service enhancements to the newly acquired area over the same time period. Therefore, the new area effectively would be paying its 'fair share' for the services it

receives. Conversely, a special levy can be assessed for all residents over a defined time period to allow for funds to be raised that cover costs of enhancing services to the newly merged area. This provides an opportunity to match revenue and expenses over a reasonable period without creating tax increase shocks. Another option is to provide basic service levels and have residents of the new area prepare local improvement petitions for enhancements they wish the municipality to undertake on their behalf (City of Windsor, 2012). This allows the municipality to set aside a specific budget amount each year to cover the cost of such improvements with residents receiving the improvements and sharing in costs directly.

In addition to the financial aspects associated with a boundary change there are also implications in the political arena (Paddison, 2004). Politicians seeking both election and, if successful, consequent representation, may encounter larger jurisdictions which can be less accessible. They may also be unfamiliar with the nuances of governing newly acquired areas, including specific needs of those residents. From the residents' perspective, those who were already included in the boundary may feel as though they have lost their influence with politicians who are now encumbered with issues arising from newly acquired areas. Depending upon the nature of the area acquired in relation to the original jurisdiction, social and cultural issues can also arise. The socio-economic background of a newly acquired area can be problematic if the intent is to merge this area with an incompatible adjoining neighbourhood. These issues played out in the late 1800's when massive amalgamation occurred to create New York City. Many depressed neighbourhoods including the Bronx and Brooklyn were merged with wealthy areas. The cultural differences from the *Chateaux Society* to the *Bowery* only

exacerbated issues faced by politicians and municipal administration in successfully implementing their amalgamation plans (Burrows & Wallace, 1999).

From a theoretical perspective, Jane Jacobs, renowned city planning expert and author, explored the idea of an optimal city-region. In so doing, Jacobs determined that boundaries are important in three main areas, the city itself, districts of approximately 100,000 people adjacent to the city, and local neighbourhoods (Sancton, 2000b). Jacobs differentiated between boundaries and borders and found the latter to exist within a city and not just at a city's legal terminus. For example, in Jacobs mind, borders included train tracks, housing projects, and dead zones within a city. These she claimed, acted as imaginary lines that stopped people from crossing over and expanding their neighbourhoods. In turn, this led to social problems such as crime, which further pushed people to places within a city away from the border created. Jacobs' views on boundaries is that a natural boundary will be created in most cases. In neighbourhoods, people know intuitively what boundaries define the space comprising the neighbourhood. A collection of neighbourhoods then make-up each district whose boundary is ever changing based on pressure placed on it by the city itself. Jacobs view is organic in that boundaries change based on the needs of those living in an area. She also readily acknowledged that, "[b]ig cities have difficulties in abundance, because they have people in abundance" (Jacobs, 1961, p. 447). Such acknowledgement is recognition that boundaries need fluidity so that certain problems, such as air pollution or inter-regional mass transit can be dealt with by jurisdictions creating and affected by the problems associated within their region (Garreau, 1991).

Boundaries create division - sometime necessary and sometimes fabricated. Graham *et al* (1998) stated:

The complexity of urban regions, in Canada and throughout the world, has resulted in a need to reconcile their spatial development and their common orientation with other elements of local political and social life. In short, there is a need to reconcile the complexities of city-region's spatial form with the functions of urban servicing and with the development of a constructive civic society. (p. 67)

Although official boundaries may be created through legislation they are only one aspect of what could be called the realistic boundary of a region.

### **Municipal Growth – How Boundaries Change**

Municipal boundaries can change in a number of ways. Boundary adjustments are usually undertaken as a response to changes in municipal growth or changing municipal responsibilities (Ontario Ministry of Municipal Affairs and Housing, 2010). In Ontario, boundary changes are usually classified as “top-down” where the Province is leading the effort or as “bottom-up” where a local municipality is pursuing a change (Meligrana, 2000, p. 512). In Ontario, the options related to ‘restructuring’ are defined in the *Municipal Act* (S.O. 2001, CHAPTER 25) at S. 172 as follows:

- a) annexing part of a municipality to another municipality,
- b) annexing a geographic area that does not form part of a municipality to a municipality,
- c) amalgamating a municipality with another municipality,
- d) separating a local municipality from an upper-tier municipality for municipal purposes,
- e) joining a local municipality to an upper-tier municipality for municipal purposes,
- f) dissolving all or part of a municipality, and
- g) incorporating the inhabitants of a geographic area as a municipality.

The *Municipal Act* also spells out the path that municipalities can use to initiate any of the above restructuring options. In summary, the *Ontario Municipal Act* essentially provides two primary restructuring options: annexation and amalgamation. Both options involve the merger of at least part of the land of at least two neighbouring municipalities.

Annexation is generally defined as a, “legal process by which a municipality acquires surrounding territory, thereby increasing its size and extending its jurisdiction” (Barlow, 1981, p. 16). In rural areas such as northern Ontario, annexation can mean that one incorporated area takes more land, whether incorporated or not, for use in its daily operations and growth strategy. Incorporated areas are those where another jurisdiction has control of land within their boundaries. Unincorporated areas are distinct because they remain under the control of the province and do not form part of any current municipal boundary. In Ontario, these unorganized areas are mainly located in the far north of the province. There are often few to no inhabitants, and those where people live sometimes have services delivered through local service boards (Ontario Ministry of Northern Development and Mines, 2012).

In urban areas, municipalities may be interested in acquiring land from other incorporated areas as they simply cease to have sufficient land available for development and growth purposes. This often involves one type of municipality (city, village, or town) seeking land from a rural jurisdiction. The gain in territory for one area is offset by the loss in another without any loss to the number of municipalities in the area (Meligrana, 2000). The legal process used to undertake an annexation is beyond the scope of this Paper, however, one can imagine that the boundary changes involved with annexation of unincorporated land does not bring about the same level of political and economic passion as those associated with urban

expansion. In the latter, the change in political power along with community affinity are often the basis for disagreement, legal challenge, and delayed implementation (Carr & Feiock, 2004). In one Canadian province, Nova Scotia, the decision making body responsible for authorizing municipal annexations established a broad test to use when evaluating the benefits associated with annexation applications. The test looked at the “suitability to the circumstances or conditions of the case [without] significant effect on the financial obligations of either Municipality or the burden of taxation upon their rate payers” (Nova Scotia Utility and Review Board as cited in KPMG, 2003, p. 24). The apparent balance sought when deciding on the appropriateness of annexation is the benefit to the municipality versus the expense to the tax payer. Each case is decided on its own merits. For example, the Town of Antigonish, Nova Scotia, prepared a request to annex over 3,800 acres of a neighbouring jurisdiction. As part of its application several benefits were identified to support annexation, including:

- Community of interest among annexed area and current Town;
- Annexation would eliminate disagreement between Town and adjoining municipalities;
- Better planning and service delivery;
- Provide land for future development and growth;
- Lower cost for water and sewage treatment;
- Higher property rates following annexation;
- Stability of tax rates. (KPMG, 2003)

The above benefits are similar to those commonly identified in the literature (Carr & Feiock, 2004; Leemans, 1970; Meligrana, 2000; Sancton, James, & Ramsay, 2000).

Conversely, the disadvantages of annexation include increases in power of the municipality to which the land is transferred, disproportionate effects of political voice for a region, losses of community, apparent negative financial implications of service delivery costs,

irregularity of boundaries over time, and an inability of an annexed region to function effectively (Carr & Feiock, 2004; Leemans, 1970; Lindsey, 2004; Meligrana, 2000).

The literature on the subject of annexation suggests that in the rural setting where land is unincorporated, the path to annexation is less complicated and contentious. Where annexation involves both rural and urban connections the path is often long and the result is never certain. The various interests that exist within multiple political levels and at the community level make a simple annexation impossible. In 2002, the City of Windsor, Ontario annexed a portion of the adjoining Town of Tecumseh. This process from start to finish took nearly one year and resulted in Windsor acquiring just over 6200 acres of land from the adjoining Town of Tecumseh. The agreement included a provision that Windsor would not seek to further annex property from the Town for a period of 20 years unless the City needed additional land for residential and industrial growth (Ontario, Minister of Municipal Affairs and Housing, 2002). The annexed land was located in an area that was mainly undeveloped which offered negligible political consequences for either party to the agreement.

While annexation involves the acquisition of a portion of land by one municipality from an adjoining municipality, the complete merger of jurisdictions is called amalgamation. This involves a comprehensive coordination of municipal service delivery, local administration, and governance. Benefits of amalgamation are often cited as economies of scale, the alignment of planning operations, preparation for regional growth, and cost savings for rate payers (Found, 2010; Leemans, 1970; Lightbody, 1998; Meligrana, 2000; Sancton, 1996). Amalgamation is often viewed as a solution in areas where there are a large number of individually disparate jurisdictions operating. This can include both rural and urban areas.

However the nature of the issues found in urban jurisdictions, along with the population size, and consequences of inaction, generally provide the impetus for restructuring<sup>1</sup>. Most noticeably among issues are those related to urban sprawl, that being, the movement of urban residents to suburban areas. This creates low-density development further away from a city centre and a demand for the same level of services found in the urban centre including, for example, transportation, water, and policing. Even where the service level demands are not the same, the capital cost of the urban infrastructure is generally not being shared by the suburban jurisdictions thereby raising budget issues within the urban area. The situation is further exasperated where a coordinated planning function is lacking between rural and urban jurisdictions. One of the reasons that those in a suburban area chose to live outside of the urban core is that they hope to derive benefits from low-density living and are willing to accept the level of services available. This creates one of the greatest challenges, and disadvantages for governments seeking to amalgamate jurisdictions. Local political consequences for a rural government perceived to be acquiescing in an amalgamation with an urban centre can be devastating notwithstanding the ostensible merits of the case for amalgamation.

In 1997, a meeting was held to vote on possible amalgamation between the City of Chatham, Ontario and the surrounding County of Kent. During the discussion, Claude Johnson, a Deputy Reeve of Orford Township, one of those involved in the proposed amalgamation, had a heart attack immediately following an impassioned speech against amalgamation and he died on the floor of the County Council chamber (Shreve, 2009). Situations like this help to explain why amalgamation decisions are made at the provincial level, a step removed from the local area. The intense emotions surrounding these decisions are muted by the distance of the

decision makers. Other disadvantages cited as arising from amalgamation include damage to the community as it is known, reduction in the concept of local autonomy, devalued influence of citizens, less availability of elected officials, and negative financial implications (Friskin, 2007; Leemans, 1970; Meligrana, 2000; Skaburskis, 2004).

### **Economies of Scale**

One of the primary benefits touted by champions of municipal reform is that reform will create economies of scale that did not exist in the pre-amalgamation past. Economies of scale, in terms of municipal government, are the assumed efficiencies achieved through the organization of public service delivery for larger numbers of people over a larger geographic region. Sometimes this includes grouping of more services into a single organization (Bish, 2001). Diseconomies are the perceived inefficiencies in service delivery brought about as a result of an expanded organizational scope or larger geographic area (Lyman, 1975). Arguably, at some point within the growth of an organization, economies of scale disappear and give way to diseconomies of scale. Figure 1 shows the typical relationship where economies and diseconomies of scale are present. In this case, efficiency is measured by reduced cost *per capita* or per unit of service delivered. In economic terms, to maximize economies of scale one must find the service delivery level where marginal revenue is equal to marginal cost. In the municipal context where profit is not a goal, it involves finding the optimal municipal size and scale of production that manages both the “bureaucratic congestion” (p.387) while ensuring that services can be delivered efficiently to peripheral regions of the municipality (Vojnovic, 2000b).

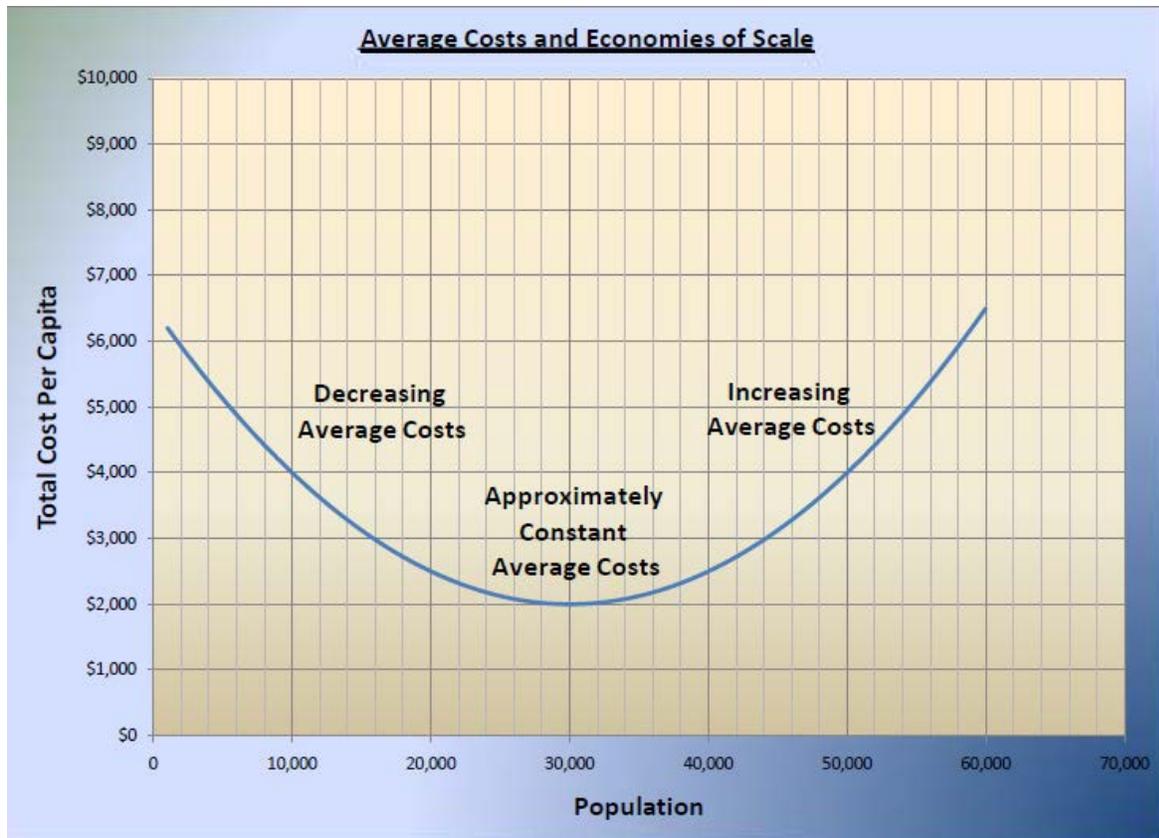


Figure 1. Sample Graph Showing Average Costs and Economies of Scale<sup>2</sup>  
Source: (Found, 2010, p. 14)

The concept of economies of scale is derived from private industry experience where manufactured output can be standardized. However, measurement within a municipality is challenged as municipal 'output' (i.e./ service delivery) is constantly changing and is rarely standardized (Bish, 2001). Therefore, the lack of homogeneity among services and between municipalities means that efficiency is difficult to measure and, in turn, economies of scale are difficult to determine (Hirsch, 1970). Variability in the cost to deliver services and other factors such as geography and proximity to natural resources like water, produce inequities which make direct comparisons between municipalities difficult if not practically impossible. Moreover, the differences in scale economies found within individual services suggest that no standard curve for all services would be practical.

The first challenge for anyone researching economies of scale is to designate, or define acceptable criteria to measure efficiency. The common notion of efficiency in urban government includes a mix of the following:

1. Operating Efficiency – where the service is more efficient if it makes greater use of financial resources to achieve a standard output. For example, the per-tonne cost of waste collection.
2. Quality of Service – where the service is more efficient if it improves the quality of service by making use of specialized equipment and skills. For example, a reduction in the time for emergency service calls.
3. Total Cost of Local Government – where the total *per capita* cost of the service to the community is kept low. (Lyman, 1975, p. 26)

Essentially, efficiency in municipal government service delivery results in greater service per dollar spent, improved service delivery, and modest overall costs. Using these criteria to develop an appropriate measurement of efficiency remains a challenge.

The efficiency or inefficiency of municipal services has often been considered as a point along a U-shaped curve as illustrated in Figure 1. Regardless of municipality, there is a point along the curve that suggests economies turn to diseconomies of scale when the municipality reaches a certain size: be it geographic area or population size. Stone (2002) suggests that determining the ideal size of a local municipal government is not a question that easily can be answered. Hirsch (1970) notes that academic literature is full of descriptions on this theme but researchers offer few solutions. The general consensus seems to suggest that economies of scale are directly related to the types of services being offered (Bish, 2001; Kitchen, 1995; Vojnovic, 1997). According to Bish (2001), 80 percent of local government services show no signs of economies of scale. The remaining services that show some economies of scale are

capital intensive or specialized services such as sewage treatment plants, landfills, waterworks, and traffic light maintenance.

Municipal services in urban areas tend to have a higher cost *per capita* (Desbiens, 1996; Oakerson, 1999). Several reasons for this have been hypothesized but little empirical data has been developed. Expenditures *per capita* seem to correlate more with *per capita* incomes or property value assessments than populations. This means that larger cities with higher *per capita* incomes seem to spend more. An alternate way to describe this phenomenon in large urban areas is that the demand for services is greater. This demand could be attributed to a desire to have high levels of service or more specialized service throughout a municipality (Kushner, 1992).

The reduction of supervisory staff and lower supply and equipment prices through a common purchasing system are often suggested as cost savings arguments by proponents of amalgamation. This is an area where savings can be achieved. However, the tendency is for employees' wages to rise to the level of the best paid municipality therefore eliminating at least part of the prospective savings<sup>3</sup>. In terms of common purchasing agreements, the opportunities may not be as great as suggested by proponents of amalgamation. For example, a local transit commission is unlikely to find any special savings on its bus purchases over a smaller municipality which purchases fewer units. While larger scale operations may not produce huge cost savings it does not mean that there are no potential cost savings from greater efficiencies found within a larger organization. The forced review of operations, in consequence of municipal reform initiatives, can be a catalyst to find savings that were not

otherwise considered. The important question for decision makers is whether the savings warrant the cost and disruption of the reform exercise.

### **Efficiency in Quality**

Potential efficiency benefits can occur by way of improvements to the quality of services delivered. Services which are organizing over a larger area or on a larger scale can raise levels of service and provide common standards throughout each jurisdiction. Such improvements include:

- Integrated planning – raising the level of service through more co-ordinated delivery of planning and zoning services;
- Larger units capable of affording specialized skills and equipment; and
- Larger units helping to achieve uniformity in service standards – i.e.: emergency service response times.

Quality efficiencies are not necessarily available for every municipal function. Lyman (1975) stated:

First, some municipal services avail themselves of standardization and specialization more than others. Those services dealing with physical services - i.e. the "man-to-machine" service - are more susceptible to improvements than the services requiring attention to personal problems [such as social services or enforcement].

Second, when there is a rapid chain of command required, as in fire, police and emergency services, there are benefits to be gained from *unification*, achieved through organization on a large scale. The same is true when services have to be planned on a Metro-wide basis, as in all linear physical services systems. (p. 32)

Using policing as an example, crime generally knows no border. The boundary of one municipality may have police units assigned more heavily, due to higher calls for service, than

other areas within the same municipality. The neighbouring jurisdiction may have the same situation. This results in a theoretical doubling of the police in the same general area but each department is 'unable' to cross an invisible boundary line even when it is more efficient to do so.<sup>4</sup>

### **Diseconomies of Scale**

Diseconomies of scale exist when the average total cost of service delivery *per capita* rises as population increases. Several possible reasons may be posited to explain why diseconomies of scale exist in the municipal realm. These include common service standards, a larger bureaucracy as a result of contractual obligations, and population density generally as a result of having to service more people over a larger geographic area. When municipalities combine, research suggests that the tendency is for service standards to rise to the level of the highest provider (Bish, 2001; Sancton, 2000c) . Service levels in one area may not achieve the same economies of scale when the delivery area is enlarged. Gyimah-Brempong (1987) found that diseconomies in policing costs occur when the population served is greater than 50,000. A study of Canadian municipalities on the lowest cost per gallon of water supplied finds that the optimal population is between 25,000 – 30,000 while operating costs for garbage collection was lowest in populations under 5,000 with costs rising up to a population of 325,000 after which point costs fell again (Kitchen, 1995).

The bureaucracy of a municipality presents challenges as the bureaucracy expands to meet new service agreements. Measuring required staffing numbers to deliver certain services is one key issue but so is maintaining a decentralized environment that fosters operational

efficiency. Many municipal services require employees to deliver a high level of discretionary service using appropriate situational judgment. Measuring performance in these instances is difficult at best (Ostrom, Tiebout, & Warren, 1961). Knowing how many speeding tickets police issue is an important bench mark but so is data related to the number of tickets that were not issued. Without a full understanding of how enforcement discretion is exercised it becomes difficult to measure work being produced by any given individual employee which would help determine whether the organization as a whole is operating efficiently. Such reporting would be cumbersome and operationally ineffective in many instances as the need for personal service and local flexibility remain paramount. This is an area where more research is needed.

In addition, larger organizations are often challenged to maintain a decentralized environment. As an organization grows, there is a tendency to have more layers in the hierarchy with the layers at the top becoming more remote from those at a lower level. There is also a probable concern among senior bureaucrats about expensive operational precedents being set by junior employees who may be given too much discretionary authority to make decisions. In a municipal environment, one must consider the political context within which decisions are made. Centralized management decisions are often preferred by senior bureaucrats and their political masters in order to maintain control over potential mistakes which could create a negative public perception for elected officials.

The academic debate continues with respect to economies of scale in the municipal field. There are those who have found that larger governments provide economies of scale in certain services like waste water and transportation (Bird & Slack, 1993; Boyne, 1992a, 1992b).

There are academics who suggest that there are no savings to be derived from larger operations or, at least, the savings found did not justify expenditures made (Bish, 2001; Hirsch, 1970; Kushner & Siegel, 2005; Sancton, 2000c; Tindal & Tindal, 2004). Holcombe & Williams (2009) found that no economies or diseconomies of scale resulted on a *per capita* basis as a result of municipal consolidation or secession. There is a widespread divergence of views on the issue and there is little, to no, basis of comparison among the observers. Each academic has reviewed distinct time periods, regions, and services when mustering their evidence.

## **Municipal Service Delivery - Municipalities as Producers or Providers of Service**

*“The separation of the provision of public goods and services from their production opens up the greatest possibility of redefining economic functions in a public service economy. Public control can be maintained in relation to performance criteria in the provision of services, while allowing an increasing amount of competition to develop among the agencies that produce them.”*  
(Ostrom, Tiebout, & Warren, 1961, p. 838)

Dialogue related to economies and diseconomies of scale is largely focused on a municipal structure whereby municipalities are the producers of services.<sup>5</sup> That is, the incorporated entity exists to hire people internally who can perform the services and functions demanded by residents. This model exists in many parts of the world to this day.

However, advanced municipalities and larger jurisdictions looking to control costs have used a different paradigm to explore their service delivery role. They no longer see themselves as the necessary producer of every service but rather, as coordinators of, or ones which make provision for service delivery. The nuance between the term provision and production is “deceptively simple” (p. 2) as they are often used interchangeably when discussing local government (Oakerson R. J., 1999). To be clear, the term ‘provision’ refers to the decision making related to taxing and spending of public funds whereas ‘production’ refers to the actual delivery of a public service (Johnson & Watson, 1991; Oakerson, 1999; Ostrom, Tiebout, & Warren, 1961).

Alternate service delivery (ASD) is undertaken by municipalities for many different reasons. Johnson and Watson (1991) find that smaller size municipalities with limited capabilities look for options when it is not economically feasible to produce the service independently. Bel and Fageda (2007) claim that cost is the driving force behind the decision to

change the way services are provided. Hatry (1988) argues that efficiency improvements are generated among public sector producers as a response to competitive pressure and benchmarking from private providers. In addition, meeting new and increasing demand for service as well as improving revenues are cited as benefits of ASD (Ontario Ministry of Municipal Affairs and Housing, 2012). The potential benefits are dependent on the size of the municipality, local geography, and availability of suitable private sector partners both in terms of quality, capacity and quantity. Larger organizations likely have the resources to manage external partners whereas smaller municipalities may find the task more cumbersome. The larger scale of services provided can facilitate more private sector demand and willingness by the private sector to be competitive. Location is also a critical factor. Rural and small municipalities may find greater efficiencies through partnerships or contracting out of direct service delivery rather than delivering them independently. Their ability to produce certain services, such as waste water treatment, may be limited based upon distance between households and cost per kilometer to construct required infrastructure (Bel, Fageda, & Warner, 2010). Lastly, to deliver municipal services with, or through, other partners requires the market to provide a competitive supply of knowledgeable producers. In remote areas such as northern Ontario, for example, this may not exist. Free market principles hypothesize that demand would create the necessary supply however this may not exist in all circumstances. Those producers who are willing to enter the market may demand a longer term for their services or a higher return on their investment resulting in a higher cost than anticipated thereby reducing financial benefits or decreasing municipalities flexibility (Warner & Hefetz, 2008).

Services are classified into four categories based on the nature of their delivery as either:

1. Public provision and public production;
2. Public provision and private production;
3. Private provision and public production; and,
4. Private provision and private production. (Kolderie, 1986)

These classifications offer a basic depiction of models of service delivery. Most of the options outlined provide for some form of private sector involvement. The goal and challenge for municipalities is to find the right partner for the right service. Regardless of the method used to deliver a service, the municipality “always retains the responsibility for providing the service...”(Manchester, 1989, p. 13). This is true from both a political and administrative perspective. Politically, residents who are disappointed with service delivery under some form of private sector involvement will expect their elected officials to address the issue regardless of which service delivery option is exercised. Administratively, agreements with private service delivery partners ought to contain appropriate mechanisms to resolve disputes without the need for judicial intervention while leaving operational control and flexibility with the private partner.

Service delivery can occur through several different methods, these include:

- In-house production;
- Inter-local agreements;
- Contracting out;
- Public Private Partnerships (P3's);

- Franchising;
- Vouchers; and,
- Volunteers and Self-Help programs.

The most common method is still the in-house production of services.

Municipalities in Canada primarily act as producers of the majority of services that they deliver while in the United States fewer services increasingly are produced by municipalities (Hebdon & Jalette, 2008). From the Canadian perspective, this follows the general philosophy established in the Canadian Constitution of “peace, order and good government” (Constitution Act, 1982, S. 91). Canadians have long expected that their government, municipal or otherwise, will produce and deliver services. This view appears to be embedded in the British European roots on which the nation was founded. In Ontario, local governments are under constant pressure to provide the same levels of service with marginal or no tax increases. This in itself is not a new or unique phenomenon. The changing view of service delivery has municipal elected officials recognizing that their governance role means that they will decide what services should be delivered but that they need not produce all of the deliverables (Tindal & Tindal, 2000). What is unique is the extent to which some municipalities have gone to find creative service delivery solutions.

Inter-local agreements are a form of coordinated production or joint production of service (Oakerson, 1999; Skelly, 1997). Neighbouring municipalities which produce a service can coordinate their activities, in whole or in part, to provide the service together. This allows for sharing of resources at appropriate times to deliver services requested.<sup>6</sup> Thurmaier and Wood (2004) cite a 1985 study by the United States Advisory Commission on

Intergovernmental Relations listing "economies of scale" (p. 116) as the primary reason for jurisdictions which engage in inter-local agreements. Such agreements are often used to deal with trans-jurisdictional issues such as public works (water, sewer, roads), environmental (air and water pollution), crime, and economic development (Leroux & Carr, 2007). Such agreements can be both responsive and flexible. For example, two municipal police services can cooperate on an investigation on a matter that is inter-jurisdictional in nature such as gang activity and the drug trade. Such agreements need not be formalized to be effective but do require clear lines of communication to be efficient.

Joint production differs from coordinated production in that it involves two municipalities coming together to organize the service production instead of offering services together. For example, a number of municipalities may come together to fund creation of an economic development organization that none of them are able to develop independently. This allows smaller municipalities to offer services that they would not likely be able to fund on their own. One disadvantage is that each municipality is going to forego direct control of the new organization. Their role may be relegated to a seat on the board of directors where the voice of a small municipality could be overpowered and ultimately outvoted unless voting is weighted. Regardless of the control associated with inter-local agreements, LeRoux and Carr (2007) claim there are intangible benefits associated with these types of agreements. They can act as a catalyst for efforts aimed towards future cooperation as they "establish the foundation for cooperative norms" (Leroux & Carr, p. 357).

Contracting out is a more common mechanism used by municipalities to deliver service. Under this method, a municipality enters into a contractual relationship with a private firm.

The service is delivered at the contracted price and in accordance with the terms of an agreement. Many municipalities in Ontario contract their garbage collection to private firms which collect waste at an agreed price, for a defined time period, and in a defined geographic region. These contracts are generally awarded through a public tender or through a request for proposal process. In some jurisdictions, such as the City of Montreal, contracts are awarded for smaller areas to help stimulate competition and increase efficiency (Kitchen, 2004). Osborne and Gaebler (1992) found that cost savings through privatization is prevalent in public services as monopolies are replaced with competitive procedures that spur the private sector.

Municipalities often will face resistance to privatization if their workforce is unionized as the process is seen as an attack upon organized labour. Many local politicians may also claim that the efficiency of private contractors is substandard. The reality remains that privatized firms can be organized by the labour movement following award of a municipal contract without any recourse to the municipality. As long as the private firm can deliver the service within agreed upon terms then the nature of the workforce is generally unimportant.<sup>7</sup> The efficiency complaint is muted because private contracts expire and must be re-tendered after a certain period of time. This 'call to market' is the incentive for a private firm to maintain high quality levels if they hope to be awarded any future contracts (Kitchen, 2004). There is some level of risk however that a municipality faces in contracting out certain services, especially where the capital cost of entry is high. For example, a municipality which contracts out waste collection and divests itself of all waste collection trucks may find it difficult to fund the capital required to reenter the market at the end of the private contract without a spike in property taxes in a year should new equipment be acquired.

Public Private Partnerships (P3's) are an alternative way to deliver municipal services. They are often used by higher levels of government for large infrastructure projects and are not applicable to every service provided by a municipality. P3's involve a private sector partner investing in the construction of a new project with the support of the municipal government.

The OECD (2008) defines a P3 as:

an agreement between the government and one or more private partners (which may include the operators and the financiers) according to which the private partners deliver the service in such a manner that the service delivery objectives of the government are aligned with the profit objectives of the private partners and where the effectiveness of the alignment depends on a sufficient transfer of risk to the private partners. (p. 17)

P3's are not about the municipality funding creation of public infrastructure but rather about a municipality buying an array of services from the private sector (Grimsey & Lewis, 2007). These agreements can take many forms but ultimately involve the sharing, transfer, delay of, or shifting of risk from the municipality to the private sector.<sup>8</sup> Some argue that public private partnerships can be more expensive than simple public procurement contracts (Armitstead, 2012; Sarmiento, 2010). Others claim that P3's offer superior results for each party to the agreement (De Bettignies & Ross, 2004; Forum Equity Partners, 2009; Grimsey & Lewis, 2007).

The City of Ottawa, for example, has participated in several P3's over the past decade. These arrangements have resulted in new sports facilities, a community centre, a long-term care home, and a consolidated emergency headquarters. Each arrangement has been unique. For example, the City of Ottawa participated in construction of an indoor sports facility called Superdome. The P3 for this project was a 25-year agreement under the following terms:

- The facility will transfer to the City for a nominal fee at the end of the term.

- The private partner was responsible for design and construction of the project with City approval.
- The private partner operates, manages and maintains the facility, and is responsible for the development, marketing and delivery of programs.
- The City is responsible for winter maintenance of parking lots and fire lanes.
- The private partner and the City have entered into a Municipal Capital Facilities Agreement to provide the facility with relief from property taxes, development charges and permit fees.
- The Private Partner sets hourly rates for the use of the facility and users purchase time directly from the private partner facility manager. ("Superdome: How the partnership works", n.d.)

The financial aspects of this project included private partner investment of \$2.4 million to purchase and construct the Superdome. The City invested \$1.1 million to have the site serviced and prepared for construction and use. The City investment will be repaid over the life of the agreement through annual rent payments by the private operator. As P3's are able to be evaluated over time at the municipal level it is quite likely that more municipalities will explore this route as an option for enhancing service delivery.

Franchising is another method of service delivery that permits a municipality to organize provision of service rather than actually producing a service. A franchise exists when a private party provides a service within a specified geographic region and the cost of the service is paid for directly by those who use the service. This form of service delivery allows for multiple producers to operate in the same area at the same time which in turn provides choice and competition thereby permitting residents to evaluate cost and quality in a timely manner. Residents can also switch among producers as their personal needs and desires dictate. Franchising is not a popular service delivery option in Ontario but has been used in many parts

of the United States. Waste collection in many U.S. local counties is provided either on a full free-market basis or through franchises issued by the municipality. Residents in those counties simply choose a service provider from an approved list of private companies and enter into an agreement with that company directly. In this case, the value of a franchise agreement over a private, free-market contract, is that the municipality can dictate to which landfill trash is to be sent and control features related to recycling programs so as to maximize any economies of scale that may exist. From an operations and environmental perspective this system is inherently inefficient. In La Canada Flintridge, an affluent city in Los Angeles County California, potentially one could have three garbage trucks on the same street every week to collect garbage (La Canada Flintridge, 2012). In addition, Kitchen (2004) suggests that franchising can create inefficiencies where users of a service decide to discontinue the service thereby creating negative externalities such as pollution, inefficiency, waste and increased cost.

Another method of privatizing provision of public services is through a system of vouchers. These are contracted grants given to cover all or part of the cost of provision of a specific service for a specified period of time. Vouchers are given to citizens who are deemed eligible under the conditions established by the municipality. The voucher recipient would redeem the voucher with a private provider in consideration of receipt of a specified service. The private provider then redeems a collection of vouchers from the municipality which, in turn, issues payment to the private provider. Vouchers allow for multiple service providers to participate in a program which enhances choice and creates a market of competition among service providers. In order to maximize efficiency, Kitchen (2004) argues that the per-unit value of each voucher should equal the average cost of the most efficient provider. As an example, in

the City of Windsor, Ontario, a voucher program was established to deal with the perceived growth of feral cat populations within the city. The municipality offered 1,000 vouchers worth \$75.00 each to low income residents and those who were acting as surrogate caregivers of feral cats. The vouchers were redeemable towards the cost of having these animals spayed or neutered. The municipality minimized its liability by setting the maximum number of vouchers available. Residents were given the option to use the veterinarian of their choice thereby stimulating the “market mechanism” (Butterfield, 1981, p. 521).

Volunteerism and self-help make up the final service delivery method discussed in this Chapter. Volunteers, by definition, are unpaid persons who come together to deliver a service for a municipality. Often they are trained by a municipality and, sometimes, they may work in coordination with full-time municipal employees. In Canada, many rural areas host volunteer firefighters. Generally, they are given a stipend for each call for service they attend. Usually volunteer firefighters per unit costs are lower than maintaining a full-time service, however, the effectiveness of volunteer part-time fire departments is reduced because response times are often longer (McDavid, 1986). Volunteers can be useful when delivering municipal services, primarily because of cost, however there can be issues related to availability, dependability, labour relations, and insurance costs. Kitchen (2004) suggests that a joint service of staff workers and volunteers helps maintain cost-benefits without sacrificing effectiveness.

Finally, the self-help model involves residents taking a proactive approach to service delivery entirely on a volunteer basis. Programs delivered based upon a self-help model are generally designed so that local neighbourhoods can take initiatives to provide services that are relevant to their particular area and requirements. Kitchen (2004) found that programs such as

community gardens, “Neighbourhood Watch [and] Block Parent” (p. 22), are common examples of self-help initiatives in North America. In 2004, residents of a high-income area in the City of Windsor, were unhappy with the level of police service patrols in their neighbourhood. They subsequently hired a private security firm to patrol their streets in an effort to reduce crime (Schmidt, 2004). This initiative was completely funded by the residents of that area and was not included as a cost to the general City tax base. This model can function well except when pockets of free-loaders emerge who do not contribute a share to overall costs of service. Self-help can achieve economies of scale where the majority of residents choose to participate in the program and voluntarily allocate appropriate funding. Additional issues can arise when residents decide that they would rather have a municipality continue to provide a service after they have paid for its delivery for a period of time. Municipal politicians and administrators would have to reallocate funding and resources accordingly if the service sought was one that involved public safety or health.

Municipalities can arrange for delivery of services and they can produce services. They need not be the producers of service to be effective or accountable to their residents. It is possible for a private sector service provider to do a better job in service delivery than the municipality itself and as such, it is incumbent on municipalities to explore different options for service delivery.<sup>9</sup> Several models exist which permit a municipality to ensure that services are being delivered efficiently and effectively. Both politicians and administrators need to understand the needs of those they serve and the strengths and limitations of their municipality which includes private sector producers. This understanding will help shape and guide the way services are delivered within individual communities.

## Theoretical Models – Consolidation vs. Public Choice

*“By enlarging too much the number of electors, you render the representative too little acquainted with all their local circumstances and lesser interests: as by reducing it too much, you render him unduly attached to these, and too little fit to comprehend and pursue great and national objects.”*

James Madison, *The Federalist Papers*, 1787

Two models of municipal governance are prominent in the discourse on municipal government organization and re-organization. Consolidation, a term used to describe annexation, amalgamation, or regional government is the ‘older’ and more typical model. This model suggests that larger government is better than smaller fragmented government units.

Public Choice theorists conversely, suggest that citizens benefit from smaller municipalities: Choice is the paramount consideration. The public choice model suggests that people will make rational decisions and move to a jurisdiction that offers the best package of services commensurate with their needs. The public choice model is essentially a classic ‘market model’ applied to public administrative systems. The model assumes that a person is both rational and informed and will exercise their choice, or preference, through the market, based upon rational self-interest. Both models attempt to rationalize prospective proposed benefits from differing perspectives, however, “neither side in this debate has been able to score a decisive victory partly because much of the argument has been conducted on the basis of differing value preferences” (Lowery & Lyons, 1989a, p. 533). There is very little theory about municipal governance that does not apply one of these two models (Sancton, 2008).

## Consolidation

Consolidation, in a municipal context, is the process of amalgamating one or more smaller municipalities into one larger municipality. Consolidation has been a popular municipal reform option since the late 19th Century but has garnered more attention since World War II (Vojnovic, 1997). This model's origins are frequently cited as far back as the late 19th Century when one of the most significant municipal consolidation efforts in North American history occurred. This event encompassed 15 cities and towns and 11 villages in five counties as they were merged to form what is now known as New York City (Sancton, 2000c). Distilled to its basics, consolidation can be considered the 'bigger is better' view of municipal government. A typical summary of the recommendations made by consolidationists is highlighted by Bish and Ostrom (1973) who cite from the 1925 book authored by William Anderson in which he stated:

- 1) Each major urban area should be organized by only one unit of local government.
- 2) The voters in each major urban area should elect only the most important policy-making officials, and these should be few in number. Citizens will be confused by long ballots and be frustrated in their effort to choose among candidates for numerous public offices.
- 3) The traditional separation of powers should be eliminated from the internal structure of the single consolidated unit of local government.
- 4) The function of administration, on the other hand, should be separated from that of politics. The work of administration should be performed by specially trained public servants who are adequately compensated, and employed on a full-time basis.<sup>10</sup>
- 5) Administration should be organized into an integrated command structure in accordance with a hierarchical structure, where authority tapers upward and culminates in a single chief executive who approves decisions and flows down direction to subordinates. (pp. 7-8)

Proponents of consolidation suggest that a number of benefits accrue to regions that consider such an approach. First, consolidationists argue that their approach will increase efficiency in the delivery of public services through lower costs derived by economies of scale. The implication is that smaller areas cannot deliver services as effectively or efficiently as larger ones. The idea that a smaller government is doing more with less, including lower administrative costs, has been a compelling and a safe political position for many who suggest this model. Vojnovic (1997) states:

The perception of consolidation by the public itself is generally twofold. On the one hand, any policy initiative that promises to improve the efficiency of local government, and consequently reduce taxes, is viewed favourably. On the other hand, many municipalities, especially the fiscally stronger ones, resist the idea of consolidation. (p. 1)

Unfortunately, little empirical evidence is available to conclude that gains in efficiency result from consolidation (Bish, 2001; Keating, 1997; Kushner & Siegel, 2005b; Lowery, 1982; Sancton, 1994). In addition, consolidationists claim that people are over-governed and prefer fewer politicians and less government overall. This claim is often linked to the efficiency argument discussed above. Some of the more traditional subscribers to this philosophy view smaller government units as inefficient and incapable of handling municipal issues in a professional manner (Bish & Ostrom, 1973). Consolidationists argue that larger governments are more democratic because of the greater powers they possess to influence control over policy issues. To be clear, fewer politicians and less government are intended to be symbiotic with larger government units. That is, fewer people governing larger areas and fewer bureaucrats performing similar functions. A consolidationist generally views small government

units with overlapping jurisdictions as a duplication of service delivery and an unnecessary waste of scarce resources. Consolidationists see one jurisdiction with the authority to govern a major urban area as an efficient use of those scarce resources. In economic terms, a consolidationist prefers a municipality that is large enough such that the service area population is able to offset the average cost of production (Vojnovic, 2000). All of these ideas also are prefaced within the context of political and administrative accessibility. With fewer layers of people involved in each transaction and at each level in the consolidated organization, this model suggests that the political and bureaucratic bodies are more open to the public which they serve.

A third view held by consolidationists is that larger areas provide for more equitable service levels to taxpayers as well as a more stable tax-base for municipalities. The fragmentation of jurisdictions is seen as a cause of inequitable service delivery within a region. Larger governmental units are seen as better able to deliver a range of services and programs. One government is considered optimal in decision making for a region as they do not suffer the same myopia found among fragmented units. The cost of certain services and programs such as waste treatment, recycling facilities, library systems, and transit services are seen as better delivered to a wider populous which can obtain benefits while sharing in the levels of capital costs better borne by a larger area. Communities which would otherwise not be able to afford capital intensive investments would find their service levels upgraded likely to the standards of the community which receives the highest level of service (Sancton, 1993).

In addition to service levels, consolidationists believe that tax rates would become more stable through the absorption of smaller municipalities. These jurisdictions may have relatively

disproportionate industrial or commercial tax bases as they need not provide the same levels of service that the larger urban areas provide. Lower service levels result in correspondingly lower tax rates which become attractive to business and industry looking to locate in a region.

Employers can utilize the talent pool of the greater region without having to pay the tax rates of the large urban area which are likely larger than the smaller 'bedroom' or contiguous communities. In addition, tax rates are also attractive to middle and upper class residents who easily can commute from the suburbs to urban areas for business and entertainment. This shift causes large urban areas to incur increasingly more expensive costs of delivering social programs for example, while watching their tax base revenue decline. Consolidationist claim that larger urban areas can eliminate problems associated with smaller areas whereby the latter are focused upon the benefits to their own community as opposed to the benefits accruing to an entire region (Isin & Wolfson, 1999). Using transit services as an example, those on social assistance are more likely to locate to an urban area where such a service exists, purely out of necessity. A consolidationist would claim that this unfairly burdens large urban areas which share a greater portion of the social service costs of a region while having to maintain expensive services without cost sharing from outlying communities. By merging smaller municipalities into one large municipal area, the new jurisdiction is able to distribute costs more equitably and thereby disseminate costs and benefits over a larger geographic area (Isin & Wolfson, 1999).

Finally, consolidationists allege benefits associated with planning at a regional level. Regional planning involves management of regional change. This includes, among others, planning in the areas of population growth, economic decline, technological changes,

infrastructure needs and environmental concerns (O'Brien, 1993). All these policy areas are not limited by arbitrary political boundaries. Consolidationists support the notion that one political body dealing with these issues will remove, or at least minimize, duplication involved in a fragmented government system. Further, a consolidated municipal system also may, provide clarity and accountability in the process. There can be no finger-pointing to outside municipalities as the control and authority for decision making is wholly vested in one elected government which is accountable for any action or inaction. In a consolidated model, economic opportunities are no longer viewed through the small municipality lens but rather through the lens of what is best for the entire region (Carr & Feiock, 2004).

### **Public Choice**

Emerging from within the work of Charles Tiebout, an economics professor at Northwestern University, the public choice model has become the lead alternative municipal reform model to the consolidationist perspective outlined above. Within the municipal governance context, public choice is described as:

The consumer-voter may be viewed as picking that community which best satisfies his preference pattern for public goods. This is a major difference between central and local provision of public goods. At the central level the preferences of the consumer-voter are given, and the government tries to adjust to the pattern of these preferences, whereas at the local level various governments have their revenue and expenditure patterns more or less set. Given these revenue and expenditure patterns, the consumer-voter moves to that community whose local government best satisfies his set of preferences. The greater the number of communities and the greater the variance among them, the closer the consumer will come to fully realizing his preference position. (Tiebout, 1956, p. 418)

At its roots, Tiebout's hypothesis suggests that citizens, as consumers, will reveal their preferences for local public services by rationally choosing to relocate to the municipality that provides the best package of services to meet their needs. Tiebout's argument is 'pure theory' – a model which means it is void of complicating factors that exist in the real world (Dowding, John, & Biggs, 1994). In addition, Tiebout's model implies seven assumptions about residents as consumers, these assumptions are:

- 1) Consumer-voters are fully mobile and able to move to the community which best satisfies their preference pattern for public goods.
- 2) Consumer-voters have full knowledge of the revenue and expenditure patterns of all local governments.
- 3) There is a large number of communities from which to choose.
- 4) Consumer-voters live on dividend income.
- 5) Public services exhibit no external economies or diseconomies of scale.
- 6) Services are set according to the preferences of current inhabitants. There is an optimum size of community given the fixed resources of land and the demand conditions of current residents.
- 7) Communities below average size seek to grow, those at or above it try to keep their populations constant. (Dowding et al., p. 767)

These assumptions are associated with the 'pure theory' nature of Tiebout's model, that is, individuals are assumed to behave rationally with an understanding of the alternatives available to them. It is important that citizens are so engaged in rational thinking to the level essential to the assumptions of the public choice model. However, what is inherent in this model is an assumption consumers will "vot[e] with their feet" (p. 73) and move among locales which provide levels of service that meet their personal expectations or preferences (Lowery & Lyons, 1989b)<sup>11</sup>.

Jane Jacobs, a respected guru on municipal planning and government, claimed that larger governments are less efficient and less innovative than smaller ones (Jacobs, 1997). In that vein, public choice proponents view fragmentation of municipalities as desirable for two main reasons. First, the model provides maximum voter choice with respect to tax rates, services provided and public policy decisions. It is also seen as increasing efficiency by creating competition between local governments. Based on the notion that fragmented units of government are better, public choice proponents argue that the best structure of municipal government is one that offers a larger number of small local governments that allows for diverse preferences of citizens to be accommodated (Tindal & Tindal, 2000). Tiebout's assumptions argue for an optimal community size based upon service levels and taxation rates and that this size is achieved by individual citizens searching for the jurisdiction which best meets their needs. The optimal community size is not something that readily can be identified. In fact, public choice supporters "insist that there is no functional size for municipal governments because different municipal activities have different optimal areas" (Sancton, 2000c, p. 74).

Sancton (2000c) suggests as an example, police patrols which are organized for small areas that would not provide any economies of scale. However, police training facilities and homicide squads would likely benefit from economies of scale found through an enlarged catchment. Vojnovic (2000b) states that the "optimal government size will...depend on the type of service considered" (p. 387). Having reviewed numerous studies on the subject, Bish (2001) concluded that there is:

...overwhelming evidence that the least expensive local governments are found in polycentric systems of small and medium-sized municipalities that also cooperate in

providing services that offer true economies of scale. Large municipalities do not seem to be as capable of cooperating in this way, of decentralizing their services, or of using alternative delivery mechanisms for services that lack economies of scale. (p. 20)

Ultimately, public choice proponents support fragmentation of municipal governments.

Proponents of the model are less concerned about economies of scale. Indeed, it might be argued that the model suggests such efficiencies exist and that municipalities can harness the value through partnerships or purchase of service agreements with other organizations (Kushner & Siegel, 2003b).

While consolidationists argue that their model saves money by reducing numbers of politicians and bureaucrats, public choice advocates believe that a fragmented system is better at meeting the needs of citizens through better representation and hence, improvement of citizen satisfaction. In a private goods market, consumers express their preference for goods and services by either buying the good or not. This same choice is not available in the realm of public services. Economists claim that citizen consumers express their preference in other ways including voting, lobbying, demonstrations, polling, petitioning and having direct meetings with their elected officials (Tindal & Tindal, 2000). Regardless of the method applied, a local government plays an important role in identifying and responding to public opinion. Public choice proponents claim that smaller units of government provide better access to both politicians and bureaucrats which ultimately provide better access to services (O'Brien, 1993). This is largely attributed to the direct interaction between the citizen-customer and the ultimate decision maker, the politician. Smaller communities are generally more homogeneous in terms of their population diversity and it is easier for public officials to meet the requirements of citizens. A larger government unit generally represents a more heterogeneous

population where it is more difficult for a government to respond to disparate needs and wants of its residents. Furthermore, access to politicians is reduced as the size of a region increases.

According to Ostrom *et al* (1961), “bureaucratic unresponsiveness...may produce frustration and cynicism on the part of the local citizen who finds no point of access...” (p. 837). Larger municipalities often provide sufficient resources for their elected officials which, in turn permits them to hire staff to hear the complaints, views and ideas of their constituents. Vojnovic (2000b) claims that this type of environment minimizes access to those who have the political authority to make change. This increased isolation of elected political authority from an electorate opens up the possibility for politicians to argue that no matter what they do they are always acting in the public interest. Public choice supporters also downplay claims made by consolidationists with respect to savings ostensibly found by reducing the number of politicians.

Bish (2001) compared the costs of 88 elected representatives and their staffs in 13 administrations, with those of 23 representatives elected within a merged administration serving the same population. He concluded that their *per capita* costs accounted for less than one percent of total spending. Furthermore, higher salaries and additional staff hired for example, in a merged city effectively made the costs identical. Public choice supporters point to the following apparent conclusions which have been drawn by researchers examining the area of citizen representation as support for the public choice model:

- 1) The larger the government, the more likely that well-organized groups with special interests will dominate public hearings and meetings and that unorganized citizens will participate less.
- 2) Voter turnout in local government elections tends to be higher in smaller local governments.

- 3) The smaller the government, the more similar are citizens' and councillors' attitudes toward policy questions.
- 4) The larger the government and constituency, the more expensive it is to campaign for office; in larger governments, campaign donations from special interest groups become critical.<sup>12</sup> (Bish, 2001, p. 7)

Public choice advocates claim that if a municipal council is made larger to lower the ratio of constituents to elected officials another problem can occur. Arguably the effectiveness of decision-making can be reduced as more disparate voices need to be heard (Bish, 1971). The model suggests that the best and most effective way to represent citizens and create strong citizen satisfaction is to keep smaller government units at a level where lawmakers can respond and react to the needs of their residents in a timely manner.

Subscribers to the public choice philosophy disavow themselves of the notion that all services must be delivered equitably and tax rates harmonized in a given jurisdiction. Unlike their consolidationist counterparts, public choice advocates view competition as paramount to the underpinnings of their model. They assume that competition is beneficial among municipalities to keep overall service costs low but also to attract capital to locations where it will be most productive (Keating, 1997). To bring all service levels to a common standard disadvantages those in different social classes who may prefer certain services over others. Public choice defenders argue that the merging of classes has led to the creation of more conservative local governments which have opposed policies that support redistribution of wealth (Keating, 1997). Tiebout (1956) argues that where a large number of municipalities exist in close proximity to one another, the natural competition created by proximity allows for enhanced competition, a choice in taxation rates, and a variety of service levels from which

residents can choose. The public choice model is premised, as well, upon assumptions about 'ease of mobility'. That is, people can move from one jurisdiction to another with little constraint.<sup>13</sup> This of course is not always the case as volatility, or lack thereof, in a housing market would be a factor in ones mobility options. In essence, the ability to make a choice is a catalyst for satisfaction, efficiency and effectiveness.<sup>14</sup>

Smaller sized governments and governments with flatter hierarchical structures are often better able to accommodate varying citizens' preferences for services. This is not meant to suggest that they have more money available to provide services however, the preference for services can be expressed and received more directly in smaller governments where decision making is often simplified as organizational structures are flat and not subject to the same bureaucratic processes found in larger municipalities. Although consolidationists prefer larger government units as they claim they lower overall costs, it is "simply not the case that big governments cost less because they can achieve economies of scale" (Bish, 2001, p. 26). Research has shown that smaller governments can cost less because they are able to separate the need to produce a service from the need to be the service arranger. The latter appears more preferable and more aligned with a market-based model. Neither model described provides a perfect approach to answering the municipal consolidation conundrum. Each comes with strengths and weaknesses that have been evaluated, studied, and reported over the past century. This Paper will further explore the consolidationist model chosen by the Province of Ontario in the late 1990's when it chose to amalgamate regions in Ottawa, Windsor-Essex, and Toronto.

## Research Questions

The objectives of this research are:

- To determine whether amalgamations which took place in the Greater Toronto Area, Windsor and Essex County, and the City of Ottawa and region were successful in accomplishing one of the stated goals of the Conservative provincial government which enacted the changes. Namely, did amalgamations produce tax savings for ratepayers funding the provision of services?
- To examine municipal and regional budgets in an effort to assess whether there were any significant saving or cost differences over time, specifically within the period following municipal amalgamation. These periods vary by region.<sup>15</sup> Data for each region is reported annually with a breakdown by service for each region reported.
- To determine whether the views of residents in Windsor and Essex County align with expectations related to particular financial outcomes that occurred in that specific area following amalgamation.

## Assumptions

A number of assumptions were made when gathering, preparing, and analyzing the data for this Paper. In the years prior to amalgamation it is assumed that service standards provided by each municipality remained constant. One of the criticisms that will be discussed later in this Paper involves the increase in service standards as a potential cost driver in the post-amalgamation period.<sup>16</sup> Although municipalities and regions maintain the discretion to change service standards at any time, it is assumed for the purpose of this Paper that no

changes were made prior to amalgamation unless mandated by a higher level of government and which would affect each area in a uniform manner.

It has also been assumed that the financial data reported by each municipality and regional government has been consistent and in accordance with the guidelines provided by the Province of Ontario.

### **Limitations**

There are several limitations related to the research questions and data that must be highlighted for this Paper.

First, when examining the research results through the lens of either theoretical model it is practically impossible to determine if the theoretical model in isolation was the stimulant of any change. From a research perspective this would be desirable but there are too many variables including, provincial grants, service levels, tiers of government, and geography, etc., to make a pure determination impractical. By analyzing available data it can be determined whether overall costs changed in each municipality and by what amount. Employing theoretical models, one may attempt to attribute any cost changes to elements of the model. However, it may not be possible to determine with absolute certainty that changes would not have occurred had the *status quo* been maintained.

Furthermore, certain services are delivered in a way, either by choice or necessity, which provides varying levels of complexity and that, in turn, makes a true comparison with other municipalities difficult. For example, the City of Windsor, because of its location as a border city next to Detroit, Michigan in the United States of America, has requirements that are

different from other communities that are bordered only by other Canadian jurisdictions. For example, border proximity, leads to policing requirements which tend to increase the overall cost of providing police services to the City of Windsor. A static review of costs per 100,000 residents would appear skewed if compared with other non-border municipalities in Ontario. Therefore, reviews of certain services provided by certain municipalities are only useful when compared against that same municipality on a year-by-year basis.

Another limitation in the data analysis and research also involves the money transferred to municipalities by the Province of Ontario. These payments often appear as grants to a municipality. More specifically, and in certain circumstances, the Province of Ontario has transferred money to municipalities in an effort to offset anticipated increasing costs of service delivery. These circumstances would be more evident in the financial data in the few years immediately following amalgamation. It is not always possible to trace grant money as it can flow in many different forms. For example, the Province of Ontario could decide to fund a multi-million dollar road improvement project in a single municipality. That municipality already may have budgeted funds for the road project. The funding received by the Province would then release the budgeted money to be reallocated elsewhere within the municipal government. Unless grant money is specifically reported through the Financial Information Return<sup>17</sup> program it is not possible to state precisely that some form of Provincial grant was not the cause of a budget reallocation which, ultimately, may have reduced the cost of delivering a service.

Another limitation involves significant variations in amalgamation time periods affecting the three regions under scrutiny in this Paper. Amalgamations in the Greater Toronto Area were effective as of January 1, 1998. In Windsor-Essex the effective date was January 1, 1999, while in Ottawa the merger occurred on January 1, 2001. As the data is only available from 1995 onwards there is a compressed period of pre-amalgamation statistics that can be studied for the Greater Toronto Area. Ottawa provides the best pre- and post-amalgamation basis for comparison as there is a period of six years pre-amalgamation and eight years post-amalgamation that can be reviewed. This allows for a larger sample to be considered in determining the effect of amalgamation on that region. The compressed time period does not render the analysis less consequential but it is recognized as a limitation upon the prospective conclusions of this research.

Completion of the Financial Information Return (FIR) noted above is mandatory and is required to be filed with the Ontario Ministry of Municipal Affairs and Housing on an annual basis by each municipality in Ontario. The structure of the Financial Information Return reports changed after the 1999 reporting period. From 2000 through 2008, the forms required municipalities to submit expanded financial information by further breaking down categories found in earlier reporting periods. Financial information collected through the Financial Information Return program prior to 1995 and after 2008 is not able to be compared as the reporting forms and requirements were significantly different for those periods (O. Colucci, personal communication, May 16, 2012; T. Ryall, personal communication, May 22, 2012).

Another limitation to this research is the difference between the area studied and the Census Metropolitan Areas as identified by Statistics Canada. In the Windsor and Essex County region, data on the island Township of Pelee has been eliminated from this research.<sup>18</sup> In the Greater Toronto Area (GTA), the census metropolitan area boundary includes some municipalities that are a part of surrounding and neighbouring Simcoe County and Dufferin County but excludes some municipalities that belong to Halton Region and Durham Region<sup>19</sup>. Both Simcoe and Dufferin Counties are not generally considered a part of the Greater Toronto Area and including their data would have required a detailed and thorough analysis of how costs are allocated by function to all lower tier municipalities in these counties. This is well beyond the scope of this Paper. Halton and Durham Regions are considered a part of the Greater Toronto Area and all municipalities in these regions have been included in the data analysis. Comparing census metropolitan area data is ideal as many other data sets are collected and organized at that level which could help explain changes in service delivery costs.

Finally, the affects of other provincial policies could be a constraint upon this research. Any changes made at the provincial level which had an impact upon municipal service delivery potentially could have had an unequal impact when comparing extra-regional data. For example, changes made to recycling laws or the implementation of clean water initiatives may have caused municipalities to expend funds in different years<sup>20</sup>. The Provincial Government has discretion to delay program implementation for municipalities based upon financial impact or ability to implement each program. If this happened during the period under review it would be difficult to determine with precision whether many such extensions were granted. This could cause data spikes to appear in certain years without a capacity to offer a full explanation.

In principle, these spikes would smooth out over the years when the full data set is reviewed.

Attempts to confirm reasons behind major data spikes have been made and reported when and where appropriate.

### **Significance**

The significance in this research comes from the empirical analysis to determine whether amalgamation in Ontario, regardless of region, had an anticipated positive financial impact that accrued to residents in the community who would ultimately fund the process. Without a financial benefit one would be right to ask, 'why bother going through the exercise at all'? Instead of citizens waiting for their provincial leaders to make merger decisions on their behalf, this data could assist in helping to shift the focus to regional cooperation, inter-municipal agreements, and other service contracts that provide an opportunity to improve the financial picture for municipalities (and ultimately the residents) without the need for forced amalgamation and the ensuing turmoil that such change inevitably brings to residents in the region where it has ever been implemented.

## **Chapter 2: Literature Review**

### **Introduction**

The impacts of municipal restructuring are widely debated by researchers. The vast majority of literature reviews qualitative aspects of amalgamation while shying away from the quantitative effects amalgamation may impose. This is somewhat ironic as a majority of municipal restructuring initiatives are undertaken with a stated primary goal of saving money. In this section, the literature is reviewed for the purpose of providing an overview of the debate among researchers with respect cost implications and efficiencies<sup>21</sup> resulting from amalgamation.

### **Cost Reduction Through Amalgamation**

Several researchers have reviewed municipal amalgamations and have determined that there are no cost savings stemming from amalgamation and that costs actually increase as a result (Bish, 2001; Sancton, 2000c; Tindal, 1996). Some have found that amalgamation resulted in cost savings for municipalities (Campbell & Selden, 2000; Dolan, 1990; Hanes, 2014; Reingewertz, 2012). Sancton (1996) found a neutral financial picture following amalgamation of the Town of New Tecumseth in the 1990's and left open the possibility that long-term costs would rise as a result of amalgamation in that jurisdiction<sup>22</sup>. This perspective was also shared by Holcombe and Williams (2009) who examined 487 municipalities with populations greater than 50,000 and found that municipal consolidation was unlikely to result in lower total expenditures over the long-term. Benton and Gamble (1984) reviewed city-county consolidation in Florida and found no measureable impact on taxation of spending following amalgamation. Other researchers have concluded that savings can be achieved following

amalgamation depending on the size of the municipalities amalgamated and the services delivered (Kushner & Siegel, 2005; Vojnovic, 1998). Fox and Gurley (2006) stated that, "...no single policy advice can be given on whether consolidation is a good idea, with the facts and circumstances of each case determining whether consolidation... is beneficial" (p. 2). The variability of the literature leads to the conclusion that there is no black or white answer to the question of whether there are cost savings following amalgamation.

### **Amalgamation and Efficiency**

Theorists who support the public choice model (Bish & Ostrom, 1973; Oakerson & Parks, 1989; Tiebout, 1956; Warren, 1966) view municipal fragmentation as superior to municipal consolidation as they claim competition between municipalities enhances efficiency by lowering costs of providing services as well as attracting capital to the most productive jurisdictions (Keating, 1997). It is claimed that fragmentation creates a political marketplace in which residents can choose the municipality that provides taxes and services that best meets their needs (Kushner & Siegel, 2003b; Lowery & Lyons, 1989a; Tiebout, 1956).

In contrast to the public choice theory is the consolidation theory. Consolidationists believe that amalgamation allows regions to take advantage of economies of scale created through enlarged jurisdictions where resources can be redistributed thereby improving efficiency and resulting in lower service costs (Dolan, 1990; Isin & Wolfson, 1999; Kushner & Siegel, 2003a). Consolidationists believe that larger metropolitan areas with a single municipal government leads to stronger and more accountable municipal government, greater efficiency in the delivery of services, and more fairness in allocating costs to residents (Sancton, 2002a). Larger consolidated jurisdictions such as Toronto and Ottawa possess more political power at

higher levels of government because their sheer size represents a greater portion of overall total provincial population (Siegel, 2003). The consolidationist perspective has been discussed at length over the years but the majority of research conducted is not empirical research because isolating consolidation as the independent variable is difficult (Hardy, 2012).

A review of literature related to municipal amalgamation and efficiencies often crosses-over literature related to expenditures. Although this is not always the case, expenditures are a method of determining efficiency. Economies of scale (or diseconomies of scale) create by amalgamation is often reviewed as a primary consideration in determining efficiency (McKay, 2004) however it is possible for certain matters (i.e./ democracy) to be efficient yet unquantifiable on a dollar basis. In these cases improved performance is a measure of efficiency. Efficiency through economies of scale is difficult to measure at a municipal organizational level as different services have different scale effects which makes determination of an optimal size for delivery of services challenging (Bish, 2001; Callanan, 2011). Nonetheless, Bish (2001) concluded that most municipal services do not possess economies of scale at a population level higher than 20,000. The Danish government however, conducted a study in advance of municipal amalgamations in that Country and concluded that municipalities with the lowest average operational costs had populations of 34,000 people (Callanan, 2011 ). In Japan, optimal city size with the lowest per capita spending was found in municipalities with populations of 115,109 people (Mabuchi, 2001). Using the consolidationist perspective, Vojnovic (2000b) found the optimal municipal size is one that produces enough service outputs such that marginal revenue equals marginal cost. Regardless of size, Campbell and Selden (2000) take the following position:

The act of consolidating will not guarantee more efficient operations, despite what some of its advocates would have us believe. On the other hand, consolidating governments will not necessarily cause expenditures to increase as some opponents suggest. Each consolidation must be considered case by case and its fiscal impacts forecasted based on the local context. (p. 2)

Evidence of efficiency through amalgamation can manifest itself in a number of ways including service delivery, access to locally elected representatives, public opinion and financially. Sancton (1996) reviewed municipal consolidation in Europe and the United States and found that post-amalgamation efficiencies were elusive. This may partially explain Leland and Thurmaier's (2005) conclusion that showed that since 1805, only 34 successful municipal amalgamations had occurred at the city-county level in the United States. Bar (2008) references research done by Feiock and Carr in 2000 when he states that, "only one in five amalgamations were successful to achieve desired results" (p. 16) in the United States due to differing expectations related to efficiency (and other outcomes) among stakeholders. Malkawi (2003) found that efficiency of local government was improved in Jordan following amalgamation of several municipalities whose governance issues created obstacles to regional development. Bessant and Emslie (1996) found that amalgamation of certain Australian municipalities did not lead to improved efficiency of municipal youth services however other efficiencies may have been created. McKay (2004) reviewed efficiencies in an Ontario amalgamation and determined that too much emphasis was placed on providing uniform services at the expense of the overarching goals of amalgamation. This in turn led to a lack of process efficiency which limited overall efficiency of the merger. Stoney *et al* (2009) found that amalgamations led to initial cost savings but that costs increased over the long-term due to increased service levels and rising wages. Cain (2009) undertook an in-depth analysis of four

municipal amalgamations in the United States and determined that "cost savings were realized only when consolidated government made decisions to reduce staff, outsource certain functions, and reorganize operations" (p. 38). Logically, one would conclude that amalgamation would result in certain staff reductions and corporate reorganization as the new entity determines how to operate effectively.

Bish (2001) found "overwhelming" (p. 20) support for the proposition that small to medium-sized municipalities perform better financially when they maintain a reasonable size but cooperate in delivery of services where economies of scale have potential to exist. Sorensen (2006) reviewed municipal amalgamation in Norway and came to the conclusion that efficiency gains were higher among small municipalities that amalgamate however opposition to amalgamation was strongest in those same municipalities. In comparison, Bahl and Linn (1992) found that greater efficiency was delivered through consolidated municipalities due to clearer accountability, streamlined decision making and improved coordination of services. Despite the divergence of views on the subject, Lowery (1982) found that the size of a jurisdiction may have very little to do with the efficiency of service provision. Even if both theoretical models were discarded and jurisdictions sought to establish voluntary arrangements in the provision of services, certain efficiencies may be achieved depending on the service, however, such arrangements are not optimal in achieving long-term regional coordination (Bird & Slack, 2004). Some researchers found that larger municipal units performed worse than smaller fragmented municipal jurisdictions (Bish, 2001; Boyne, 1992a; Derksen, 1988; Jacobs, 1997). The debate between optimal population size and performance level "remains a complex mosaic" (Andrews, Boyne, Chen, & Martin, 2006, p. 31) with no straightforward answer (Boyne,

1992a; Byrnes & Dollery, 2002; Vojnovic, 1997). The same is true for selection of an optimal governance structure which is situation dependent (McMillian, 1997; Slack, 2007). Following review of citizens' perceptions of amalgamation, Kushner and Siegel (2003a) found that the majority of respondents felt the value of their services had declined since amalgamation. This is contrary to the research of Lyons and Lowery (1989a) who reviewed expectations under the public choice model and found that, "citizens of smaller, highly fragmented municipalities were not better informed, more efficacious, more participatory, or more satisfied than their counterparts" (p. 540) in amalgamated jurisdictions. Moreover, they contend that negative aspects associated with amalgamation, such as citizen participation and information, can be dealt with through legal and institutional arrangements.

Economies of scale was generally found to exist in certain services post-amalgamation but such efficiency was not ubiquitous (Bises & Sacchi, 2009; Desbiens, 1996; Hirsch, 1959; Kushner, Masse, Peters, & Soroka, 1996; Marando, 1979). Bird and Slack (2004) found that economies of scale existed following amalgamation in hard services such as water and sewers but were not found in soft services such as policing, recreation, and planning. In contrast, McDavid (2002) found that scale economies was found in policing services in the Halifax Regional Municipality following amalgamation. Dluhy (2001) determined that only two municipal services provided economies of scale: fire and library. Stephens and Wikstrom (2000) reviewed economies of scale in the provision of services and stated, "...virtually all scholars of urban affairs - such as mass transportation...due to their basic operating character and the benefits derived from economies of scale - should be delivered on a regional basis" (p. 409). Holcombe and Williams (2009) reviewed fragmentation and consolidation and concluded

that no constant economies of scale exist under either theoretical framework. Although they acknowledged that there may be other good reasons to undertake municipal restructuring, lowering total municipal expenditures was not one of them. The divergence of opinion in the literature is best summed up by Keating (1997) who concluded that, "the technical arguments about consolidation versus fragmentation have proved inconclusive" (p. 131).

## Chapter 3: Evolution of Municipalities in Canada

### Canada and the Provinces

Located directly north of the continental United States, Canada is a sprawling country with over 34 million people and a land mass of 9.9 million square kilometers (Statistics Canada, 2011a). Figure 2 is a political map of Canada. On a world scale, Canada is the second largest country by area next to Russia but only 35<sup>th</sup> in the world based on population (World Atlas: Population, 2010). Table 1 shows the population of Canada by province and territory since 2007.



Figure 2. Political Map of Canada (Provinces and Territories)

Source: <http://www.mapsofworld.com/canada/canada-political-map.html>

Table 1. *Population of Canada by Province & Territory Since 2007*

	2007	2008	2009	2010	2011
	persons (thousands)				
<b>Canada</b>	<b>32,929.70</b>	<b>33,319.10</b>	<b>33,729.70</b>	<b>34,126.20</b>	<b>34,482.80</b>
<b>Province</b>					
Ontario	12,792.90	12,934.50	13,072.70	13,227.80	13,373.00
Québec	7,687.40	7,750.70	7,826.90	7,905.70	7,979.70
British Columbia	4,309.60	4,384.00	4,459.90	4,529.70	4,573.30
Alberta	3,512.70	3,591.80	3,671.70	3,720.90	3,779.40
Manitoba	1,193.60	1,205.50	1,219.20	1,234.50	1,250.60
Saskatchewan	1,000.30	1,013.90	1,029.30	1,044.00	1,057.90
Nova Scotia	935.8	937.2	940.3	944.8	945.4
New Brunswick	745.5	747	750	752.8	755.5
Newfoundland and Labrador	506.4	506.4	508.9	511.3	510.6
Prince Edward Island	138.2	139.6	141.2	143.4	145.9
<b>Territory</b>					
Northwest Territories	43.5	43.7	43.6	43.8	43.7
Yukon	32.6	33.1	33.7	34.6	34.7
Nunavut	31.3	31.6	32.2	32.8	33.3

Source: (Statistics Canada, 2011b)

Approximately 80 percent of the population lives in urban areas and nearly two-thirds of Canadians live within 200 kilometers of the United States border (Young, 2009). The country is divided into ten provinces and three territories. Canada is a rich country both in terms of its vast natural resources including forest, natural gas, oil, and fish stocks as well as its gross domestic product which was approximately \$50,345 USD *per capita* in 2011 (World Bank, 2011).

Canada was discovered by explorers in search of a northwest passage to Asia and was first colonized in the 16<sup>th</sup> century by French settlers. In the following century, the territory became an object of Anglo-French rivalry which only ended in 1793 when the Treaty of Paris ceded all remaining French-held land to the British. A series of revolutions, civil wars, and a battle with the United States helped to define Canada and its borders. French and British influences remain strong throughout Canada to this day. Canada is officially a bi-lingual country with English and French recognized as official languages. In the Province of Québec, French

culture and language remain very strong. The primary system of law in that province is the civil code. Québec is the only province in Canada which sustains that legal system.

As a member of the Commonwealth, Canada is a constitutional monarchy with Queen Elizabeth II as the Head of Government. The Queen is represented federally by the Governor General, and provincially by Lieutenant-Governors who carry out the functions of the Monarch. These are primarily ceremonial functions. Canadian political institutions are based on a premise of responsible government and are modeled after the British parliamentary system of governance. The federal government consists of an elected House of Commons as well as an appointed Senate. Provincially, the parliamentary system is unicameral. At the federal level, five political parties hold seats in the House of Commons. Provincially, a strong three-party system exists with each party appointing their own leader<sup>23</sup>. Members of the Provincial Legislature hold their seats through partisan elections. The party who wins the most seats forms government and their leader assumes the role as chief executive of the Province, referred to as Premier.

### **The Province of Ontario**

Ontario is the most populous province in Canada. It is also the most important generator of economic development for the country accounting for 37.1% of overall GDP (Ontario, 2012). From its earliest beginnings as a source of minerals, fur and timber, Ontario's economy has developed into high-technology areas including advanced manufacturing, automotive, aerospace, plastics, information and communications technologies, and life sciences. Agriculture and minerals continue to play an important role in the province's

economy. The capital of Ontario is the City of Toronto the census metropolitan area which is home to 5.8 million people.

### **Overview of Municipal Government in Canada**

“Municipal institutions constitute the strength of free nations.”  
Alexis de Tocqueville (1839)

Municipal government in Canada comes in many shapes, sizes and names. In most parts of the country, the size of a district defined the designation given to a jurisdiction whether that is city, town, township, village, county, municipality, region, parish or hamlet. Historically, these designations were important with respect to the political power that could be exerted over residents and the influence that could be had vis-à-vis other levels of government (Magnusson, 1983b). Today, municipal designation is less important than are the functions assigned under a wide range of laws to municipal governments. Municipalities are expected to provide services to residents regardless of the nomenclature used to define their jurisdiction. Generally, Canadian municipalities are incorporated bodies and have legislative authority within the limits of their boundaries<sup>24</sup>. Each municipal area is governed by an elected council which has legislative power provided through a provincial Act of the legislature.<sup>25</sup> The Mayor or Reeve is elected at-large from within the municipality and acts as the chief executive officer of the municipal corporation.

The local nature of municipal government makes it unique (Tindal & Tindal, 2004). Because decision makers, both political and administrative, are located within the area within which they serve, problems can be identified easily and solutions developed rapidly in accordance with general expectations of the populous who are more familiar with other

competing interests and priorities in their own area.<sup>26</sup> For example, a resident requesting repair to a local road may better understand that money is being allocated to a deficient arterial road in the same neighbourhood causing an understandable consequential delay in addressing their specific concern. Similarly, an elected councillor may want additional funding to address an issue within their jurisdiction but can appreciate that another issue should take priority.<sup>27</sup> This level of comprehension is unlikely to be found at any higher level of government where diversity of decisions, cultures, needs, and expectations are so widely distributed that the average person could not realistically have a full understanding in order to prioritize all allocations effectively. This is not to suggest that every demand by the public will cede to altruistic behaviour. Experience suggests that many citizens take myopic views of their situation and are not able to fully appreciate budgetary constraints or any delay in addressing their problem.

Canadian municipal government traces its roots to the 17<sup>th</sup> century with the arrival of French settlers to Canada although the British influence has had more of a lasting impact on current municipal structures. In the 1600's, French inhabitants implemented a system for local representation in larger areas called 'syndics d'habitations'. This involved local persons being elected to represent the interests of their residents at meetings of the Colony council (Crawford, 1968). After several years, the leaders of the Colony received instructions from France to end this practice as it was thought it was "better that everyone speak for himself, and no one for all" (Bourinot burrows& Royal Society of Canada, 2011, p. 12). Centralized control continued for almost a century until the British defeated France in what was known as the Seven Year War. The culmination of this war saw France cede control of Canada to the British

among other exchanges and trade-offs that were included in the 1763 Treaty of Paris. The British, who now controlled Canada, began to implement their own system of government which was more inclusive than their French counterparts. Some of the first municipal charters were issued in Britain in the 1700's to limit the control of feudal landlords over parts of urban areas (Mossman & Flanagan, 2004). These practices found their way to new world colonies where they were also implemented. The municipal charters provided benefits to urban property holders and central colonial authorities. For urban property owners, they were able to define their own tax policies and choose what services to provide to fellow residents. For colonial authorities, they viewed municipal charters as the best way to operationalize and enforce central control at the local level (Marshall & Douglas, 1997). As the industrial revolution took hold in North America, demands for service at the local level grew. This caused a strain on urban infrastructure as many rural residents migrated to urban areas in search of work. Nevertheless, the British were forced to deal with uprisings of citizens in both Upper Canada (Ontario) and Lower Canada (Québec), during Colonial rebellions of 1837 and 1838. This, along with the fresh memories of the war of 1812 between the United States and Britain, created the catalyst for political change.

## The Creation of District Councils - The Durham Report

*"We rebelled neither against Her Majesty's person nor her government but against Colonial mis-government. We remonstrated. We were derided. We were goaded on to madness and were compelled to show that we had the spirit of resistance to repel injuries or to be deemed a captive, degraded and recreant people. We took up arms not to attack others but to defend ourselves."*

Letter to Lord Durham from Dr. Wolfred Nelson  
and others confined at Montreal June 18, 1838

The rebellions of 1837 and 1838 were seen as a direct political attack by, and against, the British government (Little, 2008). Although the rebellions were quashed quite quickly, the British government and Queen Victoria, were sufficiently concerned with the events to dispatch Lord Durham to Canada so that he could study apparent discontent within the colonies and report back on prospective solutions to the apparent concerns. After completing his analysis, a Canadian humourist suggested that, like other Governors, Lord Durham left Canada and, "went home to England in a huff, the favourite means of transportation at that time" (Nicol & Whalley, 1959, p. 9). In 1839, Lord Durham delivered his Report which contained many recommendations pertaining to the creation of peace, stability, and overall dominance of British culture in French-Canadian territory. Several of these were quite contentious in that they sought to quash French culture and promote immigration of more British citizens to the colony. Many recommendations were not adopted by the British government as they likely would have created more chaos than calm. The primary recommendation that was eventually adopted by the British government dealt with the issue of local democracy.

In his Report, Lord Durham found that there had "...been the tendency of the local government to settle everything by reference to the Colonial Department in Downing-street"

(Earl of Durham, 1839, p. 106). He thought that many issues would be better settled by a local government as the adjacent districts often knew little about each other. In that spirit, Lord Durham recommended that decision making on local issues be decentralized and that local governments be given power to make local decisions:

Instead of confiding the whole collection and distribution of all the revenues raised in any country for all general and local purposes to a single representative body, the power of local assessment, and the application of the funds arising from it, should be entrusted to local management. It is in vain to expect that this sacrifice of power will be voluntarily made by any representative body. The establishment of municipal institutions for the whole country should be made a part of every colonial constitution; and the prerogative of the Crown should be constantly interposed to check any encroachment on the functions of the local bodies, until the people should become alive, as most assuredly they almost immediately would be, to the necessity of protecting their local privileges. (Earl of Durham, p. 287)

Following this Report, the British government enacted the *District Councils Act* in 1841. This legislation allowed for members of Council to be elected locally with the Warden and Treasurer appointed by the Governor-in-Council (Whebell, 1989). Some claim that this Act was of great importance because it broke the English tradition of holding Courts of Quarter Sessions where Justices of the Peace would meet quarterly to determine various matters including those related to municipal roads, finances, licensing, and assessment (Ontario Ministry of Government Services, n.d.; Tindal & Tindal, 1979). The Durham Report and subsequent *District Councils Act*, marked a transition period in municipal governance and subsequent, were catalysts for change that continued for nearly a decade following passage of the Act.

### **The Province Create Cities - The '*Baldwin Act*'**

*"Had Mr. Baldwin never done more than enact our municipal and jury laws, he would have done enough to entitle his memory to the lasting respect of the inhabitants of this province."*  
(Upper Canada Law Journal, 1859)

The *District Councils Act* was the foundation for continued acceleration in municipal reform in Canada such of it as existed in 1859. However, the growth and creation of "responsible local government" (p. 5) is thought to have started with the passage of the *Baldwin Act* in 1849 (Hollick & Siegel, 2001). Robert Baldwin, a politician in Upper Canada, had a keen interest in government reform and was an influential member of the Legislative Assembly (McAllister, 2004). In 1849 he was instrumental in overseeing passage of the *Municipal Corporations Act* also known as the *Baldwin Act*. This legislation was significant because it was the first to create a uniform system of municipal government for an entire Canadian province. Sancton (1999) cites Professor Whebell who claimed that the *District Councils Act* was replaced, "not because of the failure of [the] scheme, but because its success led Upper Canadians to look for further innovations along the same lines" (para. 22). The major impacts that flowed from the *Baldwin Act* are described as follows:

The districts are abolished as areas of government in favour of counties with townships as their subdivisions. The township now became an incorporated body with power to construct highways, school buildings, etc. Its inhabitants elected five councillors, who appointed one of their number to be "reeve" of the township, and, in townships having a population of more than five hundred, another to be deputy-reeve. The reeves and deputy-reeves of the townships constituted the county council and elected from among themselves the "warden" of the county. The county council thus incorporated had authority over county roads, bridges and grammar schools, with other usual municipal powers. Within the area of the county the Act recognized also police villages, incorporated villages, towns and cities, representing an ascending series of corporate powers and a correspondingly increasing independence from the control of the county

council. The police village was merely a hamlet to whose inhabitants the county committed the election of police trustees who should take steps to prevent fires, etc. An incorporate village was a body corporate with an elected council and a reeve, and practically on the same footing as a township. Still further powers were given to the town, with an elected council and a mayor and reeve chosen thereby. At the apex of urban government were placed the cities, Toronto, Hamilton and Kingston, and any others whose population should reach fifteen thousand. (Leacock, 2008, p. 224)

The *Baldwin Act* extended more powers to municipal government and eliminated the district in favour of the county level as an upper tier of government. Recognition was also given to rural areas and their distinct needs for self-government as compared to urban areas. The changes brought about by the passage of this legislation changed the landscape of municipal governance throughout Ontario. It also had a seminal influence on several other provinces, many of which adopted the principles enunciated in the *Baldwin Act* when establishing their own municipal governance system.<sup>28</sup> The significant impact of this legislation and its champion was articulated by a prominent Toronto lawyer who stated,

[n]ever had the principle of local self-government been more fully carried out than in the Act of 1849....[T]he Baldwin Act and its lineal descendants have in their turn become the progenitors and paradigms of the Municipal Institutions Acts in force today in nearly every Province of the Dominion. (as cited in Sancton, 1999, para. 22)

This system of municipal government was maintained in most parts of Ontario for over one-hundred years and continues to define municipal government in some areas of the Province to this day (Smith, 1995).

## **Modern Municipal Government in Canada**

The *British North America Act*, Canada's Constitution, was passed by the British Parliament in March of 1867. It was officially enacted in Canada on July 1 of that same year and was historic in that it marked the first time that a colony of Britain had gained internal governmental self-control without leaving the British Empire. In 1931, the Parliament of the United Kingdom passed the *Statute of Westminster* which granted Canada the freedom of legislative independence (with a few exceptions). In 1982, the British Parliament passed the *Canada Act*, while the Canadian Parliament passed the *Constitution Act*. The British statute gave Canada full constitutional rights over all its political, legislative, and governmental affairs without the need to seek British approval for constitutional amendments. The *Constitution Acts* (1867 to 1982) spell out executive and legislative powers at both the federal and provincial levels, defines aboriginal rights, and encompasses the *Charter of Rights and Freedoms (Charter)*; a bill of civil rights for all Canadians as protection against actions taken by all levels of government – including municipal. Following passage of these two *Acts*, Canada achieved full independence and was thereby able to chart its own destiny.

The Constitution sets out the division of powers between the federal and provincial government. Table 2 sets forth the legislative competencies of each level of government.

Table 2. *Legislative Authority of the Federal and Provincial Governments*

<b>Federal Government Powers</b>	<b>Provincial Government Powers</b>
<ul style="list-style-type: none"> <li>• Public Debt and Property</li> <li>• Regulation of Trade/Commerce</li> <li>• Unemployment insurance</li> <li>• Direct/Indirect Taxation</li> <li>• Postal Service</li> <li>• Census/Statistics</li> <li>• Defence</li> <li>• Navigation/Shipping</li> <li>• Quarantine</li> <li>• Sea Coast and Inland Fisheries</li> <li>• Ferries (interprovincial/ international)</li> <li>• Currency/Coinage</li> <li>• Banking /Incorporation of Banks/Paper Money</li> <li>• Weights and Measures</li> <li>• Bankruptcy</li> <li>• Patents and Copyrights</li> <li>• Criminal Law and Penitentiaries</li> <li>• Indians/Indian reserves</li> <li>• Citizenship</li> <li>• Marriage/Divorce</li> </ul>	<ul style="list-style-type: none"> <li>• Direct Taxation within Province</li> <li>• Management/Sale of Public Lands belonging to Province</li> <li>• Prisons</li> <li>• Hospitals</li> <li>• Municipalities</li> <li>• Formalization of Marriage</li> <li>• Property and Civil Rights</li> <li>• Administration of Civil/Criminal Justice</li> <li>• Education</li> <li>• Incorporation of Companies</li> <li>• Natural Resources</li> <li>• Matters of a merely local or private nature</li> </ul>

In addition to the discrete areas of authority listed in Table 2 above, the Constitution also provides for concurrent powers in the areas of agriculture, immigration, and old age pensions whereby certain functions in each area are the responsibility of either the federal or provincial governments.

Although there is no explicit constitutional recognition for municipalities as a level of government in Canada, notwithstanding that they are held accountable as a level of

government under the *Charter*, the *Constitution Act* is clear in defining how municipalities are recognized. In the distribution of legislative powers, the provinces are specifically granted exclusive powers over municipalities. Section 92 of the *Constitution Acts 1867 to 1982* states, "[i]n each Province the Legislature may exclusively make Laws in relation to Matters coming within the Classes of Subjects next hereinafter enumerated; that is to say, ...**(8) Municipal Institutions in the Province** [emphasis added]". This legislation leaves municipalities within the full and complete jurisdiction of the province which cannot confer powers upon a municipality that a province does not possess under the Constitution. This has led to municipalities in Canada being referred to as "creatures of provincial statutes" (R. v. Greenbaum, 1993, p. 674). Municipal 'creatures' perform some important tasks relative to their hierarchical relationship as a government. Hazel McCallion, the 92-year old Mayor of the City of Mississauga, claims that, "municipalities are the level of government closest to the people with daily impact on people's lives" ("City of Mississauga Backs FCM on Infrastructure Funding Campaign", 2012). As such, tasks performed by municipalities in Ontario are generally familiar to most citizens. Table 3 highlights these tasks:

Table 3. *Municipal Government Powers*

• Water and sewage	• Electric utilities
• Public transit	• Planning and development
• Maintenance of local roads and sidewalks	• Library services
• Emergency services (police, fire, ambulance)	• Garbage and recycle
• Child care and long-term seniors care	• Animal control and bylaw enforcement
• Parks and recreation	• Arts and culture
• Economic development	• Airports
• Tax collection	• Limited social services and housing

## **Municipal Government Structures in Ontario**

The structure of municipal government in Ontario can take on many different forms. The form is often dictated by circumstances, size, geography and political influence. Regardless of name, size or geography, municipal entities are required to deliver basic services. This can be done individually, collectively, through operating agreements, or by outsourcing.

In Ontario there are three systems of municipal governance: single-tier, two-tier (upper-tier and lower-tier) and First Nations Reserve. The latter system deals exclusively with North American aboriginal Indians who live on a reserve – also called a First Nations Reserve. This structure is not the focus of this Paper and will not be discussed further.<sup>29</sup> Whether designated as a town, township, village or city, little difference now exists in the way an area is governed. The scope of power granted to each locale is based upon the governance structure assigned to it by the province. Both single and two-tier systems involve their respective councils exercising powers as a 'natural person'. These natural person powers permit a municipality to "purchase, own and use property, sue and be sued, enter into contracts ... and enter into contracts of indemnity" (Lidstone, 2004, p. 27). Single-tier systems have more exclusive power to make decisions while two-tier systems share their power based on a defined spheres or jurisdiction as outlined in the *Municipal Act, 2001* S.O. 2001, CHAPTER 25.

## Single tier System

In a single-tier system, a municipality is responsible for provision of all local services within its boundaries. This generally applies to areas that have the resources and ability to provide the required services to residents or remote areas where geographic location makes any other form of government impossible. As there is only one local government providing municipal services, expenditures are entirely attributable to one organization that has full autonomy and responsibility to tax (within its legislated mandate) and spend. A municipality can be physically located within the jurisdiction of a county and still be considered a single-tier municipality.<sup>30</sup> Single-tier's are usually incorporated entities and given status such as towns, townships, villages, cities, and municipalities. In some areas of northern Ontario, there are unincorporated areas that can organize local services through a local services or district service board. Many services in these areas are provided by the province because the population density is too low for effective and independent provision of local services (Slack, 2004).

There are several advantages associated with a single-tier system including: better service coordination, more focused lines of accountability, gains in efficiency and political effectiveness, and streamlined decision making (Boyne, 1992b; Kitchen, 2003). Slack (2004), for example, suggests that a single-tier system offers more fairness in provision of services due to the larger tax base available from which to spread costs. There are also several disadvantages associated with the single-tiered municipal structure including reduced incentives from lack of competition, a lack of efficiency due to size, inability to satisfy all citizens with a 'one-size fits all' approach, and greater distance between politicians and voters (Kitchen, 2003). There is debate in the literature related to differences between large and small single-tier structures

which generally focus around the theoretical models of consolidation or public choice. In the United States, Boyne (1992b) found that fragmented single-tier governments were associated with lower spending per-capita where large consolidated single-tier governments spent more.

Of the 444 jurisdictions in Ontario, 173 are classified as single-tier (Ontario Ministry of Municipal Affairs and Housing, 2012). The significant majority of these are located in northern Ontario. Appendix A provides a list of single-tier jurisdictions, their status and their general location within the Province.

### **The Two-Tier System**

A two-tier structure, as the name implies, consists of two separate levels of government covering the same area. In Ontario, these are called upper-tier and lower-tier governments. Each level has its own governing body. In some jurisdictions, the upper-tier is elected independently by voters. In Ontario, the upper-tier governments serve by virtue, and in consequence, of its membership election to the lower-tier government. Generally, the Mayor and Deputy Mayor of the lower-tier serve as the appointed municipal representatives to the upper-tier government.

The upper-tiers' jurisdiction encompasses a large geographic area while the lower-tiers' area are only a portion of the overall jurisdiction. The upper-tier governing body is responsible for a range of municipal functions that are thought to be best delivered over a larger territory. This allows the upper-tier to provide economies of scale, deliver services where there are spillovers across lower-tier boundaries, keep uniform service delivery standards, and to deliver services that are primarily intended to redistribute income (Kitchen, 2003). Services provided by the upper-tier often include planning, water supply, sewage, policing, garbage and recyclable

waste disposal. Upper-tier governments are often called regions, districts, metropolitan areas or counties.

The lower-tier governments usually concern themselves with services that are more local in nature (Sancton, 1994). These include zoning, garbage and recycling collection, parks and recreation, local street repair, and fire services. Lower-tier governments generally share the same status as single-tier jurisdictions such as cities, towns, townships, or villages.

Proponents of two-tier government claim that these structures offer more accountability, efficiency, and local responsiveness. Critics of the two-tier model argue that costs are higher because of duplication and overlap, the system is less transparent and more confusing to residents who are not sure which level of government to contact with concerns, and finally, infighting among decision makers creates inefficiencies and delays in implementing policies (Slack, 2004).

In Ontario, there are 30 upper-tier jurisdictions and 241 lower-tier jurisdictions. Appendix B and Appendix C list the upper-tier and lower-tier jurisdictions respectively.

## Chapter 4: Municipal Restructuring in Ontario

### Introduction

As with many other jurisdictions in the world, Canada has participated in its share of municipal annexation and amalgamation. The impetuses for such changes are comprehensive and often very political. The need for change is not always apparent to those who are subject to the consequences and naturally, these types of changes cause turmoil, debate, and consternation among the many who were affected.

The restructuring changes that have occurred in Ontario are noteworthy from a number of different perspectives. Toronto was the first jurisdiction in Canada to be designated as a metropolitan area and was viewed by the world as an example of good municipal governance (Graham, Phillips, & Maslove, 1998). As the capital city of Ontario, Toronto provided a benchmark, of sorts, for researchers of municipal reform initiatives. It is the most widely studied jurisdiction in Canada and has been the pioneer of change for the last century with respect to municipal reform. The change that occurred in Toronto did not affect all areas of the Greater Toronto Area. Surrounding regional municipalities - the federation of lower-tier municipalities generally found in urban areas operating similar to county governments - continue to operate and deliver services without any material impact from the collapse of the two-tier Metropolitan government with the lower-tiers in Toronto.<sup>31</sup>

The former Regional Municipality of Ottawa Carleton, now known as the City of Ottawa, is the national capital city region of Canada. The municipal reform consolidation that took place in Ottawa is a typical amalgamation of rural and urban areas. In this case the entire surrounding rural area was merged with the urban area to form one new mega-city. The

Ottawa amalgamation occurred in 2001, a full three years after Toronto. Presumably, both the leaders and implementers of the Ottawa plan benefited from experience and insight emanating from the reform undertaken in the Greater Toronto Area.

Windsor and Essex County is located in the southern-most part of the Province of Ontario. The municipal reform experienced in this area involved 21 municipalities amalgamating into seven jurisdictions with the City of Windsor remaining unchanged as a single-tier municipality. The extent of the reform in this area was unlike that of either Toronto or Ottawa as a number of small municipalities remaining better resembled the fragmented structure suggested by, for example, the public-choice model. This area is the smallest of the three areas considered in this discussion with a total population of less than half of the next largest area - the City of Ottawa.

The majority of this Chapter focuses upon municipal reform in the Greater Toronto Area. The sheer size of the GTA region and its budget along with the associated impact on the overall quantitative analysis requires a greater emphasis to be placed on Toronto *vis-à-vis* the other two jurisdictions. If size were an equivalent consideration for the remaining areas, then one would also consider the inter-connected political factors which went into the Toronto decision. It was the largest, the first, and most contentious of all the amalgamations in the Province of Ontario. In spite of the literature suggesting benefits to the contrary, the Province of Ontario is said to have pushed through municipal reform in Toronto with haste, without warning, without much discussion, and in a structure that some claim was of poor design (Bish, 2001; Sancton, 2000c). Although this may appear to be true as developments emerged in the years following amalgamation, it can be argued that the genesis of these developments were as

a result of evolutionary events in the growth of that City. Over the years, the Toronto area has been subject to multiple reports, studies, investigative commissions, and task forces all of which have reviewed, debated and recommended solutions for decision makers of the day. The Toronto issue has occupied a significant amount of the provincial government's municipal policy agenda and will likely to do so for many years to come.

### **Setting the Stage for Change**

In the early 1900's, cities in Ontario saw increasing urbanization and greater population densities (Marshall & Douglas, 1997). What used to be an agrarian society was starting to shift towards an industrialization society. In 1871, 80.42% of Canada's population lived in rural areas however by 1951 almost 62% lived in urban centres (Crawford K. G., 1968). Traditional services provided by municipalities in the late 19<sup>th</sup> Century included simple road systems, basic education, and some level of assistance for the indigent. As societal shifts occurred so did expectations of residents living in these urban areas. This caused a turning point in the way Ontario cities began to view their role. Crawford (1968) states, for example, that,

Government ceased to be regarded as an institution primarily concerned with protective and regulatory functions, and at the local level to provide essential physical services. It came to be considered as an institution that should be concerned with positive programmes for the benefit of the citizens, to protect them against social and economic hazards, to compensate them for personal and economic handicaps, and to assure to each what, at any given period, is assumed to be a reasonable standard of living. Pursuant to this changing political philosophy, local governments, as well as those at other levels, have greatly enlarged the scope of their activities in the field of the social services. (p. 337)

As Crawford noted, this shift caused municipalities to enter an era of income redistribution.

Traditional roles were challenged by demands for more services by an ever increasing population. Throughout the Great Depression (1930's) many Ontario municipalities were

required to cut their spending dramatically in response to increased levels of unemployment then plaguing North America. Many property owners were often unemployed and had little means to pay outstanding property taxes. This resulted in over fifty Canadian municipalities defaulting on payments to bondholders as funds were channeled to those needing welfare and unemployment assistance (Crawford, 1968).

Nation-wide, even provinces were then forced to support many failing cities while the federal government even had to intervene to support some provinces. In some cases, the federal government intervened directly at the municipal level to run welfare and health programs (Berton, 2012). In the same depressed time period, municipalities also were seeing a greater interest from citizens seeking to enhance municipal core services in response to increased use of the automobiles and a corresponding need for more development and improved road infrastructure. Municipalities were also responsible for financing education which imposed budgetary strains in response to an increased demand for skilled labour to fuel a slowly growing industrial economy. Both of these areas involved significant capital investments and corresponding operating budget increases (Marshall & Douglas, 1997). Bracketing these events of the 1930's were two World Wars which forced municipalities to postpone capital works expenditures due to a system of enforced rationing and a lack of available manpower to engage in public works. Military service drained available manpower to fight on behalf of Canada.

Following termination of the Second World War, changes in Ontario municipalities accelerated in response to rapid growth. Rural to urban migration continued and was accompanied by substantial increase in foreign immigration. The post-war 'baby-boom' years

were also well underway and a spike in population resulted in many major urban areas doubling in size. This led to urban sprawl beyond established municipal boundaries and left many cities with “only a minority of the total metropolitan population” (Magnusson, 1983a, p. 31). As people moved beyond traditional city limits and out to the suburbs, manufacturing and other services tended to follow them. This helped to reinforce a budding ‘culture of cars’ and provide impetus for the necessary infrastructure to support that culture. Infrastructure and capital maintenance requirements that had been deferred for more than a decade during the Second World War and preceding depression were in desperate need of attention.

## **Toronto – The Formation of a Metropolitan Area**

*“The city has shrunk at the core and burst at the seams, amalgamation is as inevitable as the law of gravity.”*

Toronto and York Planning Board Chairman, Frederick Gardiner

Incorporated in 1834 with a population of 9,254 residents, the City of Toronto quickly became the hub of commercial activity in the Province of Ontario (City of Toronto, 2012). It's prime location on Lake Ontario with a harbour and direct access to the Erie Canal across Lake Ontario, and it's location as the terminus of the main railway networks positioned Toronto as the focal point for eventual financial enterprises, commercial distribution, and manufacturing (Magnusson, 1983b; Rose, 1972). This resulted in Toronto becoming the "unquestioned centre" (p. 96) of political, economic and social life in Ontario (Magnusson, 1983b). Growth in jobs and commercial opportunities attracted families who came seeking prosperity through regular employment. By 1914 the population of Toronto had grown to 400,000 (City of Toronto, 2012).

Although the initial municipal boundaries were sufficient at the time of incorporation in 1834 they proved inadequate to satisfy the needs of a growing region. In response to dynamic growth, the City of Toronto undertook a series of annexations. Between 1883 and 1889 the City of Toronto swallowed a portion of the Annex, a prominent neighbourhood north of the City, as well as part of Rosedale, a neighbouring town to the north. Annexation also affected entire local communities located north, east and west of the City including Brockton, Parkdale, Riverdale, Seaton Village, Sunnyside, and Yorkville. In 1903, areas north of Yorkville, and along the Humber River were annexed. In 1905 and 1906, the remainder of Rosedale and the Annex became part of the City. In the next several years Deer Park, Midway, East Toronto, Balmy Beach, Wychwood, Bracondale, Earlscourt, Dovercourt, West Toronto, Moore Park and North

Toronto were annexed and became a part of the City of Toronto. Figure 3 provides a descriptive view of the City of Toronto and its' neighbourhoods.<sup>32</sup>

By 1912, the City of Toronto had annexed 30 surrounding communities. However, by 1914 the City of Toronto had stopped annexing surrounding municipalities despite the fact that its population continued to grow at a rapid pace. Some suggest that there was a belief among residents that the only ones benefiting from the annexations were land speculators who were acquiring land and selling it at a high cost to the detriment of the citizens who were also left with the additional cost of servicing the newly acquired land. Magnusson (1983b) for example, states that:

[T]he cost to the city of servicing these suburbs was so great that it stimulated an economizing reaction (always made more severe by the inevitable collapse of the boom). The fact that such a reaction set in in 1912, before the city had completed the absorption of its pre-war suburbs, was to have profound effects... (p. 105). Regardless of the rationale behind the cessation of annexations the growth pressure continued. Eventually the adjacent area of York Township was divided into several new municipalities. North York was created in 1922 after complaints by residents who thought they were paying a disproportionate portion of the City of Toronto's expenses (Isin & Wolfson, 1999). By 1923 the Provincial government began discussion of the idea of an alternate form of government for the metropolitan Toronto area to help solve some of the municipal problems being experienced locally (Lemon, 1996). Conservative Cabinet Minister, and former Warden of York County and future Premier George Henry, circulated a draft Bill among his Cabinet colleagues.

A Comparative Analysis of Municipal Government in Ontario: A Pre-Amalgamation and Post-Amalgamation View of Windsor-Essex, Ottawa and the Greater Toronto Area.

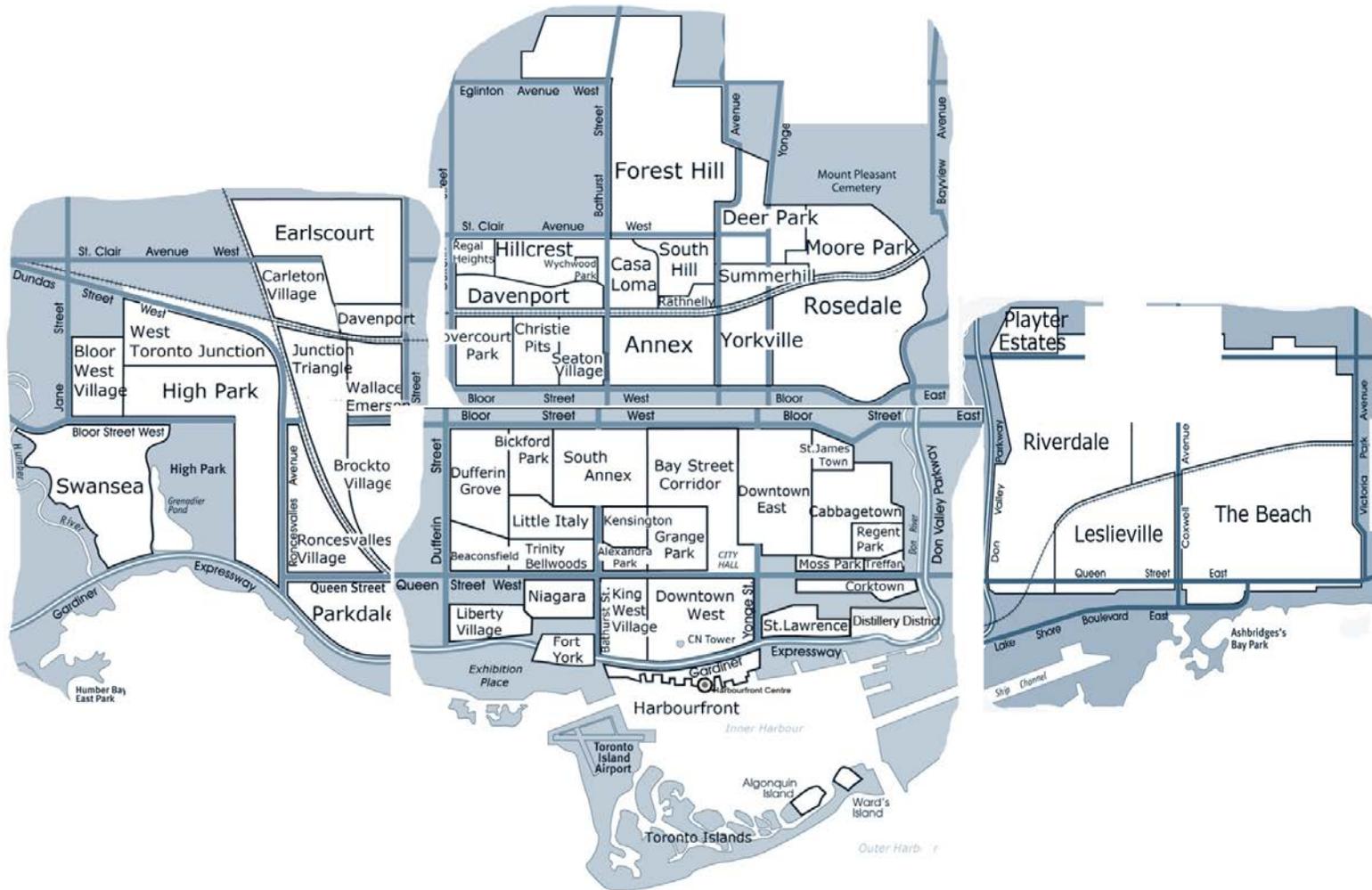


Figure 3. City of Toronto and Surrounding Neighbourhoods  
Source: Maple Tree Publishing Maps

It was named the *Toronto Metropolitan Act* and was essentially a model of two-tier government with both the City of Toronto and its suburbs funding certain services together while maintaining other service independently (Colton, 1980). Support for the draft Bill was less than stellar and it eventually died without any major debate in the Legislature. No further action was taken at that time to address the problems that, increasingly, were being experienced in the Toronto area.

The 1930's was a decade where the City of Toronto was forced, like many other great cities, to deal with significant global events such as the Great Depression and the eventual outbreak of World War II. These events forced the City of Toronto to focus more on the social needs of its residents than upon the physical needs of the City such as infrastructure. This included assistance through social welfare and employment assistance (Friskin, 2007). Although the population kept increasing, production of housing units declined by more than 50 percent in the 1930's from the prior decade due to an overall income decline of residents and a subsequent scarcity of building materials due to allocation for the war efforts (Rose, 1972). This decrease in available housing further strained an already difficult housing situation. In 1933, in response to the growing urban-suburban rift, now Conservative Premier George Henry appointed the first formal inquiry to look into problems faced by the greater Toronto area. Within a year, his party was ousted from power and a new Liberal government dissolved the Committee which had begun undertaking the inquiry. Dissolving the Committee did not address the concerns that existed and they were soon back in front of the newly elected provincial government.

In 1934, the Provincial Government formed the Department of Municipal Affairs (DMA) and appointed David A. Croll, the Member of Provincial Parliament from Windsor, Ontario, as its first Minister. One of the agencies attached to the DMA was the Ontario Municipal Board (OMB), a quasi-judicial Board established to resolve appeals arising from municipal decisions on zoning laws, assessments, annexations, and amalgamations. The Ontario Municipal Board's power to deal with these issues came with freedom from legislative and executive control except where the issue dealt with a matter of considerable provincial public interest (Smith, 1995). The OMB emerged from a former Ontario Railway and Municipal Board which had been established in 1906 to regulate issues between municipalities and the private operators of street railways. Just two years prior to the DMA coming into existence, the provincial government had renamed the organization and charged it with helping municipal governments to develop sound financial positions (Friskin, 2007).

The DMA introduced many forms of control over municipalities by requiring them to submit capital budgets, zoning policies and, utility policies for approval. In addition, the Province took "exclusive control" (p. 107) of collecting taxes on income and corporate profits (Magnusson, 1983b). In 1935, the provincial Liberal Government also relieved municipalities of the burden of funding mother's allowance and old age pensions (Colton, 1980). Part of the rationale for this provincial intervention may be attributed to the economic collapse of municipalities across Ontario in the 1930's. In the Toronto area alone, 10 of the 12 suburbs had become insolvent requiring the Province of Ontario to take control of their finances and place them under supervision (Friskin, 2007). Regardless of reasons, these events focused all municipalities, including Toronto, on delivering services based upon revenue generated from

property taxation, or in the case of utilities, through the setting of service rates. Some of the traditional revenue sources of the past had disappeared but so had some of the traditional expenses. The balance of funds appears to have tipped in favour of the Province, as it began to provide municipalities with funds in the form of grants, which the Province controlled and dispensed at its discretion.

In 1936, Minister Croll's Department produced a draft restructuring Bill patterned upon that which had been passed just a year earlier. The Bill even affected his own city of Windsor, Ontario. In Windsor, three neighbouring municipalities were amalgamated with the City of Windsor but each was generally considered an additional electoral ward of the City of Windsor with a few minor tweaks to boundaries. Mirroring Windsor's experience, Croll's Bill called for amalgamation of larger suburbs around Toronto which were to become new wards of the City of Toronto. This proposal faced stiff opposition from local leaders and business people and was deferred until 1937 (Colton, 1980). By then Minister Croll had resigned from Cabinet following a dispute with the Premier and his Bill faded from the political agenda. In 1938, the government of Ontario appointed another Committee to review the issues in the greater Toronto area. The committee was underfunded and its mandate was far too extensive in scope. Undeterred, the Committee presented a Report in favour of metropolitan government. In September 1939, as the Report was being released the government announced that it would not take any action on the recommendations until World War II had ended (Colton, 1980). By 1941, the population of the City of Toronto and adjacent 12 municipalities had grown to 892,179 (Civic Advisory Council of Toronto, 1949).

In 1942, the City of Toronto established a formal and permanent planning board. Within a year, this group issued a master plan outlining its proposed vision for the City, including areas outside of the formal municipal boundaries. The plan detailed large infrastructure initiatives and recognized that the majority of future housing and industrial developments would be built outside of the urban area (Frisken, 2007; Magnusson, 1983b). In addition, the plan recognized that existing political boundaries did not align with social and economic patterns of the larger Toronto area. The master plan, however, accomplished a number of important goals for the City of Toronto. First, it put the discussion of boundaries and alternate forms of government back on the political agenda. There had been great pressure on Toronto to accept some of the cost of suburban development since it stopped annexing adjacent municipalities in 1914. Additionally, the City of Toronto was viewed as cloistered on the topic of suburban issues. The master plan demonstrated that the City was aware of the issues outside of its boundaries and equally importantly, was willing to discuss a path forward (Colton, 1980).

Following the release of the master plan, the Bureau of Municipal Research (BMR) published three White Papers on community planning.<sup>33</sup> Release of the three Papers in 1944 was important because the BMR itself was comprised of well-respected professionals of the day and added further credibility to the need for regional planning and government. One of these White Papers, published on March 1, 1944, reinforced the City of Toronto's master plan comments with respect to artificial political boundaries in Toronto but went further to suggest two possible solutions: 1) annexation of adjacent municipalities; and/or, 2) amalgamation of adjacent municipalities and the creation of a unitary municipal government structure. Rose (1972) cites from the White Paper:

[T]here seems no good reason why the Greater Toronto area needs more than one local government. If the various municipalities in the area had had independent existence for 200 or 300 years, the objection to unification might be understood. No doubt vested interests – real or fancied – lack of imagination and inertia will prevent at least for a time the establishment of unitary local government for the Toronto area. A second best solution of the problem of local government in the Toronto area, that of a borough system, would be better than no solution at all. (p. 16)

The release of this White Paper was followed by yet another document from the same organization entitled '*Where are Toronto and Its Metropolitan Area Heading?*' (Bureau of Municipal Research, 1945). Rose (1972) argues that the second White Paper took a more ominous and imperative tone by stating that the City of Toronto and adjacent municipalities were, "one social and economic unit and any attempt to treat them as a series of independent units cannot but lead to grave failure in the end" (p. 15). Data on property assessments and tax rates during this period corroborate this statement entirely. For the period 1935-1945, assessed values in the City of Toronto declined by 7.5 percent suggesting a need to raise property tax rates to continue offering stable service levels. In 1944, *per capita* property tax rates were 37 percent higher in the City of Toronto than those in the adjoining suburban areas (Bureau of Municipal Research, 1945).

In 1946, the Toronto area consisted of the City of Toronto and 12 adjacent municipalities all within the County of York. Five of the 12 were townships, four were towns, and three were incorporated villages. Table 4 shows the population shifts within the five townships for the period 1946-1950. The only jurisdiction that showed a negative population growth was the City of Toronto.

Table 4. *Population Changes in Toronto and Its Five Largest Suburbs, 1946-1950*

<b>Municipality</b>	<b>1946</b>	<b>1950</b>	<b>Percent Change</b>
Toronto (22,287 acres)	696,555	667,487	-4.2%
East York (3,647 acres)	44,773	60,155	34.3%
Etobicoke (27,312 acres)	21,274	44,137	107.4%
North York (44,689 acres)	30,114	62,646	108.0%
Scarborough (45,012 acres)	28,444	48,146	69.2%
York (5,050 acres)	<u>85,324</u>	<u>95,659</u>	<u>12.1%</u>
Total, five suburbs	209,929	310,743	48.0% (Average)

Source: (Civic Advisory Council of Toronto, 1950, p. 28)

Following the conclusion of World War II, significant growth in Toronto led many to realize that the entire region would suffer if something was not done in a collective manner to deal with the various business and population migrations which caused revenue and growth strain for the entire area. The suburban municipalities had become "dormitory suburbs" (p.50) and lacked the tax base so essential to construct and service required infrastructure upgrades. This resulted in vastly different standards of water and sewage treatment, social programs, public health, road infrastructure and public transportation (Isin & Wolfson, 1999). In August 1946 the Provincial government created the Toronto and Suburban Planning Board (TSPB) and charged it with developing a comprehensive regional plan. Ultimately, each municipalities' plan would have to conform to the regional plan. In addition, the plans of both TSPB and the municipalities would be subject to final approval by the Provincial government (Colton, 1980).

Within a year trouble emerged as the local suburban municipalities chose not to provide the required funding to see the regional land use plan through to completion. The Vice-

Chairman of the Board, Frederick Gardiner, approached the York County government and had it apply to the province to re-designate the committee under the County umbrella. The Province complied and renamed the committee the Toronto and York Planning Board (TYPB). Funding from the County of government was almost guaranteed as they were able to rise above the petty politics and obstructions posed by the various municipal levels of government, many of whose views were myopic and ended at their own municipal boundaries (Colton, 1980). As the name TYPB implies, the Board was composed of representatives from both the City of Toronto proper and the County of York (home to all 12 suburban areas). In 1949, the TYPB recommended that the City of Toronto be amalgamated with its suburbs and suggested that the only solution to issues facing the region was establishment of a single government for the entire area.

In 1948, and concomitant with the Toronto and York Planning Board study, community leaders from across the region agreed to form a special committee of the Civic Advisory Council of Toronto. This Council had been created by the University of Toronto and interested civic groups to offer advice to local governments in the greater Toronto area. It was given the title, *Committee on Metropolitan Problems* and was funded by the City of Toronto. Results of the study were to be made available to all municipalities in the Toronto area. The work of this Committee was significant both substantively and optically in that it was the first comprehensive review of the issues facing the multiple municipalities but also the first review of the metropolitan Toronto area to be undertaken with the agreement and participation of all municipalities affected (Rose, 1972).

Over a period of three years, reports of the Committee were released and were well publicized in local media. The first report outlined the issues faced by all municipalities. The second report provided statistical analyses in both a retrospective and prospective form to support conclusions of previous report and to set the stage for the final report which was published in 1951 and recognized the social and economic interdependence of the entire Toronto Region. The final report made clear, in unequivocal terms, that many of the suburban municipalities could not support themselves if it were not for almost one hundred inter-municipal agreements with the City of Toronto. Rose (1972) suggests that a benefit from the reports was identification that the current system of government in Toronto was a two-sided problem with both direct and indirect pressures:

There are direct pressures within the City for capital expenditures in terms of housing, improved service installations, public transportation facilities, traffic improvements, redevelopment of blighted areas, and so forth. In addition, there are indirect pressures emanating from the entire metropolitan area. Thus the residents of the suburbs use City facilities – streets, arterial highways, shopping centres, public transportation services, recreational facilities. These suburban users are usually as vocal as City residents in requesting improved facilities. Capital and current expenditures of the central city were bound to rise as a result of these twin pressures. (p. 19)

Although the issues were well identified by the Civic Advisory Council of Toronto and the final report from the Toronto and York Planning Board, it became more pressing that some action be taken to resolve an anticipated crisis in the greater Toronto area. Magnusson (1981) claims that the crises was largely related to an inadequate supply of housing. Smith (1995) argues that the four basic “inadequacies” (p. 166) of the Toronto region were structural limitations, functional fragmentation, financial constraints and unfulfilled political roles. However described, it was clear that housing was in short supply and infrastructure was suffering due to inadequate funding caused by a major financial depression, the exigencies of a world war, and

lack of financial resources in any single municipal location. Toronto City Council felt it had enough evidence and support to move its agenda forward and did not wait for the final report from the Committee on Metropolitan Problems before making the next move. On February 2, 1950, Council voted 19-2 to support recommendations of the TYPB and then Council applied to the OMB for a full amalgamation of the City with its 12 suburban neighbours. At around the same time, the adjacent town of Mimico, with a population of just over 11,000 and a land area of 500 acres applied to the OMB for approval to have a special services board created that would have authority to oversee and coordinate multiple services at a regional level (Colton, 1980; Frisken, 2007; Rose, 1972). The Mimico proposal was effectively a modified two-tier system without an additional level of government. The remaining regional suburbs maintained their steadfast position against any form of amalgamation.

Progressive Conservative Premier Leslie Frost sought to find a negotiated resolution among the parties but failed, therefore, in June 1950 the OMB commenced hearings into the applications from Mimico and Toronto. The OMB scheduled hearings on the matters over the course of two years (1951 and 1952) and assigned its' Chairman, Lorne Cumming to lead the review.

Cumming was a lawyer who had worked at the prestigious McTague Law Firm in Windsor before becoming that city's solicitor (McTague Law Firm LLP, 2002). His expertise in municipal affairs was acknowledged in the 1940's when he was appointed as Chair of the OMB. His work on this and other files would subsequently lead to his appointment as Deputy Minister of Municipal Affairs for Ontario (Sewell, 2009). By 1951, the population of the Toronto area had increased to over 1.1 million and the pressure to find solutions to the growing property tax

disparities as well as continued service delivery issues continued to mount (City of Toronto, 2012).

Over the course of two years, Cumming heard testimony and received briefs from all interested parties. Within the first year alone over 3 million words of oral testimony had been delivered (Colton, 1980). This evidence identified two relevant themes. First, growth in the Toronto area had continued dramatically following World War II and almost all of the growth happened in the suburbs (Figure 4). Conservative population projections estimated 50 percent growth in the region by 1970. Second, the various suburban governments around Toronto were all in different positions with respect to their capacities to manage and fund basic municipal services. The City of Toronto benefited immensely from its industrial and commercial tax base despite having the lowest *per capita* income it collected considerably more money in property tax than any other suburban municipality. In 1951 the City of Toronto assessment *per capita* was \$2,030. Forest Hill was the only suburb to have an amount higher than \$1,000 (Colton, 1980). Naturally, municipal spending in the City of Toronto was also double that of any suburban neighbor. Despite all its revenue and congruent spending, Toronto-proper had no available land on which to build new housing. The City needed more housing stock and the suburbs needed more industrial development to expand funding and thereby support anticipated growth.

The political situation surrounding a decision was also fraught with uncertainty. The majority of suburban municipal leaders were against amalgamation. Of the 17 provincially elected members who represented the suburbs, 16 were Progressive Conservatives (Ontario, Legislative Assembly, 2012). Colton (1980) articulated the position at the time when he said,

“[i]f complete amalgamation was certain to produce a hue and cry in the suburbs, failure to act was inconceivable after such a lengthy prologue” (p. 70). Although the OMB was theoretically an independent and quasi-judicial body, the issue in front of the Board was of such great provincial importance that Cumming and Frost met frequently to discuss the options available prior to any decision being released (Colton, 1980). Frost was concerned that a full amalgamation in the region would create a government so large that it could challenge the power and position of the Provincial government. Isin and Wolfson (1999) claim that a fully amalgamated area would simply have been too politically strong for the province to accept. What was well-known by those closest to the issue is that any talk of Cumming’s report being apolitical was pure “fiction” (Colton, p. 72).

On January 20, 1953, the Cumming Report was published (Ontario Municipal Board, 1953). It recommended a form of compromise between the do-nothing approach favoured by the suburbs and the full amalgamation approach supported by the City of Toronto. The recommendation called for the establishment of a federated system composed of an upper-tier Metropolitan Council that would be responsible for a range of defined functions on a regional basis. Each of the 13 municipalities under the metropolitan umbrella would continue to deliver certain local services to their residents. Table 5 lists the 13 municipalities under the projected Metropolitan umbrella by type of municipality. The proposed structure most closely resembled that of the two-tier county structure already in place throughout the Province but went further to add a central city ("Plan in a Nutshell", 1953). Cumming was cautious in his portrayal of this nuance and claimed it was an “incremental rather than a radical change” (p. 74) in the evolution of municipal government (Friskin, 2007).

Table 5. *Municipalities Incorporated Into the New Metropolitan Toronto, 1954*

<b>City</b>	<b>Township</b>	<b>Town</b>	<b>Village</b>
Toronto	East York	Leaside	Forest Hill
	Etobicoke	Mimico	Long Branch
	North York	New Toronto	Swansea
	Scarborough	Weston	
	York		

Almost immediately, the reaction from municipalities and the media was negative. The City of Toronto was opposed as it appeared to want to govern the entire region without creating an additional layer of government (Isin & Wolfson, 1999). The suburbs wanted to maintain control of their services without being dominated by the City of Toronto. Segments of media claimed that the only viable option was creation of a unitary government for the entire region ("Municipal Board's Report", 1953). The Premier and Cabinet dismissed the opposition outright. It was a move they safely could make as they had effectively been 'coauthors' of a report, the contents of which, were well known in advance (Colton, 1980).

Just over one month following release of the Cumming Report, Premier Frost personally moved first reading of Bill 80 in the Legislature. Thereafter, 81 amendments were made to the original Bill and on April 15, 1953 the *Metropolitan Toronto Act* was enacted and the new Municipality of Metropolitan Toronto came into existence on January 1, 1954. The Cumming Report had recommended an elected council of nine members but the Province veered away from that aspect of the Report and implemented its own preferred framework (Colton, 1980). The new Metropolitan Toronto was to be governed by its own council of 25 members – 12 councillors from the City of Toronto, 12 heads of suburban municipalities (reeves or mayors),

and one appointed chairman. For that role, the Province appointed Frederick Gardiner, a seasoned politician who had served as reeve of Forest Hill, the wealthiest suburban municipality, warden of York County, and who was one of the nine appointees to the Toronto and York Planning Board. Gardiner was given a one year appointment after which time the Metropolitan Council would then elect a new Chairman either from within or from without of that body.

Powers were divided among the Metropolitan level of government and the municipalities so as to assure economies of scale at the upper tier while permitting lower tier municipalities to provide important local services to their residents. Some services were shared among both tiers. This enabled area municipalities “to continue their traditions, to preserve their identity, and to administer local service” (p. 22) while pushing obvious regional services to the Metro level (Rose, 1972). Table 6 depicts the breakdown in services assigned for the new Metropolitan area.

Table 6. *Division of Powers Between Metropolitan Toronto and Lower Tier Municipalities, 1953*

<b>Upper Tier (Metro)</b>	<b>Lower Tier (City, Town, Village)</b>	<b>Shared</b>
Administration of Justice (Court and Jail)	Fire Protection	Education
Finance - Borrowing and Issuing Debt	Policing	Housing and Development
Property Assessment	Garbage Collection	Parks
Public Transportation	Garbage Disposal	Planning
Regional Planning	Hydro Distribution	Roads and Traffic Control
Homes for the Aged	Public Health	Sewage Disposal
Hospitalisation and Burial of Indigents	General Welfare Assistance	Water Supply
Child Welfare - Children's Aid		

Source: (Friskin, 2007, pp. 72-73) with additions from (Rose, 1972, pp. 25-27)

Magnusson (1983a) argues that the primary responsibility of the new Metropolitan area was to finance growth of the suburbs. Given its exclusive ability to issue debt and borrow

money there effectively would be one credit rating required for the entire area as opposed to ratings of each separate municipal unit. This allowed the suburbs to borrow money on the credit rating of the City of Toronto (Isin & Wolfson, 1999). Also of note was the establishment of the Metropolitan Planning Board that was designed to oversee an area nearly three times larger than the political boundaries of the new Metropolitan Toronto. Each local municipality would still maintain its own planning functions but it would have to conform to the overall Metropolitan plan. This would help to ensure that the predicament of high revenue and limited space Toronto had found itself in over the past several decades would not happen again – or certainly not for a long, long time. Metropolitan Toronto was also given responsibility for essential regional functions such as clean water delivery, water and sewage treatment, water mains and reservoirs, as well as all expressways and major roads, and public transit. Local municipalities were responsible for water distribution, garbage and sewage collection, public health, welfare and unemployment assistance, and police and fire services.

To appease those who were weary of the new plan, Premier Frost committed to a full review of the Metropolitan structure no later than five years from its inception (Friskin, 2007). This time period was shortened as mounting pressure and chronic complaints by local politicians, the media, and other opponents, forced the Premier to initiate a formal inquiry into the affairs of Metropolitan Toronto in 1957. For this task, the Premier wisely chose Lorne Cumming, a person who knew what Metropolitan Toronto was all about considering he had written the original recommendation as Chair of the OMB.

It was unlikely that Cumming would be too critical of the design that he helped to create. Cumming served as Chair of the Committee and was joined by four members of the

provincial legislature. The Committee held 32 public hearings and received 46 written briefs including material from each of the 13 local municipalities (Rose, 1972). “Not surprisingly, the review inquiry’s report of 1958 hailed the experiment as an overwhelming success and recommended no fundamental changes to it” (Higgins, 1986, p. 196). While the Committee was undertaking its work, several amendments of importance were made to the 1953 *Metropolitan Toronto Act*. Policing was moved to the Metro level in 1957 with all 13 municipalities amalgamating their police services into a single organization. In addition, a unified licensing department was established to provide a common licensing framework within the region. Magistrates’ Court functions were also merged and brought under the Metro ‘umbrella’. None of these changes came about as a result of the recommendations emanating from the Cumming Committee as they were all enacted in 1956 prior to release of the Committee's Report.

Development continued for several more years in Toronto and most astute observers considered the Metropolitan experiment a success (Isin & Wolfson, 1999). In the early 1960’s however, Metro Toronto was experiencing another round of growth related issues. Population growth was not the culprit this time but overlap of jurisdiction and ambiguity in responsibilities led to certain inevitable conflicts. The City of Toronto was still pushing for full amalgamation and it had some valid complaints to substantiate its claim. Most notably, it was bearing a disproportionate burden of overall social welfare costs as it was supporting the greatest number of lower income people. The Province of Ontario had provided Metro Council with unconditional grants to support the increase in social payment stipends. The Metro administration allocated the grants on the basis of population which saw many suburban

municipalities actually earn a profit as their payments were less than their outlays. This infuriated the City of Toronto as its stipends were not sufficient to cover full expenditures for social welfare.

Area municipalities had one major concern that they had voiced for several years. They claimed that the existing voting system at Metro Council was to their detriment as they did not have proportionate representation at the Council table (Rose, 1972). A review of the data shows that the suburban municipalities were correct. When Metro was formed, the suburban units made up 42 percent of the overall population but by 1961 this number had jumped to 66 percent (Isin, 1996). A fundamental Canadian tenet of democratic 'representation by population' was now skewed. Both of these issues fostered a sense of inadequacy with the current arrangement and had both 'sides' looking for change.

In June 1963, the Metropolitan Toronto Planning Board prepared a ten year Report on the status of Metropolitan Toronto. It provided both a retrospective and prospective analysis. The Report reviewed and highlighted many milestones that had been achieved since formation of Metro Toronto in 1953. It also looked at what challenges Metro was facing as it moved forward. When looking forward the Report suggested the following:

While much as been achieved, many problems remain to be solved. The changing nature of the metropolitan problem is perhaps best reflected in the shifting focus of metropolitan concern. Where the emphasis in the first 10 years has of necessity been largely on the basic and essential physical services, that of the next 10 years will be increasingly on social and community welfare. In the first 10-year capital works program adopted by Metro in 1955, the projected expenditure of \$585 million..was allocated on the basis of 76% to roads, sewers and water supply; 21% to education; and only 3% to all of the other services and facilities, such as housing, welfare, conservation and parks, and the administration of justice. The 10-year capital program adopted in 1963, totaling more than \$1 billion...presents a far different picture: 36% on roads, sewers and water; 28% on education; 30% on public transit: and 6% on the other Metropolitan services.

The form of Metropolitan governments is itself subject to change....The sharp changes in physical development of the area over the past 10 years have led to increasing concern over the form of political representation and the detail of municipal structure within the federation. Just as Metro was born out of a Provincial Commission of Inquiry, so it enters its second decade with the establishment of a new Provincial study which will review the accomplishments of the past 10 years and assess the problems of the future. (Metropolitan Toronto Planning Board, 1963, pp. 5-6)

The 'new Provincial study' cited by the Metropolitan Toronto Planning Board in the preceding excerpt emerged from a motion approved in early 1963 by the City of Toronto.

Toronto City Council had affirmed a Resolution asking the Ontario Municipal Board to consider its request from 1950 to amalgamate all 13 area municipalities into a single city. Council Members likely realized that the demographics of the region were changing and that within a few years their ability to make such a request would be overshadowed by the strength and numbers of their suburban counterparts (Isin & Wolfson, 1999). In 1962's, Ontario's new Conservative Premier, John Robarts, directed suspension of the OMB's power to hear a case for amalgamation. The Government instead opted to create a Royal Commission to inquire into the structure, objectives and boundaries of the Metropolitan Toronto government including "any related matters affecting the government of the Toronto Metropolitan region" (Ontario, 1965, p. xi). For this inquiry, the Premier, by an Order-in-Council<sup>34</sup>, appointed H. Carl Goldenberg, a prominent Canadian labour lawyer from Montreal, as sole commissioner. As expected, the Commission received numerous written briefs and heard testimony from various interested parties including citizens who responded to newspaper advertisements seeking their input and views. In June 1965, nearly two years after it was commissioned, Goldenberg presented his Report to the provincial Government. By this time, Metro had been in existence for over a decade which was long enough to develop a trend on shifting patterns of resources

throughout the region that had emerged during that time. Most notably was the shift in property tax assessments throughout the region. Table 7 shows the *per capita* assessment costs from 1954-1964.

Table 7. *Per Capita Assessment Changes in Metropolitan Toronto and Area Municipalities, 1955-1964*

	<i>Per capita Assessment</i>		<i>Rank</i>		<i>% Increase</i>
	<b>1954</b>	<b>1964</b>	<b>1954</b>	<b>1964</b>	<b>1954-1964</b>
Metro Toronto	2,073	2,613			26.0%
East York	1,413	1,794	12	12	27.0%
Etobicoke	2,174	2,998	5	4	37.9%
Forest Hill	2,803	3,432	3	3	22.4%
Leaside	3,093	4,178	1	1	35.1%
Long Branch	1,287	1,873	13	10	45.5%
Mimico	1,541	1,947	11	9	26.3%
New Toronto	2,927	3,435	2	2	17.4%
North York	1,830	2,519	8	7	37.7%
Scarborough	1,586	1,969	9	8	24.1%
Swansea	2,075	2,519	6	7	21.4%
Toronto	2,265	2,990	4	5	32.0%
Weston	1,960	2,618	7	6	33.6%
York	1,581	1,802	10	11	14.0%

Source: (Ontario, 1965, p. 81)

The Metro Toronto format, although not perfect, had changed the way residents funded their local governments, partial property tax revenue distributed to the lower-tier municipality with the remainder going to the Metro Toronto level of government. One of the major accomplishments was creation of a greater overall sense of equity within Metro Toronto. More money was coming from the suburbs and less from the City of Toronto.

Notwithstanding an improved distribution of finances, the Goldenberg Commission recommended a major reorganization for the Metropolitan operating structure. The primary recommendations of the Goldenberg Royal Commission revolved around three main points. First, the Commission recommended amalgamation of municipalities within the current Metro

structure reducing the total number of jurisdictions from 13 to 4. It was suggested that the remaining municipalities would be the City of Toronto, the City of North York, the City of Scarborough, and the City of Etobicoke. Second, the commission called for an alternate system of representation that would make the Metro Council more democratic. The Mayor of each municipality would continue to serve on the Metro Council by virtue of their position.

However, Metropolitan councillors would be directly elected by their constituents. The proposed composition of Metro Council also increased to 26 members and included 13 from Toronto, 5 from North York, 4 from Scarborough, and 4 from Etobicoke. Finally, the Commission recommended changes to the distribution of powers between Metro Council and the lower-tier municipalities. These included alterations to land use planning functions, changes to transportation planning, the establishment of an area-wide parking authority, and waste disposal becoming an upper-tier responsibility. Further, the Commission recommended that the Ontario Housing Corporation become an interface with Metro Council on low-income housing developments (Rose, 1972). The costs and responsibilities of education were still assigned to municipalities however the Goldenberg Commission recommended that education be financed through a uniform education tax and that an entirely new educational structure be established. Both recommendations would have shifted responsibilities to the Metro level.

In 1966 the Provincial government enacted legislation that incorporated some of Commissioner Goldenberg's recommendations, although some were accepted in an altered form. Instead of the Four-city model that had been proposed, the Government approved an amalgamated structure that left Metropolitan Toronto, the City of Toronto and five boroughs – East York, Etobicoke, North York, Scarborough and York as entities. It was a structure that

would remain for the next thirty years. In response to the request for more democratic representation, the government announced that the new Metro Council would be made up of 33 members. The Chairperson would be elected by Metro Council while the other 32 positions would be members of the constituent councils and elected by their respective councils to serve at the Metro level. There would be no direct election of Metro Councillors as suggested by Goldenberg. Based on the 1964 assessed population the new voting structure resulted in the distribution of votes as outlined in Table 8.

Table 8. *Distribution of Votes in Metropolitan Toronto, 1964*

<b>Municipality</b>	<b>Votes</b>
City of Toronto	12
Borough of East York	2
Borough of Etobicoke	4
Borough of North York	6
Borough of Scarborough	5
Borough of York	3
Subtotal	<u>32</u>
Chairman	<u>1</u>
Total Votes	33

Source: (Rose, 1972, p. 116)

The Provincial Government also addressed recommendations related to division of powers between the two tiers. Concerns expressed by the City of Toronto regarding welfare costs were addressed by moving social assistance to the Metro level. Waste disposal, but not collection, was made a responsibility of Metro Council as well. Approval to create a Metropolitan Toronto Library Board was given so that resources could be shared and local library operations could be coordinated. The Metropolitan School Board was assigned power to collect the education tax and to review and coordinate all local school budgets with the goal to “equalize educational opportunities to a greater extent through the use of the total resources

of Metropolitan Toronto...the funds required by the local school boards for their basic educational requirements” (Ontario, 1966, p. 23). Thus, local school boards were to decrease proportionately with the newly amalgamated territory but still retain basic responsibility for delivering educational services within their respective boroughs. Amendments to provincial legislation were also made to allow for school board disputes related to financial issues to be settled by the OMB. The Legislature passed the amendments to the *Municipality of Metropolitan Toronto Act* in May of 1966. Thereafter, the Premier committed to reviewing the Metropolitan organization within seven to nine years.

### **The Emergence of Regions**

Starting in the late-1960's through the mid-1970's, the Government of Ontario focused on regional planning and began to look beyond the boundaries of the greater Toronto area (Isin & Wolfson, 1999; Sancton, 2000c). As part of the research into alternate methods of delivering municipal government, the Government appointed a Conservative back bencher from Toronto, Hollis Beckett MPP, to Chair the Select Committee on the Municipal Act and Related Acts, in effect a legislative committee on municipal affairs. In 1965 Beckett released his Report which recommended that larger two-tier units of local government, to be termed 'regional' governments, be established with the county level of government and county boundary as the central foundations of the overall framework (Ontario, 1965). The unique aspect of the Select Committee recommendation was the addition of cities and larger towns into incorporated regional government plans even if they had not been part of an existing past county government. Following release of the Beckett Report, the Ontario Department of Municipal Affairs launched a series of studies on regional government reform which the Department

designated as local government reviews (for a list of local government reviews see Feldman, 1976, p. 261).

The Provincial Government again chose Lorne Cumming to head the multiple Commissions of Inquiry that were formed to recommend changes to local government structures of almost every area in Ontario. The Provincial Government policy objectives related to regional restructuring were intended to shift the costs of certain services to larger units of government so as to provide a more uniform level of service across the province and, to help municipalities in financing services from their respective local property tax bases so as to reduce the burden upon the provincial government for grants (Friskin, 2007).

In 1966, the Provincial Government released its strategy to deal with regional development entitled *Design for Development*. This strategy called for the province to be divided into ten economic regions with each region thereafter determining development prospects that would control the level of growth in each region. Some regions needed more growth stimulus while some were suffering from issues related to rapid growth. In addition to this, Rose (1972) argued that the strategy was designed to encourage the public to accept the value of regional economic development initiatives along with regional solutions to social issues.

In 1967, the Ontario Committee on Taxation chaired by Lancelot Smith submitted a Report on provincial and municipal tax reforms following a four year review. This Committee recommended municipal government reorganization on regional lines based on the economic, social, and geographic characteristics of the area (Taylor, 2010). There was also an attempt to view the different regions as homogenous units in terms of both economic and social

development. Unlike the Beckett Committee, Lancelot Smith's Report was less concerned about the established boundaries of the region. His Report recommended that regions be classified either as urbanizing or county regions depending upon the type of development they were anticipating within their development plans (Ontario Committee on Taxation, 1967b). It was suggested by Smith that these development plans would help drive the natural boundary of the region.<sup>35</sup> As part of his recommendations, Smith relied on five criteria that he thought regional governments would provide in terms of access and service for their residents. Frisken (2007) summarized these criteria as, "(1) promoting or sustain a sense of community; (2) balance diverse interests; (3) have tax bases that were adequate to the tasks that had to be performed; (4) had the capacity to perform those tasks; and (5) could form co-operative relationships with neighbouring regions" (pp. 109-110).

In 1968, the Provincial Government released *Design for Development: Phase Two* which indicated a desire to advance local government reform by way of regional governments. A number of important key features from the Smith Report were adopted including the following:

- 1) A regional size which would balance accessibility and the efficient provision of services. A minimum regional population of from 150,000 to 200,000.
- 2) The region should cover both the urban community and the rural hinterland with which it shares economic, social, and physical services.
- 3) Regions could be one or two tiered, depending on local circumstances.
- 4) If two-tiered, the regional level would have many significant responsibilities including assessment, planning, arterial roads, health and welfare.
- 5) Municipal councils would be strengthened by removing powers from many special-purpose bodies and turning these powers over to Regional or Local Municipal Councils.

- 6) Regional government representation would be based on population.
- 7) In the two-tier regions, Regional Council representatives should be directly or indirectly elected. (as cited in Feldman, 1976, p. 263)

An additional review was also released in 1968 entitled the Metropolitan Toronto and Region Transportation Study (MTARTS). The goal of this review was to investigate regional transportation issues in the Toronto area. The review was a six year effort that encompassed an area 4.5 times larger than the boundaries of Metro Toronto. Although the contents of the review are peripheral to this discussion, it is another example of the size of area under consideration by then political leaders. The mountain of studies completed with respect to both regional planning and governance issues in just a few short years coupled with the multitude of discussion on issues of a regional nature made the idea of regional government more likely. Feldman (1976) cites R.S. Thoman, the first Director of the Regional Development Branch and who also published a paper entitled *Design for Development in Ontario: The Initiation of A Regional Planning Programme* where he said,

Regional development and regional government are overlapping programmes in Ontario; but they are distinct, and either could exist without the other. However, they are sufficiently complementary that each will work more satisfactorily if the other is in existence. Finally, much of the confusion between the two terms could be eliminated if ... we should substitute the words 'area government' for 'regional government' and henceforth speak of only regional development and area government. (p. 265)

The government was about to take advice from the multiple reports, commissions, inquiries, and studies and implement a theme that was common to all: that some benefit flowed from the formation of regional governments. Although there were nuanced differences among the reports they each recommended improvements that could be derived from the

creation of what some termed, "mini-metros"(Feldman, 1976, p. 261; Frisken, 2007, p. 109). While regionalization was seen as a systemic issue provincially, it was to be addressed on an individual basis, region by region. Specifically, each area under consideration for regionalization was to be reviewed through an independent special commission. The Smith Report suggested that 29 different areas which might warrant further consideration. By 1969, the Province had approved creation of the first regional government to be located in the Ottawa-Carleton Region (as will be discussed later). Several other regional government Commissions had also been assembled and were undertaking their regional reviews concurrently.

Between 1969 and 1974 an additional ten regional governments were created, for a total of eleven, representing more than one third of Ontario's population (Higgins, 1986). Four of the eleven regional governments bordered on Metro Toronto. This included the Regional Municipality of York which was created in 1971 as well as the Regional Municipalities of Peel, Durham, and Halton that were created in 1974. The restructuring in York was unique in that it came about as a result of a request by the local government in that county (Isin & Wolfson, 1999). The other regional governments were imposed solutions by the Provincial government. Regardless of the requests origins, they were a major change in policy from the century old model of County government which saw separate cities and towns function independently in the same area as prescribed under the *Baldwin Act*. Another major change which followed from creation of regional governments was the elimination of one tier school boards. Under the regional model only two school boards existed – one for the public system and the other for the constitutionally protected Catholic education system. Both Boards operated at the regional

level and eliminated a level of bureaucracy. This move was consistent with the trend in education reform happening in the Province at that time. Between 1967 and 1976 the Province had reduced the number of school boards from 1,400 to 182 (Ontario, 1976).

The creation of regional governments around Toronto was a clear signal by a new Premier, Bill Davis, that any thought of future expansion by upper-tier Metro Toronto to address its growing population was unlikely to happen. In 1970, the Provincial government announced another Design for Development planning study – this time it was focused on the "Toronto-Centered Region" (Ontario, 1970, p. 1). In this particular study, the planning area under consideration extended 145 kilometers from the centre of Toronto encompassing an area greater than 22,000 square kilometers “while the interaction area comes to about 15,000 square miles [38,850 square kilometers]” (Ontario, p. 9). This study was compatible with the thinking of the era which involved larger areas, regional scope, and a broad sense of future growth and the requirements necessary to satisfy that growth.

In 1972, *Design for Development: Phase Three* was released. It provided a timetable for creation of further regional governments (Feldman, 1976). It's value was to be short-lived as within a year the Government had shelved further plans for future regional governments and only implemented those that had been approved including the three in the greater Toronto area (Peel, Halton, Durham). Feldman (1976) claims this came in response to significant opposition from various areas within the Province. Frisken (1993) claims that anticipated costs associated with regional governments were too high thereby causing the government to abandon the prospect at a time when it was experiencing financial difficulty. Isin and Wolfson (1999) argue that other western countries which had once supported these types of local

governments were abandoning their plans as regional governments were being seen as a political liability.

It is likely that a combination of factors led the Ontario government to end the push for regional municipal units. Although there were many similarities between regional governments and the Metro model of government which had by now been in existence for almost 20 years. Those outside Toronto appear not to have been as familiar or comfortable with changes to their established form of county level governance. Even within the greater Toronto area disagreements over boundaries led to the Durham region not conforming to the established boundaries of the original county but, instead, following the boundary of one county and part of another. Costs were also a consideration in the minds of elected officials and taxpayers. Any hint of escalating costs due to restructuring was bound to send a chill through the various affected constituencies across Ontario. In principle most could be assumed, generally, to be against any increase in their property tax rates as a result of restructuring.

Municipal restructuring in the form of regional governments and regional planning had been vigorously underway from the late 1960's until 1974. Although areas around Metro Toronto were impacted by this restructuring, Metro itself continued to operate under the *status quo*. Former Premier John Robarts had promised to review the Metro establishment in the mid-1970's and although Robarts was no longer in office at that time his successor, Bill Davis, maintained that commitment. In September 1974, a second Royal Commission was convened to "[e]xamine, evaluate and make appropriate recommendations on the structure, organization and operations of local government within the Metropolitan Toronto area" (p. xv) and its lower-tier municipalities (Ontario, 1977). Former Premier John Robarts was chosen to

spearhead this effort. Over the course of two years, the Commission received submissions from interested parties including each municipality in Metro Toronto except for the City of Toronto itself. Toronto City Council was unable to resolve its political differences and was therefore unable to approve a resolution that explained its position on the subject under review by the Royal Commission (Baker, 1976).

In June 1977 the final Report of the Royal Commission was tabled and included 127 varied recommendations (Ontario, 1977). As part of its work the Royal Commission reviewed prospective alternatives involving the full amalgamation of Metro Toronto into one government and abolition of the Metropolitan tier of local government. Tensions still existed between Metropolitan Toronto and the City of Toronto as a result of decisions made by Metro that were seen by some Toronto councillors as pushing development on to the City (Friskin, 2007). The Royal Commission rejected the idea of full amalgamation and dissolution of Metro. Instead it opted for a more moderate approach by recommending internal boundary changes for the municipalities of York and East York. This in turn caused great consternation among the residents of Toronto, North York and Scarborough who were positioned to lose territory if the recommendation was approved (Baker, 1977).

As the provincial Government had stopped the process of municipal restructuring just a few years before, that same Government was reluctant to engage in a process that would open more debate on the topic. Instead, the Provincial Government agreed to make the internal boundary adjustments only if the municipalities involved could agree (Ontario, 1978). There was never any agreement on this topic and no changes were made at that time. Other notable recommendations from the Royal Commission included the transfer of certain responsibilities

to the Metro level including assistance under the provincial *Family Benefits Act*, funding related to social housing, the creation of a Toronto Region Coordinating Agency for facilitating planning and development, the direct election of Metro Toronto councillors, and elimination of all special purpose bodies with the exception of Boards of Education. The Provincial government opted to forego most of these recommendations in favour of some minor tweaking to the existing arrangements and legislation. For instance, it left the process for electing Metro Councillors to the respective municipal governments. Appointed planning boards were eliminated but the majority of the special purpose bodies were left intact and their future was left in the hands of lower-tier councils (Higgins, 1986). A new coordinating agency was rejected outright. Metro itself, along with the new regions of Durham and Peel, opposed the recommendation and claimed that the Province should be responsible for coordinating problems of an inter-regional nature. The Ministry of Treasury, Economics and Intergovernmental Affairs supported that notion and found that creating a new body without clear responsibility to the province “would confuse attempts at a clearer definition of responsibilities between the provincial and local levels of government” (Ontario, 1978, pp. 37-38). Magnusson (1983b) claims that the reason for such inaction following the release of the Report by the Royal Commission was that:

[T]he province was unwilling to do anything that might have threatened its own hegemony. From a provincial perspective, there was much to be said for keeping Metro and the city in a competitive balance, to weaken them both. Although Metro was potentially the stronger authority, it lacked the legitimacy conferred by direct elections, and the political resurgence of the city combined with the development of strong suburban councils to put a check on it. (p. 125)

This observation supports the common theme that appears throughout the literature and over the various iterations of Metropolitan Toronto review from its inception in 1954 specifically, that being, power and control and the Provincial government's unwillingness to create a local government that it cannot easily manage notwithstanding its ultimate control under the Canadian Constitution.

In 1980 Metro Toronto approved its first official plan. The strategy involved a hub and spoke model with the City of Toronto at the epicentre or hub, and suburban municipalities functioning as spokes and developing their own core city areas to attract a commercial tax base similar to Toronto but on a much smaller scale. The official plan also attempted to incorporate suburban development along the existing primary transit lines. Frisken (2007) suggests that the approval came as a result of pressure from the Provincial Government which wanted to allow residential group homes in Metro Toronto and not because it wanted to show support for the model put forward by Metro. The official plan was the master plan to which all local plans would conform. This was an important milestone as Metro had been created nearly 25 years prior to the approval of this plan. Many of the challenges faced by Metro and the suburban units revolved around a lack of planning and agreement among all of the municipalities especially linked to housing, public health, transit, and school financing (Frisken, 2007).

The provincial design charrettes such as the three *Design for Development* exercises were not focused on micro-level detail at the municipal level but rather were seeking to define a provincial policy on regional growth. Since formation of Metro, the province had undertaken to create 11 regional local governments including four adjacent to Metro. The growth in Metro had continued since its inception creating a greater need for more space and integrated

planning. The regional governments limited Metro's ability to expand thereby forcing it to look at ways to solve its internal problems without extending its boundaries. Besides agreement on the hub and spoke model, Metro municipalities ultimately found commonality on policies related to social housing. This issue had dogged Metro since it began and became more imperative as the cost of living in Toronto had skyrocketed since the late 1960s as available land had decreased thereby driving up real estate prices (Bourne, 2001). Toronto was continuing its evolution as the major industrial and commercial centre in Canada. As it matured, Metro and the surrounding regional governments of Durham, York, Peel and Halton started to be viewed by some as more of an integrated area than they were in actual fact. The term 'Greater Toronto Area' (GTA) became a common expression used to define this expanded area of some 4,400 square kilometres (Isin & Wolfson, 1999). Between 1971 (the year that the Regional Government of York was established) and 1986 the population of Metro Toronto increased by 800,000 (University of Toronto, 2012). Only 12.6 percent of that population landed in Metro Toronto with the large remainder finding homes in the new suburban regional areas where the cost of housing was lower than housing costs in Metro (Friskin, 2007).

In 1985 the Provincial Progressive Conservative Government, which had held power for more than forty years, lost a provincial election to the Liberal Party which was able to form only a minority Government. When Liberal Premier David Peterson took office he was forced to work with the New Democratic Party to move his policy agenda forward. The policy approaches of all three parties were different and it is likely that Premier Peterson wanted to distinguish his party from the Progressive Conservatives in hopes of obtaining a future majority government. Shortly after taking office, the new Minister of Municipal Affairs, Bernard

Grandmaître, appointed a Task Force to assist the government in addressing the "issues of representation, accountability and responsiveness in the Municipality of Metropolitan Toronto" (Task Force on Representation and Accountability in Metropolitan Toronto, 1986, p. i).

The 1986 Task Force was different in a number of ways. First, it blended both political and administrative talent and included a senior staff member from each municipality in Metro Toronto. Past commissions simply received testimony and submissions from Metro municipalities but did not include them in the process in any meaningful way. Next, the Task Force was not charged with making any recommendations. It was simply responsible for identifying the options available under pre-defined categories and analyzing those options. The past reviews and reports on the operations of Metropolitan Toronto had provided some recommendations that served to inflame certain interested parties thereby putting the Provincial government in a precarious position. Suggestions related to amalgamation with certain surrounding municipalities was a common theme that placed sitting MPP's in the Toronto area, especially those in Government, in such a precarious position. In the case of the 1986 Task Force, focus was limited to a review and analysis of the following topics:

- Selection of Metropolitan Council;
- Selection of Metropolitan Chairman;
- Electoral boundaries;
- Size of Council;
- Executive committees; and,
- Council relationship to boards and commissions

(Task Force on Representation and Accountability in Metropolitan Toronto, 1986, p. v)

Among these topics, the selection of Metropolitan councillors was a theme that had permeated any past reviews. In each instance, the Provincial Government of the day made the appointment of Metro councillors a function of a successful election to a local municipality. The

most radical change to this system saw local municipal councils choose their own representatives from among incumbent Council members. Not surprisingly, this was hardly an answer to the growing concern over dual representation.

As Metropolitan Toronto grew it was becoming clearer that it needed more attention and accountability in the form of good governance. Specifically, residents were looking to have their Metro Councillor directly elected so that there were clear lines of accountability. Having municipal councillors split their time between serving at upper and lower-tiers was viewed by some residents in Metro Toronto as problematic. Questions about conflict of interest, loyalty, and ability to devote the required time were primary concerns. Reflecting on the governance situation in Metro, Mellon (1993) stated:

Despite its important governing role, there were serious representational problems within the Metro government. Much of the difficulty related to what Welch and Bledsoe refer to as “representational focus, that is, who or what representatives believe they are representing.”<sup>36</sup> All Metro councillors, save for the chairperson, had to have a seat on a lower-level municipal council. Councillors were keenly aware that their political longevity was determined primarily by their ability to win a seat on municipal council. Harold Kaplan, writing in his 1967 book *Urban Political Systems: A Functional Analysis of Metro Toronto*, claimed that “The Metro councilor viewed himself as a municipal delegate attending an international conference. The councilor’s major purpose at the conference was to ensure that his municipality received treatment on a par with the treatment accorded other municipalities.”<sup>37</sup> (p. 40)

The work of the Task Force brought a renewed sense among those involved in municipal politics in the GTA that change to the election of Metro councillors was possible.

Issues related to dual representation and the conflict inherent in serving two masters was dealt with provincially in Ontario in 1872 and adopted federally in 1873 (Farr, 1991). It was then that people were prohibited from serving in both the federal parliament and the provincial legislature. Subsequently, in 1975, the Province of Ontario passed legislation that precluded

members from serving at both the provincial and municipal levels of government. This was something that many members of provincial parliament had done in the past including former Mayor of Windsor, David A. Croll who served as mayor from 1939-1940 and concurrently as a sitting member of the provincial legislature (E. Garchteine, personal communication, October 16, 2012).

Upon release of the Task Force Report in November 1986, Municipal Affairs Minister Grandmaître made clear that he was seeking ways to have Metro Councillors “devote more time and be more accountable for how they deal with Metro issues”(as cited in Mellon, 1993, p. 49). Instead of suggesting a solution the Minister put the question to each individual council to gather stakeholder feedback, debate the issue and pass a formal resolution either supporting or disapproving of the direct election of Metro councillors. Over the course of several months each council worked on developing a motion that it could approve. Opposition came from many angles but the general sentiment was expressed by a Councillor from Etobicoke who stated, “[i]f we don’t have direct elections, to Metro, then \$1.6 billion worth of issues such as daycare, police and the TTC [Toronto Transit Commission] will continue to be ignored during elections” (Mitchell & Best, 1987, p. A7). As public consultation and council debates took place, there was finally a clear resolve by the majority of municipalities to have direct elections for councillors at the Metro level. For his part, Premier Peterson was supportive of the concept of a direct election for the position of Metro Chairperson (Christie & Byers, 1986). In 1987, the Provincial government tabled Bill 29 which proposed amendments to a number of governance issues in Metro Toronto. First, it adopted the change to directly elect Metro Councillors except for the local mayors who would continue to serve on Metro Council by virtue of their position.

It also called for the Chair of Metro Council to be elected by that body from among that body. Finally, the Bill proposed the reduction in the number of councillors from 39 to 34 and called for changes in the council structure to allow for local councils to choose their own committee structure. The Bill passed and received Royal Assent in February 1988 in time for municipal elections in the autumn of 1988.

Meanwhile, in 1987, in response to the 1978 Robarts Commission recommendations, the Provincial Government created the Greater Toronto Coordinating Committee (GTCC). Robarts had recommended the creation of a regional coordinating body “because the integrated development of the Toronto region is too important to be left to chance” (Ontario, 1977, p. 131). The GTCC’s mandate was truly regional and it was charged with evaluating and coordinating infrastructure needs of municipalities within Metro and its suburban neighbours. The creation of the GTCC was also evidence of the Government's recognition that the effect of Metro Toronto meant it was expanding organically beyond its boundaries without any official boundary changes occurring (Friskin, 2007).

The GTCC determined that the Greater Toronto Area was important enough to warrant its own seat at the table and it convinced the Province to create the Office for the Greater Toronto Area (OGTA) in 1988. The OGTA was a ‘Secretariat’ of the GTCC and provided it with staff resources needed to function appropriately as well as working to find consensus in areas of strategic planning (Rao, 2007). Friskin (2007) and Tindal & Tindal (2004) claim that the OGTA also provided the GTCC with a direct link to the provincial Cabinet as the head of that office reported directly to a Cabinet Minister.

Even if this were not the case, the Greater Toronto Area was home to over forty percent of Ontario's residents and would have been hard to have ignored based upon sheer size alone. In any event, the OGTA and the GTCC were largely administrative bodies as evidenced by their composition which was mostly administrative personnel with little political influence. Notwithstanding any political ties the OGTA possessed, in practice, over the course of several years its workload was disbursed among various provincial Ministries. The OGTA ended up being a sort of troubleshooting group used, as required, by the Province for various purposes. Originally it reported through a deputy minister at the Ministry of Treasury and Economics but was moved to the Ministry of Municipal Affairs in 1989. Here it was tasked with building consensus "on how the GTA should develop over the next thirty years [while establishing] co-operative arrangements for the necessary infrastructure" (Isin & Wolfson, 1999, p. 55).

Bourne (2001) refers to the 1980s as the "decade of lost opportunities" (p. 35) for Toronto. He identifies few improvements in public transit and a slowdown in social housing production as important reasons for the lack of infrastructure growth. Further, he suggests the emerging ossification in governmental structure which ran counter to the changes made at the Metro level favouring the direct election of councillors to that level of government. Rao (2007) claimed that the first direct election of Metro Councillors in 1988 had the positive effect of providing a "Metro perspective" (p. 79) that was separate and unique from the lower-tier municipalities. This was another step in the evolution of Metro Toronto and a sign of its maturation.

All the while Toronto continued to grow. Between 1986 and 1991, the population of the Toronto census metropolitan area grew by almost 500,000 (University of Toronto, 2012).

Strains on infrastructure and growing concerns about inequities in the property tax assessment system continued to put pressure on the provincial government to find solutions (Graham et al., 1998). By the end of decade, the Liberal Government won a legislative majority in the 1987 provincial election, the Greater Toronto Area had its own provincially created 'office' and Metro councillors were duly elected by their constituents. The 1980's saw some major changes in the way Metro Toronto was governed, however the 1990's were destined to bring about additional major reforms in the Greater Toronto Area.

### **Prelude to a Revolution**

As the new decade began in 1990 the global financial picture was not rosy. Ontario, like many parts of North America, was suffering the effects of the deepest economic recession since the Great Depression of the 1930's. Jobs were being lost in the industrial and commercial sectors on account of the financial crisis but also as a result of the conclusion of the Free Trade Agreement between Canada and the United States (Keil & Boudreau, 2005). Real estate prices were plummeting in Toronto and the market was glutted with excess properties. This was a problem that had not been experienced in Toronto in many years. As a region, Metro Toronto was also suffering from the effects of large scale unemployment which reached a high of 11.4 percent in Toronto by 1992 (Gower, 1996). Ultimately, this meant the gradual movement of people to the welfare rolls and increased payments by municipalities to satisfy welfare requirements. On the heels of this economic downturn, the New Democratic Party (NDP) swept the Liberal party from power in the Provincial elections of 1990. This surprising win threw out of office the former Premier who failed to win even his own riding. The election substituted the NDP, a left-wing socialist party that had never held power in Ontario for a more

moderate Liberal party (Mackie, 1990). In Metro Toronto, the NDP won 18 of the 30 available legislative seats. Although the NDP had not campaigned on a platform of local government reform the Party was well aware of the sentiment shared by many people in the Toronto area that Metro Toronto was no longer “relevant” (p. 62) since it was quickly becoming dwarfed by the regional governments in the Greater Toronto Area (Schwartz, 2010). Metro Toronto found itself unable to keep up with the growth in population compared to these regions just as the City of Toronto had not been able to keep up with the growth experienced in Metro Toronto. Tindal and Tindal (2004) claim that the disparity in growth and the inherent lack of coordination was the impetus for creation of the Office of the Greater Toronto Area.

Soon after assuming power, the new NDP Government started rolling out its policy agenda. One priority item on the new Government's policy list was a full review of the Planning Act. A Commission on Planning and Development Reform in Ontario was created. Former Toronto Mayor John Sewell was appointed as Chair of the Commission and was given a “broad mandate” (p. 1) to recommend changes to the Planning Act and related policy (Commission on Planning and Development Reform in Ontario (John Sewell, Chair), 1993).

The Government received recommendations from the Sewell Commission in 1993. Thereafter, in 1994, the Government introduced Bill 163, Planning and Municipal Statute Law Amendment Act, to amend the *Planning Act* and other municipal legislation. Bill 163 became law in 1994. In addition, the Government created a comprehensive policy framework by issuing policy statements and guidelines that would bring consistency in submissions from municipalities and ultimately decisions on appeal to the Ontario Municipal Board. Frisken (2007) claims that the work of the Sewell Commission complemented the work being done by

the OGTA and was a signal by the Government that it was taking a leadership role in the GTA and was prepared to give more direction with respect to regional and municipal planning.

Prior to its defeat in 1990, the former Liberal government had settled a long standing boundary dispute in the Sarnia-Lambton area. In a purely central political decision the Liberal Government forcibly amalgamated Sarnia with the neighbouring town of Clearwater and then placed Sarnia under the county council structure as a lower-tier. An issue was created when Sarnia, which included 58 percent of the total area population, was only given 15 of 37 seats at the county council level. Electoral history in that area reveals that Lambton County had switched to become a strong Liberal riding for both the 1985 and 1987 elections while the City of Sarnia was a strong territory for the Progressive Conservatives dating back many decades.

In addition to the Sarnia area, the Liberal Premier also had pushed for county restructuring in the southern portion of Simcoe County where eight lower-tier units were merged into three municipalities (Sancton, 2000c). Reform in the rest of Simcoe County had not been completed prior to the Liberal election defeat in 1990. In 1993, three years after forming a government the NDP introduced legislation that amalgamated the northern portion of Simcoe County, an area located north-west of Toronto (*An Act Respecting the Restructuring of the County of Simcoe*, S.O. 1993, c.33).

The NDP also introduced legislation that saw massive annexation by the City of London. The Minister of Municipal Affairs appointed a London businessman to arbitrate a decision following the failure of an appointed 'fact-finder' to gain consensus among the area's municipalities (Martin, 2007). The arbitrator took sixty days to hear from affected parties and delivered his decision shortly thereafter to the Government. In that decision he awarded the

City of London more land than even it had requested. The *London-Middlesex Act* was passed into law in December 1992 and became effective on January 1, 1993 (City of London, 2012). This legislation forced the Town of Westminster and several adjoining townships surrounding the City of London into amalgamation and hence into the largest single-tier municipal government in the province. The new City of London tripled in size overnight while only increasing in population by 8,500 ("London triples its size overnight", 1993). The total cost of the amalgamation to the City of London was estimated at \$50 million and was justified during the recession as a needed requirement to spur economic development in a controlled manner ("Planning reforms may go awry", 1993; Sancton, 2000c). Twenty years following passage of this legislation the primary sites proposed for development continue to be used for farming purposes, and a landfill.

Coincidental with restructuring activity in London there were calls in Ottawa-Carleton to reform the local government within that region. The provincial Government opted to change the voting structure for the Ottawa regional council to mirror that of Metro Toronto. Starting in 1994, councillors who sat on the regional council would be directly elected by voters.

The NDP also had to deal with a number of issues that were causing regional tension during its tenure. Property tax reform was high on the list for municipalities in the Greater Toronto Area. Metro Toronto had tax rates that were higher than those in surrounding regional areas which caused business investors to choose sites in those regional areas as opposed to Metro Toronto (Frissen, 2007). In addition, property valuation assessors were allowed to undertake reassessments of individual properties using their own standards which further compounded inequities in the property tax system. Many owners of large commercial

properties in the Metro area appealed their tax assessments between 1991 and 1995 as businesses could afford the cost of litigation and stood to reap significant financial benefits.

Also nagging the NDP Government was the issue of transit in the GTA. More low income housing was made available in Metro Toronto as a result of NDP Government policies yet the Government's failure to address the disparity in the property tax systems saw more businesses relocate outside of Metro Toronto.

Furthermore, commuting from Metro to a job outside of Metro's boundaries often involved a patchwork of transfers through a system of uncoordinated transit fares where customers had to pay multiple times depending upon their destination (Ontario Transit Advisory Group to the Minister of Transportation Ontario, 1987; Stein, 1994). In 1993 the provincial Government formed a Transit Integration Task Force in an effort to increase use of public transit and to provide "quality cross-boundary and inter-regional transit services in a cost-effective and cost-efficient manner" (Toronto Public Library, 1999, para. 13). This group included representatives of the transit operators, private consultants, and representatives from regional municipalities wherein various transit systems operated. Recommendations of the Transit Integration Task Force involved creation of a transit federation that would work on providing a "seamless service" (para. 13) involving municipalities, regions, and GO Transit (a provincial commuter rail system) as well as creating a mechanism for sharing facilities and joint planning (Toronto Public Library, 1999). This exercise proved fruitless and no improvements were made to address the systemic problems which existed as the Provincial Government did not act on any of the recommendations. Frisken and Wallace (2002) claim that the province feared losing control over GO Transit and the control it could exert through subsidies to

municipalities to operate transit systems. Municipalities, on the other hand, were fearful of turning over control of transit to a regional federation which might have increased their costs and ultimately their individual municipal tax rates. Following this period of inaction, the tone was described as:

The failure to achieve transit integration in the GTA means that the transit system not only remained fragmented, but that it also remained highly focused on bringing suburban commuters to downtown Toronto. Possibilities for city residents to travel by transit to suburban locations outside Toronto were limited or non-existent. Some GO Transit routes operated only in morning and evening rush hours, and thus were of no use to people (like shift workers) travelling at other times. Transit travel was much more expensive for persons using GO and suburban bus services than it was for persons travelling within Metro - disproportionately so for persons making relatively short trips that crossed the Toronto boundary. (Friskin & Wallace, 2002, p. 110)

The inability of the Provincial Government to show leadership on this issue and start some momentum of change was another sign of a neophyte government that was unfamiliar with governing.

Although provincial legislation subsequently changed to mandate direct election of Metro Councillors starting in 1988. Nonetheless, friction between Metro and the lower-tier municipalities continued into the 1990s. The City of Toronto was seen as having a distinct advantage through its mix of commercial and industrial properties which afforded it the ability to tax residential properties at a lower rate than its surrounding neighbours. The same was true for Metro Toronto as compared to the regional areas as shown in Table 9.

Table 9. *A Comparison of Total Equalized Assessments and Total Revenues in Metropolitan Toronto and Greater Toronto Area Municipalities, 1994*

	<b>Total Assessment per household</b>	<b>Residential Assessment as % of Total Assessment</b>	<b>Total Revenues per household</b>	<b>Property Taxes as % of Total Revenues</b>
Metro Toronto	311,261	57%	5945	44%
Durham	183,404	76%	3639	52%
Halton	242,051	75%	3218	61%
Peel	257,587	68%	3569	57%
York	327,014	73%	3613	55%
Ontario	182,764	68%	4082	46%

Source - (Friskin, 1993, p. 226)

The tax disparity argument was coupled with concerns about school board funding. The Toronto Board of Education went so far as to launch a public awareness campaign to inform residents that school board funding was coming from property taxes and that City of Toronto residents were funding an unequal share of the total education costs. In fact, both Toronto and Metro school boards received no grants from the province because they were considered "rich" (p. A13) school boards (French, 1990). Within Metro, within the region, and within each area, there were also disparities as they related to the funding provided for the public and Roman Catholic school boards. Both were required to be funded but the balance of funding was less than equal. Among elected officials, all of these issues continued to cause friction generally associated with inequities for high priced services such as education.

In response, the NDP Government continued to promote its policy of engaging regional governments to find internal solutions without provincial intervention. Friskin (2007) claims the province was seeking to cut expenses related to municipal affairs and that any further

commissions of inquiry or studies would be untenable in the then current financial climate.

Even more animosity was created when mayors of the GTA municipalities thought the Province might announce a 'mini Royal Commission' on the future of the GTA. To thwart any attempts to legislate reforms, the Mayor of Mississauga formation of a Committee called the Mayors' Task Force on Economic Development.

One of the primary goals of the Mayors' Task Force was to promote the entire GTA to investors. The Mayor of Mississauga stated: "[c]hanges in the GTA can't be legislated from the top down...[it] has to happen from the grassroots up, and we are the grassroots." (Hurst, 1995, p. A1). Little of substance emerged from the activism of this Task Force as the mayors involved focused primarily on the affairs of their own municipalities (Friskin, 2007). The City of Toronto took its 'grassroots' role seriously and City Council decided to position itself for any play the Provincial Government might make, or not make. In 1994, Toronto City Council approved addition of a non-binding plebiscite on the forthcoming municipal election ballot. The question was straightforward: "[a]re you in favour of eliminating the Metro level of government?" (Ontario, Legislative Assembly, 1997b). Fifty-eight percent of the voters supported elimination. Had the provincial government opted to act on the outcome of this plebiscite, the City of Toronto would have been much better positioned to take a leadership role as it had majority electorate backing and would have been able to 'play that card' to leverage its position.

If the Provincial Government took no action, then the City of Toronto would still be able to use the plebiscite results as leverage when presenting its view at the various committees and task forces that existed. By having a majority of those who voted support the elimination of Metro added weight and importance to Toronto's position as they were seen as having the

power of their people behind them. There were so many conflicting opinions on what should happen in the Greater Toronto Area that the Provincial Government politically was in a 'no-win' situation. The new NDP Provincial Government appeared to be uncertain about the most appropriate option perhaps reflecting inherent suspicion of the entrenched provincial bureaucracy it inherited from its predecessors. Further amalgamations could be costly both politically and financially and could disenfranchise large groups of voters in the GTA who had become accustomed to the *status quo*. Piece-meal solutions also were financially expensive as the municipalities involved generally sought financial assistance from the Provincial Government to offset any transitional costs they might incur (Friskin, 2007). The Provincial Government was not seeking to spend more money, and by 1994 was acutely aware of the depth of the recession as the Government was running an \$80 billion accumulated deficit (Ontario Ministry of Finance, 1995). Starting a 'war' with Toronto was not high on the Government's agenda and thus, it took no definitive action to address the results of Toronto's referendum responding instead to the effect that, "Metro in some form is there to stay" (Wright, 1994, p. A6). Subsequently, this led to calls from the *Toronto Star* newspaper and other organizations for formation of a 'Greater Toronto Regional Government' which would have seen abolition of Metro and the extension of Metro-like powers throughout the GTA (Ferguson, 1995; "Metro Area Needs a New Blueprint", 1994).

At a minimum, there were calls for another commission of inquiry to investigate reform options ("Time to rethink Metro structure", 1994). Provincial Premier Bob Rae had heard expressions of growing concern and by January 1995 he was committed to forming a "working group rather than any kind of formal commission or task force" (p. A6) to study the options

(Walker, 1995). As if he were hoping the issue might fade, no action was taken for the next several months. The continued pressure on the Government became hard to ignore and in April 1995 the NDP appointed Anne Golden, who was the President of the community fund-raising group, United Way<sup>38</sup>, to lead a Task Force on the Future of the Greater Toronto Area “to respond to growing concerns about the health and workability of the city-region” (Ontario, Greater Toronto Area Task Force (Golden Report), 1996, p. 9). The work of the Task Force coincided with Government plans to reform the public education system in Ontario. These two major initiatives offered the appearance of some major reforms similar to that seen when Metro was created in 1953 however the NDP announced these plans in April of 1995, just two months before a pending provincial election.

Seeing political opportunity, Conservative Leader (and future Premier) Mike Harris jumped at the opportunity left by Premier Rae following the Toronto referendum on dissolution of Metro. Prior to the Premier’s announcement that he was going to form a working group to deal with Metro issues, Mike Harris announced the formation of his own task force called the "Mike Harris Task Force Bringing Common Sense to Metro" (Papp, 1995, p. A2; Sancton, 2000c, p. 118). In doing so, Harris recognized the frustration brewing within Toronto and made a calculated political move to appear as an action oriented leader. The composition of the Task Force was as political as was its timing. Its tactical purpose was to help get Conservatives elected in Metro Toronto while its outward goal was to hear concerns from Torontonians about how to improve governance within the Greater Toronto Area.

Joyce Trimmer, a recently retired mayor of the Metro municipality of Scarborough, was selected to Chair the committee. Mike Harris had lobbied Trimmer to run as a Member of

Provincial Parliament in her riding as it was anticipated that she would lend credibility to the Harris campaign. However Trimmer held firm in her decision to retire from politics altogether (Sancton, 2000c). Joining Trimmer as co-chairs were Morley Kells, Al Leach and Derywn Shea. All three were running as Conservative candidates in the Metro area and Conservatives apparently hoped this task force would serve as a tool to help raise the Party's profile. Each co-chair was subsequently elected in a provincial election in 1995 wherein the incumbent NDP Government was defeated and replaced by Mike Harris and the Conservatives. After the election, Al Leach was appointed as Minister of Municipal Affairs. Before Premier Rae was able to announce his plans for Metro, the Trimmer Task Force already had held six public hearings and received approximately thirty presentations between February and March of 1995 (Thomlinson, 2005). Support for the work being done by Trimmer came directly from Harris's office. In fact, a draft interim report was prepared by Harris's political team and was sent to Trimmer for her "thoughts and input" (Sancton, 2000a, p. 143). Retrospectively, this type of remark was enough to call into question the nature of the work being done by Trimmer and her co-chairs and provided a clear indication that the Trimmer Task Force was never intended to produce an arm's length independent report.

In the documents sent by Harris' office to Trimmer, there was a covering letter and a six page report with a draft letter from Joyce Trimmer to Michael Harris dated March 30, 1995.

The following eight 'findings' were set forth within the report:

1. There is too much government.
2. The current two-level system of government is too expensive, too bureaucratic and too unaccountable.

3. The government closest to the people is considered the most responsive, efficient and accountable government. A broad consensus exists for the delivery of most services at the local level.
4. Political boundaries often act as impediments to effective, efficient service delivery.
5. Broader regional coordination for transportation is essential.
6. Unfairness in the property tax system is broadly acknowledged and in need of immediate attention.
7. In order to achieve greater efficiencies, local government should encourage more private-public partnerships.
8. There is a high value placed on local communities and the sense of belonging which a strong community engenders. Policies must be designed to protect and preserve the uniqueness of neighbourhoods.<sup>39</sup> (as cited in Thomlinson, 2005, p. 108)

Notwithstanding the creation of an interim report nothing was ever released to the public. In fact, Trimmer and the co-chairs never even met to discuss the feedback they received or recommendations they might make as a result of their consultations (Sancton, 2000c). From the submissions received by Trimmer, none had recommended a total amalgamation in Metro Toronto. There were however, calls for a reduction in the number of lower-tier municipalities in the Metro area as well as comments that Metro Toronto itself should be eliminated.

Whether Harris actually read any of the public submissions is not known but what appeared in the *Toronto Star* on April 4, 1995 is known.

Harris penned an editorial intended for publication in the newspaper. In it, he acknowledged having received an update from Joyce Trimmer on the work of her Task Force (Harris, 1995). Harris claimed that he received the update on March 30, 1995 which was the same date on the letter that was sent to Joyce Trimmer by Harris's office asking for her thoughts and input. Harris (1995) also asserted in his editorial:

During the last 10 years...GTA has come to stand for Greater Taxation Area. Ontario needs a new private-sector growth agenda. To do this, we need to reform not only what governments do, but how they think and how they operate. The Trimmer task force, by exploring the elimination of Metro government, raises yet another plausible solution worthy of consideration. These findings are leading the task force to conclude that Metro regional government in its current form must go. Within 180 days of taking office a Harris government will act. We will present an action plan to restructure service delivery such as transit, garbage, welfare and police; to bring co-ordination and cost savings; to clearly disentangle responsibilities and bring about fairness in funding and taxation. This may very well lead to the complete elimination of an entire level of government. (p. A14)

By explicitly identifying elimination of a level of government Harris opened the door for future action. Although there were many possible variations of how a restructuring could occur, it was unlikely that Metro would be abolished with all powers being returned to the lower-tier municipalities. That was not to say that Metro would remain, but the powers assigned to the upper-tier could not easily be transferred back to municipalities without recreating many of the problems that existed in Metro Toronto prior to its creation in 1954.

In early 1995, both the Golden Task Force and the GTA Mayor's Committee continued to do their own work as Mike Harris was not yet in charge. Harris' vision for the future of the Greater Toronto Area was interesting but irrelevant if he could not succeed to the Premier's seat. His message ultimately resonated with the voters in Ontario who expressed their displeasure with the NDP government and when given the opportunity, readily handed power to Mike Harris and his Progressive Conservative Government. Many of the new Government's plans were widely known but what, if anything, they would do to reform municipal government remained uncertain.

## Enter the “Common Sense Revolution”

*“The structure of local government in Ontario has been greatly altered and improved in the last two decades. Virtually all the large reforms have been initiated by the provincial government. There is a simple reason for this: municipalities capable of radically reforming themselves are as rare as snow in summer.”* (Mayo, 1976, p. 1)

Committed to a radically different political philosophy, the Progressive Conservative Government was elected, with 45 percent of the popular vote to undertake major reforms in Ontario (Mittelstaedt, 1995). Originally released in May of 1994 as a 21 page Guide and entitled, *The Common Sense Revolution*, this Guide became the framework that laid out the direction that a newly elected Conservative Premier Harris would take Ontario. At the heart of the Common Sense Revolution were, among other things, commitments by a Harris government to lower income taxes by 30 percent, creation of a plan for less government spending, drastic reform the welfare system, lower the amount of government (politicians and bureaucrats), and provide a balanced budget (Progressive Conservative Party of Ontario, 1994). Cameron and White (2000) claim the Harris Government was given such a clear mandate by voters because the Conservatives had provided a specific, clear, and well-publicized vision for the direction they were going to take Ontario.

The Common Sense Revolution document contained no reference to specific municipal reforms in Ontario. Ibbitson (1997) claims that there was only one sentence that dealt with the issue of restructuring municipal powers in the entire document. However, under the heading "Less Government" (p. 17) the document provides a high level view of where the Harris Conservatives stood on the issue:

Canadians are probably the most over-governed people in the world. **We do not need every layer – federal, provincial, quasi-governmental bodies, regional, municipal and school board - that we have now.** We must rationalize the regional and municipal levels to avoid the overlap and duplication that now exists.

**The example being set by a Harris Government, of a 24% reduction in the number of MPPs and a 20% cut in non-priority spending, will set the benchmark for municipal politicians and trustees.** We will sit down with municipalities to discuss ways of reducing government entanglement and bureaucracy with an eye to eliminating waste and duplication as well as unfair downloading by the province.

Different solutions may well apply in different regions across this province. But by the end of our first term, taxpayers deserve a restructuring of these cumbersome bureaucracies.

Resolving the issue of efficient local government will take a great deal of hard work. It is rare that politicians and bureaucrats voluntarily surrender power. But it must happen. **It's time to stop government growth once and for all.** (all emphasis original) (Progressive Conservative Party of Ontario, p. 17)

The mention of 'different solutions', 'surrender[ing] power', and 'reducing government' were all part of the broad Common Sense Revolution but were not prominent features of the public discourse preceding the 1995 provincial election. These types of statements were of the 'motherhood and apple pie' variety that appeared solid on paper but were obtuse and difficult to conceptualize as public policy.

Those interested in the discourse attempted to visualize what municipal reforms might look like through the text of the Common Sense Revolution document, and with added assistance from comments which the Conservative Party leader and his colleagues were making prior to, and during, the election campaign. For example, Jim Wilson, the Member of Provincial

Parliament for Simcoe West offered the following comments in the Legislature during discussion on amalgamation of Simcoe County:

I've spent the last several months reviewing all the regional governments in Ontario, many of which were imposed by my party in the past, so believe me, I come to this with some experience. There are no cost savings. Bigger is not better. The government cannot point to an area of this province...where amalgamating departments has resulted in savings to the ratepayer. It does not exist. (Ontario, Legislative Assembly, 1993a)

When the issue came before the Legislature for approval in December 1993, he stated, "[t]he negatives to restructuring far outweigh the positives" (Ontario, Legislative Assembly, 1993b).

In the fall of 1994, Mike Harris himself made statements setting forth his position on the municipal reforms that had taken place in London and Simcoe, when he said:

There is no cost to a municipality to maintain its name and identity. Why destroy our roots and pride? I disagree with restructuring because it believes that bigger is better. Services always cost more in larger municipalities. (Barber, 1997, p. A2)

Whether this was mere political pandering, political opportunism, or some form of public opinion trial balloon, the soon to be Premier had to know that such definitive positions would be difficult to unravel unless solid research and data demonstrated otherwise. The Trimmer Task Force and the subsequent media comment associated with that exercise specifically mentioned that Metro Toronto might be eliminated but lacked any candor on what alternatives were being considered.

Within two months of Harris becoming Premier, he and his new Minister of Municipal Affairs, Al Leach, attended the Association of Municipalities of Ontario<sup>40</sup> (AMO) annual conference. This gathering hosts elected municipal officials from across Ontario and features an annual address by the Premier and leader of each opposition party. The Minister of

Municipal Affairs makes an annual address which is accompanied by a full Ministers forum where local politicians can seek answers to nagging questions from the appropriate provincial Minister. At his session, Municipal Affairs Minister Leach made a reference to municipal amalgamation which proved, subsequently, to be quite intentional:

There is no solution that's going to work everywhere. But there are a lot of measures that can make a difference: successful amalgamations, for example – like the one that created the Town of New Tecumseth; there's annexations, sharing services, deciding what services should be provided; there's the cost management approach used so well by Pittsburgh Township; and there's government restructuring. I want to say I am fully committed to getting the province off your back. (as cited in Sancton, 2000c, p. 104)

And, just in time for the AMO conference, Leach's Department published a brochure with the title "Less Government" (Sancton, 1996, p. 136). This title complemented the language of the Common Sense Revolution document (Sancton, 2000c). In this material Leach highlighted results that his Ministry had published on municipal restructuring that had occurred in New Tecumseth<sup>41</sup> under the Liberal regime of David Peterson. These included fewer municipal politicians and staff, lower property taxes and other cost savings (Sancton, 1996). The internal Ministry report, on which the brochure was based, suggested that amalgamation showed short-term benefits but that long-term benefits were less clear.

Ironically, Jim Wilson, who was appointed as the Minister of Health following the Conservative win had previously Tabled a Bill in the Legislature to halt municipal restructuring in his riding of Simcoe ("Wilson files bill to halt restructuring", 1991). The amalgamation that happened in the Town of New Tecumseth was now being touted by his Government as a sign of successful municipal reform.

## The Greater Toronto Area

*“For Muddy Little York, the horn of progress had sounded. Industry, Intelligence, and Integrity had climbed aboard the coach. Crack went the whip of higher taxes, the horses of industry sprang into their collars and the City of Toronto was on its way to glory. Steam engines were then being installed to supply industrial power. The population increased from 4,000 in 1832 to 15,000 in 1842. After a long struggle and many trials, Toronto had established itself as the commercial and industrial centre of the province. (Mitchell J. , 1952, p. 79)*

When the Harris Government assumed power in June of 1995, the Greater Toronto area was a much different place than the ‘Muddy Little York’ that is described above. Although Toronto remained the commercial and industrial centre of Ontario it was also able to establish itself as the national centre of commerce in Canada generating one-fifth of Canada’s gross domestic product (OECD, 2010). By 1995, the population of the Greater Toronto Area had increased to 4.3 million and the structure of municipal government in the City of Toronto and surrounding municipalities had changed dramatically since the incorporation of the City of Toronto in 1834. The GTA was divided into two main areas that were known by their telephone area codes. The ‘416’ meant the Metro Toronto area while the ‘905’ included regions surrounding Metro. In 1995, the Greater Toronto Area consisted of one metropolitan government, four upper-tier regional governments, and thirty lower-tier municipalities (see Figure 4). Each served their populations through a division of powers that had been established and amended over time. As Thomlinson (2005) points out, these various local governments derived their genesis from the 1849 *Baldwin Act* which, among other things, established that:

- 1) Local governments were subordinate to the provincial government;
- 2) A framework of two-tier local governments included cities, towns, villages, and townships as lower-tier municipalities and counties as upper-tier municipalities;
- 3) Local institutions acted as municipal councils;
- 4) There needed to be rules for electoral, financial and political purposes;
- 5) Different sizes and types of municipalities ought to have different powers accorded to each; and

6) The functions and funding of councils should be tied to property. (pp. 85-86)

From its humble beginnings at a time when Ontario and Toronto were much different places, in principle, the *Baldwin Act* has endured the test of time. The creation of Metro and regional governments altered the original formula but only slightly as the framework of two-tier governments remained.

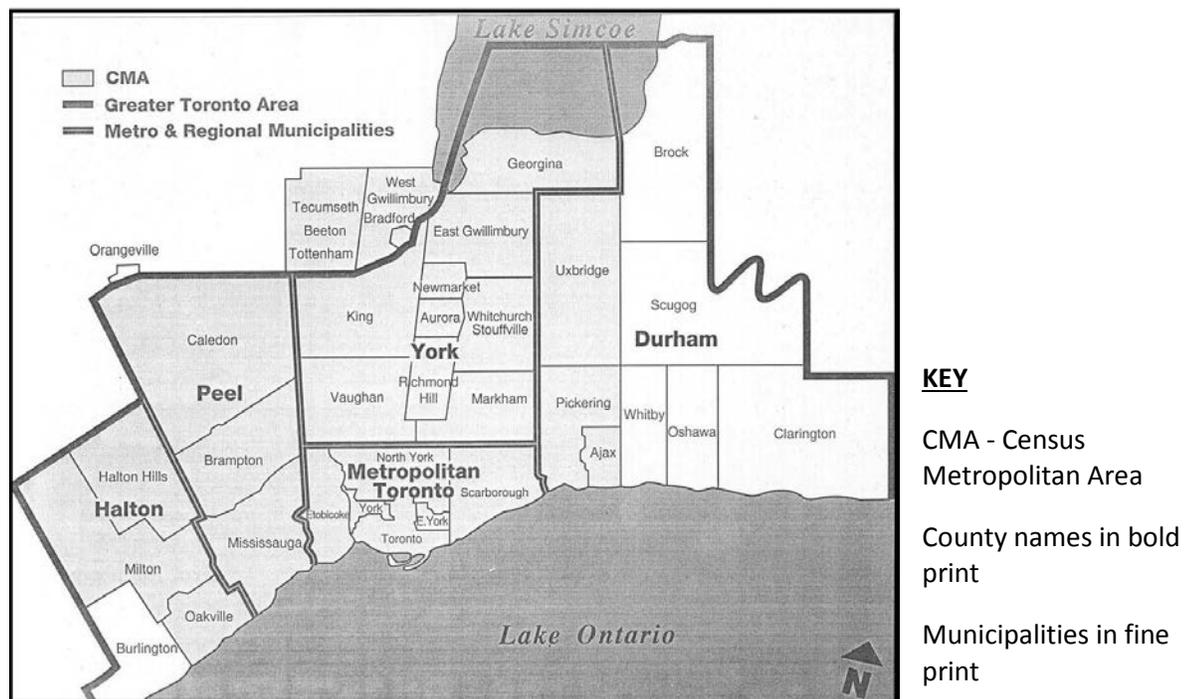


Figure 4. Metropolitan Toronto and Surrounding Area, 1995  
Source: (Toronto and Regional Municipalities, 2001)

As should be apparent, the sheer number of local governments operating within the same geographic proximity along with a patchwork of cross-appointments, dual responsibilities, and unequal voting representation inevitably led to friction among decision makers. As regional governments were formed, boundaries were changed, and populations continued to grow. This caused an increase in the number of elected officials in the GTA. Municipal representation and

their respective representational responsibilities are shown in Table 10. As a reminder, Upper-Tier Councillors are those who serve at either the Metro or Regional level of government whereas Lower-Tier Councillors are those who serve for the municipality in which they were elected.

Table 10. *Greater Toronto Area Councillors By Area, 1994*

Municipality	Population	Upper Tier	Population per Councillor	Lower Tier	Population per Councillor
		Councillors (b)		Councillors (a)	
<b>METRO</b>	<b>2,184,655</b>	<b>34 (c)</b>	<b>64,255</b>	<b>72</b>	<b>30,342</b>
East York	98,594	2	49,297	8	12,324
Etobicoke	303,451	5	60,690	12	25,204
North York	549,115	8	68,639	14	39,223
Scarborough	507,680	7	72,526	14	36,274
Toronto	590,838	9	65,649	16	36,927
York	134,977	3	44,992	8	16,872
<b>DURHAM</b>	<b>421,824</b>	<b>32 (d)</b>	<b>13,182</b>	<b>58</b>	<b>7,273</b>
Ajax	58,854	3	19,618	6	9,809
Brock	10,991	2	5,496	6	1,832
Clarington	53,851	4	13,461	6	8,974
Oshawa	127,813	11	11,619	15	8,521
Pickering	70,733	4	17,683	6	11,789
Scucog	17,880	2	8,940	6	2,980
Uxbridge	14,672	2	7,336	6	2,445
Whitby	67,029	4	16,757	7	9,577
<b>HALTON</b>	<b>315,557</b>	<b>23 (d)</b>	<b>11,687</b>	<b>50</b>	<b>6,311</b>
Burlington	128,453	10	12,845	16	8,028
Halton Hills	38,763	3	12,921	12	3,230
Milton	30,278	3	10,093	10	3,028
Oakville	118,063	7	16,866	12	9,839
<b>PEEL</b>	<b>753,116</b>	<b>21 (d)</b>	<b>35,863</b>	<b>34</b>	<b>22,150</b>
Brampton	236,319	6	39,387	16	14,770
Caledon	36,627	5	7,325	9	4,070
Mississauga	480,170	10	48,017	9	53,352
<b>YORK</b>	<b>518,009</b>	<b>19 (d)</b>	<b>27,263</b>	<b>67</b>	<b>7,732</b>
Aurora	30,392	1	30,392	8	3,799
E. Gwillimbury	18,023	1	18,023	4	4,406
Georgina	30,802	2	15,401	8	3,850
King	17,504	1	17,504	6	2,917
Markham	151,518	5	30,304	12	12,627
Newmarket	49,645	2	24,823	8	6,206
Richmond Hill	85,970	3	28,657	8	10,746
Vaughan	116,360	3	38,787	7	16,623
Whitchurch-Stouffville	17,796	1	17,796	6	2,966
a - Excludes Mayors		b - Includes Mayors		c - Includes Chair	
				d - Excludes Chair	

Source: (as cited in Thomlinson, 2005, p. 82)

As can be seen, the pattern of municipal representation varied by region and even within regions. There did not appear to be any framework or guidelines to assist municipalities in determining the appropriate number of constituents per elected representative. As for the composition of Upper-tier governments, the Mayors of each Lower-tier municipality automatically served on their respective Upper-tier government Councils. In Metro Toronto, the remaining councillors were elected at large while the remaining members of the regional upper-tier governments were chosen from among lower-tier councillors through different types of votes depending upon each region. As Table 8 demonstrates, Metro Toronto lower-tier municipalities were at the high end of the scale with average representation by councillor of 30,342 residents while lower-tier units in Halton region, for example, encompassed an average of 6,311 residents per councillor. Individually, the City of Mississauga was at the top of the scale with each councillor representing 53,352 residents while Brock Township was the lowest with each councillor only representing 1,832 residents. In the upper-tier level, Metro Toronto had a ratio of 64,255:1 while Halton's ratio was 13,182:1. Separately, the City of Scarborough had upper-tier representation in a ratio of 72,526:1 while Brock Township's ratio was 5,496:1. These numbers illustrate the huge discrepancy in representation within the Greater Toronto Area and may help explain some of the inter-regional friction at that time. Elected officials in certain areas voiced opinions on behalf of tens-of-thousands of residents as compared to those who were representing less than six thousand people but may have had an equal voice on trans-regional issues such as public transit reform. There was an obvious disparity among

regions that had been recognized through the referendum in Toronto, the Trimmer Task Force, the GTA Mayor's Committee and the work being done the GTA Task Force.

### **Golden Task Force**

It will be recalled that in April 1995, Anne Golden was appointed by then Premier Bob Rae to lead a Task Force to review the "health and workability of the city-region" of the Greater Toronto Area (Ontario, Greater Toronto Area Task Force (Golden Report), 1996, p. 9). Golden was joined by fellow appointees Jack Diamond, an architect and planner; Thomas McCormack, a Canadian economist; J. Robert Prichard, then President of the University of Toronto; and Joseph Wong, a family physician and former president of the Toronto United Way. The Task Force was given a broad mandate with Terms of Reference that included:

...to set the Toronto region on a new course for the new century. Specifically,...to provide direction for the future governance of the GTA, including the potential restructuring of the responsibilities and practices of municipal and provincial governments. [To] review virtually every aspect of governance of the five regions comprising the GTA; the only exception[s:] waste management, non-local health management, and education governance. (some emphasis removed)  
(Ontario, Greater Toronto Area Task Force (Golden Report), 1996, p. 17)

In addition to the Terms of Reference provided by the Province, the Task Force identified a number of objectives that they hoped to answer in its pending Report. The more salient objectives are set forth in Table 11.

Table 11. *Selected Objectives of the Greater Toronto Area Task Force*

How do we get the best value for our investment in local government?	How do we best establish our common citizenship in the wider Toronto region while maintaining our local identity?
How do cities best promote the well-being of their communities and regional economies in a rapidly changing and globalizing world?	What are the major structural and operational changes to urban government that would increase its cost-effectiveness and responsiveness?
What system of urban government best meets the needs of a society much of whose community is not longer based on neighbourhood?	How should the principles of equity, competition and choice apply to municipal functions across the GTA?

Source: (Ontario, Greater Toronto Area Task Force (Golden Report), 1996, pp. 229-230)

Of interest is the sentence where the issue of ‘choice’ is raised as an objective. There was no specific mention of consolidation as an option although one could argue that consolidation could be used in response to many of the objectives listed above.

Golden’s appointment came two months prior to the provincial election and followed the appointment of the politically inspired Trimmer Task Force by then Conservative Party leader Mike Harris to look at municipal reform strategies in the GTA. There were multiple factors to support the creation of the Golden Task Force including the political necessity of then Premier Rae to be able to appear proactive in the conversation on restructuring in the face of unknown outcomes stemming from the Trimmer Task Force. In addition, the 1990’s recession and following recovery highlighted the disparity within the region as job losses had been more severe within Metro and were slower to return as compared to the rest of the GTA (Isin & Wolfson, 1999). Also, since the early 1970s, the GTA had seen the bulk of its growth occur in the suburbs surrounding Metro Toronto. In addition, the population of the GTA had shifted

dramatically with only 54 percent living in Metro in 1991 as compared to 77 percent in 1961 (Friskin, 1993). These circumstances were thought by researchers and business leaders to have been partially caused by the major discrepancies in the property tax rates that existed in the GTA at that time (Friskin, 2007; Sancton, 2005). Commercial taxation rates were identified, for example, by the Board of Trade of Metropolitan Toronto (1994) as a key reason for the sluggishness of Metropolitan Toronto's economic recovery. Perhaps those who lived in the suburbs were also putting pressure on their elected representatives for services similar to those available in Metro. This political pressure, although not overt, is also one reason why inter-regional friction can occur and thereby propel elected officials towards change. As noted earlier, Toronto's residential tax rates were lower than elsewhere because of the high reliance upon commercial tax revenues. When the economy was strong the suburbs complained about this inequity. However when the economy faltered it was Metro that began having concerns. The "property tax crisis" (p. 10) was something that provincial governments of all stripes had avoided for years – but it never went away (Ontario, Greater Toronto Area Task Force (Golden Report), 1996). As a result of the recession, the Rae NDP Government was in an apparent no-win situation and the Golden Task Force was one option that could buy everyone more time.

The Golden Task Force was originally given 18 months to fulfill its mandate. Mike Harris indicated that he would reduce this period to 120 days if he were elected (Harris, 1995). Once he eventually assumed office, Harris gave Golden and her Commission until January 1996 to produce a report. This effectively reduced scheduled plans to half and resulted in elimination of public hearings (Friskin, 2007). Notwithstanding that, the Task Force received 211 formal submissions<sup>42</sup> and 70 personal vision statements<sup>43</sup> by community leaders from various sectors.

Of the formal submissions, there are several that are worthy of more discussion as they helped frame the options that were being considered at the regional and metro level, in addition to the views of the political GTA Mayors' Committee. The Golden Committee Report also showed both the disparity and commonality of opinions prevalent at the time.

### **The Metropolitan Toronto Submission<sup>44</sup>**

Metro Toronto was in a unique position with respect to its submission. The largest of its lower-tier constituencies, the City of Toronto, had successfully spearheaded the effort to have the plebiscite regarding elimination of Metro placed on the ballot. The remaining municipalities had not expressed the same desire to see the Metro level of government ended. As such, the Metro submission had to walk a fine line that balanced the interests of all parties while protecting its own turf.

Metro Toronto's proposal was titled, *There's No Turning Back: A Proposal for Change*, which by virtue of its title suggested that Metro Toronto was not going to recommend abolishing itself but that it had a few ideas for consideration. In laying out its plan, Metro Toronto started by identifying the range of problems it saw in the GTA. These problems are listed in Table 12.

Table 12. *List of Issues Raised by Metropolitan Toronto*

<ul style="list-style-type: none"><li>• fragmentation;</li><li>• lack of accountability;</li><li>• inefficiency;</li><li>• lack of fairness;</li><li>• provincial barriers;</li><li>• special purpose bodies; and,</li><li>• high property taxes.</li></ul>
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Source: (Municipality of Metropolitan Toronto, 1995, pp. 3-4).

The submission then proceeded to develop a prospective framework for reform and identified some “basic truths” (p. 4) that lent support for Metro Toronto’s eventual recommendations as summarized in Table 13 (Municipality of Metropolitan Toronto, 1995).

Table 13. *Recommendations for Reform Provided by Metropolitan Toronto*

<ul style="list-style-type: none"><li>• Even though boundaries are seldom precise...they actually do exist. Toronto exists. [emphasis added]</li><li>• City core and suburb cannot be understood or managed in isolation....This social and economic integration is increasing, even as labour and housing markets become larger, more geographically dispersed and more interdependent.</li><li>• The economic vitality and external competitiveness of all parts of Toronto depend on combining the strengths of the whole metropolis.</li><li>• A politically fragmented metropolitan area...can contribute to higher levels of social inequality and to a depressed inner city as investors, employers and residents seek out artificially low-cost locations.</li><li>• In the long run a severely depressed inner city impacts on the social stability and the quality of life throughout the metropolitan area.</li><li>• The most successful urban areas...tend to be those that have achieved some form of metropolitan coordination and city core-suburban cooperation, and specifically those with some form of revenue sharing; those where local governments have “pooled” their assets for economic renewal and collectively addressed their joint problems; and those who have managed to limit differences among municipalities in the quality of local services and living environments.</li></ul>
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Source: (Municipality of Metropolitan Toronto, 1995, pp. 4-5)

In addition, the Metro Toronto submission included five areas where changes were recommended: boundaries; form; responsibilities; legislative framework; and, financial framework (Municipality of Metropolitan Toronto, 1995).

Metro suggested that its boundaries be extended to an area encompassing 90 percent of the overall GTA population but only encompassing 45 percent of its total land area (See Figure 6). For support of this recommendation the Authors of the Report employed several criteria. The Authors looked at the regions labour and housing markets to assess where the growth was occurring and what pattern of economic activity already existed. They also looked at existing and planned major urban areas as outlined in Figure 5 below, to ensure that the region was able to grow in an efficient and effective manner. In addition, the recommendations took into consideration the natural boundaries of the Greater Toronto Area. This included the natural 'bioregion' and included the Lake Ontario waterfront at the south, the Niagara escarpment to the west, and the Oak Ridges Moraine to the north. All had been previously identified by the province as areas requiring special protection, and thus, necessarily, were incorporated into Metro's planning.

The proposed boundary included all of Metro Toronto and parts of each of the surrounding regional governments. The total population included in this proposed area was 3,946,299 (based on 1991 Census figures). Conceptually the boundary was interesting but also problematic as it severed parts of existing and well established municipalities. Carving certain pieces from these municipalities stood to create service delivery issues in those areas with part of the area being served by Metro and the other by a local municipality. Although service agreements could have been established between Metro and those municipalities, it would have recreated the potential for some of the chaos that existed prior to formation of Metro when nearly 200 shared service agreements existed.

Furthermore, Metro Toronto recommended a form of regional government that included creation of a Greater Toronto Council to replace itself and the other regional governments in the GTA. The proposal called for direct elections from four electoral districts for a total of approximately 26 councillors.<sup>45</sup> This would have reduced the number of elected officials serving on regional councils by nearly 80 percent.

Third, on the subject of municipal responsibilities, Metro Toronto saw in its proposal a Greater Toronto Council taking charge of the following services: regional planning; water purification; water pollution control; waste management (except collection); regional roads; traffic controls; public transit; conservation; regional cultural assets like the Toronto Zoo; social services; policing; and, municipal borrowing. The recommendations included a suggestion that the Province revamp the municipal licensing regime to streamline the process as the Authors of the Report were not convinced that the regional level should have a municipal licensing function.<sup>46</sup>

In addition, Metro recommended that a new legislative framework be developed to separate provincial and municipal roles and responsibilities. They effectively suggested the concept of subsidiarity whereby the province would take a 'big picture' approach to policy and legislative matters while leaving municipalities to undertake service delivery. Metro's submission effectively asked the province to re-write parts of the *Municipal Act* to provide municipalities with the tools and flexibility to organize their operations in a way that made sense for each area. The Submission included basic recommendations to allow for the re-drawing of electoral ward boundaries and altering the size of elected councils so as to adhere to fundamental Canadian principles of representation by population.

A Comparative Analysis of Municipal Government in Ontario: A Pre-Amalgamation and Post-Amalgamation View of Windsor-Essex, Ottawa and the Greater Toronto Area.

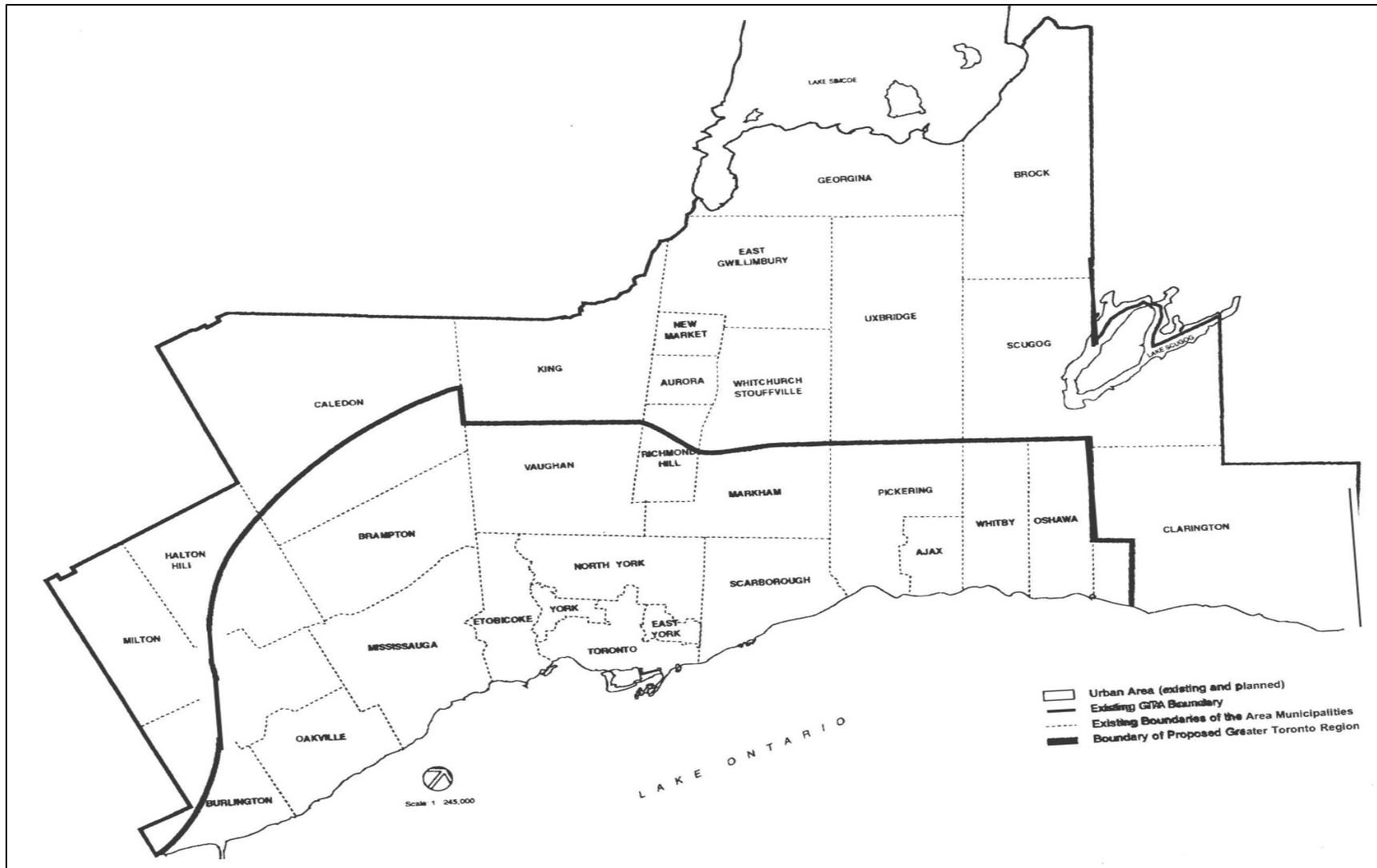


Figure 5. Boundary Map as Proposed by Metropolitan Toronto to the Golden Task Force, 1995  
Source: (Ontario, Greater Toronto Area Task Force (Golden Report), 1996, Appendix p. 1552)

To accomplish these changes, Metro recommended that the province work with the Association of Municipalities of Ontario.

Finally, Metro recommended that a new financial framework be established to address three general areas: use of property tax; municipal revenue sources; and, property assessment. Under the property tax umbrella, Metro recommended that the province undertake a review to disentangle provincial and municipal funding responsibilities. It was suggested that programs designed to redistribute income or stabilize the economy ought to be a provincial responsibility even though the municipalities had no concern delivering the program on a fee for service basis. The idea was to create stronger lines of accountability for taxpayers so they would be aware of who was responsible for funding as well as delivering services.

Under the heading of municipal revenue sources, Metro recommended that the new municipality be allowed shares of gasoline, hotel, lottery, and telecommunication taxes to help fund operating and capital budgets. In addition, it sought to explore implementation of user fees for services such as garbage collection and disposal, including the prospect of recycling as alternate ways to fund these types of operations.

Property assessment was an area of long-standing concern for Metro Toronto who identified this topic as the "single most important component of the municipal finance framework" (Municipality of Metropolitan Toronto, 1995, p. 23). On this subject, Metro Toronto recommended that the province review both market value and unit value methods of property assessment, however Metro's recommendations stated that unit value assessments were of limited use for property taxation purposes. Regardless of the assessment method used

Metro recognized that any scenario created winners and losers. Its main goal was to find a system that allowed municipal flexibility to apply rates to various types of properties (commercial, industrial, residential, multi-residential) as they were limited in applying mill rates<sup>47</sup> to only two classes of properties; residential and non-residential. Appreciating that there could be great inequities caused by a switch of systems, Metro recommended that the Province provide a long phase-in period to allow for any increase to a class of property tax to be gradually introduced into the new system.

The submission by Metro Toronto was supported by six articulate and detailed background papers. The background papers evaluated six themes: a review of the evolution of the Metro government; Toronto urban region past successes and future challenges; the nature and functioning of urban regions; a review of Metro's fiscal reform initiatives; principles of municipal finance systems; and an report on cultural service provisions in the GTA (Ontario, Greater Toronto Area Task Force (Golden Report), 1996). The submission concluded by recommending that the Greater Toronto Council would be the prospective best choice to move the region forward because Metro anticipated that it would:

- 1) reduce the number of councils;
- 2) maximize current service delivery capabilities;
- 3) provide common standards within the region;
- 4) control urban sprawl; and,
- 5) present one voice to the international community. (Municipality of Metropolitan Toronto, 1995, p. 26)

From the public perspective the submission suggests that Metro Toronto's recommendations provide a type of government which the public both could understand and could afford. That is, delivering the type of government which the public expected. Incidentally, many of these

themes are similar to the language used in the Harris Conservative Government's Common Sense Revolution.

### **The Submission of the Regional Chairs of Durham, Halton, Peel, and York<sup>48</sup>**

The Chairs of the regional governments surrounding Metro submitted a plan with a '905'<sup>49</sup> focus. In it, they recognized several issues that needed to be addressed in the GTA including: a re-tooling of the existing governance model; improved clarity for service delivery to ensure improved planning and growth management; and, a change in the existing property tax and assessment system to promote fairness and competitiveness among regions. The Chair's recommendations for reform were guided by five "clear and unequivocal principles" (p. 17):

1. Respect for local diversity;
2. Enhancement of political accountability;
3. Need to preserve those elements that already work efficiently;
4. The importance of both 'core' Metro Toronto and '905' agendas; and,
5. Efficacy of two-tier service delivery (Herrema, Savoline, Kolb, & King, 1995, p. 1)

These five principles guided development of four proposals outlined in the Submission:

1. Improved planning and growth management through a "hard/soft" service financing swap with the Province [Premised on an assumption that provincially mandated/funded services continue to be delivered by municipalities, most likely on a fee-for-service basis];
2. Enhanced political accountability achieved through a "clean" two-tier municipal system featuring significantly fewer special purpose bodies;
3. Greater fairness in allocating property tax burdens among and between property classes, achieved by adopting both assessment reform and variable mill rates in each of the five GTA regions; and,
4. Necessary co-ordination of GTA-wide growth management priorities through a forum composed of provincial and municipal politicians, including appointment of a provincial Minister for the GTA. (Ontario, Greater Toronto Area Task Force (Golden Report), 1996, Appendix, p. 2324-2325)

In the corresponding syntax which explained the four proposals the Regional Chairs made it clear that coordinated planning was a fundamental priority. The Regional Chairs challenged the Province, which had ultimate responsibility for approving official plans, to stop approving growth plans if the Provincial Government was not willing or able to provide adequate funding to support such growth through roads, schools, hospitals and social services. As the Regional Chairs stated, “[p]lanning is always the root of good/bad growth management and its fiscal consequences.”(Herrema et al., 1995, p. 6).

On the issues of property tax and assessment, the Regional Chairs recommended a variable mill rate similar to that recommended by Metro Toronto which would allow for various property classes to be created and taxed separately. They also called for an end to the differing base years used to calculate property tax rates in the various municipalities within the GTA. This they claimed, was the basis of significant inequity among the municipalities causing an unfair situation for residents, business owners, in addition to creating economic development concerns.

The so called “[c]enterpiece” of reform in the “905” area would have involved a financial swap between the regions and the Province (Herrema et al., 1995, p. 11). The Regional Chairs recommended that the province take-on the ‘soft’ services, that is, those tied to people, while the municipalities would assume the ‘hard’ services such as those associated with property. Table 14 outlines the structural change proposed by the Regional Chairs.

Table 14. *Centrepiece of “905” Reform: Provincial – Municipal Service Financing Swap*

Municipal Responsibilities	Provincial Responsibilities
<p>Regions:</p> <ul style="list-style-type: none"> <li>• Roads</li> <li>• Sewer/Water</li> <li>• Health Inspection</li> <li>• Waste</li> <li>• Unconditional Grant</li> </ul>	<ul style="list-style-type: none"> <li>• General Welfare Assistance</li> <li>• Child Care</li> <li>• Public Health</li> <li>• Homes for Aged</li> <li>• New Police Public Security Grant</li> <li>• Property Tax supported Education (balancer)</li> </ul>
<p>Municipalities</p> <ul style="list-style-type: none"> <li>• Roads</li> <li>• Storm Sewers</li> <li>• Transit</li> <li>• Unconditional Grants</li> </ul>	
<p>New:</p> <ul style="list-style-type: none"> <li>• Property Assessment</li> </ul>	
<p>Regional /Area/School Board tax shifts to be eliminated through mill rate restatement.</p>	

Source: adapted from (Herrema et al., 1995, p. 11)

The essence of the Regional Chairs Submission in regards to hard and soft services is that the Province would eliminate all provincial operating and capital grants for hard municipal services and in return, the Province would assume 100 percent of the funding for programs that had a significant provincial interest or that were designed to redistribute income related to human services. In addition, the Chairs recommended a rationalization of special purpose bodies that had become so ubiquitous throughout the GTA. Table 15 lists the special purpose bodies identified by the Regional Chairs that were involved in municipal issues. The Chairs' argument was that special purpose bodies were responsible for allocating roughly two-thirds of the property tax collected but are not elected themselves and therefore “dilute the

accountability of duly elected municipal governments” (Herrema et al., 1995, p. 10).

Ultimately, the Chairs were seeking what they termed a ‘clean’ two-tier system that gave municipal councils the ability to disentangle the established special purpose bodies from their daily operations where appropriate.

Table 15. *Special Purpose Bodies Involved in Municipal Issues*

<ul style="list-style-type: none"><li>• Library boards</li><li>• Police Service boards</li><li>• Transit Commissions</li><li>• Housing Authorities</li><li>• Conservation Authorities</li><li>• Children’s Aid Societies</li><li>• Multi-Service Agencies for Long-Term Care</li><li>• Hydro Commissions</li></ul>
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Source: (Herrema et al., 1995, p. 10)

### **The Submission of the GTA Mayors’ Committee<sup>50</sup>**

Following the Report by the Golden Task Force, the GTA Mayors’ Committee formed a subcommittee that was chaired by Peter Robertson, the Mayor of the City of Brampton. The goal of the subcommittee was to “establish a consensus position on GTA reform” (Cover Letter) which the GTA Mayors claim to have achieved with 80 percent of municipalities subscribing to their recommendations known as the *Seven Point Plan for GTA Reform* (Robertson, 1995).

Noticeably absent was consent from Metropolitan Toronto.

The Seven Point Plan highlighted four key problems that it sought to address: property tax inequities; inappropriate services funded through property taxes; clouded program accountability; and, cross-boundary service co-ordination. To correct these problems, the

Mayors' Committee recommended seven points that it, and the Province, would need to collaborate on to effect change. These are set forth in Table 16.

Table 16. *Seven Point Plan as Outlined by the Greater Toronto Area Mayors' Committee*

<ol style="list-style-type: none"><li>1. Assessment/property tax reform;</li><li>2. Provincial/municipal service financing SWAP;</li><li>3. Permissive legislation authority;</li><li>4. Reform of special purpose bodies;</li><li>5. Significant reform of education; and,</li><li>6. Municipally-driven review within each region of service, boundaries and representation</li><li>7. GTA coordinating Forum including provincial Cabinet Ministers</li></ol>
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Source: (Robertson, 1995, p. ii)

Many of the issues identified in the Seven Point Plan were complementary with those of the Regional Chairs and Metro Toronto. Each submission recognized that property tax reform was needed and that valuation assessments were unfair. Changes to the *Municipal Act* were also part of each interest group's agenda along with changes to the funding formula and disentanglement of provincial and municipal responsibilities. Special purpose bodies were also seen as unaccountable while education reform, due to inequitable taxation, was a constant source of friction.

The major difference between the GTA Mayors' Seven Point Plan and the submissions from both the Regional Chairs and Metro Toronto revolved around the notion of service delivery and boundaries. In both cases, the Mayors' Committee praised the solutions crafted by local governments "within each Region" (Robertson, 1995, p. 20). This was a common theme promoted throughout their submission. The GTA Mayors pointed to a number of successful inter-municipal agreements that had been entered into for purposes of delivering services and suggested that the current system had worked well. The GTA Mayors noted that improvements were needed whereby Provincial intervention would be required to achieve a

coordinated approach to GTA development. The final recommendation by the Mayors' Committee was creation of a GTA Coordinating Forum to address cross-boundary planning and other inter-regional related issues. The Committee sought to create a consultative group with little, if any decision making authority. Ironically, the Committee was not just asking for a link to the Government through this forum, they wanted the government to be involved directly with the appointment of Cabinet Ministers who they proposed, would then sit at the table. This differed somewhat from the recommendations of the Regional Chairs who had sought the appointment of a full Cabinet Minister for GTA issues.

Many other submissions were received from private citizens, business groups, associations, and municipalities. Sancton (2000c) claims that there were very few serious proposals calling for significant municipal amalgamation. The Towns of Milton and Ajax pressed to keep smaller municipalities while Markham wanted to merge municipalities within York region to create fewer lower-tiers (McCool, 1995; Sancton, 2000c). Ultimately it was up to Anne Golden and her colleagues to synthesize the material and determine what course of action to recommend.

### **The GTA Task Force Recommendations**

The final report of the GTA Task force was released in January 1996. This was six months after the Conservative Government took office. The Task Force had sifted through nearly 300 submissions and prepared a comprehensive report with 51 recommendations intended to address the gamut of issues facing the Greater Toronto Area. In making its case for change the Report stated:

Despite our many strengths and advantages, we have reached the point where the status quo is no longer an option. The GTA needs comprehensive change on a

number of fronts. Without it, the region's economic competitiveness and prosperity will decline. The property tax crisis will continue to wear away at Metro Toronto's tax base and dissolve investor confidence in the city-region. Strategic planning and investment on a region-wide basis will not happen. Urban development will continue in unsustainable and undesirable directions. And we will have failed to ensure that our residents receive the highest quality services at the lowest possible cost. (Ontario, Greater Toronto Area Task Force (Golden Report), 1996, p. 10).

Beyond simply articulating a case for change, the Report went further and recommended a case for each of the following: economic competitiveness; property tax reform; integrated planning; enterprising government; and, for a new regional government.

To be economically competitive the Task Force suggested that the Greater Toronto Area needed policies that would stimulate investment and create jobs. As such, the GTA must position itself as "the location of choice for companies and workers who can locate anywhere" (Ontario, Greater Toronto Area Task Force (Golden Report), 1996, p. 68). The Report highlighted the then current concerns as lagging economic and job growth fostered by inefficient infrastructure and a property tax system that is exacerbated by fragmented economic development. In addition, each region had staff each trying to attract businesses to their respective regions within the GTA.

The economic stability of the GTA was said to be threatened by lack of appropriate property tax assessment and property valuation mechanisms. Assessment appeals continued to erode the tax base while valuations of non-residential properties in Metro were three times higher than elsewhere in the GTA. In addition, the Task Force Report articulated a case for integration of planning within the GTA, both in terms of serving the expected population growth and in finding significant cost savings. It was estimated that by 2021, the GTA was

expected to grow by an additional two million people creating a major opportunity to link planning functions to develop a well planned area and to save \$12 billion in the process (Ontario, Greater Toronto Area Task Force (Golden Report), 1996). The Task Force Report also made a case for freeing municipalities from the burdens of special purpose bodies, disentangling municipal and provincial responsibilities and adding flexibility to the *Municipal Act*. Finally, the Report argued a case for supporting the call for a new style of governance at both regional and local levels in the GTA. The Task Force found that the five regional governments in the GTA “lack[ed] the collective sense of purpose and momentum to address issues that could be handled more effectively on a region-wide basis” and that the major problems associated with progress in the GTA involved a “fundamental lack of coordination” (Ontario, Greater Toronto Area Task Force (Golden Report), 1996, p. 13).

The Golden Task Force Report then proceeded with its recommendations which touched upon each area of concern identified above. Fundamentally, the Task Force called for creation of a Greater Toronto Council (GTC) to lead initiatives across the entire region. This meant that each Regional government, along with Metro itself, would be dismantled as part of the comprehensive recommendation. The role of the indirectly elected GTC would be more limited than the current upper-tier governments while the mandates of each local government would be enhanced. The Golden Report sought more decision making at the lower-tier level where possible and it added that:

We recommend that all areas of responsibility that could, be managed by the local level of government... For local government to be truly local, however, the Task Force believed it had to be close enough and accessible enough to invite people’s participation. Our Report supported....the right to local preferences. (Golden, 1998, p. 7).

It was suggested that the GTC's focus would be to "coordinate infrastructure, transportation, and economic planning throughout the city-region" (Golden, p. 8). The Task Force found that some municipalities might warrant consolidation under this recommendation due to a lack of financial capacity needed to effectively deliver services however it stopped short of identifying such municipalities. Instead, boundaries for the new region and any amalgamations, it was suggested, should be pushed forward to a Greater Toronto Implementation Commission and considered in accordance with the municipal restructuring process. The Task Force found however, that the revision of external boundaries should follow some pattern that corresponds with the "commutershed, cohesiveness, and anticipated development" (Ontario, Greater Toronto Area Task Force (Golden Report), 1996, p. 221). Sancton (1996), rather critically, observed that, "[i]f deciding the appropriate number of municipalities for the GTA falls under 'implementation', it is difficult to know what in this context would constitute a 'policy.'" (p. 283).

Other governance recommendations included a proposal to create a special purpose body styled as a public-private Greater Toronto economic development partnership designed to market the region and to be the repository for economic data. At the same time, it was recommended that municipal electric utilities (a special purpose body) be accountable to municipal councils with members appointed by municipal councils.

Subsequently, in a chapter in a book co-authored with Enid Slack in 2006, Anne Golden specifically identified the changes she surmised were required to stimulate economic activity in the GTA in 1996. Golden and Slack (2006) detail five essential building blocks that they claim would be required to help the GTA promote itself to both internal and external audiences in

order to retain and attract businesses in what was rapidly becoming a very global economy.

The building blocks were designed to create a unified GTA economic strategy through a single competitive economic unit, these included:

1. Service funding and delivery: Services that lead to a high quality of life at a reasonable cost must be provided. These include not only roads, transit, water, and sewers, but also parks, recreational and cultural facilities, schools and hospitals.
2. Capacity to plan: Toronto must be able to plan transit, urban land use, and the environment in a way that makes the region work effectively and maintains the quality of life.
3. Investment in infrastructure: Investment in physical and human infrastructure is essential to attracting business. Investment is needed to build, maintain, and upgrade airports, transit facilities, roads, and telecommunications networks as well as schools and hospitals.
4. Access and participation: An essential element of local government is that citizens feel that they can influence local government policies.
5. Coordinated approach to economic development: Attracting and promoting business must be coordinated on a regional scale to ensure that common economic development interests are served. (Golden & Slack, 2006, pp. 34-35)

To correct property tax disparities Golden argued for implementation of the 'Actual Valuation System' for all property classes. This would provide a rating of each property based on multiple factors in the market including, among others, resale data, location data, and property characteristics. Along with this, the Golden Report recommended a phase-in scheme to roll-out assessment changes so as to minimize disruptions for both municipalities and residents. In addition, the Report recommended that commercial and industrial education taxes be pooled across the GTA and that these property tax rates be made uniform throughout the region. Golden had clearly heard the concerns of business during her consultations, and with this recommendation was trying to relieve Metro businesses from having to pay up to

three times more in property taxes than competing business in adjacent communities (Thomlinson, 2005).

To address the issue of development and planning, the Golden Report recommended creation of a Greater Toronto integrated plan<sup>51</sup> which would provide a broad regional framework as well as explicit objectives for growth, investment and environmental quality. This plan was to be accompanied by a review of by-laws at the local level to eliminate duplication, waste and inflexibility as well as the creation of a comprehensive 'brownfield'<sup>52</sup> redevelopment program to turn contaminated and/or abandoned industrial sites into productive use.

Of all recommendations made, two are of interest as they were unique for their time. First, the Task Force suggested that the GTA be allowed to introduce a user fee for private vehicles in the region that would be collected as a percentage of total gasoline sales. The funds collected would be used to offset costs related to transit and transportation infrastructure within the GTA. Second, was the recommendation to allow for an increase in development charges: the charges assigned to each new development and used to offset the required infrastructure to support said development (libraries, parks, roads, sewers etc). The then current development charges were not viewed as sufficient to cover increased costs associated with rapidly expanding new developments and therefore fell to the general tax base to fund. As Thomlinson (2005) argues, the provincial policy on property taxation effectively forced municipalities to generate revenue from property tax which in turn caused municipalities to promote development which led to increased urban sprawl. The Task Force was seeking full cost recovery of these incremental development costs paid for by those doing the development<sup>53</sup>.

The recommendations of the Golden Task Force were bold and comprehensive. They seemed to balance required changes with political reality, at least at the provincial level. The concerns that had been raised for so long by those at both the Metro and Regional levels were recognized, analyzed, and discussed. Recommendations for change were offered.

It was estimated that the annual savings generated by implementing the recommendations would be somewhere between 1 and 1.5 billion dollars (Ontario, Greater Toronto Area Task Force (Golden Report), 1996). This sum likely would be difficult to allocate for a provincial government which had inherited a treasury that was still in poor fiscal shape as a result of a recession and preceding government policies. Following release of the Report on January 16, 1996, the reaction was swift and varied. The most vocal of critics was the "Gang of Four" (p. A1) Mayors from Toronto, North York, Mississauga, and Oshawa who prepared a 54-page counter-proposal entitled *Moving Forward Together* for submission to the Minister of Municipal Affairs (Barber, 1996a). In it, the 'Gang of Four' Mayors collaborated to develop alternatives for their major concerns: assessment structures and, the pooling of education dollars. The Mayor of the City of Toronto agreed to compromise on the proposed changes to the pooling of education taxes which resulted in Regional area Mayors agreeing to soften their position on appropriate assessment mechanisms. They chose, instead, to call for each region to determine its own system. Joyce Trimmer, who was known to publicly support elimination of the Metro Toronto government, joined the discussion and directed her support behind Golden's recommendation to disband Metro Toronto and the four regional suburbs in favour of a more comprehensive and inclusive upper-tier government (Taylor, 1996a; Sancton, 2000a). The media also came alive to the Golden Report recommendations with numerous stories and

opinions. Some expressed approval but the majority of opinions expression opposition to the recommendations of the Task Force<sup>54</sup> (Eng, 1996; Small, 1996b; Tait, 1996; Taylor, 1996b). In the end, the reaction to the work undertaken by Golden and her Task Force was mixed. Suggestions for restructuring options were met with a “confusing and conflicting set of reactions” which meant that the Provincial Government had to consider a form of broader public consultation (Stevenson & Gilbert, 1999, p. 5).

Two weeks following the release of the Golden Report, provincial Municipal Affairs Minister Al Leach formed a special advisory panel of “people who will understand the process [to review the recommendations, consult with the public] and just advise us as to where the bear traps are” (Wright, 1996a, p. A6). Because the Conservatives had compressed the schedule of the Golden Task Force, there had been no time to hold public hearings and thus the Government was reaping results of its haste. An important aspect of the new special advisory panel's work was to hear what the public had to say with respect to the recommendations of the Golden Task Force. The public had been given time to digest the essential contents of the Golden Report and there were widespread and disparate views throughout the area.

The special advisory panel was a four-member group and included prominent Conservative and Toronto lawyer Libby Burnham as Chair; Ron Starr, the former President of the Mississauga Board of Trade; Walter Beath, the past chair of Durham Region; and Derwyn Shea, Conservative Member of Provincial Parliament and parliamentary assistant to the Minister of Municipal Affairs. As part of the Panel's mandate it held 18 public meetings, received some 330 presentations from 284 delegations and reviewed an additional 86 written submissions over an 8-week period (Small, 1996a; Wright, 1996c).

Perhaps, as might be anticipated, public consultations revealed a lack of desire to change the *status quo*. In its Report to the Minister, the Special Advisory Panel's Chair, Libby Burnham, sought to roll-back some of the conclusions in the Golden Report as well as creating 'wiggle room' for the Government. In doing so, Burnham's comments in the Report were less than useful to the Government as they provided more room for attack from the public and media. Burnham's comments were described as a "blurry collage of wishful thinking" (Barber, 1996b, p. A7). Burnham for example, suggested that the Government find ways to change the property tax system without increasing taxes. This, Barber (1996b) suggested, was an impossible solution as tax rates always vary in an income redistribution program. There were also questions about data sources and facts applied in the Report to which the comment "[t]his information has not been fully researched nor verified" (p. A7) was included in the Report as a qualifier (Barber, 1996b). This further diminished the credibility placed in the Report of Chair Libby Burnham (as cited in Barber, 1996b). As Thomlinson (2005) points out, the work done by Burnham was flawed from the beginning for three specific reasons. First, there was no framework to guide the public discussion and incorporate the feedback in a useful manner. Quite simply, this was beyond the mandate of the Panel. Next, the Golden Report was a complex document with many distinct and interrelated factors. People who disliked a portion of the recommendations tended to discount the entire document. This created what appeared to be wide-spread opposition to the plan even though certain portions may have been quite acceptable. Finally, the Burnham Panel "had nothing invested in the [Golden] [R]eport that it was reviewing, which meant that any opportunity to educate the public about the report's contents was lost" (Thomlinson, p. 171).

Notwithstanding this, Premier Harris announced that “[t]here is an overwhelming sense that things have to change” (p. A1) in the GTA (Wright, 1996b). The Burnham Report was not about “making its own statement [but rather] a very health distillation of views all across the regions” (Wright, p. A1). It was now up to the Premier and his Government to decide what the next steps would be.

### **Bill 26 – The Savings and Restructuring Act, 1995**

Prior to the release of the Golden Report in January 1996 someone with inside knowledge of the proposed recommendations leaked their contents to the media. The *Toronto Star* ran a front page story on November 12, 1995 detailing much of what was to come in the Golden Report (James, 1995). Just over two weeks later the Harris Government introduced its first annual budget. In keeping with the Government's campaign promises, the budget proposed cuts of \$6 billion in provincial spending over the following three years. To accomplish these cuts, the Government needed to carve out money from almost every Ministers' portfolio. While the media was reviewing the significant changes outlined in the budget the Government “quietly introduced a foot-thick piece of legislation known as Bill 26” (p. 141) - the *Savings and Restructuring Act: An Act to achieve fiscal savings and to promote economic prosperity through public sector restructuring, streamlining and efficiency and to implement other aspects of the government's economic agenda* (Ibbitson, 1997). Bill 26 was a massive omnibus bill, dubbed the "Bully Bill" (p. A30) by its opposition critics, and was designed to give the Government authority to find the savings promised within the budget document ("Tory 'bully bill' needs public study", 1995). To do this, it needed to amend 47 different pieces of existing legislation, including the *Municipal Act*. Bill 26 also empowered Cabinet, without the need for debate in

the provincial legislature, to restructure county governments and school boards. The Government had hoped that it could pass the Bill before a pending Christmas legislative recess. The opposition, however, became fierce once members of the legislature had a chance to read and understand the contents of the Bill (Ibbitson, 1997).

The day after the introduction of the Bill, six members of the provincial Legislature were expelled from the House floor for using prohibited language. In early December 1995, members of the Opposition staged an overnight sit-in on the floor of the House. They left the following morning but only after 10 o'clock which was just enough time to delay passage of the Bill prior to the Christmas adjournment. The Government had hoped, to complete its legislative initiative before the Christmas break. The Opposition's main objections were proposed changes that would allow the Government to restructure hospitals in Ontario without consultation along with the imposition of certain user fees for some health services that went against promises made in the 1995 Common Sense Revolution document. Some even claimed that the government was attempting to create legislation that would permit a Margaret Thatcher style 'poll tax' (Crone, 1995a, 1995b). Ultimately the Government backed down on its attempts to pass the legislation in December and agreed to undertake two weeks of consultation. By the time the legislation was passed in January 1996 it had received 160 amendments. As Graham and Philips (1998) found, the original Bill as presented was:

...produced in haste and controlled from the political centre by having deputy ministers send their ideas for savings and restructuring directly to advisers in the Premier's office, who then passed them over to Finance where the bill was being drafted. This process left many ministers out of the loop and led to some embarrassing moments of explaining details when the bill was unveiled. (p. 181)

Little attention was paid to an element of the Bill that would later turn out to provide widespread power to the Government to change municipal structures. Amendments made to the *Municipal Act* gave the provincial government “unlimited power to merge and abolish municipalities without their consent” (Ibbitson, 1997, p. 143). Among other things, Schedule M of the Bill outlined various forms of restructuring that were permitted including the traditional annexation and amalgamation. The Schedule also established a mechanism that municipalities could use if a locally agreed upon solution was found while allowing for the Minister to appointment a commission to decide on boundaries and structures in the event that municipalities could not come to a local agreement (Sancton, 2000a). It was the preference of the Provincial Government that municipalities develop their own restructuring paths. When introducing the official *Guide to Municipal Restructuring*, Minister Leach, in his opening remarks observed:

I feel that the first option [locally agreed upon solution] makes the most sense. Local restructuring should not be left up to an independent third party to decide. These decisions should be made by local governments as they know best the needs of their taxpayers. (as cited in Vojnovic, 1997, p. 45)

The Government permitted several exclusions under Bill 26 including “municipalities within a regional government system....the County of Oxford, the District Municipality of Muskoka, and the Municipality of Metropolitan Toronto” (Longo & Williams, 1996, p. 7). Notwithstanding these exclusions, the Government was sending a clear signal that it was anticipating significant changes throughout the municipal realm throughout Ontario and it was prepared to force such change if municipalities could not align their operations with the stated goals in the Common Sense Revolution document, namely less government and greater value for taxpayers. Forced

restructuring would create a situation that no politician desired by removing the power from locally elected officials to choose their own outcome (Hollick & Siegel, 2001).

The final passage of Bill 26 occurred shortly after release of the Report by the Golden Task Force. The timing was important as the Golden Report took the focus away from the municipal elements contained in Bill 26 and redirected attention to the GTA. Between the changes brought forward through the *Savings and Restructuring Act* along with the recommendations submitted by Golden, effectively all areas of the province, including Toronto were now targets for restructuring.

### **"Who Does What" Advisory Panel**

The Harris Government was receiving considerable feedback from municipalities looking to disentangle service delivery and to provide clear and accountable services at each level of municipal government. This concern emerged from several of the submissions appended to the report of the GTA Task Force. The Harris Government was also seeking \$6 billion in savings to accomplish the goals set out in its Common Sense Revolution document. To accomplish this saving it needed to look at every area of government. A "disentanglement exercise" (p. 235) had been attempted under the NDP Government with the intention being the uploading of welfare to the province while municipalities were intended to take over local highways and public transit costs (Ibbitson, 1997). Due to issues with the NDP's Social Contract<sup>55</sup> there appeared to be very little trust between municipalities and the province at that time and thus, service delivery of these high cost items was not changed. Meanwhile, education, health care, and social services were prominent on Premier Harris's policy agenda as they were costly

budget items and needed to be reduced in order to achieve the promised savings (Isin & Wolfson, 1999).

Education was at the fore-front of discussion as the educational system was perceived by the Harris Government as being fragmented and unaccountable with costs per pupil among the highest in Canada and student performance at a lower level than any other provinces (Graham & Phillips, 1998). As the provincial Government was contemplating taking full control over the education system it realized that associated costs were significant. Thus, it would become essential that other services, such as welfare, be downloaded to municipalities. In a meeting with the editorial board of the *Ottawa Citizen* newspaper in April 1996 the Premier stated unequivocally that his Government was going to change the operating relationship with school boards and municipalities. He stated, "I don't want to have to go through another year under the current system" (as cited in Ibbitson, 1997, pp. 235-236). In this meeting he also announced that a special panel was going to be established to review the division of responsibilities between the province and municipalities including the issue of funding responsibility. A month later, the Minister of Municipal Affairs announced the creation of the *Who Does What* (WDW) advisory panel and assigned David Crombie, a former mayor of the City of Toronto, to be its Chair. The mandate of the advisory panel was to develop principles and to make recommendations on funding and service delivery issues between the Province and municipalities with respect to social services, education, health, property tax and assessments with the goal being a reduction in waste, overlap, and ultimately, cost (Ontario, 1996).

The Conservative Harris Government moved quickly to implement the platform on which it had been elected. Ibbitson (1997) claimed that Harris took advice from Ralph Klein, the

former Mayor of the City of Calgary, Alberta, and the long-standing Conservative Premier in the province of Alberta who counseled him to make his boldest moves at the start of his term. As a consequence, Harris did not have time to get mired in another round of consultative studies. The Who Does What panel was comprised of 16 experts mostly from the local government sector.<sup>56</sup> The Panel was directed not to undertake public consultation or engage in specific research projects but rather to rely on the wheelbarrow of reports and studies that already had been completed on the issues in question.<sup>57</sup> At one point, all of the past reports were piled into a wheelbarrow and used as props during a press conference that was described as follows:

He [Mike Harris] drew attention to more than 100 pounds of paper, comprising reports done in the past 20 years on the relationship between the province and municipalities. He stated that he had brought them along to let all people who contributed to them over the years know that they had not been forgotten; to show everyone how much work has been done; and to show what the "Who Does What" group will **not** do. ("Who does what" initiative - an opportunity for change", 1996, p. 2)

The work of the Who Does Who panel was to be completed within seven months. To achieve this, seven sub-panels were created for each service delivery area and each was charged with drafting recommendations in a sequential manner. Each subpanel was assigned three members from the WDW panel, two members from the municipal sector (representing the Association of Municipalities of Ontario), and two members appointed by the province. The full advisory panel was charged with reviewing and discussing the recommendations from the sub-panels as well as dealing with issues of general governance (Graham & Phillips, 1998). In total, the full panel met on 18 occasions while the subpanels held 106 meetings between June and December of 1996 (Ontario, 1996). The provincial Government did not have time to wait for a final Report and instead relied on the recommendations submitted from each sub-panel<sup>58</sup>.

In early July 1996, the first recommendation came from the property tax reform subpanel which had concluded that the tax system should be uniform throughout the province and based on market value. Two days later, the provincial Government announced that it was taking action and moving to an actual value assessment model thereby changing the system that had prevailed since 1904 (Spears, 1996; Stein, 1996).

Throughout the remainder of 1996, the WDW panel produced more than two hundred recommendations that were submitted to the Provincial Government. The recommendations dealt with a spectrum of service areas and generally followed the principles that 'hard services' like roads, sewers and transit should be funded by municipalities while 'soft services' such as welfare, health, and child care should be provincially funded. Graham and Phillips (1998) suggest that the sequential nature of the recommendations resulted in the WDW panel recommending that the province take control over public health, education and welfare costs. Taking control of these three costly service areas would violate the Harris Government principle of revenue neutrality<sup>59</sup> and would ultimately cost the Provincial Government approximately \$7.5 billion more than it could off-load to municipalities (Isin & Wolfson, 1999). In his final letter to the Government, Panel Chair Crombie softened his position when he stated, "...if there is a choice between placing education or health and welfare on the property tax, it is clearly preferable to continue to rely on the property tax for the funding of education" (Ontario, 1996, p. 3).

With respect to municipal reform the WDW panel reviewed a variety of areas and a multitude of possibilities. While looking at the county government system it found that Ontario needed a stronger two-tier system with improved governance structures such as directly

elected county councils that included cities and separated towns in a county federation<sup>60</sup>. The

Panel stated that:

Counties originally provided a limited range of services. They maintained a county road system, operated a court house, a jail and land registry office, and established and ran homes for the aged.

While the Province has taken over administration of justice, counties have become involved to various degrees in such things as delivery of social services, land-use planning, libraries, economic development, recreation, cultural services and waste disposal.

Some of Ontario's most viable counties have gradually taken on a wide range of responsibilities. Others, particularly where representation on county council has become badly distorted, may provide only two or three functions. This has created serious problems, as an increasing number of services are planned, delivered and funded more efficiently on a countywide or regional basis.  
(Crombie, 1996, Letter to Minister)

Following upon this explanation, the Panel found that the number of municipalities should be reduced through restructuring so as to create strong local governments that would be able to deliver services efficiently and effectively (Municipal World, 1997).

With regards to Ontario's regional governments (except for those in the GTA), the WDW Panel stated that "a mandated..process is necessary for any meaningful reform to occur in regions" and urged the Provincial Government to implement a consolidated one-tier structure in certain areas while amalgamating lower-tier municipalities in other areas using a "communit[ies] of interest" approach to the external regional boundaries (Ontario, 1996, pp. 13-15 of Letter dated December 6, 1996). Where a two-tier structure remained the WDW panel recommended that the regional council be directly elected to promote accountability.

As the WDW panel was completing its work the Provincial Government was working on what Graham and Phillips (1998) described as a "parallel process" (p. 186). Ibbitson (1997)

claims that the Provincial Government created the WDW panel as “an exercise in co-option” (p. 236). Either way, at some point after the WDW panel began its work it became clear to the Harris Government that its Common Sense platform of reducing income taxes by 30 percent could not happen as planned without a significant re-balancing of provincial – municipal financial relations. And, as the panel submitted its various reports the cost pressures mounted. Evidence of a parallel process displayed itself as the various recommendations were being released by the WDW panel. The speed at which the Government was able to respond and in some cases, pre-empt the work of the Panel were obvious indicia that some decisions had already been developed and that the Panel was simply some sort of validation exercise to those decisions. The most blatant example involved the issue of municipal amalgamation in the Greater Toronto Area.

In late October the WDW panel was still preparing its recommendations related to municipal reform options in the GTA and had not released its standard reporting letter to the Government which was due on November 12th. Ultimately the WDW Panel favoured creation of a Greater Toronto Services Board to coordinate GTA-wide issues without the ability to collect taxes along the same lines as suggested earlier by Anne Golden in her Report. In addition, the WDW panel recommended that some form of consolidation needed to occur between upper and lower tier municipalities in the GTA (Ontario, 1996). Within Metro Toronto there were suggestions that the six lower-tier municipalities could be consolidated into four units by eliminating York and East York, however the WDW Panel made no formal recommendation in this regard because the Panel members could not agree on a recommendation<sup>61</sup> (Friskin, 2007). Thomlinson (2005) suggests that this was due in part to the subpanel being comprised

of all members of the WDW panel. This was an anomaly in the process that created a situation where finding a consensus was a near impossibility.

None of the recommendations related to municipal reform in the GTA made by the WDW panel were to have any impact on Government actions because the Government, through its parallel process, already had made a decision to move forward prior to learning what the WDW panel was going to recommend. On October 29, 1996, the provincial Government strategically leaked a story to the Toronto and national newspapers outlining its plans for amalgamation in the GTA (Lahey, 1996; Mittelstaedt & Grange, 1996). The Government called for the most radical change in Metro Toronto since its' creation in 1953 by proposing the complete amalgamation of Metro Toronto with its six lower-tier municipalities thereby creating one single megacity named the City of Toronto. Ibbitson (1997) claimed that Premier Harris accepted Minister Leach's amalgamation recommendation as the Premier had learned from some recent international travels that the global investment community was more aware of Toronto as opposed to Ontario as a brand and therefore he wanted a strong Toronto region that could be promoted for investment purposes.

### **The Reaction to Amalgamation**

Following the strategic leak to the media of the Harris Government's intentions regarding amalgamation, local mayors sprang into action in an effort to delay any action by the provincial Government. The six mayors in Metro Toronto persuaded Minister Leach to defer the introduction of any amalgamation legislation for a period of thirty days so that they could offer a solution that would be acceptable to them. Minister Leach gave the mayors until December 1, 1996 to prepare a report.

The Mayors immediate response entitled *Proclamation for Better Government* called for reduction of nearly 50 percent of municipal politicians, guaranteed public involvement in the reform process, refocusing on core services and the commitment to produce an action plan within 30 days. On November 29, 1996 the Mayors came back with their action Plan entitled *Change for the Better* which was intended to influence the conversation related to amalgamation in the Toronto area. This Plan called for the complete elimination of the Metro Toronto level of government and the decentralization of most local services back to municipalities. The most notable exception was social services which the mayors recommended be funded from the provincial treasury. The mayors wanted to see a binding referendum on amalgamation. As part of their recommendations, the mayors agreed to the formation of a thirteen member Local Municipal Coordinating Board that would have oversight over service delivery within the former Metro Toronto area (Hall et al., 1996). Over the long-term, the mayors saw the formation of a Greater Toronto Area Coordinating Board that would replace the four regional municipalities. Thomlinson (2005) points out that the mayors were clear in their Report that the course of action suggested by the Harris government was void of any service delivery study, void of any analysis of accessibility and accountability, and, void of public input by residents on how they would be governed.

Once the 'Change for the Better' report was released there was immediate and vociferous reaction from Metro councillors who saw the plan as a way to eliminate their jobs as well as to divide cities within the broad Metro umbrella. The local media which had generally been supportive of the Harris Governments' amalgamation efforts referred to the Report as a "cockamamie plan" ("Cockamamie plan", 1996, p. E2). The Premier took it upon himself to

quash any illusions about a public referendum on the idea and was quoted as saying, “[t]here’s about 15 different issues that are there (and) that does not suit a referendum.” (DeMara & Moloney, 1996b, p. A4). He further described the request for a referendum by NDP opposition party leader Howard Hampton as a, “political ploy” and “some kind of desperate grab” (p. A1) for which the taxpayers would ultimately pay the price (Walker & Lakey, 1996).

There was also a fracture among the mayors in the Greater Toronto Area. Hazel McCallion the mayor of Mississauga, who was also a member of the Who Does What Advisory Panel, drafted her own recommendations which were consistent with her past challenges to a large-scale amalgamation. For her part, she remained steadfast that creating a “mega-city monster” (p. A6) was just a bad idea (DeMara, Moloney, & Wright, 1996a). McCallion's recommendations were released prior to the final letter being sent by the WDW advisory panel to the provincial Government. One can only infer that the Provincial Government would put much less weight upon that final letter in light of the many disparate opinions then flowing as a result of its most recent announcement.

### **KPMG – A Study to Justify the Decision**

The debate regarding amalgamation in Toronto had been a lively topic since 1954. As intermittent changes were made in the municipal structure of the Toronto area, the issue subsided and only became an active topic when friction, both intergovernmental and operational, periodically surfaced over the years. The Harris Government had announced the boldest plan to date: to create one megacity by incorporating all Metro Toronto municipalities. This sounded like a good idea to provincial bureaucrats in Ontario and political masters governing the Province but needed to be aligned with the Common Sense Revolution – the plan

that the public apparently bought into when electing the Harris Government. To help create a credible report - or at least create a report by a credible organization - the Harris Government engaged the services of KPMG, a global management consulting firm. The Government tasked KPMG to demonstrate conclusively that amalgamation of Metro Toronto would save money by reducing politicians and employees, sharing services and, eliminating duplication thereby ostensibly creating more efficiency in local government.

At a cost of \$100,000, KPMG was able to complete its Report in three weeks. The terms of reference for KPMG involved a review of the audited financial statements of all municipalities in Metro Toronto, along with Metro itself, for the years 1993-1995. For 1996, KPMG used approved budgets from each municipality. For each of these years the consultants reviewed only the operational expenses which were a paramount component of the total capital expenses for the purpose of the impending KPMG Report. Thomlinson (2005) quoted a senior government official when as follows:

They were to assume “no reduction in levels of municipal services provided to megacity residents,” and were to ensure that the savings estimate was “conservative and not overblown” because “these numbers must stand the test of scrutiny. They must be absolutely defensible. We don’t want allegations that we were cooking the books in any way (p. 184) (with additional quotes from (Walker, 1996, p. A3)

Although there is no evidence that any ‘books were cooked’ in the production of the KPMG report, there were certainly some large savings identified in a very short period of time.

Following the release of the report on December 16, 1996 Minister Leach announced that, “a unified City of Toronto would save \$865 million, then \$300 million annually” (Sancton, 2000, p. 125 quoting a speech given by Minister Leach on December 17, 1996 to the Toronto Board of Trade). The \$865 million was at the top end of total gross savings while the \$300 million annual

savings were comprised of \$100 million from consolidated operations and another \$200 million from efficiency savings that municipal employees would find through best practices of their peers around the globe. In addition, the breakdown provided by KPMG estimated the following:

1. Savings from a consolidated governance structure of \$82 - \$112 million per year;
2. Savings from efficiencies of \$148 - \$252 million per year;
3. A reduction of municipal staff of up to 4500 people;
4. Total gross-savings from 1998 – 2000 of \$535 - \$865 million; and,
5. One-time transition costs estimated at \$150 - \$220 million.  
(KPMG Peat Marwick, 1996)

The lead consultant on the KPMG report was Ron Hikel, a senior partner with the firm. For his part, Hikel did not appear to have the same level of public faith in the outcomes projected by his own firm. Following release of the report he attended a news conference at Queen's Park where he was quoted as saying, "[i]t is possible that the amalgamation could produce significantly lower savings....or even a negative result, a net increase in expenditures. There has been no amalgamation of which I am aware...that would demonstrate the certainty of savings in Metro Toronto" (Rusk, 1996, p. A1). In all likelihood, Hikel needed to present a public caveat to his firms' report so that any future finger pointing could be deflected away from the firm. Putting such a bold caveat in the report would have provided those opposed to amalgamation something to 'bite into' while a comment at a press conference, if well timed, could disappear as quickly as a single news cycle. Dalton McGuinty, the leader of the Official

Opposition took issue with Hikels' comment and summed up the apparent consensus of those watching the situation closely, and who were opposed to amalgamation, by stating:

You spent \$100,000 cooking up a bogus study on amalgamation. Even after loading the deck on the study, this is what the authors concluded: "There has been no amalgamation in the current fiscal environment that would demonstrate the certainty of savings in Metro Toronto." That's your own study...where [you] gave the conclusions ahead of time, told them to find the facts that would support it, and in addition gave explicit instructions that they were to talk to nobody – nobody. (Ontario, Legislative Assembly, 1996)

In addition to political opposition, internal sources were suspicious of the veracity of KPMG's undertaking. When it was determined that a sizeable amount of the projected savings was attributed to the police budget, Peter Tomlinson, a senior City of Toronto finance department employee asked, "[w]hat are the police doing here? They've been amalgamated for 39 years!" (Rusk, 1996, p. A1).

With the exception of major newspaper editors in the Metro Toronto region, the KPMG report was viewed as little more than an expensive endeavour to justify the future initiatives that were forthcoming from the Harris Government. Minister Leach stuck close to the speaking notes accompanying the 'Common Sense Revolution' and where possible, continued repeating the mantra, "[y]ou don't have to be a rocket scientist to understand why a single unified city of Toronto makes good sense ... people agree that we need less government, fewer politicians, lower costs and less duplication and overlap" (Ontario, Legislative Assembly, 1997a). The Harris government wasted no time moving forward with its plans for change in the way municipalities in the GTA would be restructured.

### **Creation of the new City of Toronto - Bill 103**

The new City of Toronto became a step closer to reality when the Minister of Municipal Affairs, Al Leach introduced Bill 103, *An Act to replace the seven existing municipal governments of Metropolitan Toronto by incorporating a new municipality to be known as the City of Toronto*, in the Ontario Legislature on December 17, 1996. This legislation in effect, spelled the end of Metro Toronto and its six local municipalities in favour of a newly amalgamated, larger, City of Toronto. Initially, this legislation called for the composition of the new city council to be reduced from 106 elected officials down to 44 – one from each of the new political wards plus a mayor elected at large.<sup>62</sup> In addition, Bill 103 called for creation of a Transition Team to be appointed by the Province the mandate of which included designing an organizational structure for the new city along with hiring department heads and other senior bureaucrats to allow for an efficient transfer of municipal services. Along with a transition team, Bill 103 saw the immediate formation of a Board of Trustees. This Board was charged with oversight of existing municipal councils and was required to approve both capital and operating budgets along with any municipal expenditures of \$50,000 or more until the newly elected City Council in Toronto took office on January 1, 1998. Decisions of both the Trustees and the Transition Team were final and binding and could not be appealed in any court of law (Friskin, 2007).

Bill 103 was not intended to directly impact the boundaries of surrounding municipalities in the GTA (specifically, those in Peel, Durham, York and Halton). Instead, the Provincial Government was seeking creation of a Greater Toronto Services Board to co-ordinate services among Regional governments. Minister Leach had taken the recommendations found

in both the Golden Report and from the Who Does What Panel. In the interim, Minister Leach announced that Milt Farrow, a retired assistant deputy minister of municipal affairs in Ontario, would be appointed to work with the four regional governments in the GTA to develop terms of reference for the new Board in an effort to co-ordinate services such as transit, economic development, and police (Thomlinson, 2005). The appointment of Milt Farrow was seen as a positive step by Anne Golden (who had sought the elimination of regional governments) as well as other high profile Regional Government bureaucrats and politicians who felt that Milt Farrow would be impartial and fair in his approach (DeMara, 1996, 1997).

Not unlike other proposed provincial legislation, Bill 103 had both proponents and critics. Supporters of Bill 103 included the local business community, Metropolitan Toronto Board of Trade, staff members in Metro<sup>63</sup>, along with builders and developers who were hoping for less confusion and delay in submitting applications through two levels of government (Vaughan, 1997). Critics of Bill 103 questioned whether any financial benefits would really materialize after amalgamation (Barber, 1996c). They also claimed that Bill 103 was a serious attack on local democracy as it removed a level of government closest to the people and was being done without prior public consultation. Leading the effort to derail the Conservative Government's Bill was former Toronto Mayor John Sewell<sup>64</sup> who formed a citizens' group called Citizens for Local Democracy (C4LD). Sewell was backed by highly regarded urban affairs author Jane Jacobs<sup>65</sup> and joined by many who lived in central Toronto neighbourhoods who had a history of participating in "reformist municipal institutions" (Boudreau, 2005, p. 102). Between December 1996 and March 1997, C4LD held weekly meetings that drew more than 1000 people who were either against or seriously concerned with the proposition of an amalgamated City of

Toronto. Bourdreau (2005) set out C4LD's three main arguments against the planned amalgamation in Toronto as follows:

1. A bigger city will dilute the power of downtown reformists in a council dominated by a suburban and 'less' democratic culture, while distancing elected representatives from their base given the bigger councillor-to-citizen ratio;
2. Despite the province's constitutional power in municipal affairs, imposing amalgamation was considered illegitimate because it was not announced in the Tories electoral campaign<sup>66</sup>, nor were any public consultations conducted before the *fait accompli*; and,
3. Combined with cuts in social services and education, amalgamation threatened local democracy by favouring the development of a neo-liberal local regime that would support the province's agenda. (p. 102)

Although Bill 103 was contentious from the time it was tabled in the Legislature, it was only the start of a process that was to bring about other major municipal reforms in Ontario.

### **Major Reforms Affecting Municipalities – *Mega Week***

Bill 103 was tabled in the Legislature in December 1996. The proposed changes contemplated through this Bill gained some public attention due to protests by former Toronto Mayor John Sewell and other well known municipal academics such as Jane Jacobs. Through Bill 103, the Harris Government had proposed some significant changes to the way Ontario's largest city would be governed. Bill 103 was just the start of other major reforms the Harris Government had planned. Many of these reforms were designed to disentangle the responsibilities, including funding, between both provincial and municipal governments in Ontario.

In early January 1997, the Minister of Education, John Snobelen introduced a major reform that initiated a week of other major reform announcements which became known as "Mega Week" ("Anti-city sentiment fuelling destruction of Toronto", 1997, p. A2). It started on

Monday January 13, 1997 with the introduction of Bill 104, *The Fewer School Boards Act*, which proposed to reduce the number of school boards in Ontario from 129 down to 66. In addition, Bill 104 sought to reduce the number of elected School Board Trustees from 1900 to 700, reduce their power and authority, and cap individual Trustee salaries at \$5,000 annually. Taxes to fund education were primarily collected through the municipal property tax system which the province announced they would remove, and thereby disentangle from the property tax system, and fund directly through grants provided by the provincial government.

The following day, Tuesday, the Minister of Community and Social Services, Janet Ecker, announced that social service administration would become a municipal responsibility. In addition, the funding for welfare, which had been a provincial responsibility, would now be borne equally between municipalities and the federal government. Minister Ecker also proposed to download the full cost of social housing and public health programming to municipalities – both of which were high-cost programs. On Wednesday, the Minister of Transportation, Al Palladini, announced that municipalities would become responsible for the full cost of public transit, secondary highways<sup>67</sup>, and GO commuter train service<sup>68</sup>. That same day, Solicitor General, Bob Runciman, announced the end of provincial subsidies to community police forces which had allowed some taxpayers in Ontario to have an effectively ‘free’ police service where the costs were paid directly by the province and not collected through the property tax system. Additionally, grants to libraries were abolished and the provinces contribution to long-term care facilities was reduced from 80 to 50 percent thereby pushing more costs for service delivery directly to the municipal level. The final announcement during Mega Week came from the Minister of Finance, Ernie Eves when he introduced Bill 106, *Fair*

*Municipal Finance Act*. This Bill proposed province-wide property tax reform in the form of Actual Value Assessment. One government official claimed that 12 commissions, reports, studies, special panels and task forces had reviewed the property tax system in the prior 20 year period without taking action (Walker, 1997).

Mega Week was marked as the “biggest week in the life of the government” (Walker, 1997, p. A1). The shift in both responsibility and resources was dramatic by all accounts and helped to fuel opponents, such as Citizens for Local Democracy, who had mobilized following the first reading of Bill 103. Not surprisingly, David Crombie who had chaired the Who Does What Panel voiced opposition to portions of the announcements when he said the decision to ask municipalities to pay a bigger share of welfare and long-term care “is both wrong in principle and devastating in practice” (Ijeoma, 1997, p. A1). The *Globe and Mail* newspaper estimated that the proposed downloading by the Province would have a particularly devastating impact upon the City of Toronto as the City had 22 percent of the overall provincial population but used 36 percent of provincial social housing and accounted for 38 percent of all provincial welfare cases (“What’s Good for Toronto is Good for Ontario”, 1997). Isin and Wolfson (1999) claim that those opposed to amalgamation of the City of Toronto feared that provincial downloading would force the new Toronto City Council to raise property taxes or reduce services in an effort to cover the additional costs imposed by the province.

At some point early in 1997, the public linked amalgamation in Toronto and the creation of a new ‘mega city’, with the concept of disentanglement as outlined in the various ‘mega week’ announcements (Ibbitson, 1997). This might have been a result of the timing of the announcements or the interconnection between downloading and the effect it would have on

those living within the proposed City of Toronto. Ambiguity and uncertainty with respect to the direct impact of the proposed provincial legislation led many residents, businesses and even the Metro Toronto Board of Trade to question the propriety of undertaking so much all at once (Isin & Wolfson, 1999). In an effort to explain how Bill 103 would impact residents, the Provincial Government undertook a \$300,000 advertising campaign which included direct mailing of a pamphlet to every home in Metro Toronto. The Opposition parties took the Government to task in the Legislature claiming the advertising was misleading and caused residents to believe that Bill 103 had become law even though it had not even passed second reading in the Legislature. The Speaker of the Legislature, Chris Stockwell, himself a Conservative Member of Provincial Parliament, rebuked the Government after his investigation into the complaint. Moreover, he found that part of Minister Leach's advertising campaign was in contempt of the Legislature for failing to indicate that the proposed amalgamation had not been passed into law at the time.<sup>69</sup>

From within bases of traditional pro-conservative ranks, groups like the Metro Toronto Board of Trade even came forward to speak against what Ibbitson (1997) claimed was a "megamess" (p. 260):

The chorus of opposition from friends and enemies alike was beyond anything the Tories had expected, far surpassing Bill 26 [*Savings and Restructuring Act*] or the Days of Action. If business leaders were joining the opposition ranks, then the very coalition of interests that had swept the Tories into office and supported their radical remaking of the province was threatened. (p. 261)

The City of Scarborough was so disenfranchised in consequence of the content of Bill 103 that it took the Province to court seeking in an effort to challenge the legality of having trustees

appointed prior to the passing of the legislation (Infantry, 1997). The Court, ruling in favour of the City of Scarborough, concluded:

... that the Orders-in-Council of December 18, 1996 were made without authority and are of no legal effect. The appointments are therefore void. The appointees' actions have no legal effect until they are appointed pursuant to a statute in force (Scarborough (City) v. Ontario (Attorney General), 1997, p. 23).

As a result of the City of Scarborough lawsuit and the level of opposition among various groups in the Greater Toronto Area, the Harris Government "extensively" (p. A1) altered its original legislative intentions including its plan to place Metro Toronto's municipalities under Trusteeship while they were being merged (Rusk, 1997). Graham and Phillips (1998) viewed amendments to Bill 103 as a stain on the Harris Government when they observed that:

Perhaps the most basic and valuable lesson to be learned is the need for governments...to road-test ideas. Ontarians had over a year to become familiar with the basics of the *Common Sense Revolution*. It was well-road tested. The CSR did not, however, provide an adequate intellectual base for the plans concerning urban restructuring and provincial-local disentanglement that were promulgated during Mega Week. Indeed, key elements of these plans appeared to be invented out of a whole cloth. This situation left experts and the attentive public at a loss to understand why the government was rushing to action. It also resulted in the government being taken aback and embarrassed, as opposition mounted and hard questions emerged that it could not answer. (p. 205)

On April 21, 1997 the Legislature of Ontario passed Bill 103 into law thereby creating the *City of Toronto Act, 1997*. Following passage into law of Bill 103, the Harris Government realized that there were multiple issues that it had not considered when it drafted Bill 103. To address these matters, it introduced Bill 148, *An Act to Deal with Matters Relating to the Establishment of the New City of Toronto* on June 26, 1997. Bill 148, became the *City of Toronto Act, 1997 (No. 2)* and received Royal Assent on November 28, 1997. Both Bill 103 and 148 set the stage for a new, amalgamated City of Toronto which became a reality on January 1, 1998.

## **The City of Windsor and the County of Essex**

Located in the most southern part of Ontario as well as Canada, Essex County is home to one of the earliest Canadian settlements outside of Quebec. The County is bounded by Lake St. Clair to the north, the Detroit River to the west, and Lake Erie to the south. The County of Essex is a two-tier jurisdiction with an upper-tier council comprised of two members from each of the seven rural lower-tier towns of Lakeshore, Tecumseh, LaSalle, Essex, Leamington, Kingsville and Amherstburg<sup>70</sup>. In addition to seven towns, the County of Essex is home to the inhabited island community of Pelee Island as well as the urban area of the City of Windsor.

Pelee Island is a single-tier municipality located 29 kilometers off the southerly coast of Essex County in the western basin of Lake Erie and is home to just over 300 people (Municipality of Pelee Island, 2007). Comprised of 10,000 acres, the primary industries on the Island are tourism and vineyards whose crop is mainly used to supply global wine maker – Pelee Island Winery.

The City of Windsor is a single-tier municipality located in the north-westerly corner of Essex County. With a population of 210,819, the City of Windsor is the 23rd most populous city in Canada (Statistics Canada, 2013b). The City of Windsor is situated along the banks of the Detroit River which separates the United States and Canada. Windsor has benefited from its strategic location to become a relatively large industrial centre in Canada. Windsor was home to the first Ford Motor Company automotive assembly plant in Canada and is currently home to the Canadian headquarters of the Chrysler Corporation as well as its award-winning minivan assembly plant. In addition to automotive assembly, the City of Windsor is home to many

related industries such as tool, die, and mold making, automotive research, plastic injection and other related automotive supply businesses.

The City of Windsor is also home to the Hiram Walker's Distillery which makes Canadian Club whiskey. The distillery's founder, Hiram Walker, played a central role in the development of the Town of Walkerville (now part of the City of Windsor) which was created to house and provide services for the distillery workers and their families. The distillery, which is located on the banks of the Detroit River facing Detroit, gained much attention between 1920 and 1933 when prohibition was introduced in the United States and the sale of alcohol was banned. During this period, budding entrepreneurs legally purchased alcohol in Windsor and then attempted to illegally smuggle it into the United States to satisfy the insatiable demands that existed for alcohol in that country. Hiram Walker Distillery was a beneficiary of this international trade. The former Town of Sandwich (now part of the City of Windsor) is another historical part of Essex County as it played important roles in both the War of 1812<sup>71</sup> as well as being a location along the famous Underground Railroad<sup>72</sup>.

The City of Windsor is directly linked to the City of Detroit, USA by the Windsor Detroit Tunnel and the Ambassador Bridge. The Windsor Detroit Tunnel, which opened in 1930, carries mostly passenger traffic and is jointly owned by the City of Detroit and the City of Windsor. The Ambassador Bridge is a privately owned bridge built in 1929. It carries the majority of heavy truck traffic between Ontario and the United States. As a result, the Ambassador Bridge boasts the status as the busiest border crossing between the United States and Canada and it used to transport more than \$150 billion in goods annually.

The County of Essex, by virtue of its location on similar latitude as both Rome and Northern California, has profited from an abundant and vast agricultural bounty. This includes traditional field crops such as tomatoes, peppers, corn and wheat, but has also expanded to include an extensive wine industry as well as a highly sophisticated and technologically advanced greenhouse industry capable of growing almost any crop.

Municipalities within the County of Essex are generally rural in nature. The jurisdictions bordering on the City of Windsor, the Towns of Tecumseh and LaSalle, are considered 'bedroom communities'<sup>73</sup> of Windsor. Parts of the remaining municipalities contain pockets of bedroom community housing but generally become more agricultural as the distance from the urban centre increases.

### **A History of Municipal Reform in Windsor/Essex – The Early Years**

The first areas to form in Essex County were the areas of Sandwich and Amherstburg. These areas were established in 1796 as a result of the Jay Treaty whereby the British agreed to relinquish Detroit among other areas now within the United States. Amherstburg became a garrison 'town' (although it had not official 'Town' status) on the south-western shore of Essex County with Fort Malden built along a strategic position of its waterways. Amherstburg grew between the "unceded land of the Wyandots to the north [and] the "Huron Reserve"...lands to the south" (County of Essex, 1992, p. 1). It was also one of the first jurisdictions to incorporate in Ontario and became a village with town powers in 1851.

Sandwich grew on the north-western end of Essex County strategically located across from Detroit. Sandwich is often noted as the oldest French settlement<sup>74</sup> west of Montreal. It was inhabited by French settlers led by Louis Villare dit St. Louis. The Jay Treaty also resulted in

merchants from Detroit, who wished to remain British subjects, to relocate. Many chose Sandwich as their new home. Sandwich was officially incorporated as a town in 1858.

Through a number of different Acts of the Legislature, several towns, townships, villages, police villages and cities were created between 1817 and 1930. The nuances involved in the creation and division of the majority of these jurisdictions is beyond the scope of this Paper however, the evolution of municipal growth in Essex County can be traced through the various maturations of municipal structures throughout this period. A summary of the jurisdictional developments between 1817 and 1930 is shown in Appendix D.

### **The City of Windsor – Amalgamation Efforts in the 1920's**

Beginning in the early 1920's, leading community groups and individuals in the greater Windsor area began to discuss a potential amalgamation of neighbouring jurisdictions with the City of Windsor. In 1922, the Border Cities Chamber of Commerce<sup>75</sup> announced that, "if the Border Cities were to achieve their fullest destiny then amalgamation was absolutely imperative" (as cited in Churchill, 1987, p. 1). This concept was tested among political leaders and the citizens of the area through multiple interviews, articles, and surveys conducted by the regions' daily newspaper, *The Border Cities Star*.<sup>76</sup> Prominent business leader Hiram H. Walker, who was also the President of the Chamber of Commerce, observed that, "economic conditions will sooner or later bring us to some form of amalgamation" (Rodd, 1923, p. 3). Little did Hiram Walker know at the time that his comments were to foreshadow the future structure of the area within which he lived.

Windsor Mayor, Frank Mitchell (1924-1926), who was often billed as a champion of amalgamation of the border cities, pursued the idea for his entire term of office. He sought to

remove concerns expressed by local municipalities which feared the loss of their identity if they were amalgamated with Windsor. Mitchell encouraged these local municipalities to, “keep their respective names and [that] the entire district would be called The Border Cities as it was commonly known” (“Mayor Gives Scheme”, 1925, p. 5). As his term came to an end, Mayor Mitchell pledged to put a ballot to the electorate that would serve to allow people to express their opinions on amalgamation. In October 1926, *The Border Cities Star* reported that a plebiscite was being organized on amalgamation of the Border Cities. The intention was to petition each municipality in the area to put a question on the ballot in the forthcoming municipal elections to determine the wishes of residents. Each municipality agreed to this request and the results of the vote showed the majority were against amalgamation. The Town of Ford City was the only jurisdiction to support the idea and did so overwhelmingly. Following the results of the plebiscite, the amalgamation agenda was no longer politically popular and was relegated to the ‘back-burner’ by most local area politicians.

In March 1928, the Attorney General of Ontario, W.H. Price, revived the debate when he expressed his opinion that the Border Cities should unite (“Price Urges Border Cities to Unite”, 1928). Price stated that one-sixth of legislation coming before the Private Bills Committee of the Legislature emanated from the Border Cities whose population was no larger than that of the City of Hamilton or Ottawa. In a conference organized by Windsor Mayor Cecil Jackson on May 3, 1928, Attorney General Price claimed his primary reason for proposing amalgamation of the Border Cities was his belief that amalgamation would reduce the overall cost of municipal administration by up to 25 percent (Churchill, 1987). Price claimed that he would not force amalgamation in the area but wanted Border City municipalities to have “all the information

they may require for the consideration of their future[s]" ("Price Arranges Survey of Border Cities: Will Be Done at No Cost to Communities", 1928, p. 3). To do this, Price made research resources of the Ontario Municipal Bureau available to the Border Cities and charged J.A. Ellis, Chairman of the Municipal Bureau with oversight of a report. In his final report, Ellis found that the boundaries between the five municipalities offered no visible demarcation lines and were for all intents and purposes one community with different municipal governments. Churchill (1987) summarized Ellis' findings as follows:

[T]he rapid growth of the municipalities had brought about a condition of affairs which had sooner or later to be dealt with. [E]ach municipality had lost some advantages and incurred some unnecessary expenditures by remaining separate, which might have been avoided had they been one municipality. For example, there were five boards in charge of public schools, five separate school boards, and a joint board in charge of a technical and industrial school in Walkerville. Five police forces, five fire brigades, five hydro-electric commissions, two water works commissions, four park boards, three library boards, five housing commissions and two suburban roads commissions[.] All told, there were 49 members of municipal councils and 180 members of various boards and commissions, elected or appointed. [S]chools, fire halls, police stations, hydro distributing stations, public libraries, and other public buildings, had all been erected in each municipality from the point of view only of the municipality in which they were located. [Each municipalities'] financial position would be greatly enhanced by forming one municipality. Money could be borrowed by a metropolitan unit at a rate of interest much lower than as separate municipalities. Politically, the new municipal council would consist of a mayor and eleven aldermen [in a structure that would make it] impossible for any one municipality to dominate the others.<sup>77</sup> (pp. 9-11)

Negative reaction to the Ellis Report was received almost immediately from the Town of Walkerville where residents had voted against the 1926 plebiscite in the greatest percentage. Concerns were expressed about rising property tax rates in addition to increased costs associated with merging services<sup>78</sup> ("Ellis Report", 1928). The Town of Walkerville posed nine questions back to Mr. Ellis following receipt of his report and they were dissatisfied that three questions had not been answered ("Refuses to Answer Three of the Nine Questions", 1928).

Subsequently, in January 1929, Ellis released a supplementary report that addressed those questions that remained outstanding. Despite these efforts, no amalgamation occurred as a result of the Ellis Report.

### **The City of Windsor – Amalgamation in the 1930's**

The stock market crash in the United States on October 29, 1929 marked a series of global economic events that are often viewed as the start of the Great Depression. These events had a major impact on the finances of the Border Cities and were the catalyst for municipal change in the form of amalgamation. Following the stock market crash, local employment became scarce including well-paying automotive manufacturing jobs. In addition, some 15,000 commuters crossed the border every work day for employment opportunities in the Greater Detroit area. As a result of the growing unemployment numbers in the United States, that country decided to severely limit the ability of Canadians to work in the United States favouring instead domestic employees. Between 1927 and 1934 the number of residents living in the Border Cities and working in Detroit fell from 15,000 to 2,151 (Ontario, 1935). Assessed property values of the four municipalities of Windsor, Sandwich, Walkerville and East Windsor fell by 38% between 1930 and 1935 which, in combination with municipal tax rates, meant that lower revenues were being collected. In addition, over 30 percent of total property tax assessed was in arrears. Compounding these issues were debts incurred to undertake expensive infrastructure projects in response to growing and projected population increases for which the corresponding payback periods were uncertain. Many of these large infrastructure projects had been initiated to respond to a population boom that saw the Border Cities grow from 22,692 in 1910 to 106,994<sup>79</sup> by 1930 (Ontario, 1935).

Due to an uncoordinated Provincial and Federal social safety net, many residents in the Border Cities sought assistance from their municipalities in the form of food, clothing and shelter. By 1934, 29 percent of the total population<sup>80</sup> in the Border Cities was in receipt of some form of municipal relief (Ontario, 1935). This put a financial strain on local municipalities which became less able to meet their current financial obligations. Windsor Mayor David A. Croll stated that the Great Depression, “broke our city...we couldn’t pay our debts at that time...but we made provision, to the best of our ability, for everyone who was in need.” (Abrams, 1981, p. 20).

In October 1931, the City of East Windsor<sup>81</sup> defaulted on its debt payments. The Town of Sandwich also defaulted in March 1932. The City of Windsor was unable to meet its’ obligations by December 1932 and the Essex Border Utilities Commission joined other financially delinquent in 1933. The Town of Walkerville joined the insolvent list near the end of 1934 when the Ontario Municipal Board refused to accept its debt restructuring proposal. Undoubtedly it became clear to all local municipally elected officials that some form of action was needed to address this growing concern.

David Croll’s Mayoralty ended on December 3, 1934. He was both Mayor of Windsor and a sitting Member of the Ontario Legislature. In the latter capacity, Croll was also appointed as Minister of Municipal Affairs. On the day after he ceased to be mayor, Minister Croll announced the formation of a Royal Commission. This Commission was appointed by an Order-in-Council dated December 5, 1934 to:

inquire into all or any of the municipal and other land affairs of the Cities of Windsor and East Windsor, and the Towns of Walkerville and Sandwich, particularly with regard to acts to be done and steps to be taken in connection with...amalgamation (Ontario, 1935, p. 1)

Five persons were appointed to this Commission which was chaired by Judge John J. Coughlin. This Royal Commission was somewhat unique from past Commissions as its goal was to prepare a report that reviewed the 'best methods' of bringing about amalgamation in the Border Cities. However, apparently it was already assumed that amalgamation would occur, largely out of financial necessity. In fact the language in the Report of the Royal Commission indicated the Commission was appointed "immediately after the announcement of the amalgamation of the four municipalities in the Windsor area..." (Ontario, 1935, p. 1).

On April 10, 1935, the Commission released its Report and made multiple recommendations that reflected its best advice on how to structure the new City of Windsor. One recommendation, among many, included the formation of a Windsor Finance Commission with responsibility for providing financial oversight to the proposed expanded municipal government in Windsor for several years following amalgamation.<sup>82</sup> Clearly there was a heightened sensitivity to the catalyst that forced the need for amalgamation and a designated accountable body with proper oversight was of primary concern.

The day after release of the Report by the Royal Commission, Minister Croll informed mayors of the affected communities of his intention to introduce amalgamation legislation in the Ontario Legislature the very next day. The four local mayors were insistent that more time was needed before any amalgamation legislation was advanced however Minister Croll ignored their pleas and went ahead as planned ("Mayors Make Appeal", 1935). On April 12, 1935 an amalgamation Bill was introduced in the Legislature and by April 18, 1935 the *City of Windsor (Amalgamation) Act, 1935* had received Royal Assent. The Towns of Walkerville and Sandwich along with the Cities of Windsor and East Windsor amalgamated into the City of Windsor on

July 31, 1935.<sup>83</sup> This amalgamation did not sit well with some debenture holders in the Town of Walkerville. They viewed the actions of the Province as arbitrary and unjust and sought to overturn the legislation by appealing to the Judicial Committee of the Privy Council in England, which, at the time, was a Court the authority of which superseded the Supreme Court of Canada. The eventual decision of the Court in 1939 was clear in that the power of the Province was paramount in this regard when Lord Atkin, speaking for the Court in *Ladore v. Bennett* stated:

If local government in any particular area becomes ineffective or non-existent because of the financial difficulties of one or more municipal institutions or for any other reason, it is not only the right but it would appear to be the duty of the Provincial Legislature to provide the necessary remedy, so that the health of the inhabitants, and the necessities of organized life in communities should be preserved (para. 5)

This comment confirmed the provincial jurisdiction over municipalities as provided for in the *Canadian Constitution Act, 1867*.

### **The City of Windsor – Annexation of Portions of Essex County in the 1960's**

Following World War II, a resulting 'baby boom' ensued and imposed pressure to provide serviced land on many municipalities including the City of Windsor and other jurisdictions within Essex County. By the early 1950's there was fear by some residents in municipalities adjacent to Windsor, such as Sandwich West Township, that the City of Windsor was looking for opportunities to annex more land ("Annexation Said Plotted - Sandwich West Man Charges Collusion", 1951). Although timing of this claim was premature, it did not take long for the City to seek more developable land. By 1953 the City of Windsor had made application to the Ontario Municipal Board to annex all of the neighbouring Town of Ojibway.<sup>84</sup> Sandwich West Township attempted to pre-empt this application when the Member of

Provincial Parliament representing South Essex (including Sandwich West Township) put forward a private members bill in the Legislature that, if passed, would have seen the Town of Ojibway cede to Sandwich West Township (Roach, 1954). Nothing changed as a result of either effort.

In 1959, the Windsor Junior Chamber of Commerce engaged the Citizens Research Institute of Canada<sup>85</sup> to prepare a report outlining the probable effects of amalgamation in the greater Windsor area. At that time, the City of Windsor was still facing growth related issues that had not been resolved in its 1953 application to the Ontario Municipal Board. The Report prepared by the Citizens Research Institute of Canada (1959) found:

...that the greater Windsor area is suffering from divided jurisdiction in a variety of ways, which, taken together, would warrant the development of a more co-ordinated form of local government throughout all or part of the metropolitan area. (p. 23)

The Report concluded that the best alternative to solve “the customary problems of divided jurisdiction” (p. 1) so that the area’s economic potential could be maximized was for the City of Windsor to annex the Towns of Ojibway, Riverside and Tecumseh along with the Village of St. Clair Beach and the urban areas of the Townships of Sandwich East, West and South (Citizens Research Institute of Canada, 1959). The County of Essex was clearly alert to the momentum this Report could generate in the region. Accordingly, the Council of the County of Essex formed a Special Committee to respond to the “amalgamation study” (pp. 465-466) and met to prepare for a response should one be required (Corporation of the County of Essex, 1959).

As a result of the Report produced by the Citizens Research Institute of Canada and the accompanying dialogue in the community, Windsor City Council passed a resolution on February 27, 1960:

That the City Manager be instructed to undertake preparation of a survey and report of study to the metropolitan Windsor area, including the boundary problem, revenues, and expenditures – including grants, comparisons of taxes on individual properties before and after an annexation of amalgamation and also including essential factors concerning the expanding social, economic and physical environment co-ordination to enable a sound proposal for implementation and administration of specific governmental services and projects... (Colter, 1961, p. 1)

In response to the motion made by City Council, City Manager Royden Colter prepared a report that reviewed a variety of issues which City Council needed to consider in the annexation debate including those of a financial nature. The Report, released in July 1961, recognized that any annexation of land by the City of Windsor that was currently within the domain of the County of Essex would likely require some form of compensation payments from the City to the County. Such payments generally would recognize the costs invested by the County to provide both the visible and underground infrastructure as well as an appropriate amount to compensate for the actual value of transferred land. If City Council wished to proceed with an application to annex adjacent municipalities, Colter recommended a boundary that mirrored the recommendation in the Report prepared for the Junior Chamber of Commerce.

On December 14, 1961, the City of Windsor filed an application with the Ontario Municipal Board to annex adjoining municipalities along with the Town of Tecumseh and Village of St. Clair Beach as outlined by City Manager Colter in his July Report. As Tecumseh and St. Clair Beach were not directly adjacent to the City of Windsor, political leaders in those areas viewed the proposed annexation as remote and unwarranted ("Town, Village Request 'Exclusion': File Opposition to Annexation", 1962). Accordingly, both of those local jurisdictions filed Motions with the Ontario Municipal Board to have themselves removed from Windsor's annexation application. In 1962, the Ontario Municipal Board received submissions from

interested parties and ultimately granted a stay<sup>86</sup> with respect to Windsor's proposal to annex St. Clair Beach and Tecumseh (Glendinning, Campbell, Jarrett & Dever Chartered Accountants, 1962).

To support the remainder of its application, the City of Windsor filed a number of reports, studies, and briefs with the Ontario Municipal Board. A financial report prepared in April 1962 was filed with the OMB and it concluded, among other things, that the proposed annexation would cause the County of Essex to lose 33.8 percent of its total assessment which would require the Province to provide some form of transition funding if amalgamation were to occur. In addition, this same report also recognized that those living in the annexed areas would experience a property tax increase that would be compensated for by increased service levels in policing, fire fighting and primary school buildings (Glendinning et al., 1962).

A planning Brief was developed which described the problem in the greater Windsor area as being in "critical condition" (Adamson, 1962, p. 1). The Brief claimed that "political fragmentation of the community ha[d] injuriously affected the capacity of the Windsor community to adjust to crisis" (Adamson, 1962, p. 8). This fragmentation was mainly a result of poor planning whereby large numbers of people had moved to suburban municipalities around Windsor but commuted to Windsor for employment. The sprawl was further exacerbated by cyclical employment factors that were experienced by those working in the automotive industry. It was thought that lower property tax rates in neighbouring municipalities were a driving force behind people's decisions to move out of the City of Windsor. Although the Brief acknowledged the eventual need for a full annexation as proposed by the City of Windsor, it recommended an initial annexation on a slightly smaller scale.

Also important to the discussion was a 1964 report prepared by the Ontario Economic Council. This business advisory group claimed that Windsor-Essex was in dire need of amalgamation if it were to succeed. At the same time it warned local leaders that:

Other urban areas in Canada and the U.S. may be able to afford the extravagance of municipal fragmentation. Windsor, in our opinion, cannot...

Only with co-ordinated effort...is the Windsor community likely to hold and attract industry; and only with a unified voice is the Windsor community likely to obtain appropriate assistance from senior governments (Henderson, 1989, p. A6)

On April 8, 1965, after nearly four years of hearings in front of the Ontario Municipal Board, the City of Windsor submitted its final arguments supporting annexation (Shields, 1965). Within three weeks the Ontario Municipal Board delivered its decision and approved the annexation as requested by the City of Windsor to be effective as of January 1, 1966 (Prager, Annexation on Jan. 1: Riverside, Ojibway, Township Areas in City, 1965a). The boundaries approved by the Ontario Municipal Board along with the former boundaries from 1935 are shown in Figure 6. By approving Windsor's application, the OMB was forced to deal with the remaining area of the Township of Sandwich East which was left with a population under 1000. It was home to the regional airport in Essex County but was unsustainable as an independent municipality. The City of Windsor filed submissions with the OMB asking to be apportioned the airport lands. The Town of Tecumseh and the Township of Sandwich South each sought control of the remaining unannexed area. The OMB eventually ruled that a small portion of Sandwich East was to become part of the City of Windsor while the vast majority of the unannexed area, including the valuable airport land, was to become part of the Township of Sandwich South<sup>87</sup> (Prager, 1965b). The City of Windsor was also given Peche Island, a small uninhabited island 200 meters off-shore from Windsor at the mouth of Lake St. Clair. The decision by the Ontario

Municipal Board was confirmed by the Cabinet of the Provincial Government on July 29, 1965.

Approval by Cabinet provided finality to an issue that had caused some consternation in the greater Windsor area for several years. The finality of Cabinet approval also caused local municipal leaders to focus their attentions from fighting the plan to planning out how to make the required changes in an orderly and timely manner (Prager, Cornett, & Scaglione, 1965).

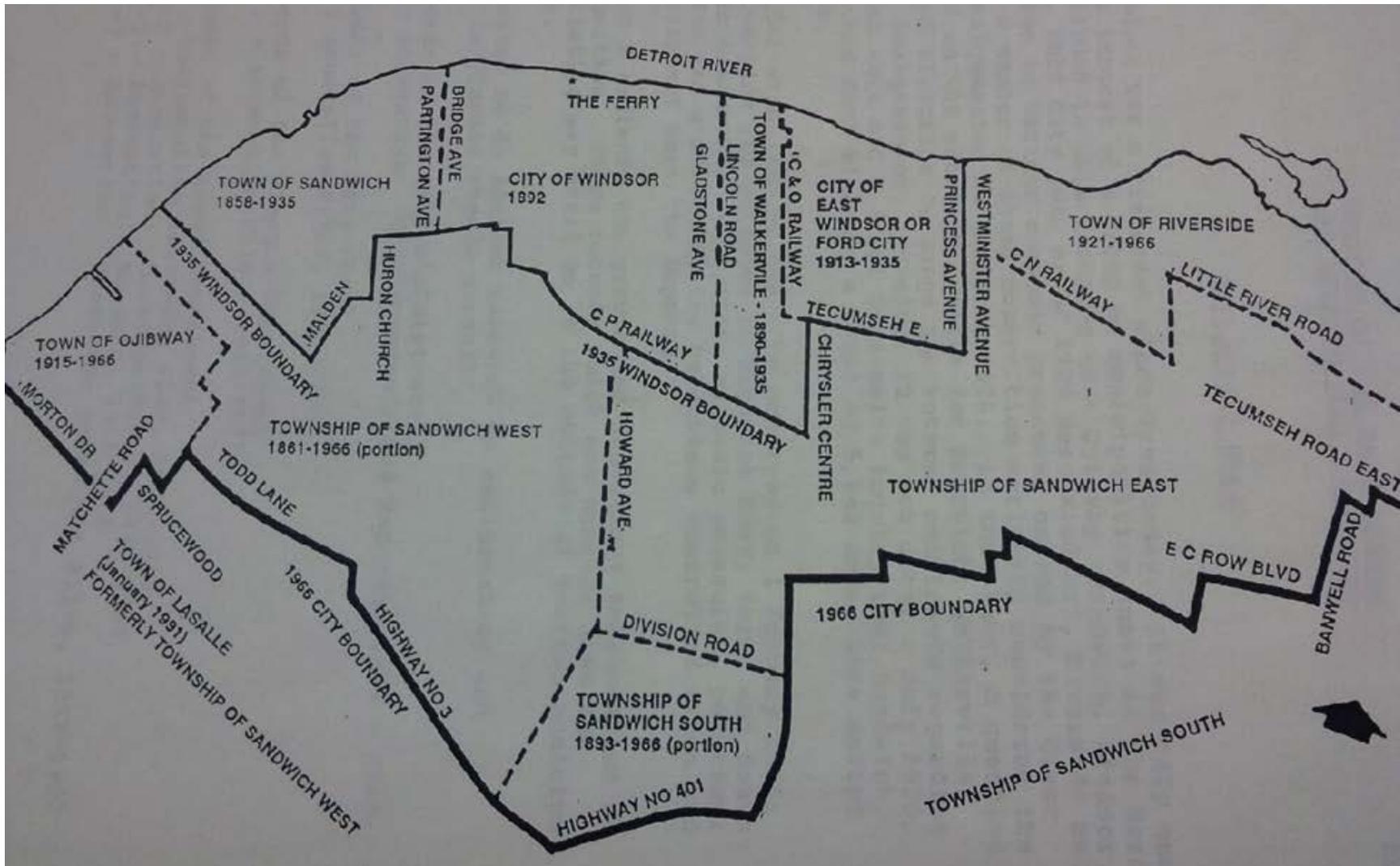


Figure 6. Former Municipalities Comprising the City of Windsor, 1966  
Source: adapted from (City of Windsor Planning Department, 1966)

## **The County of Essex – Annexation and Amalgamation – 1966 to 1995**

Following the City of Windsor's annexation of parts of the Townships of Sandwich East, South and West which were formerly part of the County of Essex the dialogue on municipal mergers did not end. In early 1969, the Mayor of the Town of Tecumseh announced his desire to see the Town of Tecumseh amalgamate with the Villages of St. Clair Beach and Belle River, and parts of the Townships of Sandwich South and Maidstone. The Mayor of Tecumseh was attempting to pre-empt any plans that the Provincial Government may have had with respect to the newly announced regional governments that were being implemented in both the Ottawa and Niagara areas. In so doing, Tecumseh's Mayor claimed that amalgamation would allow "us to fashion a larger and more efficient government in preparation for regional government." ("Lacasse plan buried: Amalgamation bid foiled", 1969, p. 3). In May 1969, the plans to amalgamate had dissipated due to a lack of support among the five municipalities under consideration.

As the Province moved to create multiple regional governments in Ontario in the late 1960's and early 1970's, political leadership at both the City of Windsor and the County of Essex were uncertain about their own futures and how any restructuring might affect them. Of equal importance was their concern about the need for proper local consultation ahead of any restructuring decision that the Province might impose (Silcox, 1976). The Provincial Government never attempted to impose any restructuring in Essex County at that time and instead opted for a more consultative approach for jurisdictions like Windsor and Essex County.

In 1973, a group from the University of Windsor developed a report that examined regional government issues in Windsor and Essex County (Bezaire, et al., 1973). The University

Report studied perceptions and attitudes of regional government by local residents and made recommendations for implementation of regional government based on the public opinion data generated. These recommendations included formation of a two-tier regional government in Essex County that included full and equal participation for the City of Windsor. The University Report continued to support the notion that some change in municipal structure was warranted for Windsor and Essex County.

In 1974, the Provincial Ministry of Treasury, Economics and Intergovernmental Affairs created the County Restructuring Studies Program (CRSP). This program included guidelines for potential future municipal restructuring in counties with separated municipalities such as Windsor and Essex County but which had not otherwise participated in other provincial restructuring efforts including formation of regional governments. The CRSP was a permissive program in that a Commissioner would only undertake a formal study if all affected municipalities were supportive. To further decrease any reticence among municipalities the CRSP provided that no municipality was committed to act on any recommendations made by a Commissioner. The Provincial Government also established a framework to deal with funding, by way of grants, to those municipalities that moved forward with actual restructuring as opposed to 'tinkering'. This framework was outlined by the Minister of Treasury, Economics and Intergovernmental Affairs when he stated:

We are confident that such a study would do much to identify and define the particular organizational and structural requirements of a given area. In addition, there are certain general requirements that would have to be met for a county to qualify as a restructured county for grant purposes and to qualify for the additional powers being given to regional governments.

In order to qualify for those grants now paid to the regions, restructured counties should probably be required to provide at least seven services. These are:

- Supplying water to the inhabitants of the county;
- Collecting and treating sewage;
- Operating an arterial system of roads;
- Carrying out the planning function, including preparing, developing and implementing planning concepts for the county;
- Providing health services within the county;
- Maintaining a welfare program for the county; and,
- Capital borrowing.

In addition to these seven functions, there is the question of police protection. As with the regions, an additional grant would be provided to a county operating its own police force. (Silcox, 1976, pp. 2-3)

By June 1974, the City of Windsor, County of Essex, and Township of Pelee had all agreed to engage Commissioner Dr. Peter Silcox from the University of Toronto to undertake a County Restructuring Study. There was almost no-risk for any municipality participating in the Study and each party likely knew it could 'buy more time' before engaging in any restructuring by allowing Commissioner Silcox to complete his Study. Over the course of two years, Silcox held numerous meetings, open houses, and public sessions to engage a broad cross-section of people in the region. In his final analysis, Silcox (1976) noted that there was "considerable reluctance" (p. 12) by local elected officials to make specific proposals for fear that they would be limiting their options in the future. In short, politicians did not want to be tied to one course of action. Silcox also noted that the public was somewhat disinterested in participating in the Study as they perceived Silcox to be a puppet of the Provincial Government who, the public viewed, as "not be[ing] open and frank with them in the past" (p. 13) on the issue of restructuring (Silcox, 1976). For his part, Silcox' was direct and blunt. Occasionally he offended those who were sensitive to the topic of amalgamation in Essex County. In response to one question, Silcox said, "[h]ow can you really take seriously a community which has six employees, but demands the relatively complex and sophisticated services of urban life?"

("Windsor-Essex: The shape of things to come", 1997, p. A6). By all accounts Silcox was honest and direct in his approach however the audience was not prepared to receive the message from the author.

In June 1976, Silcox released the Essex County Local Government Restructuring Study (Final Report). Recommendations contained in the Report were comprehensive and numerous. Silcox apportioned services between the City of Windsor, County of Essex and local municipalities in the region based on his rationalized views of proper service delivery and economies of scale. One of the most notable recommendations involved creation of a County-wide planning committee to oversee planning and development in the region as a whole as opposed to the somewhat piecemeal system that existed at the time.<sup>88</sup> Silcox (1976) observed that:

The planning function is the most important and complex function exercised by local governments. The manner in which it is carried out affects every other function performed by local governments and has a major impact on their financial position. It is impossible to plan for the future development in Essex County by dealing with the City and the rest of the County in two separate compartments. It is imperative that [industrial, commercial, and residential] types of development are not dealt with by two separate and inevitably competing authorities. (p. 195)

In his recommendations, Silcox also addressed the matter of municipal boundaries. In so doing, he opted to leave the boundaries of the City of Windsor and Township of Pelee Island alone but recommended amalgamation of municipalities in Essex County such that 21 jurisdictions would shrink to seven. Silcox stated, "the longer you preserve the barriers – and municipal lines in Essex as barriers – the harder they will be to break down and more deeply rooted they will become" ("Windsor-Essex: The shape of things to come", 1997, p. A6). Appendix E outlines the proposed restructured municipalities as recommended by Silcox. As part of his rationale in

recommending amalgamation, Silcox claimed that larger municipalities would be better able to support a “full range of local services employing full-time trained staff with some opportunity to specialize” (p. 176) while maintaining small enough jurisdictions to promote citizen-councillor relations and responsiveness (Silcox, 1976). Following the release of the Silcox Study, no major responsive actions related to the Study were taken by either the City of Windsor or the County of Essex.

Despite a lack of action by either the City or County on Peter Silcox’ recommendations, the Town of Essex made an effort to annex a portion of adjoining Maidstone Township in November 1977. Essex Town Council asked its planning board to study a proposal to acquire a large piece of land in Maidstone. Subsequently, the effort was abandoned in March 1978. The Town cited an issue with zoning (Palser, 1978).

In 1978, the Town of Amherstburg sought to annex portions of surrounding Townships of Malden and Anderdon, each of which was recommended by Silcox for inclusion into a single municipality. The Town of Amherstburg sought 1,800 acres of land to satisfy its anticipated growth requirements for an additional 25 years. Government leaders in the Town of Amherstburg knew that their application to annex land from adjacent municipalities would likely be acrimonious and so they sought a streamlined approach to deal with any issues that may arise as a result of their request ("Meeting sought in annexation bid", 1979). Meanwhile, the Ontario Municipal Board had established a new process to deal with certain annexation requests that it claimed would lower the overall cost to municipalities while delivering faster results. However, to exercise this expedited process all parties to a proposed annexation had to agree. Residents of Malden Township voted 2-1 against supporting Amherstburg’s request in

a referendum held in November 1978. However, by September 1980, a tripartite agreement had been reached when the Town of Amherstburg managed to satiate the concerns of the other parties and the Ontario Municipal Board promptly approved an annexation agreement (Van Nie, 1980a, 1980b; Wigle, 1979).

By 1987 a flicker of change related to amalgamation or annexation appeared again in Essex County. This time, the Liberal Provincial Government was in office and the Minister of Municipal Affairs, Bernard Grandmaître, commissioned an Advisory Committee to make recommendations on how the Government might improve the county government system in Ontario. In announcing the Advisory Committee, Minister Grandmaître stated:

This responds to changing conditions which suggest it is time to review the capacity of county government to deal with important service issues.

Counties themselves recognize the need to consider additional responsibilities for waste management, emergency planning, economic development, building code enforcement and other functions. In addition, counties may be the key to effective service delivery of social services such as child care and senior services.

County councils are a valuable institution in Ontario dating back more than a century. I expect them to continue on into the next century. But we must look and see if this vital part of the political fabric of Ontario can be improved and made stronger to meet the challenges it will face in the future (Ontario, 1987, Preface).

The report of the Advisory Committee on County Government, entitled 'Patterns for the Future', was released in early February 1988. This Report made 36 recommendations designed to improve the current county government structure. The first recommendation was to "conduct a review of very small municipalities and separated municipalities" (Ontario, 1987, p. 26). This recommendation was viewed by Essex County politicians as a potential threat to their collective autonomy and made several of them very apprehensive that the Province was looking to resurrect the Report prepared by Peter Silcox from a decade earlier (Honywill,

1988c). There was good reason for Essex County politicians to be concerned as economic conditions within the County were likely unsustainable in the long-term. This in part, may have helped to explain why Provincial politicians were eager to find lasting solutions by engaging a Review. From 1978 to 1988 expenditures by Essex County had increased 202 percent while the national average inflation rate had only increased by 65 percent (Honywill, 1988b). In 1988, Essex County Council approved a 15 percent budget increase which had been reduced from a proposed increase of 21 percent. Budget increases of such magnitude could not be sustained indefinitely and it became clear to many observers, both locally and provincially, that systemic changes needed to be made ("Counties: Relics that won't die", 1988; Honywill, 1988a).

To gauge support for recommendations outlined in the *Patterns for the Future* Report, a Consultation Committee of Provincial Government backbenchers was appointed by the Minister of Municipal Affairs. The Legislative Committee toured counties throughout Ontario, including Essex County, and consulted with local governments. The feedback from Essex County was unequivocal – the majority of politicians did not want the Provincial Government to force any consolidation plan upon them. This was a common message received by the Government backbenchers on the Committee during their tour causing one Member of Provincial Parliament, Mike Ray<sup>89</sup>, to state, "As I go from county to county, I'm always impressed by the attachment people have to their local government...[i]t might cost more money but I get the strong feeling people want to pay the price" (Honywill, 1988a, p. A5).

By January 1989, the Ministry of Municipal Affairs had consolidated the feedback received from stakeholders related to the *Patterns for the Future* Report and produced its own report which made 41 recommendations calling for "sweeping changes to county councils

across the province” (Stewart, 1989a, p. A1). Among the recommendations was a reduction in the overall number of County Councillors, the manner of appointment to County Council, and more effective representation by population – a fundamental tenet of Canadian government (Ontario, 1989). Again, reviews were mixed among Essex County politicians who were still of the mindset that the Provincial Government was planning to implement drastic changes unilaterally. At an Essex County Council<sup>90</sup> meeting to discuss the recommendations made by the Ministry of Municipal Affairs, Essex County politicians were viewed as “protective” and “willing to listen but unwilling to budge” (Stewart, 1989a, p. A1). Soon thereafter, the Minister of Municipal Affairs, John Eakins expressly outlined in his commitment to allow municipalities to decide their futures when he stated, “it’s not the government’s intention to force any amalgamation” (Stewart, 1989b, p. A5). This comment took the pressure off politicians in Essex County to deal with the most contentious of issues – namely boundary adjustments by way of amalgamation or annexation. They did however come to agreement on a number of issues including the need for better representation by population, the inclusion of each Essex County mayor to sit on County Council, increased terms for the position of County Warden<sup>91</sup>, and a mutually acceptable policy dealing with future requests for annexation (Corporation of the County of Essex, 1989; “Leave us alone! Essex County leaders tell province”, 1990).

Although Minister Eakins had promised that the Provincial Government would not impose amalgamations in Ontario’s counties, no such commitment was made with regards to how the Provincial Government might choose to reallocate discretionary conditional grants to counties. In January 1990, the Ministry of Municipal Affairs released a Report titled *Toward an Ideal County* that included 41 reforms that closely mirrored those found in the *Patterns for the*

*Future* Report released by the same Ministry a year earlier. The most notable and contentious of these reforms was the proposed change to the conditional grant system which the Province was hoping to use to encourage growth (Ontario, Ministry of Municipal Affairs, 1990).

A subsequent Minister of Municipal Affairs, John Sweeney, claimed the current method of allocating these grants reduced the likelihood that municipalities (within counties) would consider amalgamation or annexation. The proposed new funding mechanism was designed to increase conditional grants, used for roads and other infrastructure projects, based on the population of a municipality. Those with larger populations would receive more money while those with smaller populations would receive less. Although the Provincial Government was not forcing amalgamation directly, it was viewed by local politicians as using a “back-door” (p. A1) to force small town amalgamation by starving them of needed funds required to operate effectively (“‘Leave us alone!’ Essex County leaders tell province”, 1990). While the Liberal Provincial Government appeared committed to making certain changes to the funding allocation mechanism for conditional grants to counties, the voters of Ontario rejected them as governing party in the Provincial general election held on September 6, 1990. Instead, voters chose the New Democratic Party (NDP) as the governing party in Ontario.

A new Premier of Ontario, Bob Rae, appointed Dave Cooke to be the Minister of Municipal Affairs.<sup>92</sup> Cooke was a Windsorite, born and raised in the City of Windsor, and represented the riding of Windsor-Riverside in the Legislature. Cooke knew the Windsor-Essex area and its’ politics. He was bold in both his statements and belief that some form of municipal reform needed to happen in Essex County however he tempered those comments by committing the Provincial Government to a non-interventionalist approach (Crawford, 1992).

Cooke offered to support and assist local municipalities through the process of consolidation however no municipality took him up on that offer. Local politicians in Essex County were acutely aware of the recommendations made in the 1990 *Toward an Ideal County* Report and proposed to implement one of those recommendations, a reduction in the size of county council from 42 members to 21 members. This proposal came on the heels of a 1992 announcement by the Provincial Government that permitted the City of London to annex a huge portion of Middlesex County following the inability of local politicians in that area to come to an amicable agreement on boundary changes. Municipally elected officials in Essex County were fearful that they may be put in a similar situation if they failed to address some of the recommendations that had been made previously to create more efficient government. Essex County Warden, Ed Renaud stated, "[p]ersonally, I believe that what happened in Middlesex was done purposefully to send a message – take a look at yourself and do something or we'll do it for you" (Crawford, 1992, p. A10). Although the proposal by the County to reduce the number of members at the Council level was seen as a positive step by the Province and local media, Minister Cooke made it clear that he was looking for tactile reforms that moved beyond the colloquial 'low hanging fruit' when he stated, "[Cutting county council] is symbolic and a good step to take, but quite frankly where the real money is saved is by eliminating local municipalities" (Crawford, p. A10). Minister Cooke claimed that the entire Essex County region would be handicapped in terms of economic development if the County of Essex were unable to get "its political house in order" (Crawford, p. A10). Instead of taking further action on issues already identified in previous restructuring studies, political leaders in Essex County opted to undertake a new study. The 'Strategic Strengthening Study' was designed with a wide scope

that included investigation into all service delivery areas in Essex County with the ultimate goal of creating a more streamlined government (Corporation of the County of Essex, 1993; Craig, 1994). The Ministry of Municipal Affairs underwrote a large cost of the Study which took almost 18 months to complete. When Essex County Council eventually met to discuss contents of the Study, there was only one year left in the mandate of the Provincial Government. Minister Cooke, who had been a strong advocate for municipal amalgamation locally, had been moved to a new portfolio. He became the Minister of Education and his first order of business was to engage a review of amalgamation among the various school boards in the Province of Ontario.<sup>93</sup> Whether by choice or by chance, the Strategic Strengthening Study did not lead to any boundary changes in the County of Essex. It was simply another document that outlined the need for certain reforms to enable more efficient operation of local government in Essex County. Members of Essex County Council did opt to implement one reform contained in the Strategic Strengthening Study when they reduced their own ranks on County Council from 42 to 25 members. Such a move is viewed as a significant step by many politicians as it effectively involves several members voting themselves out of jobs. Officially however, local politicians took a neutral approach and opted not to engage the Province in any further dialogue on amalgamation. One former Mayor of an Essex County municipality claims that the internal meetings were intense and ended with a resolve among County Councillors that amalgamation was coming and it would be better to create a destiny than have one imposed upon everyone (Craig, 1994).

The Provincial Government led by Bob Rae was soundly defeated in favour of the Progressive Conservative Government led by Mike Harris in the general election held in June

1995. The new Premier and colleagues were about to launch major municipal reforms that would force municipalities in Essex County to come together like never before.

### **The County of Essex – Amalgamation of 1999**

Mike Harris' Progressive Conservative Government won a majority of seats in the Ontario Legislature in the general election held in June 1995. The actions taken by this Government related to municipal amalgamation and their reasons for undertaking widespread amalgamation, including creation of a new City of Toronto, are documented in earlier sections of this Paper. This section will focus on providing an overview and context to the amalgamation events that unfolded in Windsor and Essex County during that time period.

In November 1995, the Harris Government introduced Bill 26 in the Provincial Legislature. This Bill contained provisions related to municipal restructuring and its introduction caused a major commotion among some provincial politicians and certain residents groups in the Greater Toronto Area. Although local politicians expressed concerns about Bill 26<sup>94</sup>, the level of consternation that appeared in the GTA was not replicated in the Windsor-Essex region. The City of Windsor had no public expansion plans at that time while the County of Essex had recently published the Strategic Strengthening Study which dealt with issues related to amalgamation and operating efficiencies for local government. Essex County Council expressed its concerns related to forced amalgamations and in January 1996 formed a Future Government Committee to undertake another study to look at amalgamation options for the region (Schmidt, 1996d).

Bill 26 became law at the end of January 1996 and was titled the *Savings and Restructuring Act*. This new law gave the Provincial Government far reaching powers to force

municipal restructuring. In April 1996, provincial bureaucrats from the Ministry of Municipal Affairs attended a special meeting of Essex County Council to inform local politicians about the legislation and its' powers including the Minister of Municipal Affairs ability to appoint a Commissioner to determine new municipal boundaries if local municipalities were unable to find a local solution (Schmidt, 1996e). Local elected officials in both Windsor and Essex County were acutely aware of the potential risks of having an independent commissioner decide the fate of their boundaries and almost immediately began searching for options. Politicians in the City of Windsor knew their boundaries were unlikely to shrink and that the 'real' amalgamation was to take place in the County of Essex. The City wanted its needs to be considered as evidenced by a statement from City Councillor Margaret Williams who said, "[w]e can't sit back and watch the land around us divvied up" (Van Wageningen, 1996, p. A3). The live issue for the City of Windsor was whether it could position itself to acquire enough 'shovel ready' land to accommodate future growth needs.

In an effort to support its future position with respect to land needs, Windsor City Council approved commencement of a planning study. This was done notwithstanding City Councils' reticence with respect to future amalgamations. The 1966 annexation of County land by the City of Windsor had caused the City to expend millions of dollars converting thousands of homes in South Windsor to sanitary sewers from old septic tank systems. This cost, among others, was seen by some Councillors as a disadvantage to the City with one City Councillor stating, "[a]ny amalgamation is not going to be to the financial benefit of the city" (Van Wageningen, 1996, p. A3). Almost immediately following announcement by the City that it was looking at its growth needs and potential annexation options, Essex County Council went on the

defensive and viewed actions of the City as some form of hostile manoeuver designed to outsmart County politicians. County Warden, Rob Schmidt demanded to see Windsor's timetable and plans and wanted to know why the City had taken a position of interest in the matter claiming that the City had expressed a lack of interest in joining the County's study in early 1996 (Schmidt, 1996c). In truth, the City had not changed its stated position which was expressed by Mayor Michael Hurst in January 1996 when he said, "we have no specific plan of action.....I'm not suggesting we're not looking into that" (Schmidt, 1996a, p. B1). The mistrust that existed between local politicians in Essex County, and which permeated discussions on the subject of amalgamation for over 70 years, was still prevalent and on full display for all to witness.

Throughout 1996, various municipalities in Essex County considered their options regarding amalgamation and attempted to find the most suitable partner(s) with which to broach the topic. The primary goal for each of them was to create a jurisdiction that would be substantial enough based on population so as to thwart a forced amalgamation by the province. Some of the inter-municipal political dynamics also factored in the various conversations that took place with the City of Windsor generally at the bottom of the list for consideration by Essex County municipalities. The most serious of these conversations based on a review of media coverage at that time, appeared to take place between the three municipalities of Anderdon, Amherstburg, and Malden which had managed to agree in 1980 to a boundary adjustment that allowed the Town of Amherstburg to annex portions of the others' lands to accommodate future growth needs. Although laced with traces of acrimony, the dialogue was the most progressive in the region likely because the concept aligned with

recommendations outlined in other restructuring reports including the Silcox Report. However, it did not take long before one of the municipalities involved push back at the concept of full amalgamation which the Town of Amherstburg claimed would provide annual savings of \$685,000 (Sinkevitch, 1996). Without three willing parties, the Amherstburg-Anderdon-Malden amalgamation discussions were suspended and would not resume in earnest for two more years.

Notwithstanding the failed amalgamation attempt by the Town of Amherstburg, its adjoining neighbours, the Township of Gosfield South and the Town of Kingsville, agreed to an annexation plan which saw Kingsville gain 153 hectares of land from Gosfield South. This annexation was agreed to by the respective municipal Councils' in August 1996 and was led by a development plan that called for creation of 500 additional homes in Kingsville. The latter was in a better financial position to provide services for such a development (Molnar, 1996). The Minister of Municipal Affairs, Al Leach, approved the annexation under the *Municipal Boundary Negotiations Act* on December 16, 1996 to be effective as of January 1, 1997 (Ontario Regulation, 1996a). The short-time frame between approval and effective date of the enabling Regulation allowing the annexation was a result of the nature of the annexation which was chiefly an exercise in redrawing a boundary as opposed to reconfiguring responsibilities for infrastructure and underground services such as sanitary sewers.

Meanwhile, the Future Government Committee of Essex County Council presented its amalgamation Study to County Council in October 1996. The Study provided three amalgamation options which involved shrinking the then 21 County municipalities into four, seven, or eight new and larger jurisdictions. Some municipalities were "dead..against" (p. B1)

the options while some ignored the process entirely and chose not to respond (Schmidt, 1996f). Ultimately, no decision was made which forced the Future Government Committee to regroup and reconsider their recommendations. Shortly thereafter, the City of Windsor released its land use needs Report which outlined the City's requirements for future land use needs. In so doing, the City of Windsor invited elected officials from the surrounding municipalities of LaSalle, Tecumseh, and Sandwich South to participate in a committee that would discuss issues surrounding Windsor's land use report (Lauzon, 1996).

On January 29, 1997, Essex County Council attempted once again to come to a consensus on an amalgamation path for the County. Once again, it was unable to find a solution that would fend-off appointment of a Provincial Commissioner who undoubtedly would recommend some form of forced amalgamation for the region. Being forced to amalgamate was something no locally elected politician wanted to occur. Less than three months later, local politicians across Essex County who had failed to come to agreement regarding amalgamation were given a glimpse of the extent the Harris Government was willing to go to follow through on their commitment to reduce the size of local government.

### **The Kent County Restructuring Effect**

Kent County is located east and directly adjacent to Essex County and in 1997 was home to 22 separate municipalities including an urban area – the City of Chatham. Kent County and Chatham City Councillors spent most of 1996 debating municipal restructuring similar to their neighbours in Essex County and were also unable to find common ground. Three months later, in March 2007, the Harris Government chose Kent County to be the first county in Ontario to be the recipient of an appointed Provincial Restructuring Commissioner with complete authority to

craft a restructuring solution<sup>95</sup>. Peter Meyboom, who had worked initially for the federal public service and, had also been the acting CEO of the City of Ottawa, was chosen to head a one-man Commission (Sancton, 2002b). On April 28, 1997, after studying the area and receiving input from stakeholders, Commissioner Meyboom announced the full amalgamation of all 22 municipalities into a new single-tier jurisdiction to be called the Municipality of Chatham-Kent. The Order issued by Commissioner Meyboom was effective as of January 1, 1998 and called for a 90 percent reduction in local politicians from 141 to 18. The Provincial Government reviewed Meyboom's decision and quickly passed legislation that enshrined his Order into law. In so doing, the Government committed \$13.5 million in transitional funding to the new Municipality of Chatham-Kent (Schmidt & Smrke, 1997).

Besides the general relevance of the foregoing to amalgamation efforts across the province, the Order by Commissioner Meyboom had an enormous impact with respect to the urgency imposed upon local politicians in the Windsor-Essex region to bring some finality to their amalgamation discussions. There had been a long-standing assumption by some residents and politicians in the Windsor-Essex area that 'Ontario stopped at the City of London'<sup>96</sup>. The Meyboom Order crushed that assumption in the context of amalgamation. Whether it was the geographic proximity of Kent County (to Essex County), the magnitude of the Order, the speed at which the decision was made, the similarities between Essex and Kent Counties (Kent County had 22 jurisdictions while Essex County had 23) or a combination of these, politicians in Essex County were "shocked" (p. A1) at the decision and fearful they might be next (to have a Commissioner appointed) causing them to lose the ability to craft their own destiny (Vander Doelen, 1997).

The pressure on Essex County Councillors to make a decision was also mounting on another front. In November 1996, the Solicitor General of Ontario, Bob Runciman, announced major changes to the legislation affecting policing in Ontario. In total, 576 small communities, including seven in Essex County<sup>97</sup>, had been receiving free police service delivered by the Ontario Provincial Police<sup>98</sup> ("County policing: The case for amalgamation", 1996). Minister Runciman's announcement put those communities on notice that effective April 1, 1997 the Province was discontinuing this free service and that local municipalities would be billed at fair market value for the cost of providing police services. As policing is both a mandatory and an expensive service, those who governed in municipalities receiving complimentary coverage were being forced to develop strategies to provide policing without the need to drastically increase property taxes to pay for it. It was clear that the Province was attempting to squeeze smaller municipalities out of existence and into larger agglomerations by transferring certain costs back to those municipalities that may be untenable on a long-term basis. In 1990, the Liberal Provincial Government had signaled its intention to eliminate certain grants to small municipalities but were unable to follow through on that promise because it was defeated by Bob Rae's New Democratic Party. Later, the Harris Conservative Government resurrected this idea and informed municipal leaders in Essex County (Sacheli, 1996). The difference this time was that the Harris Government had the political will and opportunity to follow through on its promise and furthermore, was looking for ways to cut costs in order to satisfy elements embedded in the Common Sense Revolution.

On April 30, 1997, two days after the major amalgamation announcement in Kent County, the Minister of Municipal Affairs appointed a Commissioner to review local

restructuring solutions involving the municipalities of Amherstburg, Anderdon and Malden.

The Town of Amherstburg had engaged a consulting firm to demonstrate that amalgamation of the three municipalities would save \$685,000 annually. But, Amherstburg was unable to garner a commitment to follow through from each of the other municipal parties. The Minister of Municipal Affairs appointed Ian Wilson<sup>99</sup> as the Provincial Commissioner and by June 1997 Commissioner Wilson had issued an order that amalgamation of these three municipalities should occur as of January 1, 1998. Included in the Order was a reduction in total municipal councillors from 23 to seven along with consolidation of police and fire services (Smrke, 1997). By being ordered into this consolidation, the new Town of Amherstburg became the first area in Essex County to be restructured under the watch of the Harris Government. Pressure was building on Essex County Council to come to an agreement on further restructuring as rumours were swirling that the Provincial Government was preparing to appoint a restructuring Commissioner to make a decision that had been, so far, elusive to County Council (Smrke, 1997).

On August 20, 1997 Essex County Council met to discuss a restructuring proposal that closely mirrored the county restructuring portion that appeared in the Silcox Report some 20 years earlier<sup>100</sup>. This proposal called for the number of municipalities in Essex County to be reduced from 21 to seven. Although not materially different than previous versions, the proposal by all accounts appeared to have some level of consensus that 'seven' was the appropriate number of municipalities for Essex County. It was likely that this was the option that produced the least amount of political friction while creating new jurisdictions whose populations would each be greater than 20,000 people. At the end of the meeting 15 of the 21

municipalities in Essex County had approved the new restructuring plan (“Clerk of the County of Essex”, 1997; Vander Doelen & Sacheli, 1997). The plan was intended to supersede the Order made by Commissioner Ian Wilson related to the Town of Amherstburg but would not materially alter the spirit (or outcome) of that Order.

For its part, the City of Windsor seemed surprised that County Councillors had agreed on a plan and the Mayor of Windsor conceded defeat although he vowed to continue to pursue a different outcome (Vander Doelen & Sacheli, 1997). Shortly thereafter the City of Windsor made a formal request to the Province to appoint a restructuring Commissioner to review a proposal submitted by the City that called for annexation of the seven municipalities of Tecumseh, LaSalle, St. Clair Beach, Sandwich South, Maidstone, Belle River, and Essex. In addition, the City gained the help of an unlikely ally through the Town of Belle River whose Council engaged the assistance of lawyer Leon Paroian to challenge the restructuring decision made by Essex County Council. Belle River’s Mayor, Dick Tighe, claimed that, “the process is being rushed only because the county doesn’t want to have a commissioner appointed as requested by the City of Windsor” (Crawford, 1997, p. A4). By mid-September 1997, the City of Windsor’s request for the appointment of a Commissioner was turned down by Minister Leach who cited an inability to consider annexation as the *Savings and Restructuring Act* forbade such a request (“Leach's letter: Reality should be setting in”, 1997). The City of Windsor was left with no other options aside from a friendly agreement with their Essex County counterparts. The acrimony and rhetoric however, ran deep and there was little chance that Essex County Councillors would amend the plan they had recently approved. Without assigning blame to

either party one thing was clear, the City of Windsor was being completely left-out of the municipal restructuring that was happening across Essex County.

Finally, on November 19, 1997 the Minister of Municipal Affairs and Housing issued a Minister's Order under the *Savings and Restructuring Act* that reduced the 21<sup>101</sup> municipalities in Essex County to just seven. On January 1, 1999, the Minister's Order was implemented and the largest municipal restructuring to occur in 150 years in Essex County became a reality (Hornberger, 1999). Each new municipality in Essex County had a population of approximately 20,000 and a property tax assessment roll of at least \$70 million<sup>102</sup>. The number of local councillors was reduced from 117 to 51 and County Council itself was reduced from 25 to 14 councillors. The City of Windsor and Pelee Island remained single-tier municipalities in Essex County but separate and distinct from the upper-tier government that supported the remaining municipalities in Essex County.

### **Post-1999 Restructuring Agreement**

Following the restructuring of Essex County in 1999, the issue of economic development and serviced industrial land in the City of Windsor remained an important matter. The City of Windsor had prepared a land-use needs report in 1996 that showed that more industrial land was needed to meet future growth, however, the amalgamation which occurred in Essex County in 1999 did nothing to address the City's demonstrated need. At issue was the lack of available serviced industrial land within Windsor-Essex that would accommodate large industrial developments needed to satisfy the growth projections in the region. In May 2002, with the major restructuring effort behind them, the County of Essex and the Town of Tecumseh agreed to find a cooperative solution and commenced negotiations with the City of

Windsor. By October 2002, the three parties had agreed to a boundary adjustment which proposed to transfer approximately 6,500 acres of land from the Town of Tecumseh to the City of Windsor. In exchange for the land transfer, the City of Windsor agreed to pay \$3.7 million<sup>103</sup> and promised not to pursue further annexation from the Town of Tecumseh or the County of Essex until 2023 or until such time as the City of Windsor could demonstrate “insufficient inventory of employment land and residential land to accommodate the City’s projected growth for a time horizon of up to twenty years” (City of Windsor, Town of Tecumseh, County of Essex, 2002, p. 9). The then Minister of Municipal Affairs, Chris Hodgson, issued a Minister's Order on December 5th, 2002 which implemented the boundary adjustment, effective January 1, 2003. A copy of the Order can be found at Appendix F.

### **Conclusion – Windsor-Essex**

The evolution of municipal restructuring in Windsor-Essex was largely a result of financial circumstances. The Great Depression led all municipalities in the Border City area to insolvency and to a search for ways to continue to deliver municipal services more efficiently and effectively. By 1935 there was no other alternative and amalgamation was the preferred solution. Although the idea of amalgamation was not a foreign concept to residents<sup>104</sup>, it was feared that the identities of local communities would disappear following restructuring: an issue that has not ultimately proven to be correct nearly 80 years later<sup>105</sup>.

Annexation efforts by the City of Windsor in the mid-1960’s arose as a result of the City running out of available land to meet expected growth and their desire to achieve some measure of controlled urban and rural development (Administrative History/Bibliographic Sketch (Windsor-Essex Amalgamation), 2013). The City was backed by a Report from the

Ontario Economic Council that claimed that amalgamation was the key to reviving a “depressed Greater Windsor area” (Henderson, 1989, p. A6). Either the process used by the City and/or the lack of leverage retained by rural municipalities served to pit rural municipalities against the City of Windsor and created animosity the sentiments of which are still present among some local municipal officials in the Windsor-Essex region. At the time of annexation in 1966, the City of Windsor had almost no debt. Within a decade following annexation, the City of Windsor had taken on large amounts of debt to service rural lands in annexed areas and had created a situation that City Administrator John Steel referred to as “a financial disaster” (Fox , 1976, p. 3). One of the primary issues raised by City administration was inadequate funding from the Province of Ontario to absorb the shock of consolidation. Ultimately, the City was left with major financial responsibility of having to provide services to annexed areas that were vastly underserved. Complaints came from hitherto rural residents who had to pay increased property taxes to help offset those additional costs. By contrast, complaints reverberated from core City residents who complained their areas were being neglected at the expense of rural allocations. In the decade following annexation, those "who had to live with the results of annexation appeared no more pleased than those who opposed it in the beginning" (Fox, p. 3). Today there is still a strong sense of pride among those who live in the former Town of Riverside and who possess that strong “community spirit” (p. 3) that former Mayor Michael Patrick had hoped to capture when he led the annexation efforts in 1966 (Fox, 1976).

The final major amalgamation in Essex County came about as a result of the 'Common Sense Revolution' and subsequent legislation enacted by the Harris Conservative Government following its election in 1995. A projected framework for restructuring in Essex County had

been in existence since the 1976 Silcox Report. That Report recommended a County comprised of seven municipalities including the City of Windsor. Through a series of other studies, reports, and committees, it became clear to many “the county government system was parochial, inefficient and a generator of duplication” (“Silcox Report: Dust and inevitability”, 1996, p. A6). Although no action was taken immediately following the release of the Silcox Report, subsequent discussions often included reference to the Report which suggested that it played, at least minimally, an influential role in outlining the available options for future restructuring. Municipalities in Essex County attempted to find agreement on a restructuring plan but were unable to do so until it became clear, following forced amalgamation in Kent County, that the Provincial Government was prepared to implement a solution in jurisdictions that proved incapable of realigning their own boundaries. When faced with the overwhelming pressure to act, the majority of members of Essex County Council were able to agree to a restructuring plan that saw 21 municipalities shrink to just seven in similar alignment to the recommendation made by Peter Silcox some 20 years prior!

Both the City of Windsor and County of Essex have demonstrated a propensity to act on restructuring matters over the past 80 years regardless of the catalyst behind the decision. Whether borne from financial necessity, government policy, or land-use growth needs, local politicians have found ways to take action however, the slow speed of action combined with the general lack of trust have often impeded a solution that contemplates an ideal framework for Windsor-Essex as a whole versus Windsor or Essex individually.

## **Ottawa - Carleton**

### **The City of Ottawa – Early Years**

The City of Ottawa is Canada's capital city. Located in south-eastern Ontario along the banks of the Ottawa and Rideau Rivers, the City of Ottawa is Canada's fourth largest city and home to 883,391 people (Statistics Canada, 2012). The City of Ottawa is 2,796 square kilometers in size, the vast majority of which is rural in nature. The greater Ottawa area includes the City of Gatineau which is located directly across the Rideau River in the Province of Quebec. English and French are widely spoken languages in Ottawa due in part to its geographic location across from Quebec but also as a result of Canada's Charter of Rights and Freedoms which enshrines English and French as the country's official languages. As the seat of Canada's federal Parliament and Supreme Court, employment in Ottawa includes over 110,000 federal civil servants (Pilienci, 2013).

The history of Ottawa can be traced back to at least the early 1600's when French explorer and colonizer Samuel de Champlain reached the mouth of the Gatineau River having ventured west from Montreal (Ross, 1927). The area was largely home to various Indian tribes who referred to Ottawa as 'adawe' which means 'to trade'. The area was a hub for the fur trade and was home to plentiful natural resources by way of large swaths of timber that adorned both sides of the Ottawa River. The timber trade became a major industry in the Ottawa area and by 1800 settlers from Massachusetts led by Philemon Wright, took up residence on the Quebec side of the Ottawa River and began creating a new local industry that saw logs cut and timber shipped to Quebec City by via the Ottawa and St. Lawrence Rivers.

In 1826, an English military engineer by the name of Lieutenant Colonel John By arrived in the Ottawa area. He was charged with construction of the 200 km Rideau Canal which was to become a strategic military link between Ottawa and Kingston in the event of an attack by the United States. Col. By was charged with hiring thousands of men and creating the town that they and their families would live-in during construction. This new town bore the name 'Bytown'. The construction of the Rideau Canal was completed in 1832 and Bytown remained a growth area where many of the men remained with their families to continue working in the timber trade. By 1855, Bytown had a population of approximately 10,000 people. In that same year, political leaders decided that the name would be changed to 'Ottawa' and the area was officially incorporated as a city. In 1867, Britain's Queen Victoria chose the City of Ottawa as the 'compromise capital'<sup>106</sup> for the new Confederation which saw the Dominion of Canada comprised of the provinces of Ontario, Quebec, New Brunswick and Nova Scotia. From that time forward the City of Ottawa continued to develop in its role as host to Canada's seat of government. This development was not without challenges as the City had grown as an industrial locale, home to sawmills, paper mills, warehouses, lumber yards, and other factories related to the processing of pulp, paper, and woodwork. This growing industry was also fueled by certain technical innovations that included the use of timber slides and freight trains which, when accompanied by a trade Treaty that allowed for the duty-free entry of timber into the United States, continued to increase production and growth (Leibovitz, 2000).

By about 1900, the federal government became concerned with the appearance of Ottawa such that former Prime Minister Mackenzie King stated, "Ottawa is not a pretty place, save about the Parliament Buildings." (Mayo, 1976, p. 8). At around the same time, the Ottawa

Improvement Commission was created and given an annual budget of \$60,000 with a mandate to improve the City's appearance. This included beautification but also included improvements to the road infrastructure (Andrew, 1983). This Commission was replaced by the Federal District Commission in 1927 the scope of the work was expanded to include the Quebec side of the capital region. In 1958 the Federal District Commission was replaced by the National Capital Commission (NCC) (which is still in place today) that became responsible for administering federally owned lands and buildings and for managing federal parks in the region as well as undertaking planning associated with federal regional undertakings. In total, the National Capital Commission had planning responsibility for an area that spanned both sides of the Ottawa River including land in two provinces that encompassed approximately 4600 square kilometers (Keith-Lucas, 1961).

The City of Ottawa is unique when compared to most other jurisdictions in Ontario. As Canada's capital city, the City of Ottawa is directly influenced by the plans and works of the federal government which has a strong presence and influence on the City notwithstanding the Government's lack of constitutional authority in municipal matters (Graham, Maslove, & Phillips, 2001). In addition, the City of Ottawa shares the *National Capital Region* moniker with the City of Gatineau on the Quebec side of the Ottawa River. Accordingly, both Cities are more intimately integrated than most other inter-provincial jurisdictions in the entire nation. Stoney, Hilton, and Krawchenko (2009) contend that governance in the National Capital Region is more complicated because of the "confluence of actors and diversity of interests" (p. 7).

## The County of Carleton – An Overview

The County of Carleton was the name of the large rural county that surrounded the City of Ottawa. Carleton County was created by the passage of the *Baldwin Act* in 1849 and by 1852 was comprised of the townships of Fitzroy, Torbolton, Huntley, March, Goulbourn, Nepean, Gloucester, Marlborough, North Gower and Osgoode. Figure 7 shows Carleton County in 1951. From 1852 until 1968, several municipal changes occurred in Carleton County including the addition of multiple police villages however no major changes were made to the structure that was established following passage of the 1849 *Baldwin Act*.<sup>107</sup> Appendix H outlines the municipal restructuring changes that occurred in Carleton County between 1852-1968.

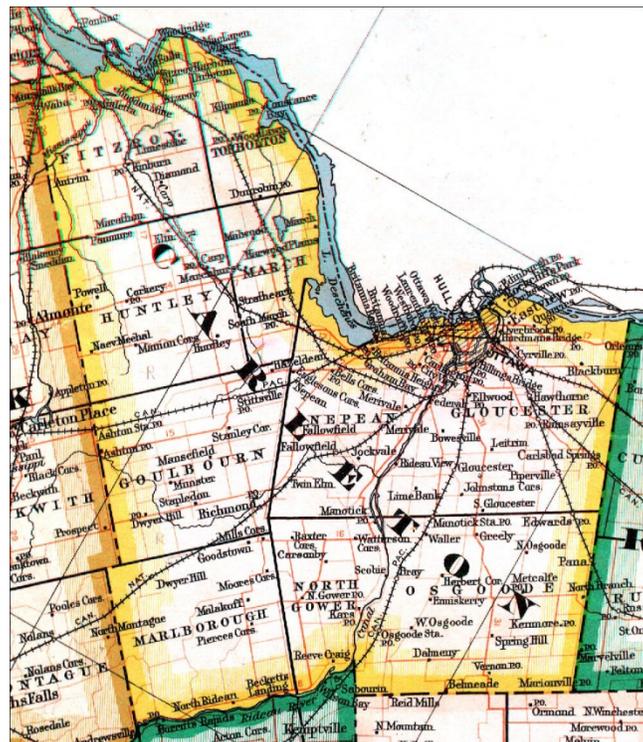


Figure 7. Carleton County, 1950  
Source: (Carleton County, 1951)

## **Municipal Reform in Ottawa - The First Regional Government in Ontario**

*“[T]his is an historic time for local government in Ontario. This province is embarking on a programme which will recast and reform our entire municipal system in a way more fundamental than any ever attempted since the present system was organized. I think, Mr. Speaker, that observers will look back and say that local government in Ontario was established in 1849 and re-established in 1968.”*

*Hon. Darcy McKeough, Minister of Municipal Affairs, December 2, 1968*

Following creation of Metropolitan Toronto in 1954 and subsequent reviews of that system by H. Carl Goldenberg in 1965, the Ontario Committee on Taxation chaired by Lancelot J. Smith in 1967, and after a series of planning Studies known as Design for Development, the Provincial Government of the day was looking for ways to improve municipal government across the province in a bold and different way. The Committee chaired by Lancelot Smith identified disparities in Ontario’s property tax system that created inequities for many who paid property taxes in the Province. In the Smith Committee’s recommendations, it was suggested that, “the Provincial Government plan and schedule the detailed studies of boundaries, functions and forms of municipal organization needed to establish a comprehensive system of regional government within five years of the publication of this Report” (Ontario Committee on Taxation , 1967a, p. 238).

The work undertaken by Lancelot Smith’s Committee was supportive in many respects of the work completed two years prior by Murray Jones who was appointed as a Special Commissioner by the Minister of Municipal Affairs to review and make recommendations on the local government structure in Ottawa, Eastview<sup>108</sup> and Carleton County. The Jones Report called for the creation of a “new political structure” (p. 28) in the Ottawa-Carleton area:

The inescapable conclusion is that a successful solution cannot be based on either a single city or a metropolitan (county) form of government, nor on a division of the Review area into a city and a county component. Rather, a new structure combining the best features of each of these two forms is required, with jurisdiction over an area which comprises a socio-economic unit centred upon the national capital, including its rural fringe. This means inclusion of at least the bulk of Carleton County and a portion of Russell County, with the exact outer boundary requiring additional studies for proper determination.

The structure that is proposed combines the county principle of local units whose representatives constitute a Regional Council, with the city principle of a capable central administration financed by pooled resources. (Jones, 1965, p. 28).

The Jones Report also recommended creation of districts so as to better align population and representation. Jones recognized, much like Lancelot Smith two years later, that there needed to be some equity associated with boundaries that were designated and suggested that a future boundary review be undertaken prior to implementing any changes in the region. Jones acknowledged that a straight two-tier system was likely to create some inequity for either the City of Ottawa or the County of Carleton.

In early 1967, a committee of local elected officials was established by J.W. Spooner, the then Minister of Municipal Affairs to review and discuss the Minister's proposal for regional government in Ottawa-Carleton. Over the next year, this committee suggested various changes to the Minister and negotiated a plan which was eventually accepted by the new Minister of Municipal Affairs, Darcy McKeough. In 1968 the Provincial Government, under Premier John Robarts, obtained passage of a Bill to create the Regional Municipality of Ottawa-Carleton. The new legislation consolidated the following 16 jurisdictions under a two-tier system of government that, in many ways, mirrored the Metropolitan Toronto scheme:

1. City of Ottawa
2. City of Eastview (which was renamed City of Vanier)
3. Township of Cumberland (which was separated from adjoining Russell County)



municipalities that fell under the new Regional Municipality of Ottawa-Carleton maintained their own elected councils. The Regional Municipality functioned as the upper-tier of a two-tier government and was responsible for the delivery of various services that were determined to be better delivered by an upper-tier government. Governance of the Regional Municipality consisted of 31 members which included:

- 16 members from the City of Ottawa (Mayor, 11 Senior Councillors, and Four Controllers)
- 2 members from the City of Vanier (Mayor, one City Councillor appointed by Council)
- 1 member for Rockcliffe Park (Reeve)
- 3 members from the Township of Nepean (Reeve, Deputy Reeve and one other member elected by Council)
- 2 members from the Township of Gloucester (Reeve and Deputy Reeve)
- 2 members from the Townships of Cumberland and Osgoode (Reeve from each Township)
- 4 members from Townships of Fitzroy and Torbolton; Huntley and March; North Gower and Marlborough; Goulbourn and the Villages of Richmond and Stittsville (one person selected from each group)
- 1 chairman (elected by the 30 other members and who need not be an elected official) (Cameron, 1990, p. 16)

Creation of the new Regional Municipality of Ottawa-Carleton (RMOC) left all 16 area municipalities intact. No amalgamation or annexation occurred in the process and each jurisdiction retained control over its usual responsibilities subject to any being redirected to the Region by legislation. In effect, a new regional government was created as an upper-tier “superimposed over a number of pre-existing autonomous local municipalities” (Cameron, 1990, p. 21). The fact that no local re-alignment was undertaken at that time was a unique feature of the Ottawa-Carleton exercise that was unlike the majority of subsequent regional governments created in Ontario.

It only took a few years following creation of the RMOC before it became apparent to the Provincial Government that local government realignment was appropriate in Ottawa-Carleton. The Province had effectively sidestepped, “local opposition, or at best lack of consensus” (p. 18) when it decided to create a regional government in Ottawa without undertaking a review of boundaries and populations when creating the governing body for the RMOC (Cameron J. D., 1990). There were issues related to representation on regional council by virtue of the sharing of positions that occurred in the rural areas. In effect, nine separate municipal jurisdictions were forced to choose four representatives among themselves. This created a perceived problematic situation for those municipalities who were left without a representative from their own jurisdiction. In addition, only a “fragile unity” (p. 255) had developed as the City of Ottawa felt like it was paying a disproportionate share for rural municipalities which had failed to invest in necessary infrastructure while the rural municipalities feared losing their identities and having to pay higher tax rates to fund Ottawa-centric initiatives (Graham, Maslove, & Phillips, 2001).

In May 1973 the Provincial Treasurer sent his Parliamentary Assistant, Donald Irvine, to the RMOC and requested that Regional Council develop a proposal related to “changes in the boundaries and the related representation in the Regional Municipal system” by June 30, 1973, failing which the Province would “generate its own proposal” (Cameron, 1990, p. 18). Rural political leaders were shocked and outraged at the request by the Province and suggested that the Provincial Government look at breaking up larger jurisdictions like the City of Ottawa, to have them function more efficiently (“Ontario imposes amalgamation”, 1973). A special committee of Regional Council was struck to deal with the matter but it was unable to come to

a resolution amenable to the Provincial Government. Therefore, on December 4, 1973, the *Regional Municipality of Ottawa-Carleton Amendment Act*<sup>109</sup> was enacted by the Provincial Legislature. The Act reduced the number of municipalities in the RMOC from 16 to 11. Appointments to the Regional Council were realigned such that each jurisdiction now had a voice at the Regional Council table. In addition to consolidating rural municipalities, all police villages in the Region were dissolved.

### **Report of the Ottawa-Carleton Review Commission – 1976**

In the summer of 1974 Professor Henry Mayo was appointed Commissioner by the Ontario Ministry of Treasury, Economics and Intergovernmental Affairs which created a Commission to review local government operations and structures in Ottawa-Carleton. Mayo was given a broad mandate that included a review of:

- Social and economic conditions and growth;
- Resources and services requirements of the municipalities;
- Regional and local boundaries;
- The division of functions among all governments concerned, including the provincial government;
- The organization of municipal councils and their committee systems, and policy-making;
- The system of representation on municipal councils;
- Municipal revenues and expenditures;
- The unique relationship between the federal and municipal governments, and the impact of any action present or expected concerning the National Capital Region;
- And finally, a nice “Catch 22” clause, “any other matter which the study commissioner considers relevant...” (Mayo, 1976, p. xi).

Mayo undertook a broad based review over a two-year period and made multiple recommendations in his Report which was submitted to the Ministry in October 1976. These recommendations included maintaining the two-tier system of government but altering certain boundaries such that the 11 existing jurisdictions would be reduced to nine. He also

recommended direct election of Regional Councillors. On financial matters, the Mayo Report recommended that commercial, industrial, and federal assessments be pooled on a regional basis and distributed on a *per capita* basis. With respect to emergency services, Mayo recommended creation of a regional police service yet recommended that fire services remain in the hands of individual municipalities; many of which employed volunteers.<sup>110</sup> Mayo (1976) felt that economies of scale would not necessarily be found in amalgamating fire services because of service level differences and the contributions that different municipalities would be required to make to set a common standard.

In May 1978, the Minister of Economics and Intergovernmental Affairs, Darcy McKeough, released a White Paper in response to Mayo's Report. In the White Paper, the Minister proposed various boundary changes as recommended by the Mayo Report but opted to maintain the *status quo* with respect to Mayo's recommendation to have Regional Councillors elected directly by the public. Regional Council adopted a number of the proposals contained in the White Paper however the Provincial Government did not take any further action until 1979.

On November 13, 1979, the Provincial Legislature passed the *Regional Municipalities Amendment Act*<sup>111</sup>, which created two new cities in the RMOC: Nepean and Kanata. Cameron (1990) claims that creation of the two new cities was a relatively minor change that "constituted the Province's action and implementation of the 239 page report by Dr. Mayo" (p. 38).

## **The Regional Municipality of Ottawa-Carleton – The 1980's**

In his illustrative history of Ottawa, Taylor (1986) claims that Ottawa has undergone significant changes since 1945, however a tension in the City-Region still remained through the mid-1980's:

Fragmentation, marginality, and corporate oversight are still central. Though the main city is probably less divided than in any time in its history, a new sort of division, always latent, and situated at the regional level, has emerged strongly since the war. Large, territorially-based, self-conscious communities compete with Ottawa proper for both business and influence...large regional governments contend with each other and within themselves...There is a sense of population overweight, and probably the major reason is that there is still no common agenda, and still no community able to set one. It is a metropolis made up of undigested pieces, reluctant or unable to co-operate. The sense of agglomeration of small communities persists. (p. 209)

On June 19, 1980 the Provincial Legislature passed the *Regional Municipality of Ottawa-Carleton Amendment Act*<sup>112</sup>, which served to add two more elected officials to Regional Council. The City of Kanata had requested a seat at the Regional Council table but its request was denied within this Act. Instead, the Provincial Government opted to grant two seats to the City of Nepean.

### **The Ottawa-Carleton Regional Review Commission (Bartlett Commission)**

Throughout the remainder of the 1980's the RMOC attempted to deal with on-going issues raised by local municipalities with respect to boundaries and the composition of Regional Council. In 1986 the *Ad-Hoc* Committee on Representation and Structure was established by the RMOC to consider these issues. Ultimately, it was usurped by a request from one of its own Councillors who formally asked the Province of Ontario to appoint a commission to undertake a similar review<sup>113</sup>. In 1987, Bernard Grandmaître, then Minister of Municipal Affairs announced a two-phased review of the RMOC and appointed a Commission to be headed by David

Bartlett<sup>114</sup>. In setting the Commission's mandate, Minister Grandmaître specifically declined to include a review of local government boundaries. Instead, the Commission's mandate was to examine political representation in the region as well as allocation of finances and functions between the upper and lower tiers of government. By 1986, expenditures by the RMOC had increased to 54% of total local government expenditures within the Region. This percentage had increased by 8% from a decade earlier. The Bartlett Commission would be the first to review the structure and operations of the RMOC which was now the leading government in terms of local expenditures on municipal services.

The Bartlett Commission released two Reports at a cost of \$400,000. From these Reports, two primary recommendations emerged. First, Bartlett called for the reallocation of services with region-wide implications from the lower-tier to the regional level. Smith (1995) quotes Barlett when Smith states, "unless there are good reasons to the contrary, the regional municipality should be responsible for those municipal policies where it is essential to apply uniform practice across the region" (p. 176). Bartlett concluded that economic development activities were an example of a service better delivered at the regional level. In addition, Bartlett recommended that Regional Councillors be directly elected with the Chair selected from among the Councillors so that the regional perspective in the governance of Ottawa would become stronger (Bartlett, 1987, 1988).

Following their release the Minister of Municipal Affairs requested comments and feedback from the Regional Council. The RMOC provided the Minister of Municipal Affairs with its response to the recommendations contained in the Reports however the Provincial

Government took no further action to address any of the recommendations contained in the Reports.

While the final Bartlett Report was being prepared, Ottawa City Council approved a plebiscite to be included on the ballot of the municipal election that was to take place in mid-November 1988. The ballot question was, “[a]re you in favor of the city of Ottawa working toward one level of municipal government in the urban area of Ottawa-Carleton?” (“Voters in Ottawa to face plebiscite on regional rule”, 1988, p. N17). Although results of the plebiscite would be considered non-binding on either the City or Provincial Governments, an affirmative response would serve to empower local politicians with the knowledge that their pursuit of a single governing municipality was supported by their constituents. The final results proved to be very compelling with 80 percent of voters affirming the questions posed on the ballot (Aubry, 1988).

### **The Regional Municipality of Ottawa-Carleton – The 1990’s**

#### **The Electoral Boundaries Review Commission of Ottawa-Carleton (Graham Commission)**

In the summer of 1990, Katherine Graham, a professor of political science at Carleton University in Ottawa, was hired by the Provincial Government as Commissioner for the newly constituted *Electoral Boundaries Review Commission for Ottawa-Carleton*. The Graham Commission’s mandate was to review electoral boundaries of both the regional and local governments in Ottawa-Carleton so as to implement changes in local government structures as “planned by the former Ontario Liberal government” (“Community group protests large wards”, 1990, p. G3). The mandate of the Graham Commission was specifically restricted from recommending any increase in the number of elected officials from the 84 people then

currently serving at the local levels (Graham, Maslove, & Phillips, 2001). In November 1990, the Report of the Graham Commission was released with the most salient recommendation being realignment of regional council boundaries such that they crossed over various local municipal boundaries. The Graham Report found that many of the boundaries of local municipalities in Ottawa-Carleton did not adequately reflect current political constituencies within the region (Graham, 1990). The recommendation would have effectively created a system of regional wards independent of the local municipal wards such that electors would choose their regional representation from within the new wards. Regional councillors would then join the appointed mayors who were chosen by electors within local ward boundaries to sit on the Regional Council.

#### **The Ottawa-Carleton Regional Review Commission – (Kirby Commission)**

The New Democratic Party replaced the governing Liberal Party in the provincial election held on September 6, 1990. By April 1991, the Provincial Legislature passed legislation that converted the Regional Chair's position from one appointed by Regional Council to one directly elected by the public (Yonson, 1991). This decision followed the recommendation made by the Bartlett Commission in 1988.

Then, just over a year later, the Provincial Government created a new Commission and appointed Graeme Kirby as Commissioner. Kirby was the former head of the National Capital Commission and was well versed in the political nuances of the Ottawa region. The five-month mandate given to the Kirby Commission was:

To consult with municipalities and the public on the degree of interest and support for structural reform to municipal government in Ottawa-Carleton and for the direct election of members to regional council. (Kirby, 1992, p. 1)

Included in Kirby's mandate was a request by the Minister of Municipal Affairs, to assess whether the Region should consider local municipal amalgamations and/or the establishment of a single government for the entire region. The remainder of Kirby's mandate was in large part a review of the work undertaken by both the Bartlett and Graham Commissions just a few years prior. This was evidenced in the recommendations made by the Kirby Commission which expressly adopted several identical recommendations<sup>115</sup> from the prior Commissions Reports (Kirby, 1992).

The Kirby Commission's final report made multiple recommendations with respect to the future of the Ottawa-Carleton Region. Most notably, Kirby recommended that the two-tier structure in the region remain unchanged and that the electorate be asked to comment on lower-tier amalgamations in the region. Kirby had floated two ideas in an earlier interim report wherein he mentioned the potential for a single tier governance model in Ottawa or creation of five large jurisdictions thereby forcing amalgamation primarily in rural areas of the region. Each of these suggestions proved unpopular with rural residents who attended public meetings *en mass* to voice their concerns (Dare, 1992).

The Kirby Report also recommended the regionalization of both economic development and police services in the RMOC. Kirby recommended a need to create a new police service as opposed to amalgamating all services into any one existing service, thereby reducing any chance of one organization or area being seen as superior in its service delivery. Kirby also recommended that regional councillors be directly elected by citizens of the region as opposed to being appointed on an *ex-officio* basis (Kirby, 1992).

The changes recommended in the Kirby Report were viewed by Graham *et al* (2001) as “set[ting] the stage both for persistent conflicts between the lower-tier mayors and the region and for heightened regional awareness among the electorate” (p. 257). This view was reinforced by Leibovitz (2000) who claimed that there was angst created mainly in the rural areas of the RMOC that further demonstrated the ongoing problem of “reconciling the different outlooks of various communities within the region” (p. 17). By 1994, the Provincial Legislature passed Bill 143 which amalgamated police services in the RMOC, eliminated local mayors from regional council, and implemented a system of direct elections for members of regional council. In short, the Provincial Government made significant changes to the governance model and the manner in which police services were delivered in the Regional Municipality of Ottawa-Carleton.

#### **Citizen’s Panel on Local Governance In Ottawa-Carleton**

In 1995 the Conservative party led by Mike Harris were elected with a majority of members in the Provincial Legislature. The new Harris Government, as described in detail previously, led major municipal restructuring reforms that created a single-tier municipality in the City of Toronto and altered other municipal boundaries in counties and regions across Ontario.

By 1997, the RMOC was comprised of 11 municipalities with populations ranging from 2,500 to 350,000 people. The entire area was served by 84 municipal and regional politicians. Although the previous Liberal Provincial Government had altered the governance model of Regional Council, there was still a sense among some municipalities that duplication prevailed and both planning and consultation were lacking on matters of importance (Andrew, 2006).

The Ottawa Board of Trade argued that costs were higher and planning approvals took longer in the RMOC because of the two-tier system. Moreover, the Board of Trade felt that marketing the region for economic development purposes was more difficult because of the multitude of jurisdictions that sought to be acknowledged in the marketing effort (Graham et al., 2001).

For its part, the City of Ottawa and the majority of members on Regional Council favoured a one-tier system of government for the region. This idea however, was not received favourably by the vast majority of municipal politicians representing rural jurisdictions. The debate on single-tier government became vocal in the RMOC and without a sense of clear direction, the Provincial Minister of Municipal Affairs, Al Leach, appointed Gardner Church as a facilitator to discuss the matter with all local councils in an effort to find common ground (Boswell, 1997). Church was unable to achieve a consensus among various councils which prompted Minister Leach to warn the RMOC that he was prepared to appoint a commissioner to determine the 'proper' course of action if municipalities could not decide for themselves. By August 1997, and without a consensus on single-tier government, the regional government, along with lower-tier councils approved creation of the *Citizen's Panel on Local Governance in Ottawa-Carleton*. The mandate of the Panel was to recommend, in consultation with the citizens of Ottawa-Carleton, a new structure for local government. The Panel was comprised of 13 citizens with diverse backgrounds who engaged the public through various meetings and events. However, several municipalities were spending considerable sums of money to lobby and promote their own preferred solution at the Panel's meetings. The interference posed by some local municipalities was described by some as "guerrilla warfare...[and]... sabotage" (p. 259) and included packing the Panel's public meetings with people intent on thwarting a fair

process (Graham et al., 2001). The Regional Chair, Bob Chiarelli, voiced his concern that the process was being “hijacked by politicians” (p. D3) making objectivity difficult (Mohammad, 1998).

By March 1998, the Citizen’s Panel disbanded before completing its function. Panel co-chair Grete Hale claimed that brazen political interference caused the “well [to be] poisoned” making it “impossible to continue our work” (Mohammad & Boswell, 1998, p. B1). In a subsequent letter written to residents in Ottawa-Carleton, Hale and her co-chair Diane Desaulniers explained that, “[w]e felt that the opportunity for an objective and open-minded process has been lost due to the promotion by others of entrenched positions and particular governance models” (as cited in Gervais, 2001, Appendix A).

Although the Panel’s efforts ended, the Provincial Government still expected local leaders to find a solution to the issue of governance best suited to the region. Most local politicians were likely fearful of the Provincial Government’s promise to appoint a commissioner if they themselves were unable to determine their own course of action as the final outcome would be out of their control.

### **Appointment of Special Advisor – Glen Shortliffe**

Subsequent to termination of the Citizen’s Panel review, the Provincial Government did not immediately take any further action. An Ontario Provincial general election was on the horizon and the Government was likely preparing an election strategy which necessarily included creating as little controversy as possible. During the election campaign, Premier Harris

committed to finding a way to solve jurisdictional issues plaguing the RMOC as a result of ongoing debate within the community (Mohammad, 1999).

Following re-election of the Harris Conservatives with another majority government in June 1999, the Premier wasted little time in following through on his commitment to the RMOC. In September 1999, the new Minister of Municipal Affairs, Steve Gilchrist who had been a strong advocate and deeply involved in the amalgamation of Metropolitan Toronto, appointed Glen Shortliffe as Special Advisor on Local Government Reform in the RMOC.

Shortliffe was given a specific mandate to:

...recommend reforms in municipal government in the Ottawa-Carleton region which would lower taxes, improve services, reduce bureaucracy, clarify lines of responsibility, and foster greater municipal accountability. (as cited in Gervais, 2001, p.9)

The Minister of Municipal Affairs also asked Shortliffe to recommend a new governance structure for the region. In addition, as the RMOC was now delivering nearly 80 percent of municipal services in Ottawa-Carleton, the Minister asked for an appropriate transition plan to implement any recommended governance changes (Shortliffe, 1999). As the issues under review had been studied multiple times over the past two decades, Special Advisor Shortliffe was given an aggressive time frame of 60 days to complete his entire project.

Not surprisingly, residents in Ottawa-Carleton were resigned to some form of provincial intervention into the future of their region as it was clear to most observers that without such intervention, no voluntarily restructuring would occur as rural and urban factions positions were too far apart to attempt to find common ground (Andrew, 2006). The City of Ottawa and the RMOC were advocating a single-tier mega-city while the rural municipalities were pushing for independence and separate identities.

In November 1999, Special Advisor Shortliffe presented his Report to the Minister. The Report recommended creation of a single-city with a single-tier government to be called 'The City of Ottawa'. The Shortliffe Report outlined the need to maintain strong representation and citizen engagement in rural municipalities and recommended creation of a number of community satellite offices. Although many residents and municipal politicians in rural jurisdictions were against a mega-amalgamation Shortliffe found that the majority of rural residents were in fact, "fully integrated into the economic and social life of the region and benefit significantly from urban services" (Graham et al., 2001, p. 260). The number of municipally elected politicians was proposed to be reduced from 84 to 19, with 18 wards to be created representing the entire 2,757 square kilometer area. In addition, the Shortliffe Report recommended that assets and liabilities of each municipality be pooled, an idea that had drawn significant criticism from rural elected officials in the RMOC who did not want their residents paying down debt accumulated by the City of Ottawa proper.

As part of his review and Report, Shortliffe retained the services of two chartered accountancy firms which assisted in quantifying potential savings available by creating a single city. The Shortliffe Report (1999) outlined a number of areas where savings were possible including:

- \$56 million in annual savings by reducing 561 full-time equivalent positions from the municipal payroll;
- Up to \$1 million in annual savings from election related efficiencies;
- Up to \$27 million in savings from "annual efficiency gains in program spending";
- \$66 million from the sale of redundant municipal properties;

- A potential reduction of property taxes by 7% (average) based on a residential current value assessment of \$150,000. (p. 10)

Inclusion of these potential savings into the Report fitted nicely with the Provincial Government's agenda of undertaking municipal reforms, partially pursuant to its commitment to reduce costs and create service delivery efficiencies. The figures set forth in the Shortliffe Report amounted to more than an estimated \$150 million in savings and included a potential property tax decrease that would likely make the reform scenario more attractive to residents in rural jurisdictions who were reticent to subscribe to Shortliffe's recommendations.

Despite continuing negativity from various rural municipalities in the RMOC, the Provincial Government moved swiftly to implement certain changes recommended in the Shortliffe Report. On December 22, 1999, the Ontario Legislature passed Bill 25, *Fewer Municipal Politicians Act, 1999* which amalgamated the 11 municipalities in the RMOC into one new city called 'Ottawa' effective January 1, 2001. In passing Bill 25, the Provincial Government chose not to legislate the pooling of assets and liabilities for the new City of Ottawa and left each former jurisdiction responsible for satisfying its financial obligations without assistance from residents in other jurisdictions. However, once the *Fewer Municipal Politicians Act* received Royal Assent, a Transition Board was established by the Minister of Municipal Affairs and Housing, Tony Clement. The Transition Board was charged with overseeing significant financial decisions of the existing municipalities, developing business plans for the new municipality in order to maximize tax savings, and putting in place basic structures for the new municipality (Ottawa Transition Board, 2000). In its Final Report, the Transition Board recommended pooling all assets and liabilities from the 11 existing municipalities in the RMOC.

In the year prior to amalgamation, the Transition Board approved budgets and large expenditures of all municipalities in the Region as well as preparing the first budget for the new City of Ottawa. It was the Transition Board's role to ensure that municipal politicians did not vote to spend municipal assets in a reckless manner in the period preceding amalgamation.<sup>116</sup> In addition, the Transition Board established the new executive administration that would lead the new City of Ottawa, it negotiated with multiple unions in an effort to determine appropriate bargaining units and, it coordinated mergers of electric utilities and public works projects. Ultimately, it was the Transition Board's role to prepare the business plans that would help consolidate operations of various services so that each service, whether it be hydro, water, library, or fire, could continue to operate seamlessly following amalgamation, while operating efficiently so as to achieve the financial savings identified in the Shortliffe Report upon which the Provincial Government had based its decision to legislate amalgamation.

In November 2000, a general municipal election was held in Ontario. 18 councillors and a mayor were elected to represent the new City of Ottawa which became the sole municipal governing body for the area formerly known as the RMOC.

### **Conclusion – Ottawa Amalgamation**

Ottawa is a unique place in Canada. It is the nation's capital and home to the Federal Parliament, Senate, and Supreme Court. The City is located across the Ottawa River from the Province of Quebec, whose culture and language permeate the City on a daily basis. In many ways, the City of Ottawa is the embodiment of Canadian cultural values which encourage the harmonious acceptance of all people regardless of language, creed, or culture.

The City of Ottawa grew as a result of its plentiful natural resources – specifically, logging and fur trading. These two industries attracted thousands of workers and their families in pursuit of a better life and gainful employment. Following the War of 1812, the Rideau Canal was constructed and required thousands of additional able-bodied persons to build this engineering feat. A small town called ‘Bytown’ was formed and bore the name of the person who oversaw construction of the Canal, Lt. Col. John By. Following passage of the *Baldwin Act* in 1849, Bytown and the greater Ottawa area conformed to the established structure set out in the *Act* that established county government as the senior local government and jurisdictions within a county created based on population size.

The pattern of local government established by the *Baldwin Act* remained in existence in the Ottawa-Carleton area for more than a century. No material changes were made until the 1960’s when the Provincial Government of the day chose to experiment with a new form of local governance, the restructuring path was the result of the ‘regional government’ experiment legislated by the Provincial Government in the 1960’s. Further restructuring efforts in Ottawa-Carleton arose as a result of public and local government pressure on the Provincial Government to enact reforms that addressed varying concerns in the region. In each instance, the Provincial Government engaged the services of a commission or review panel to study the options and present recommendations many of which were not popular but led to the creation of a unified region in the Nation’s capital.

## Chapter 5: Research Design and Methodology

### Introduction

The research design and methodology utilized in this analysis can be separated into three parts. The first part is a statistical analysis of all three areas considered in this Report (Greater Toronto Area, Windsor-Essex, Ottawa). This analysis examines all three regional areas in order to provide a substantial basis for assessing the overall effects of amalgamation on costs associated with delivery of key public municipal services.

The second part of the research design included an independent determination of cost-per-service averages for both the pre-amalgamation periods and the post-amalgamation periods for each region. The change in averages was calculated for the post-amalgamation period to determine the extent of any cost increases or decreases. *Per-capita* averages were also calculated to determine the extent of any changes in cost as populations changed. In addition, as some municipalities considered in this Analysis did not undergo amalgamation<sup>117</sup> within the time period being studied, a mathematical averaging process was undertaken to show the full region, the region without the 'un-amalgamated' area and the 'un-amalgamated' area separately.

Third, a qualitative survey was undertaken to gauge residents' opinions with respect to amalgamation and/or regional government and service delivery solely within Essex County. This survey was conducted electronically and included 420 responses. The results, which of general interest, did not include a sample size which would have permitted a statistically significant interpretation.

## Data and Methods – Quantitative Statistical Analysis

The primary hypothesis being investigated in the quantitative analysis is that amalgamation of municipal jurisdictions had an effect on spending patterns such that amalgamation reduced overall regional spending through economies of scale, if any, as well as other synergies that . The data used to test this hypothesis represent reported spending by 14 municipal jurisdictions between the years 1995 and 2008. The years recorded within each unit were coded as either occurring pre-amalgamation or post-amalgamation. The null hypothesis is that spending did not change after amalgamation occurred.

As the data represent a panel of units, it is not possible to simply regress all spending observations on the pre-post indicator. The primary reason is that regression assumes that all observations are independent, whereas this is not the case for longitudinal data. The 2002 spending in Toronto, for example, is probably related to the 2003 Toronto spending, thus violating the assumption regarding independence of observations. Therefore, it is necessary to utilize a statistical method that accounts for non-independence within units. In addition, it is plausible that government spending increases over time, among other reasons by virtue of the expansion of services and changes in administrative pay. Thus, the analysis should include a control for year as a variable to ensure that any pre-amalgamation versus post-amalgamation differences are not resulting simply due to the passage of time. It is important to note that the quantitative data used in this analysis has been aggregated by area.<sup>118</sup> In addition, all financial data is reported in real dollars with 2002, the mid-point of the data reporting period thereby designating it as the base year. All nominal dollar values were adjusted using the Consumer Price Index as published by Statistics Canada (2013a) as follows:

Year	1995	1996	1997	1998	1999	2000	2001	2002
CPI	87.70	89.46	91.21	92.97	94.73	96.49	98.24	100.00

Year	2003	2004	2005	2006	2007	2008
CPI	102.43	104.87	107.3	109.73	112.17	114.6

The applied statistical approach is a mixed model (also known as a multilevel or hierarchical linear model). In this model, a random effect is included for municipal jurisdictions in order to account for some of the 'within-unit' correlations. In addition, two fixed effects are included: time and the pre-post indicator as a variable. The pre-post variable captures changes in average spending after controlling for yearly shifts in expenditure levels. Statistically, the model is described as the following:

$$Spending_{i,j} = \alpha + \beta_1 Year_{i,j} + \beta_2 Amalg_{i,j} + u_i + e_{i,j}$$

Spending for the  $i$ th jurisdiction in the  $j$ th year is equal to a constant ( $\alpha + \beta_1$ ) plus the effect of year plus the change due to amalgamation plus unit-specific effects plus residual error. The two *betas* are the fixed effects and are interpreted like regular regression coefficients. The  $u_i$  term is the random effect for administrative unit. It is not estimated directly but rather summarized according to its variance; the larger the variance, the more the administrative units differ in their average spending. In addition, to account for 'within-subject' dependencies, the  $u_i$  variable also accounts for the fact that some jurisdictions will have much higher average spending than others.

A mixed model with a single random effect for municipal jurisdictions is the same assuming that 'within-subject' dependencies follow a compound symmetry structure. This means that the covariance's between any two time-points are assumed to be the same. For longitudinal data, it is plausible that correlations decline in magnitude as they get further apart.

For example, 2003 data likely correlates with the 2002 data more than the 1996 data. Thus, the compound symmetry assumption may initially appear unjustified. To test for this possibility, analysis using other statistical models was estimated which allowed for more complicated 'within-unit' correlation structures. These models failed to produce meaningful estimates (that is, the estimation did not converge) and so did not seem to provide an appropriate fit for the available data. It is possible that inclusion of a fixed effect for time reduces the decaying pattern of 'within-subject' correlations over time, and hence the compound symmetry assumption may in fact be fair. The fact that other more general statistical models failed to converge suggests that the model described above is appropriate for the available data.

The spending data, as will be explained below, are all highly skewed such that a small number of observations have very large values. To bring these distributions closer to normal, a logarithmic transformation was performed. Thus, the dependent variables in the models below are actually the natural logs of spending. The interpretation of the fixed effects therefore requires exponentiation  $\exp(B)$  of the coefficient and subtracting 1. Whenever  $\exp(B)$  is equal to approximately 1, interpretation can simply be made in terms of percent change in the dependent variable. For example, if the fixed effect coefficient for the pre-post variable is equal to .15, the interpretation would be that the dependent variable changed 16.18% ( $\exp(.15) - 1$ )\*100 between the two time periods.

## Results of Statistical Analysis

### *Univariate Summaries*

Table 17 presents descriptive statistics for the expenditure data covering 24 different types of spending. There are a total of 210 observations representing the repeated measures of the different administrative units. The minimum spending on capital over time and across units was \$1,919,417, and the maximum was \$1,699,755,018. The average was \$199,826,714.74 (SD = \$316,057,154.23). The minimum spending on operating costs was \$11,438,049.00, while the maximum was \$7,814,961,900.00. The average operating costs across all observations were \$912,598,731.99 (SD = \$1,692,237,163.30). The combined costs of each ranged from \$14,422,040 to \$9,483,516,306, with an average of \$1,112,425,446.73 (SD = \$1,993,180,368.46).

Other variable summaries break down spending into specific categories, including fire, garbage, general, library, planning, police, and waterworks. Some of the observations were equal to \$0.00, which represent years in which a jurisdiction did not incur any reportable expenditures. In most cases, the average spending is much closer to the minimum value than the maximum, which is indicative of a large skew in the data. This is confirmed by an inspection of the variable distributions. Figures 9 through 24 provide box plots of the various types of spending. In a box plot, the box represents the interquartile range of data (the 25<sup>th</sup> percentile to the 75<sup>th</sup>). The line in the box represents the median. The whiskers extending from the box represent the spread of the remaining observations up to 1.5 times the interquartile range. Any remaining observations are marked as outliers. A normal distribution would be indicated

by a median line in the center of the box and whiskers extending the same distance with few outliers.

The top Figures on each page and marked as odd numbered Figures (Figures 9-23) make clear that each of the spending variables has several outliers on the high end of the distribution. These outliers may very well have a disproportionate effect on the fixed effects estimates reported later and hence it is preferable to take a transformation of the data that brings these higher values closer to the central tendencies of the distributions. As it is not mathematically possible to take the log of zero, all zero observations were first recoded as .01 prior to the transformation. The results of the logarithmic transformation are shown in Table 18 while box plots of the log transformation effect are shown in even numbered Figures (Figures 10-24) as the bottom Figure on each page.

As the logarithmic transformation causes large numbers to become much smaller, the values are now on a scale that is easier to understand. Rather than dealing with numbers in the millions, the maximum values are now in the 15 to 21 range. In addition, the averages fall closer to the middle of the observed ranges. The log of spending on capital ranges from 14.47 to 21.25 with a mean of 17.5245 (SD = 2.0224). The log of spending on operating costs ranges from 16.25 to 22.78 with a mean of 18.9752 (SD = 2.01583). The combined spending ranges from 16.48 to 22.97 with a mean of 19.1126 (SD = 2.0725).

Table 17.

*Descriptive Statistics for Expenditure Values*

	N	Minimum	Maximum	Mean	Std. Deviation
Capital Budget Total	210	\$1,919,417.00	\$1,699,775,018.00	\$199,826,714.74	\$316,057,154.23
Operating Budget Total	210	\$11,438,049.00	\$7,814,961,900.00	\$912,598,731.99	\$1,692,237,163.30
Op & Cap Budget Total	210	\$14,422,040.00	\$9,483,516,306.00	\$1,112,425,446.73	\$1,993,180,368.46
Fire Capital	210	\$0.00	\$26,125,185.00	\$3,133,421.42	\$4,617,749.51
Fire Operating	210	\$9,708.00	\$337,015,602.00	\$44,408,654.18	\$75,583,110.70
Fire Total	210	\$12,491.00	\$353,921,713.00	\$47,542,075.60	\$79,420,114.67
Garbage Capital	210	-\$641,875.00	\$217,006,909.00	\$5,266,224.94	\$17,833,246.68
Garbage Operating	210	\$599,285.00	\$273,050,724.00	\$28,083,785.09	\$46,908,388.09
Garbage Total	210	\$599,285.00	\$419,058,090.00	\$33,350,009.99	\$59,704,228.85
General Gov Capital	210	\$0.00	\$188,198,037.00	\$14,684,235.46	\$25,607,057.97
General Gov Operating	210	\$725,868.00	\$868,733,242.00	\$94,924,967.79	\$159,673,249.32
General Gov Total	210	\$865,293.00	\$1,056,931,279.00	\$109,609,203.25	\$180,917,091.31
Library Capital	210	\$0.00	\$35,133,271.00	\$3,159,535.11	\$6,378,890.60
Library Operating	210	-\$9,989.00	\$202,223,141.00	\$18,864,090.79	\$36,981,335.80
Library Total	210	-\$9,989.00	\$223,275,431.00	\$22,023,625.86	\$42,875,974.35
Planning Capital	210	\$0.00	\$75,802,192.00	\$4,295,923.17	\$9,531,860.08
Planning Operating	210	\$88,152.00	\$438,302,678.00	\$18,068,626.59	\$44,319,633.99
Planning Total	210	\$88,152.00	\$479,608,476.00	\$22,364,549.75	\$49,881,274.60
Police Capital	210	\$0.00	\$76,429,805.00	\$5,509,159.61	\$10,060,036.68
Police Operating	210	\$0.00	\$866,177,502.00	\$91,367,050.94	\$171,667,233.47
Police Total	210	\$0.00	\$910,392,016.00	\$96,876,210.54	\$180,764,694.88
Waterworks Capital	210	\$0.00	\$178,694,019.00	\$23,066,841.53	\$34,302,163.08
Waterworks Operating	210	\$0.00	\$479,382,248.00	\$45,938,387.56	\$78,119,967.62
Waterworks Total	210	\$0.00	\$627,907,201.00	\$69,005,229.09	\$106,284,216.50

Table 18.

*Descriptive Statistics for Log of Expenditure Data*

	N	Minimum	Maximum	Mean	Std. Deviation
Log Capital Budget Total	210	14.47	21.25	17.5245	2.02240
Log Operating Budget Total	210	16.25	22.78	18.9752	2.01583
Log Op & Cap Budget Total	210	16.48	22.97	19.1126	2.07250
Log Fire Capital Log	210	-2.30	17.08	12.2128	4.71256
Log Fire Operating	210	9.18	19.64	15.5859	2.52443
Log Fire Total	210	9.43	19.68	15.6967	2.50287
Log Garbage Capital	208	-2.30	19.20	6.9075	8.72203
Log Garbage Operating	210	13.30	19.43	15.7403	1.86988
Log Garbage Total	210	13.30	19.85	15.8134	1.94065
Log General Gov Capital	210	-2.30	19.05	13.6316	3.62234
Log General Gov Operating	210	13.50	20.58	16.6624	2.11843
Log General Gov Total	210	13.67	20.78	16.7690	2.15298
Log Library Capital	210	-2.30	17.37	7.8649	8.20225
Log Library Operating	209	-2.30	19.12	11.6222	7.00587
Log Library Total	209	-2.30	19.22	11.8727	6.93649
Log Planning Capital	210	-2.30	18.14	12.3888	4.58258
Log Planning Operating	210	11.39	19.90	15.0388	2.03573
Log Planning Total	210	11.39	19.99	15.3099	2.02943
Log Police Capital	210	-2.30	18.15	11.4099	5.97500
Log Police Operating	210	-2.30	20.58	15.5131	5.15077
Log Police Total	210	-2.30	20.63	15.5602	5.16826
Log Waterworks Capital	210	-2.30	19.00	14.2900	5.04132
Log Waterworks Operating	210	-2.30	19.99	15.2964	4.96853
Log Waterworks Total	210	-2.30	20.26	15.6647	5.07819

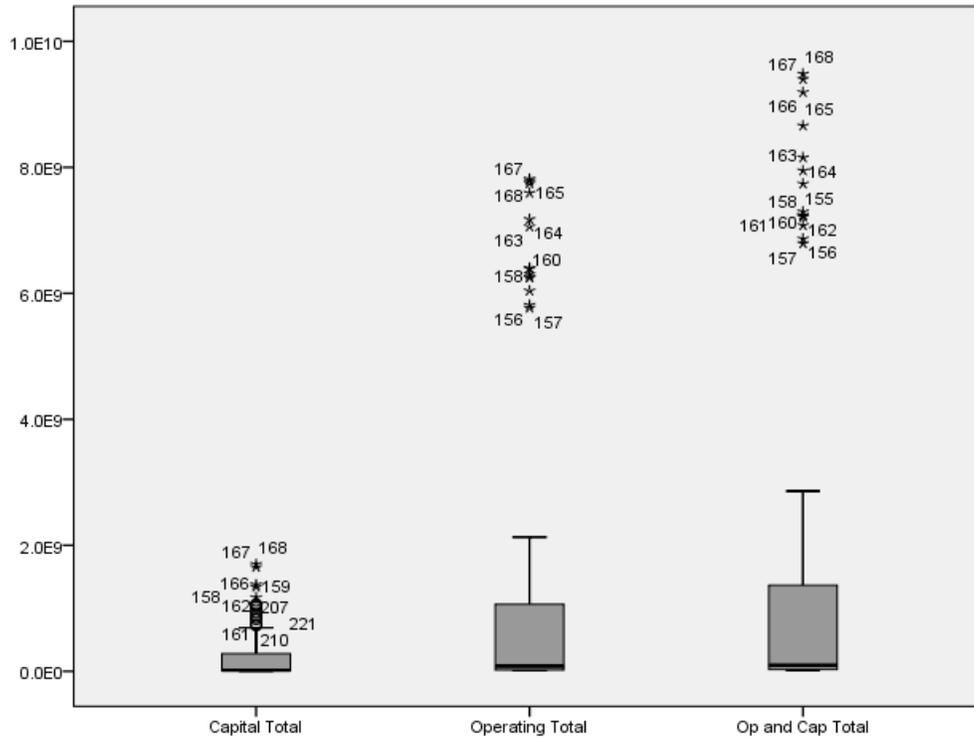


Figure 9. Box Plot of Total Expenditures (Capital & Operating Budgets)

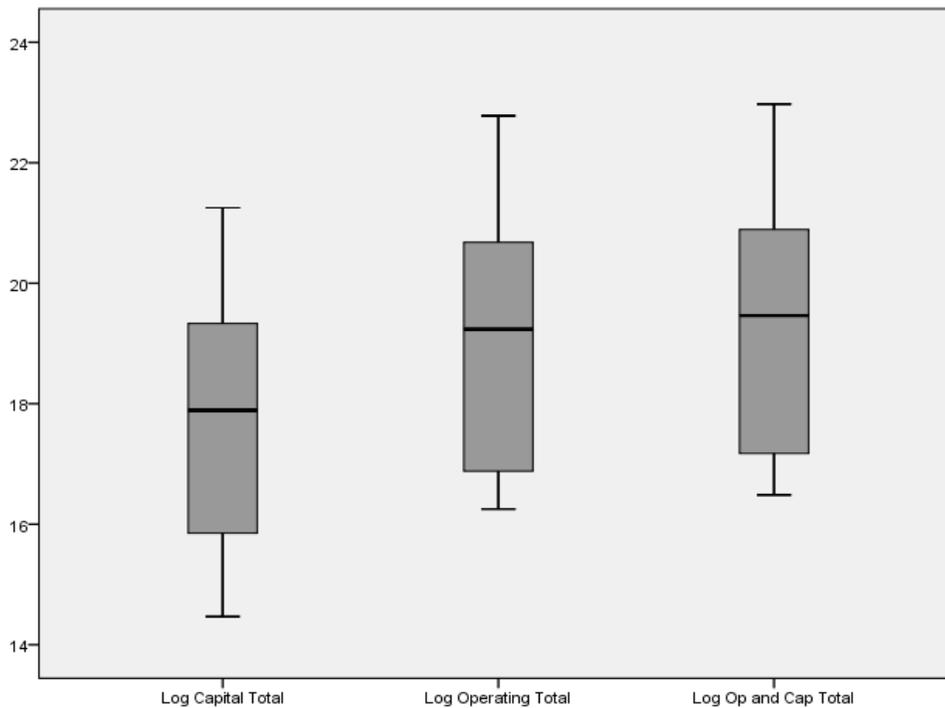


Figure 10. Box Plot of Log Total Expenditures (Capital & Operating Expenditures)

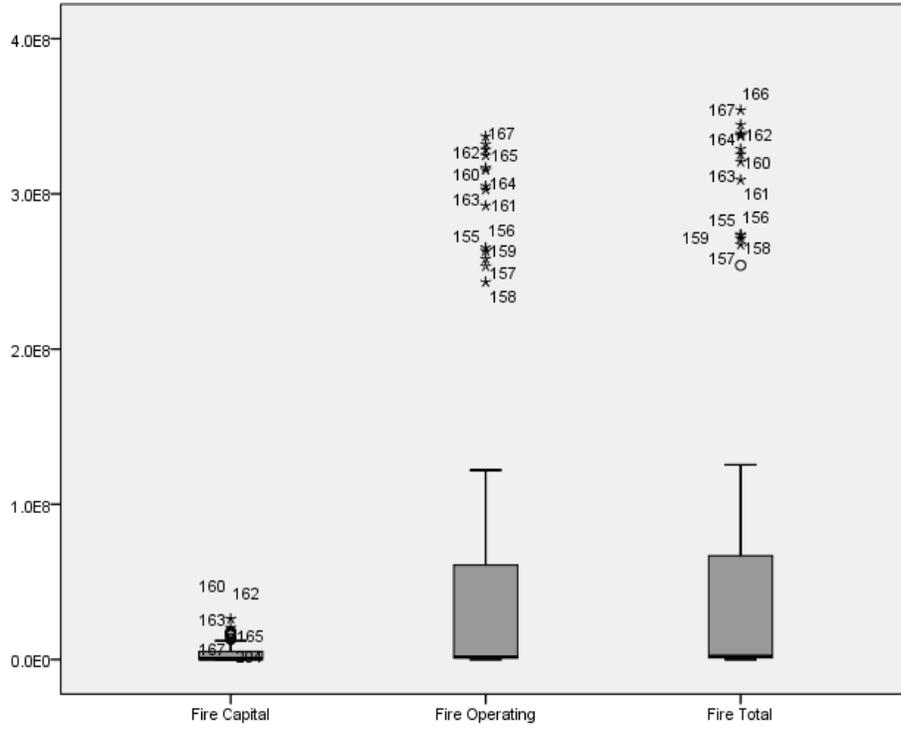


Figure 11. Box Plot of Fire Expenditures

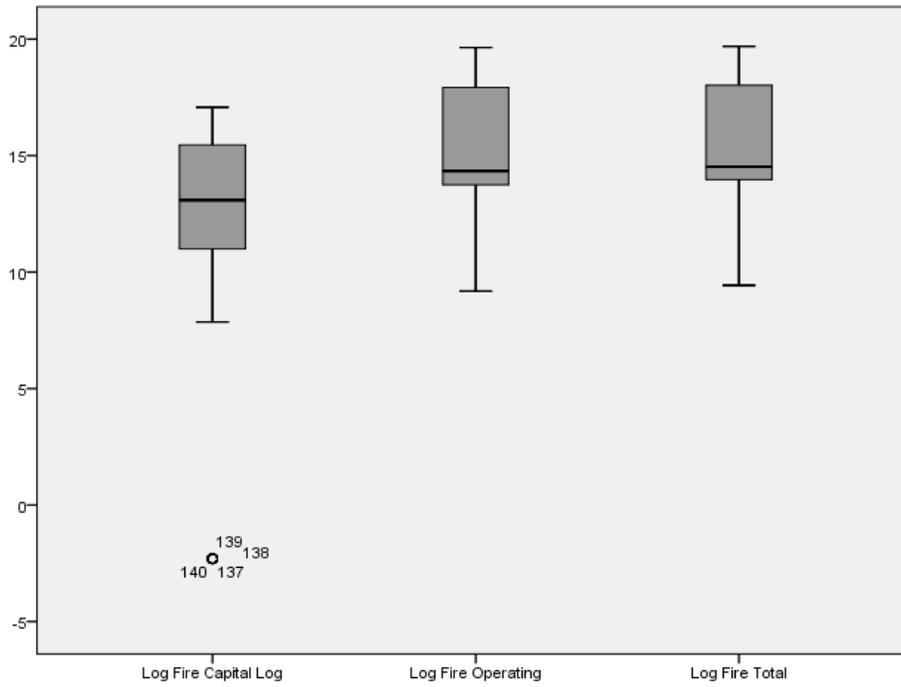


Figure 12. Box Plot of Log Fire Expenditures

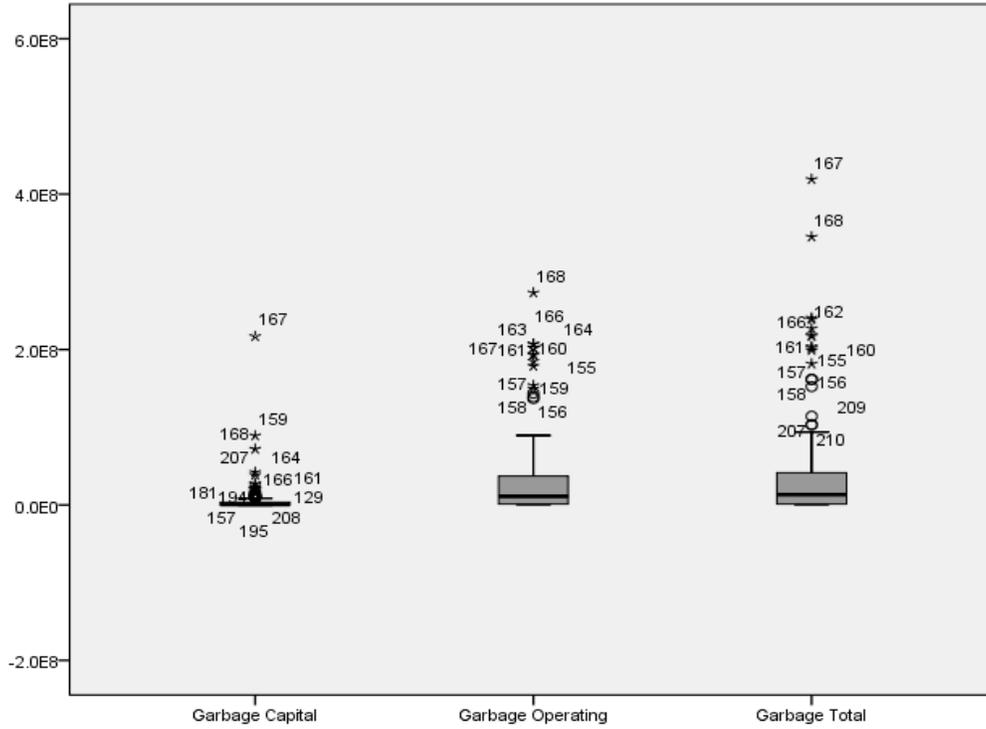


Figure 13. Box Plot of Garbage Expenditures

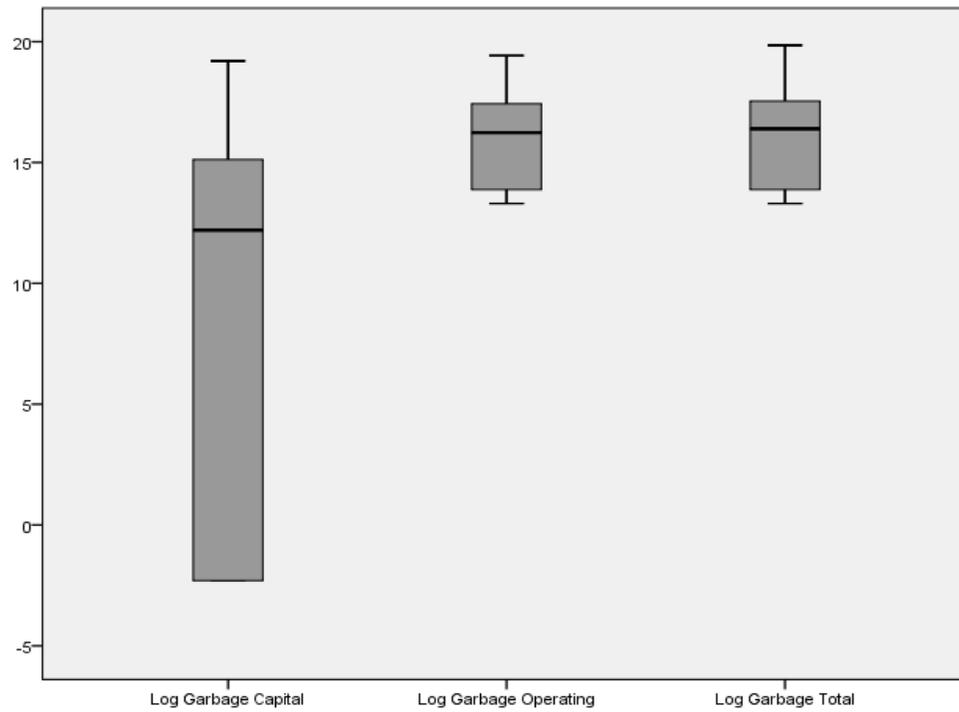


Figure 14. Box Plot of Log Garbage Expenditures

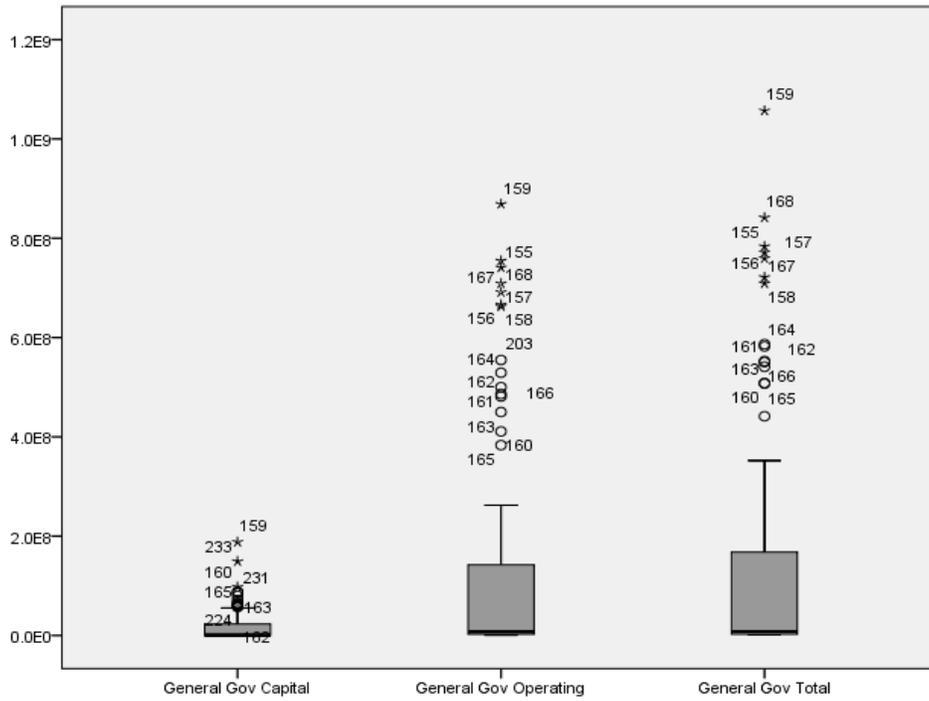


Figure 15. Box Plot of General Government Expenditures

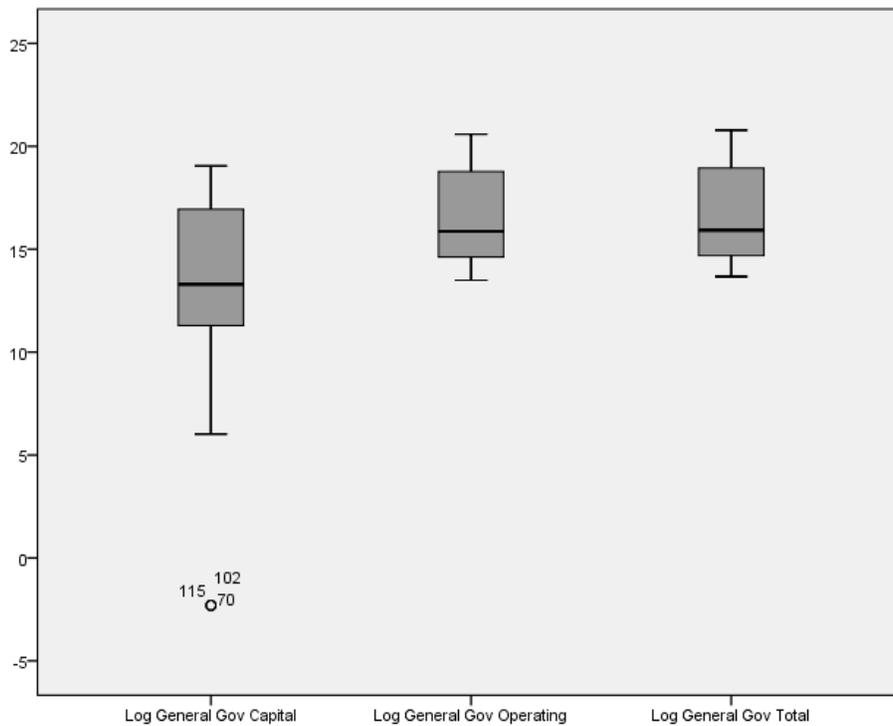


Figure 16. Box Plot of Log General Government Expenditures

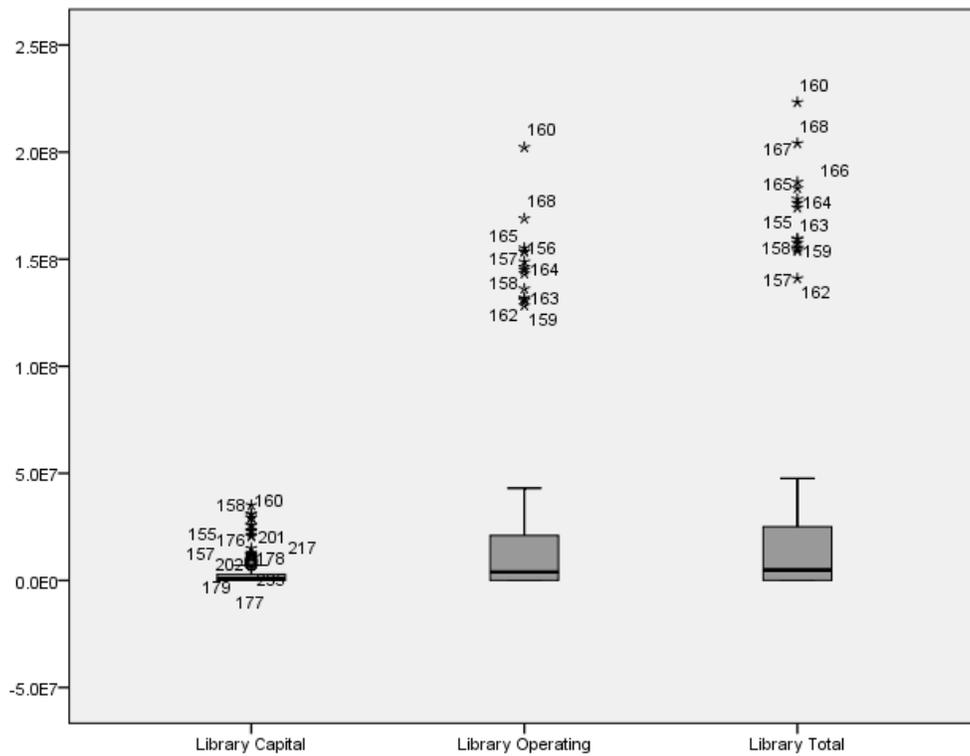


Figure 17. Box Plot of Library Expenditures

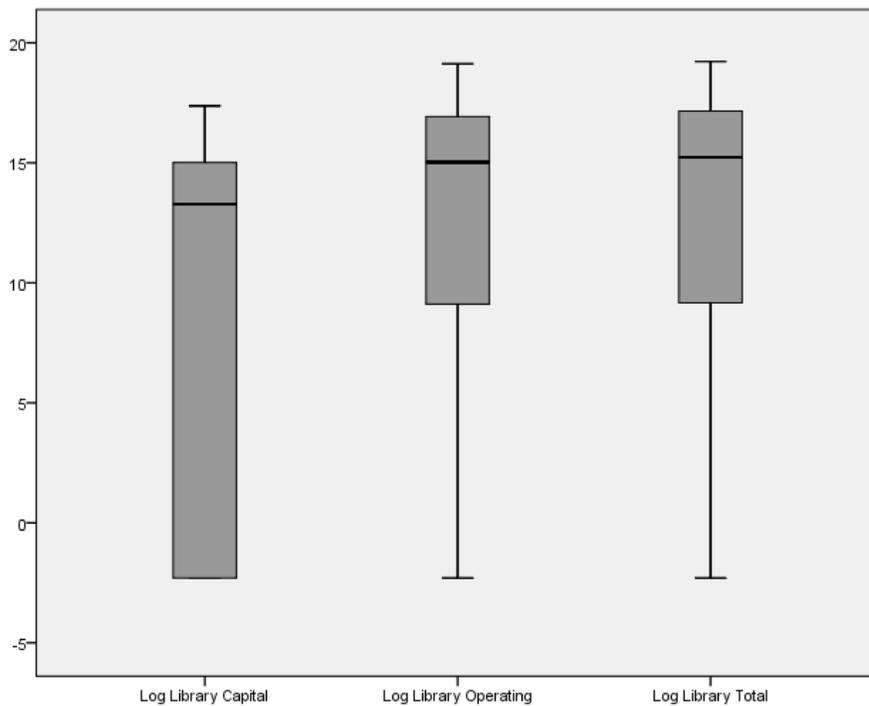


Figure 18. Box Plot of Log Library Expenditures

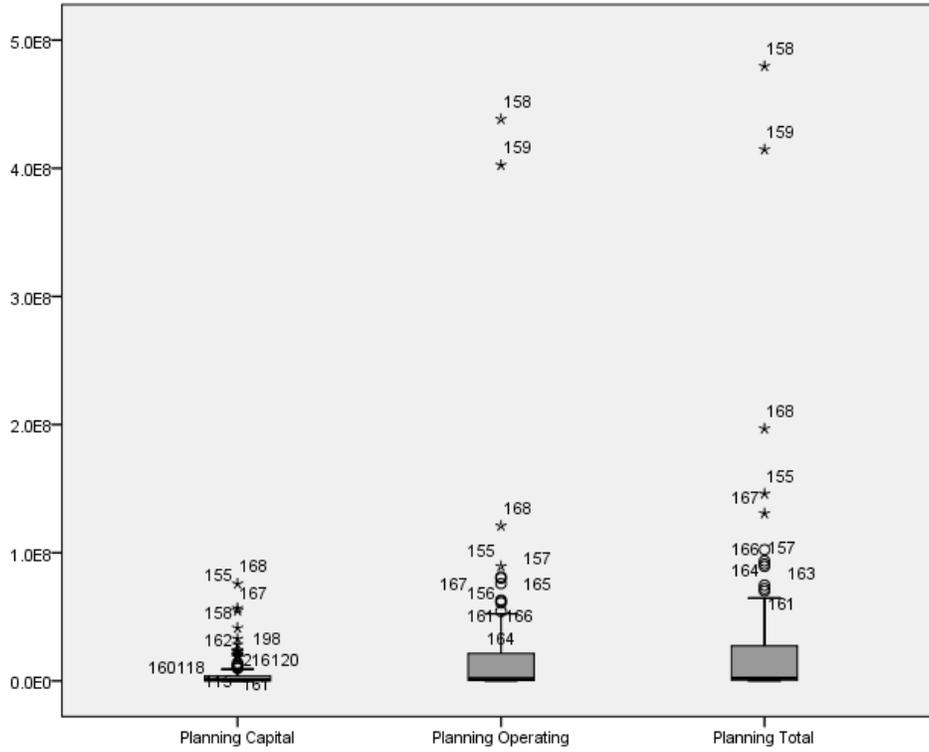


Figure 19. Box Plots of Planning Expenditures

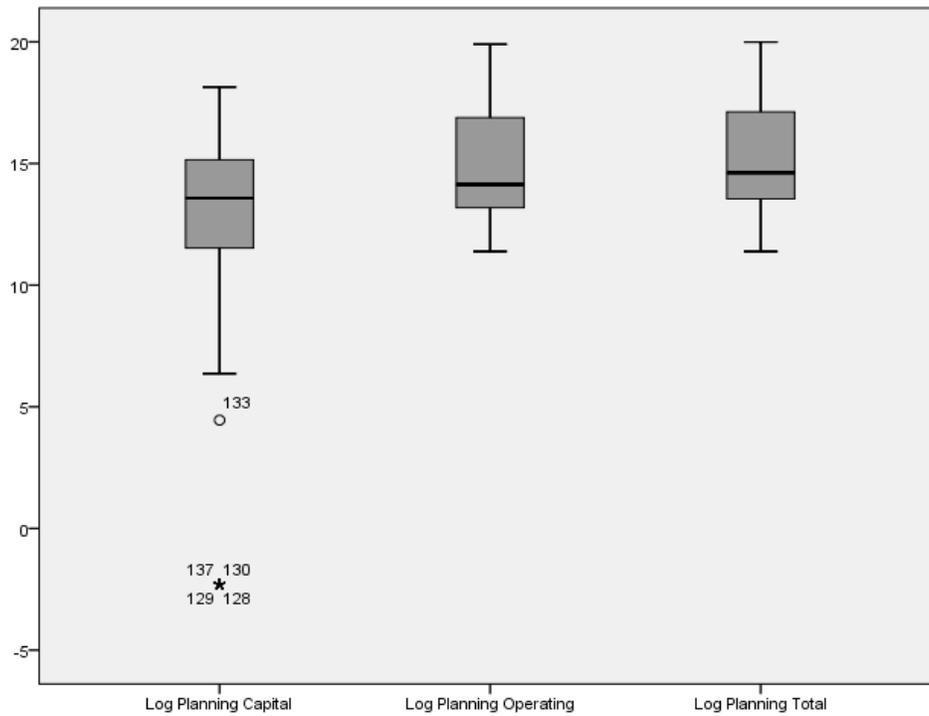


Figure 20. Box Plot of Log Planning Expenditures

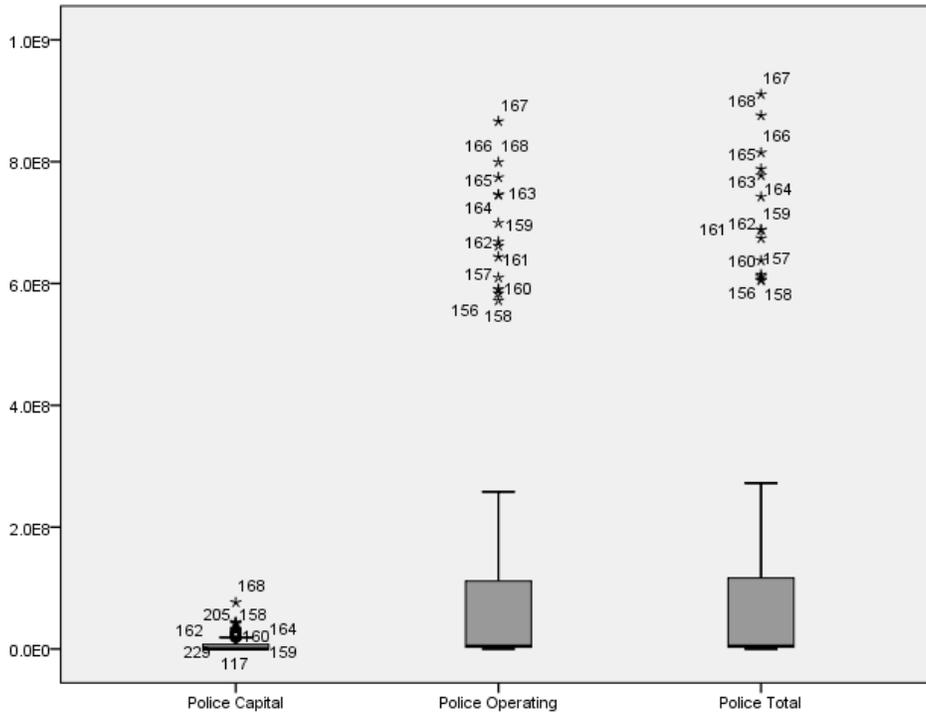


Figure 21. Box Plot of Police Expenditures

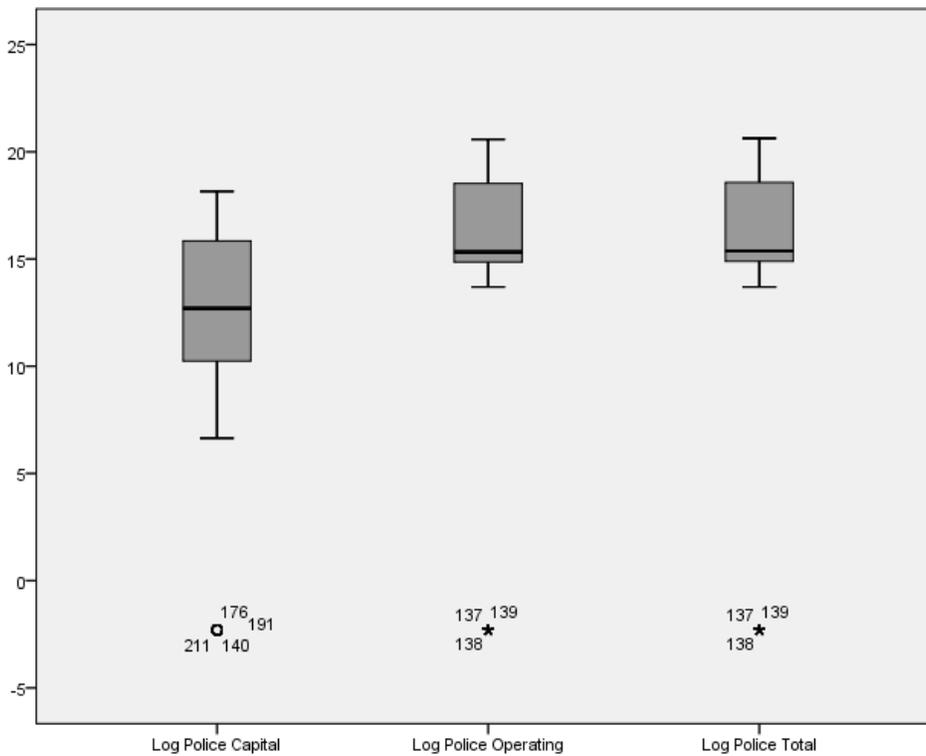


Figure 22. Box Plot of Log Police Expenditures

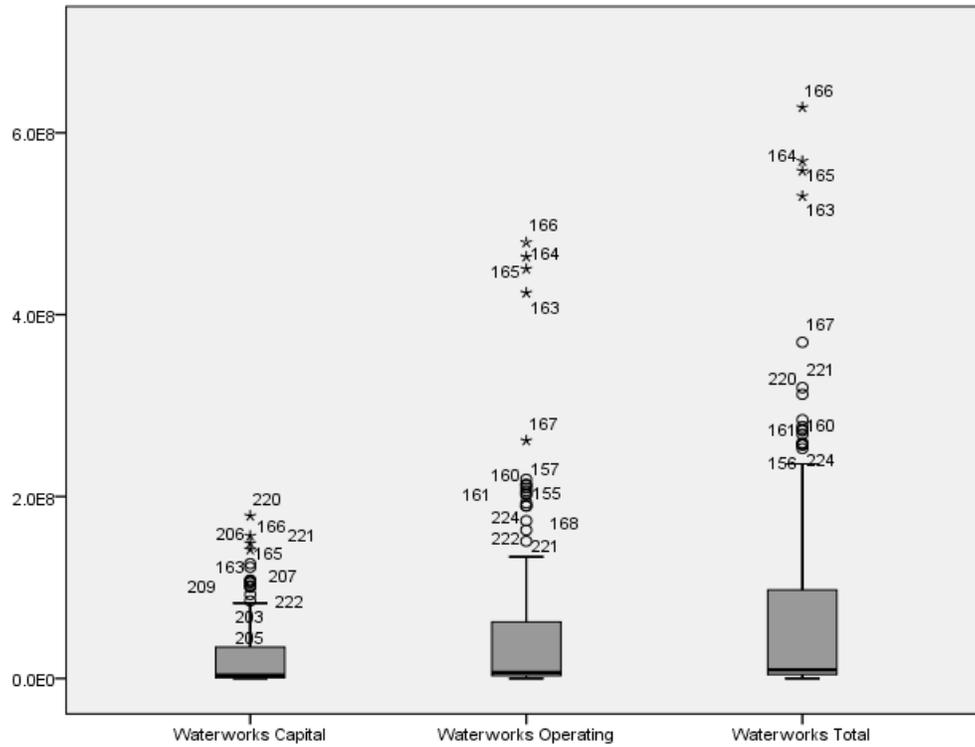


Figure 23. Box Plot of Waterworks Expenditures

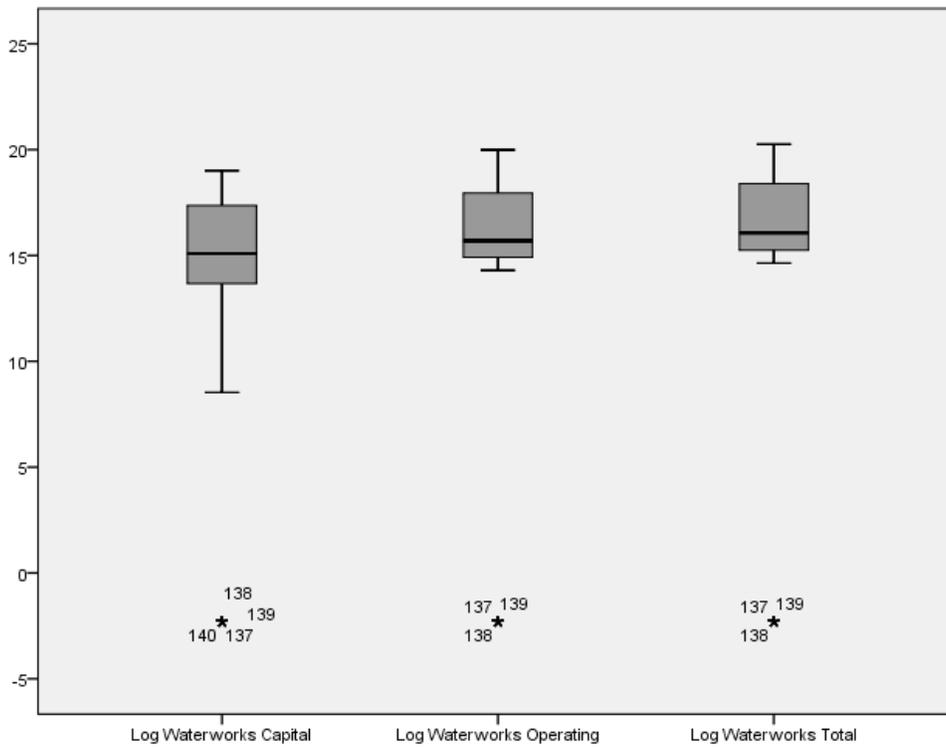


Figure 24. Box Plot of Log Waterworks Expenditures

## **Bivariate Summaries**

To get an initial impression of what spending looked like before and after amalgamation, error bar plots were constructed for each of the spending variables. In these graphs (Figures 25 through 48), dots are used to represent the average spending before and after amalgamation. The bars represent 95% confidence intervals around these means. The summaries do not adjust for any time trend or for different average spending between different administrative units. Very few of the graphs show any clear tendency for a reduction in expenses. In the cases of Capital Total (Figure 25), General Government Capital (Figure 34), and a few others, there is evidence of a spending increase. Library Operating (Figure 38) and Planning Capital (Figure 40) expenditures show some evidence of a decline. The other graphs do not give definitive hints as to any change in spending.

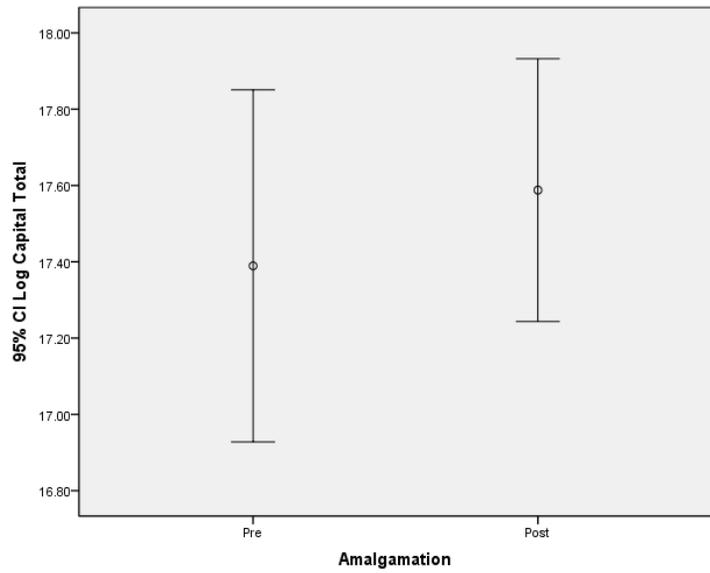


Figure 25. Error Bar Plot of Log Capital Total

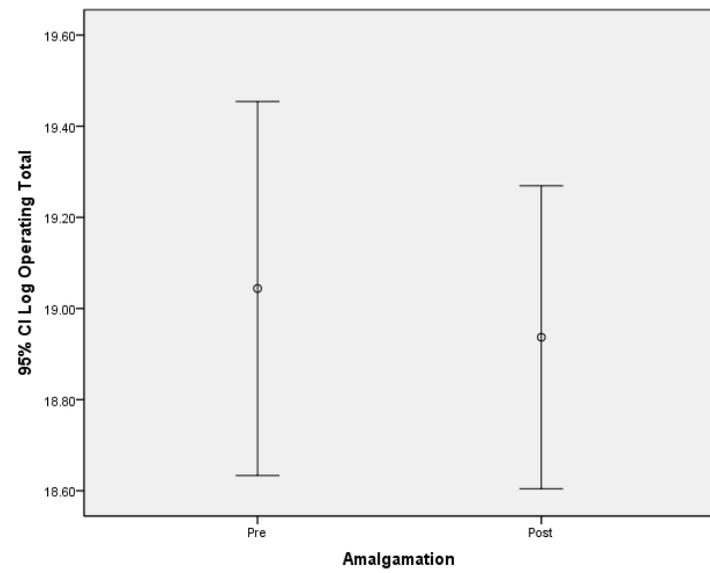


Figure 26. Error Bar Plot of Log Operating Total

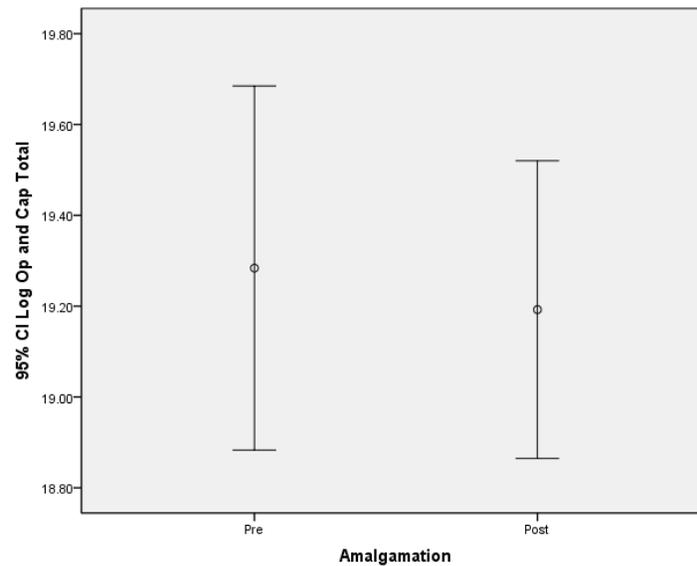


Figure 27. Error Bar Plot of Log Operating and Capital Total

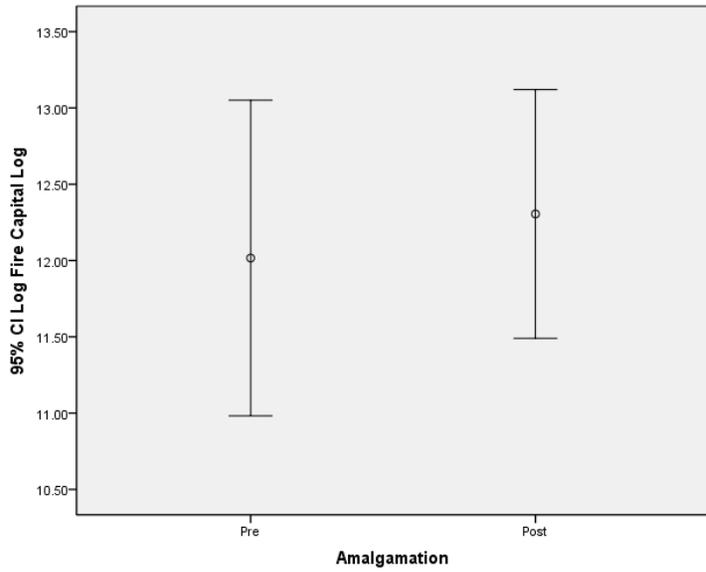


Figure 28. Error Bar Plot of Log Fire Capital

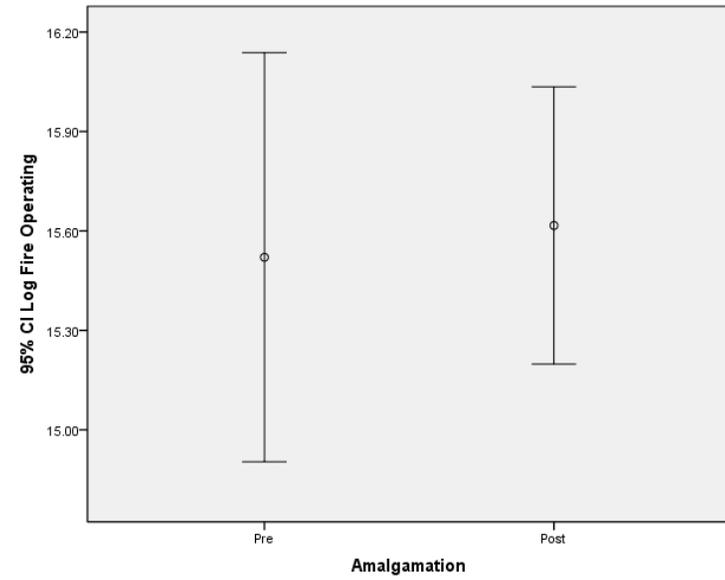


Figure 29. Error Bar Plot of Log Fire Operating

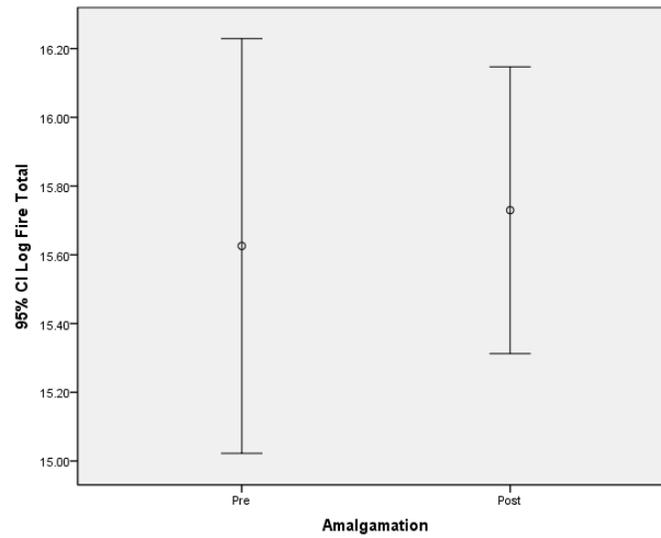


Figure 30. Error Bar Plot of Log Fire Total

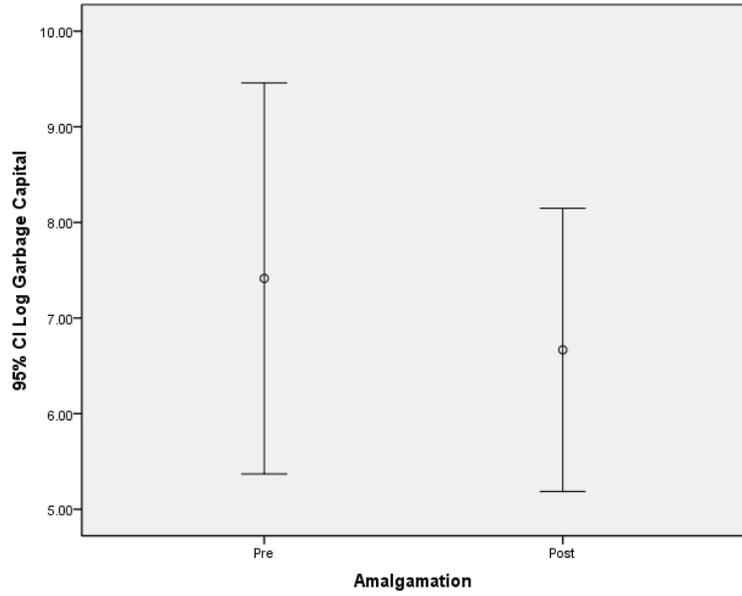


Figure 31. Error Bar Plot of Log Garbage Capital

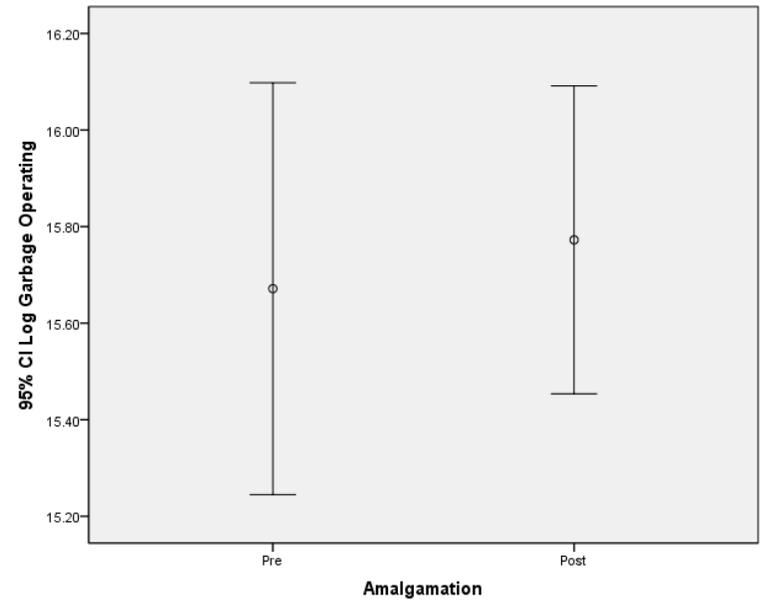


Figure 32. Error Bar Plot of Log Garbage Operating

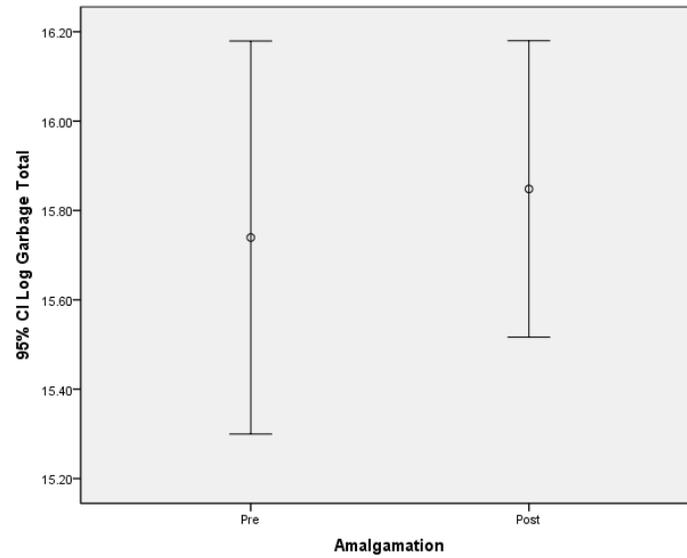


Figure 33. Error Bar Plot of Log Garbage Total

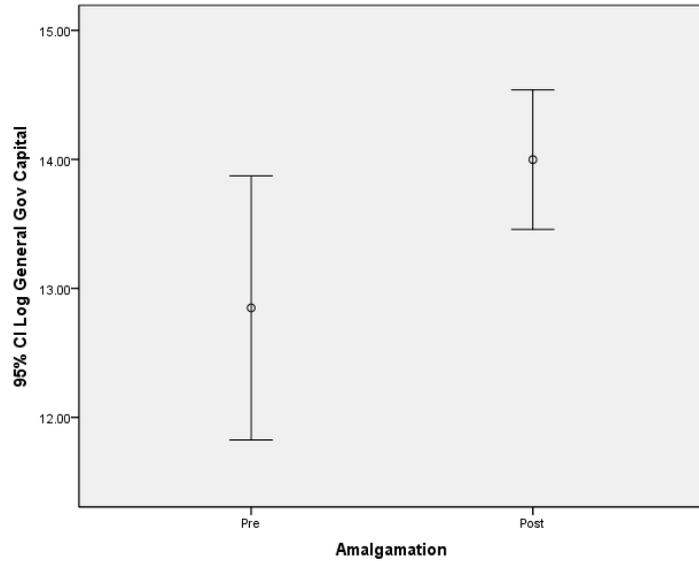


Figure 34. Error Bar Plot of Log General Government Capital

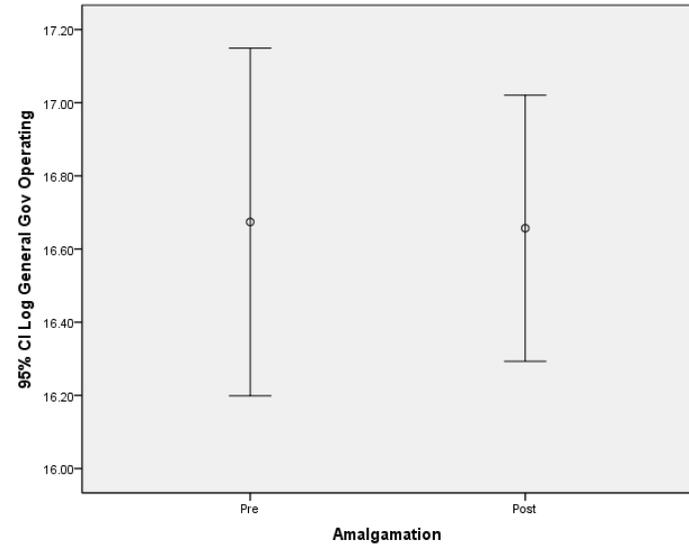


Figure 35. Error Bar Plot of Log General Government Operating

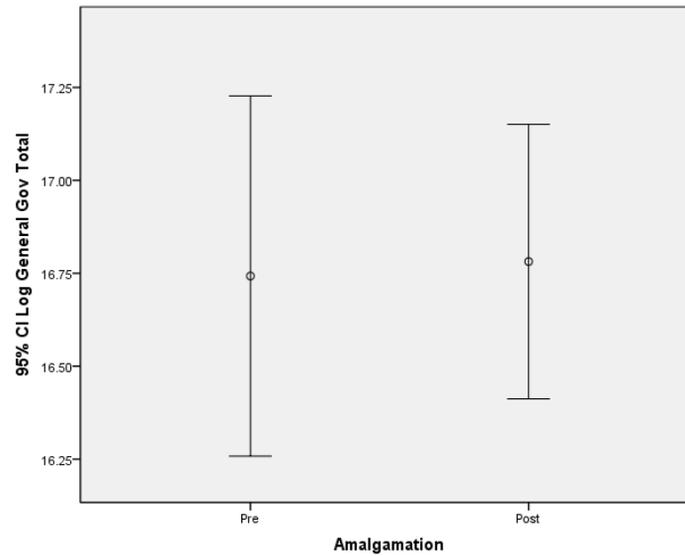


Figure 36. Error Bar Plot of Log General Government Total

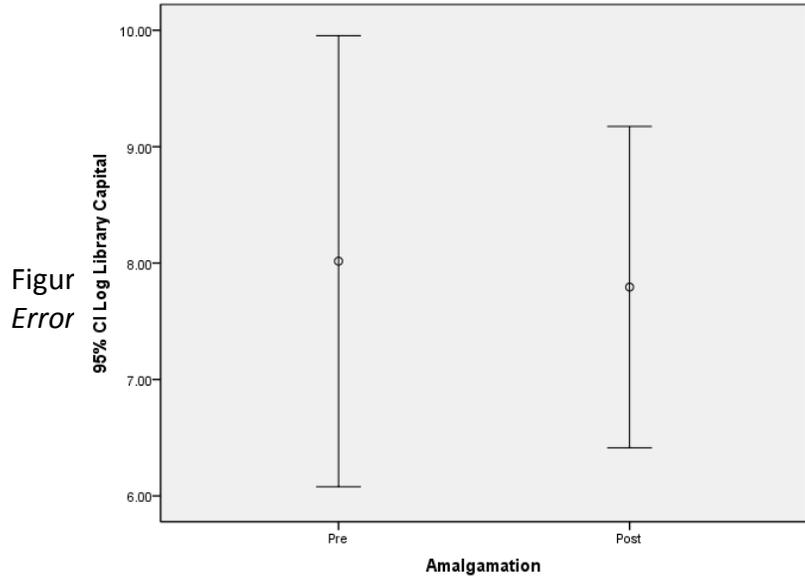


Figure 37. Error Bar Plot of Log Library Capital

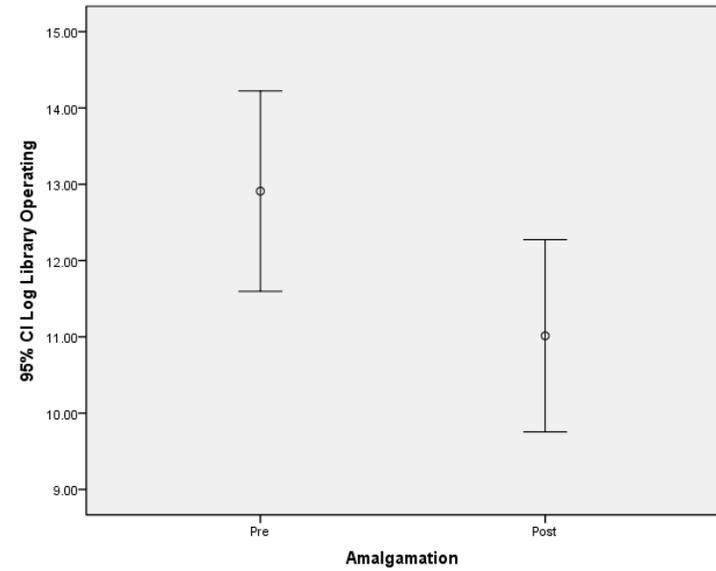


Figure 38. Error Bar Plot of Log Library Operating

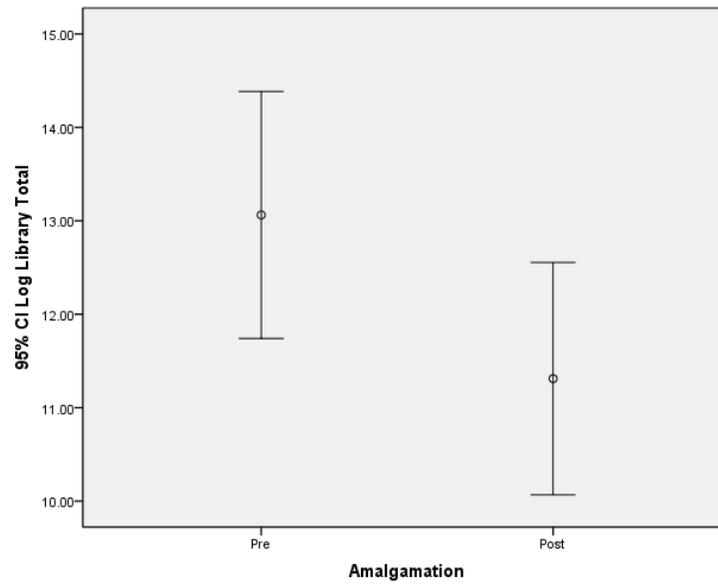


Figure 39. Error Bar Plot of Log Library Total

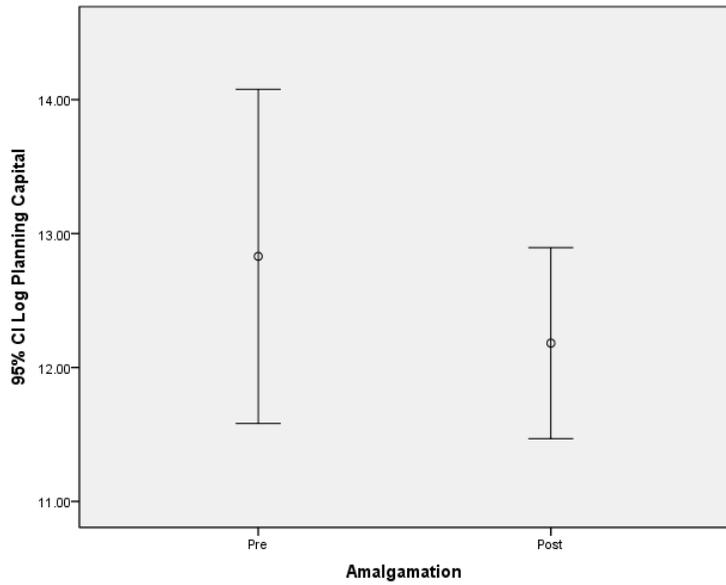


Figure 40. Error Bar Plot of Log Planning Capital

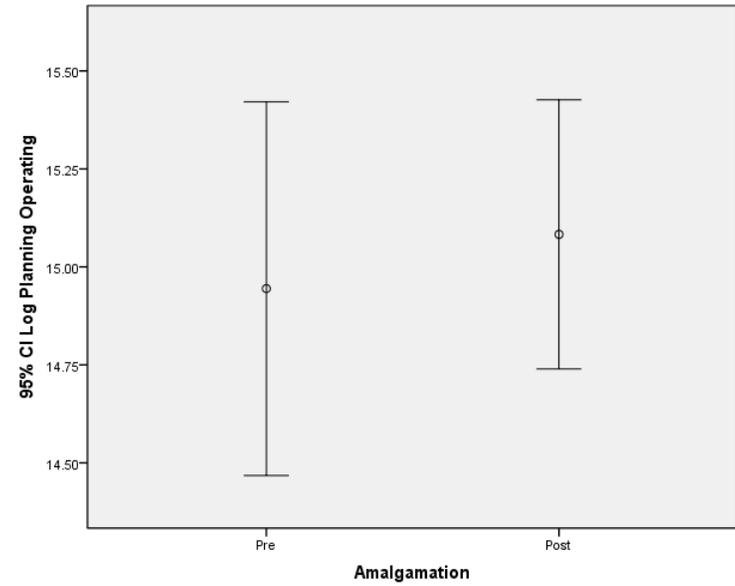


Figure 41. Error Bar Plot of Log Planning Operating

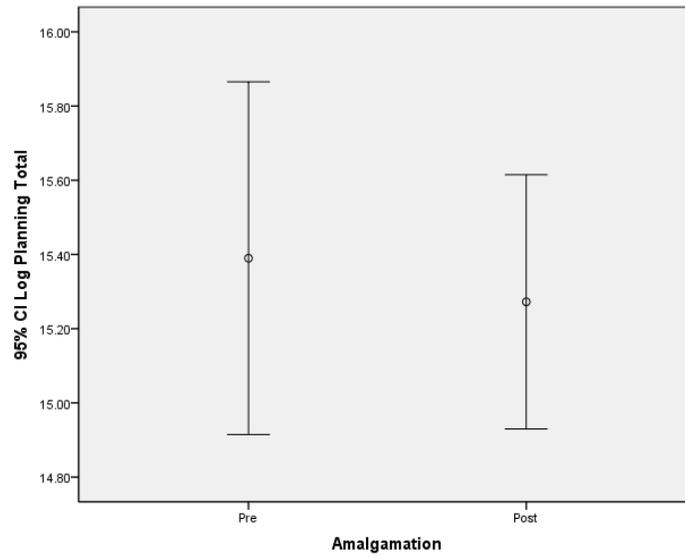


Figure 42. Error Bar Plot of Log Planning Total

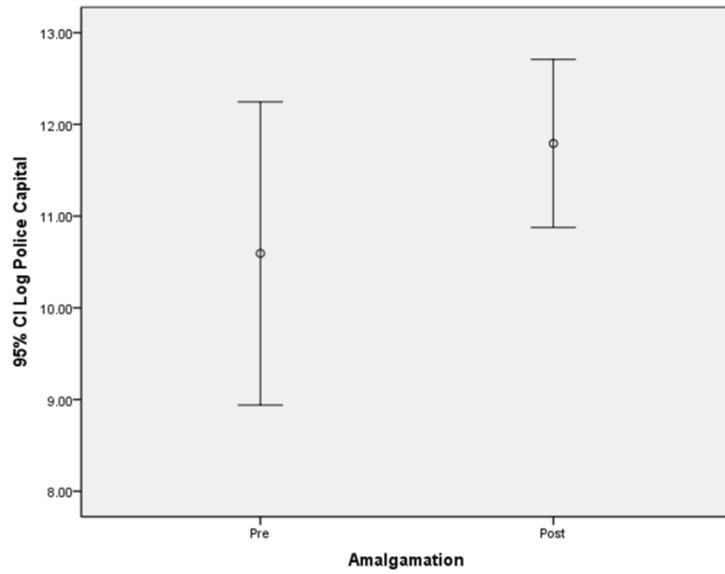


Figure 43. Error Bar Plot of Log Police Capital

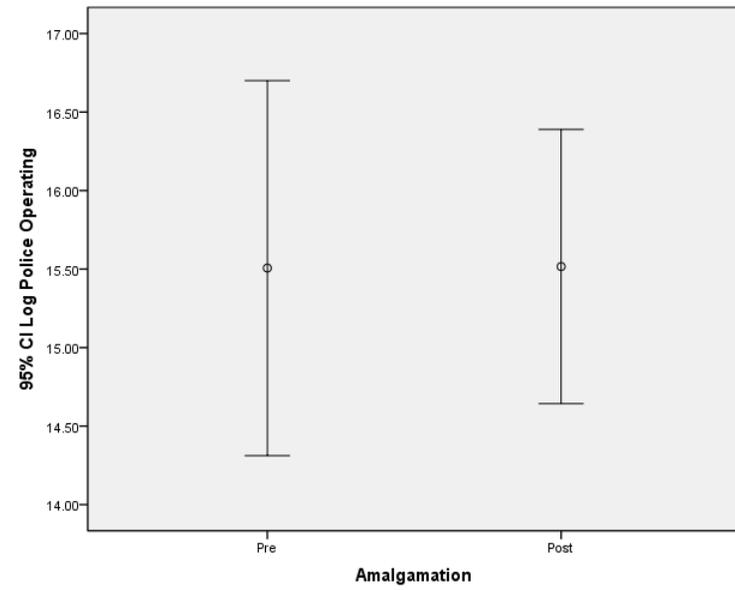


Figure 44. Error Bar Plot of Log Police Operating

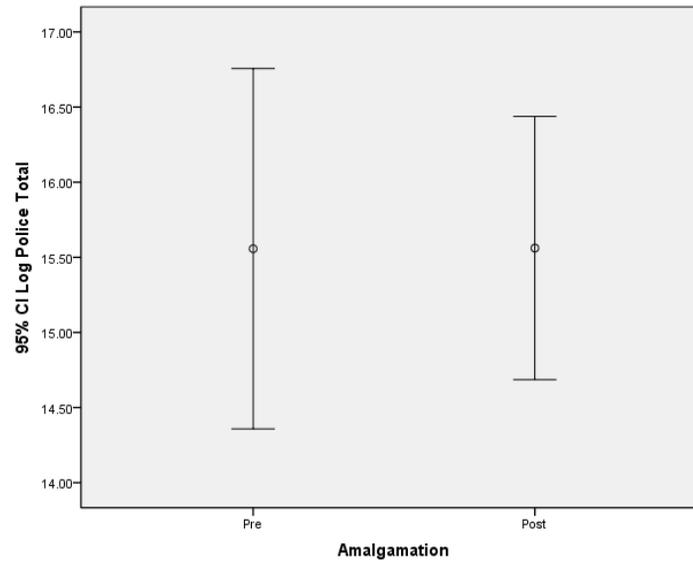


Figure 45. Error Bar Plot of Log Police Total

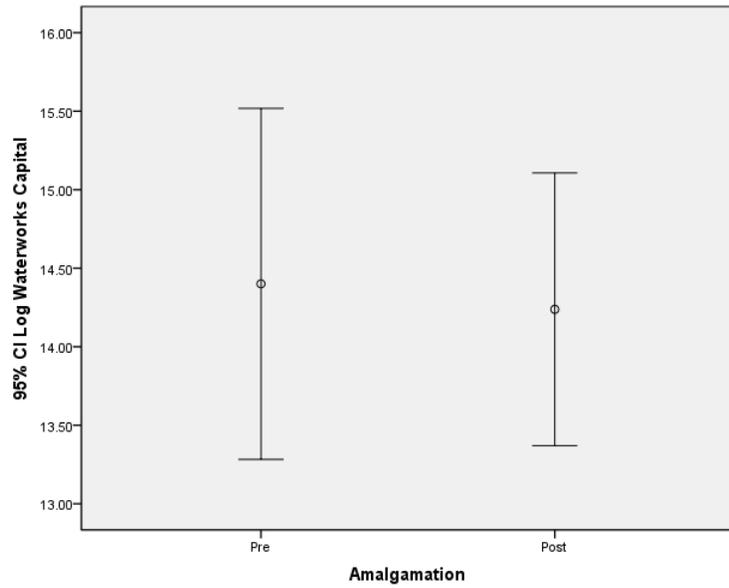


Figure 46. Error Bar Plot of Log Waterworks Capital

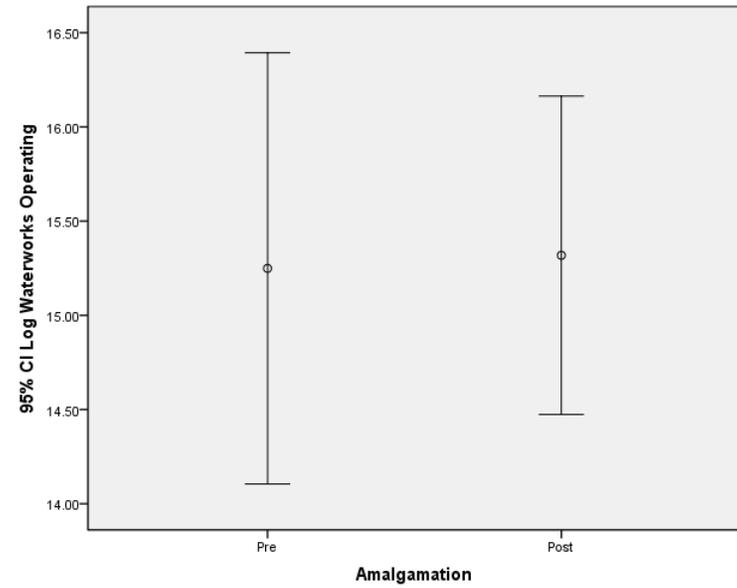


Figure 47. Error Bar Plot of Log Waterworks Operating

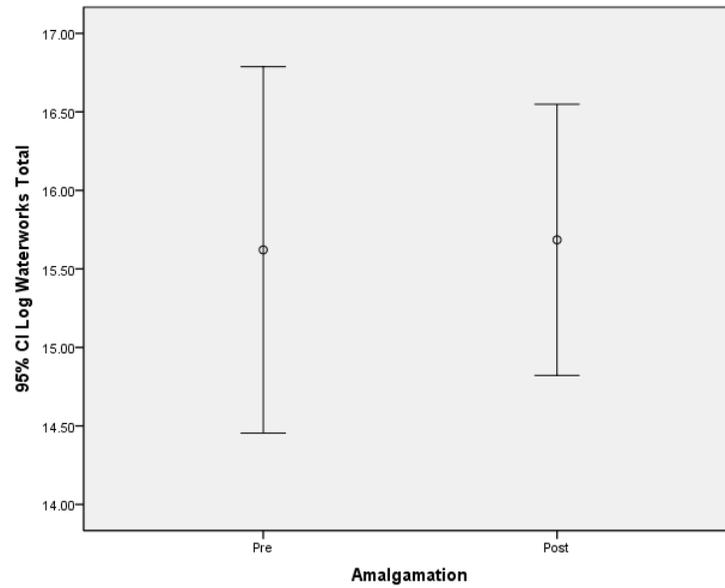


Figure 48. Error Bar Plot of Log Waterworks Total

## Multivariate Results

This section turns to estimating the actual mixed models. Although the bivariate graphs did not provide evidence for much consistent change in the direction of spending patterns, they do not adjust for time or for differences between jurisdictions. The mixed models do both and thus provide a more accurate test of the effect of amalgamation. A separate statistical model was applied for each of the spending variables.

The fixed effects coefficients are interpreted like regular regression coefficients. The amalgamation variable was dummy coded so that 1 means pre amalgamation and 0 means post. Thus, a positive coefficient signifies that spending was higher *before* amalgamation. Because the dependent variable is the log of spending, the sizes of the coefficients indicate percent change in spending.

The random effect for the intercept in the tables below is the amount of variability around the average intercept across units. A significant value means that the average spending levels tend to be significantly different between municipalities. Not surprisingly, this is always the case. The random effect for the residual is the variance in any remaining error not captured by the fixed effects or the random intercept. Because the theoretical focus is on amalgamation, the random effects will not be interpreted further. The random intercept is present only to ensure that the standard errors – and hence significance tests – for the fixed effects are accurate.

Table 19 presents results for the log of total capital spending. The result is significant ( $B = .204$ ,  $SE = .096$ ,  $p = .035$ ), indicating that spending prior to amalgamation was  $[\exp(.204) - 1]$  22.6% higher on average after controlling for the time trend and unit-specific differences.

Furthermore, spending decreased following amalgamation. Thus, amalgamation does seem to have anticipated effects on total capital spending.

Table 19.  
*Mixed Model for Log Capital Total*

Parameter	B	SE	df	t	Sig.	95% CI	
						Lower	Upper
<i>Fixed Effects</i>							
Intercept	-131.564	20.340	193.510	-6.468	0.000	-171.681	-91.447
Amalgamation (Pre)	0.204	0.096	193.464	2.123	0.035	0.014	0.393
Year	0.074	0.010	193.255	7.337	0.000	0.054	0.094
Parameter	B	SE	df	Wald Z	Sig.	95% CI	
						Lower	Upper
<i>Random Effects</i>							
Residual	0.159	0.016		9.824	0.000	0.131	0.195
Intercept	4.125	1.564		2.638	0.008	1.963	8.671

Table 20 turns to the log of total operating expenses. In this case, the coefficient is not significant (B = .042, SE = .032, p = .193). There is not enough evidence to reject the null hypothesis that amalgamation has no effect on total operating expenses.

Table 20.  
*Mixed Model for Log Operating Total*

Parameter	B	SE	df	t	Sig.	95% CI	
						Lower	Upper
<i>Fixed Effects</i>							
Intercept	-89.663	6.869	195.406	-13.054	0.000	-103.209	-76.116
Amalgamation (Pre)	0.042	0.032	193.054	1.307	0.193	-0.022	0.106
Year	0.054	0.003	193.032	15.903	0.000	0.048	0.061
Parameter	B	SE	df	Wald Z	Sig.	95% CI	
						Lower	Upper
<i>Random Effects</i>							
Residual	0.018	0.002		9.824	0.000	0.015	0.022
Intercept	4.513	1.706		2.645	0.008	2.151	9.469

Table 21 combines operating and capital expenses. The results are not statistically significant ( $B = .042$ ,  $SE = .032$ ,  $p = .193$ ). Although the amalgamation coefficient is in the expected direction, it is not large enough to reject the null hypothesis of no effect.

Table 21.  
*Mixed Model for Log Operating and Capital Total*

Parameter	B	SE	df	t	Sig.	95% CI	
						Lower	Upper
<i>Fixed Effects</i>							
Intercept	-89.663	6.869	195.406	-13.054	0.000	-103.209	-76.116
Amalgamation (Pre)	0.042	0.032	193.054	1.307	0.193	-0.022	0.106
Year	0.054	0.003	193.032	15.903	0.000	0.048	0.061
Parameter	B	SE		Wald Z	Sig.	95% CI	
						Lower	Upper
<i>Random Effects</i>							
Residual	0.018	0.002		9.824	0.000	0.015	0.022
Intercept	4.513	1.706		2.645	0.008	2.151	9.469

Table 22 considers fire capital expenses. The amalgamation variable is again not significant ( $B = -.310$ ,  $SE = .580$ ,  $p = .594$ ). There is not enough evidence to assert that amalgamation has affected spending on fire capital as opposed to simply the need to upgrade capital equipment on a scheduled basis.

Table 22.  
*Mixed Model for Log Fire Capital*

Parameter	B	SE	df	t	Sig.	95% CI	
						Lower	Upper
<i>Fixed Effects</i>							
Intercept	70.996	123.053	195.117	0.577	0.565	-171.688	313.680
Amalgamation (Pre)	-0.310	0.580	196.710	-0.534	0.594	-1.453	0.834
Year	-0.029	0.061	195.085	-0.477	0.634	-0.150	0.092
Parameter	B	SE		Wald Z	Sig.	95% CI	
						Lower	Upper
<i>Random Effects</i>							
Residual	5.866	0.597		9.824	0.000	4.805	7.162
Intercept	17.464	6.759		2.584	0.010	8.179	37.290

The same is true for fire operating expenses, as shown in Table 23. Amalgamation has a non-significant relationship with average spending (B = -.035, SE = .049, p =.471).

Table 23.  
*Mixed Model for Log Fire Operating*

Parameter	B	SE	df	t	Sig.	95% CI	
						Lower	Upper
<i>Fixed Effects</i>							
Intercept	-70.554	10.340	194.620	-6.823	0.000	-90.947	-50.161
Amalgamation (Pre)	-0.035	0.049	193.075	-0.722	0.471	-0.131	0.061
Year	0.043	0.005	193.041	8.359	0.000	0.033	0.053
Parameter	B	SE		Wald Z	Sig.	95% CI	
						Lower	Upper
<i>Random Effects</i>							
Residual	0.041	0.004		9.823	0.000	0.034	0.050
Intercept	6.719	2.541		2.645	0.008	3.202	14.098

With neither fire capital nor operating expenses significantly different, the total fire expenses are not significant either. As Table 24 demonstrates, the p-value for amalgamation is not small enough to reject the null hypothesis of no effect (B = -.043, SE = .056, p = .446).

Table 24.  
*Mixed Model for Log Fire Total*

Parameter	B	SE	df	t	Sig.	95% CI	
						Lower	Upper
<i>Fixed Effects</i>							
Intercept	-65.571	11.900	194.231	-5.510	0.000	-89.040	-42.101
Amalgamation (Pre)	-0.043	0.056	193.100	-0.764	0.446	-0.154	0.068
Year	0.041	0.006	193.055	6.849	0.000	0.029	0.052
Parameter	B	SE		Wald Z	Sig.	95% CI	
						Lower	Upper
<i>Random Effects</i>							
Residual	0.054	0.006		9.823	0.000	0.045	0.066
Intercept	6.592	2.493		2.644	0.008	3.141	13.834

Table 25 turns to spending on garbage services. The change in average spending is significant in a one-sided test (that is, using a p-value of .10 for the cut-off). Average spending was substantially higher ( $B = .753$ ,  $SE = .441$ ,  $p = .090$ ) prior to amalgamation. Equivalently, spending decreased apparently as a result of amalgamation.

Table 25.  
*Mixed Model for Log Garbage Capital*

Parameter	B	SE	df	t	Sig.	95% CI	
						Lower	Upper
<i>Fixed Effects</i>							
Intercept	-280.933	93.775	191.509	-2.996	0.003	-465.897	-95.968
Amalgamation (Pre)	0.753	0.441	191.519	1.705	0.090	-0.118	1.623
Year	0.144	0.047	191.287	3.072	0.002	0.051	0.236
Parameter	B	SE		Wald Z	Sig.	95% CI	
						Lower	Upper
<i>Random Effects</i>							
Residual	3.367	0.345		9.772	0.000	2.755	4.115
Intercept	77.019	29.203		2.637	0.008	36.632	161.935

The significant results are stronger for garbage operating expenses, as shown in Table 26. Spending was 9.5% higher ( $B = .091$ ,  $SE = .043$ ,  $p = .035$ ) before the amalgamation took place. Thus, there is enough evidence to assert that amalgamation led to savings on garbage operating expenses.

Table 26.  
*Mixed Model for Log Garbage Operating*

Parameter	B	SE	df	t	Sig.	95% CI	
						Lower	Upper
<i>Fixed Effects</i>							
Intercept	-55.604	9.076	194.187	-6.126	0.000	-73.504	-37.704
Amalgamation (Pre)	0.091	0.043	193.104	2.126	0.035	0.007	0.175
Year	0.036	0.005	193.058	7.878	0.000	0.027	0.045
Parameter	B	SE		Wald Z	Sig.	95% CI	
						Lower	Upper
<i>Random Effects</i>							
Residual	0.032	0.003		9.823	0.000	0.026	0.039
Intercept	3.679	1.391		2.644	0.008	1.753	7.721

Total garbage expenses also decreased significantly following amalgamation, as evidenced by Table 27. Spending was 13.9% higher (B = .130, SE = .049, p = .008) before amalgamation.

Table 27.  
*Mixed Model for Log Garbage Total*

Parameter	B	SE	df	t	Sig.	95% CI	
						Lower	Upper
<i>Fixed Effects</i>							
Intercept	-68.730	10.285	194.016	-6.682	0.000	-89.015	-48.444
Amalgamation (Pre)	0.130	0.049	193.125	2.681	0.008	0.034	0.226
Year	0.042	0.005	193.068	8.235	0.000	0.032	0.052
Parameter	B	SE		Wald Z	Sig.	95% CI	
						Lower	Upper
<i>Random Effects</i>							
Residual	0.041	0.004		9.823	0.000	0.033	0.050
Intercept	3.953	1.495		2.644	0.008	1.883	8.295

Table 28 considers general government capital. The change is significant in a one-sided test, though in the wrong direction. The results indicate that spending was 41.6% lower (B = -.876, SE = .464, p = .078) prior to amalgamation.

Table 28.  
*Mixed Model for Log General  
 Government Capital*

Parameter	B	SE	df	t	Sig.	95% CI	
						Lower	Upper
<i>Fixed Effects</i>							
Intercept	-99.020	104.959	195.853	-0.943	0.347	-306.015	107.976
Amalgamation (Pre)	-0.876	0.494	197.979	-1.771	0.078	-1.850	0.099
Year	0.056	0.052	195.828	1.077	0.283	-0.047	0.160
Parameter	B	SE		Wald Z	Sig.	95% CI	
						Lower	Upper
<i>Random Effects</i>							
Residual	4.277	0.435		9.824	0.000	3.504	5.222
Intercept	9.138	3.570		2.560	0.010	4.250	19.650

According to Table 29, however, the change in operating expenses was not significant (B = .072, SE = .087, p = .407). Likewise, Table 30 does not show a significant change for total general government operating expenses. (B = .008, SE = .085, p = .928).

Table 29.  
*Mixed Model for Log General Government  
 Operating*

Parameter	B	SE	df	t	Sig.	95% CI	
						Lower	Upper
<i>Fixed Effects</i>							
Intercept	-33.523	18.457	193.535	-1.816	0.071	-69.925	2.879
Amalgamation (Pre)	0.072	0.087	193.340	0.831	0.407	-0.099	0.244
Year	0.025	0.009	193.187	2.722	0.007	0.007	0.043
Parameter	B	SE		Wald Z	Sig.	95% CI	
						Lower	Upper
<i>Random Effects</i>							
Residual	0.131	0.013		9.823	0.000	0.107	0.160
Intercept	4.637	1.756		2.640	0.008	2.207	9.741

Table 30.  
*Mixed Model for Log General Government  
 Total*

Parameter	B	SE	df	t	Sig.	95% CI	
						Lower	Upper
<i>Fixed Effects</i>							
Intercept	-33.720	17.941	193.552	-1.880	0.062	-69.105	1.664
Amalgamation (Pre)	0.008	0.085	193.311	0.091	0.928	-0.159	0.175
Year	0.025	0.009	193.171	2.819	0.005	0.008	0.043
Parameter	B	SE		Wald Z	Sig.	95% CI	
						Lower	Upper
<i>Random Effects</i>							
Residual	0.124	0.013		9.823	0.000	0.102	0.151
Intercept	4.801	1.818		2.641	0.008	2.286	10.085

Table 31 considers library capital expenses. Amalgamation had no discernible effect (B = -.648, SE = .893, p = .469). However, Table 32 shows a substantial impact on operating expenses. Expenses were substantially higher (B = 1.922, SE = .877, p = .03) before amalgamation took place. This contributes to total expenses also being significant higher (or equivalently, lower after) amalgamation (Table 33). Total expenses were also higher (B = 1.65, SE = .887, p = .064) before municipalities merged. Thus, there appears to be a very large effect on library expenses, concentrated especially in operations. This may partially be explained by the discretionary nature of library services where spending is not mandated and completely within the purview of municipal councils.

Table 31.  
*Mixed Model for Log Library Capital*

Parameter	B	SE	df	t	Sig.	95% CI	
						Lower	Upper
<i>Fixed Effects</i>							
Intercept	180.905	189.384	194.578	0.955	0.341	-192.603	554.414
Amalgamation (Pre)	-0.648	0.893	195.752	-0.726	0.469	-2.410	1.113
Year	-0.086	0.095	194.536	-0.914	0.362	-0.273	0.100
Parameter	B	SE	df	t	Sig.	95% CI	
						Lower	Upper
<i>Random Effects</i>							
Residual	13.874	1.412		9.824	0.000	11.365	16.938
Intercept	57.151	21.977		2.601	0.009	26.898	121.435

Table 32.  
*Mixed Model for Log Library Operating*

Parameter	B	SE	df	t	Sig.	95% CI	
						Lower	Upper
<i>Fixed Effects</i>							
Intercept	-69.480	186.240	194.245	-0.373	0.710	-436.793	297.832
Amalgamation (Pre)	1.922	0.877	195.931	2.192	0.030	0.193	3.652
Year	0.040	0.093	194.214	0.433	0.666	-0.143	0.224
Parameter	B	SE	df	t	Sig.	95% CI	
						Lower	Upper
<i>Random Effects</i>							
Residual	13.423	1.370		9.799	0.000	10.989	16.395
Intercept	37.286	14.457		2.579	0.010	17.438	79.724

Table 33.  
*Mixed Model for Log Library Total*

Parameter	B	SE	df	t	Sig.	95% CI	
						Lower	Upper
<i>Fixed Effects</i>							
Intercept	-32.985	188.406	194.362	-0.175	0.861	-404.567	338.596
Amalgamation (Pre)	1.654	0.887	196.134	1.864	0.064	-0.096	3.403
Year	0.022	0.094	194.333	0.235	0.814	-0.163	0.208
Parameter	B	SE	df	t	Sig.	95% CI	
						Lower	Upper
<i>Random Effects</i>							
Residual	13.741	1.402		9.799	0.000	11.250	16.784
Intercept	36.077	14.009		2.575	0.010	16.853	77.226

The next three tables review results for planning expenses. Amalgamation does not appear to have an impact on capital expenditures (Table 32:  $B = .217$ ,  $SE = .685$ ,  $p = .752$ ). Nor is there a significant effect on operating expenses (Table 33:  $B = -.047$ ,  $SE = .089$ ,  $p = .600$ ). Not surprisingly, the total planning expenses are also not significantly impacted by amalgamation (Table 36:  $B = .071$ ,  $SE = .108$ ,  $p = .510$ ).

Table 34.  
*Mixed Model for Log Planning Capital*

Parameter	B	SE	Df	t	Sig.	95% CI	
						Lower	Upper
<i>Fixed Effects</i>							
Intercept	-41.395	145.569	196.560	-0.284	0.776	-328.473	245.683
Amalgamation (Pre)	0.217	0.685	199.172	0.317	0.752	-1.134	1.568
Year	0.027	0.073	196.539	0.369	0.712	-0.116	0.170
Parameter	B	SE		Wald Z	Sig.	95% CI	
						Lower	Upper
<i>Random Effects</i>							
Residual	8.245	0.839		9.824	0.000	6.754	10.065
Intercept	13.636	5.380		2.534	0.011	6.292	29.549

Table 35.  
*Mixed Model for Log Planning Operating*

Parameter	B	SE	df	t	Sig.	95% CI	
						Lower	Upper
<i>Fixed Effects</i>							
Intercept	-61.037	18.917	193.518	-3.227	0.001	-98.347	-23.728
Amalgamation (Pre)	-0.047	0.089	193.390	-0.525	0.600	-0.223	0.129
Year	0.038	0.009	193.215	4.028	0.000	0.019	0.057
Parameter	B	SE		Wald Z	Sig.	95% CI	
						Lower	Upper
<i>Random Effects</i>							
Residual	0.138	0.014		9.823	0.000	0.113	0.168
Intercept	4.246	1.609		2.640	0.008	2.021	8.922

Table 36.  
*Mixed Model for Log Planning Total*

Parameter	B	SE	Df	t	Sig.	95% CI	
						Lower	Upper
<i>Fixed Effects</i>							
Intercept	-41.793	22.897	193.522	-1.825	0.069	-86.952	3.366
Amalgamation (Pre)	0.071	0.108	193.580	0.660	0.510	-0.142	0.285
Year	0.029	0.011	193.319	2.496	0.013	0.006	0.051
Parameter	B	SE	Df	t	Sig.	95% CI	
						Lower	Upper
<i>Random Effects</i>							
Residual	0.202	0.021		9.824	0.000	0.166	0.247
Intercept	4.162	1.579		2.637	0.008	1.979	8.753

Table 37 shows the results for police capital. The results suggest that average spending was significantly *lower* prior to amalgamation (B = -2.439, SE = .764, p = .002). The effect size is very large, indicating a 91.3% decrease. However, Table 38 shows no change on police operating expenses (B = -.040, SE = .032, p = .216). The total change as shown in Table 39 is significant (B = -.069, SE = .034, p = .044), although the effect size – a 6.7% difference – is much more moderate.

Table 37.  
*Mixed Model for Log Police Capital*

Parameter	B	SE	Df	t	Sig.	95% CI	
						Lower	Upper
<i>Fixed Effects</i>							
Intercept	127.759	162.151	195.319	0.788	0.432	-192.033	447.551
Amalgamation (Pre)	-2.439	0.764	197.072	-3.191	0.002	-3.946	-0.932
Year	-0.058	0.081	195.289	-0.714	0.476	-0.217	0.102
Parameter	B	SE	Df	t	Sig.	95% CI	
						Lower	Upper
<i>Random Effects</i>							
Residual	10.193	1.038		9.824	0.000	8.349	12.444
Intercept	27.290	10.595		2.576	0.010	12.751	58.409

Table 38.  
*Mixed Model for Log Police Operating*

Parameter	B	SE	Df	t	Sig.	95% CI	
						Lower	Upper
<i>Fixed Effects</i>							
Intercept	-76.326	6.886	204.471	-11.084	0.000	-89.904	-62.749
Amalgamation (Pre)	-0.040	0.032	193.008	-1.240	0.216	-0.102	0.023
Year	0.046	0.003	193.004	13.626	0.000	0.039	0.053
Parameter	B	SE	Df	t	Sig.	95% CI	
						Lower	Upper
<i>Random Effects</i>							
Residual	0.018	0.002		9.823	0.000	0.014	0.021
Intercept	28.235	10.672		2.646	0.008	13.460	59.228

Table 39.  
*Mixed Model for Log Police Total*

Parameter	B	SE	Df	t	Sig.	95% CI	
						Lower	Upper
<i>Fixed Effects</i>							
Intercept	-68.758	7.379	203.526	-9.318	0.000	-83.307	-54.210
Amalgamation (Pre)	-0.069	0.034	193.009	-2.026	0.044	-0.137	-0.002
Year	0.042	0.004	193.005	11.647	0.000	0.035	0.049
Parameter	B	SE	Df	t	Sig.	95% CI	
						Lower	Upper
<i>Random Effects</i>							
Residual	0.020	0.002		9.823	0.000	0.017	0.025
Intercept	28.431	10.747		2.646	0.008	13.554	59.640

The next three tables look at water expenses. There do appear to be savings on waterworks capital ( $B = .862$ ,  $SE = .329$ ,  $p = .010$ ), such that expenses were 236.7% higher before amalgamation took place. Operating expenses did not change ( $B = .016$ ,  $SE = .051$ ,  $p = .752$ ). The combined expenses were significantly lower in a one-tailed test following amalgamation ( $B = .111$ ,  $SE = .066$ ,  $p = .095$ ). Thus, there do appear to be some savings in water expenses.

Table 40.  
*Mixed Model for Log Waterworks  
 Capital*

Parameter	B	SE	Df	t	Sig.	95% CI	
						Lower	Upper
<i>Fixed Effects</i>							
Intercept	-231.392	69.777	193.624	-3.316	0.001	-369.012	-93.773
Amalgamation (Pre)	0.862	0.329	193.893	2.616	0.010	0.212	1.512
Year	0.123	0.035	193.493	3.522	0.001	0.054	0.191
Parameter	B	SE		Wald Z	Sig.	95% CI	
						Lower	Upper
<i>Random Effects</i>							
Residual	1.878	0.191		9.824	0.000	1.538	2.292
Intercept	24.968	9.488		2.632	0.008	11.856	52.581

Table 41.  
*Mixed Model for Log Waterworks Operating*

Parameter	B	SE	Df	t	Sig.	95% CI	
						Lower	Upper
<i>Fixed Effects</i>							
Intercept	-77.050	10.923	198.191	-7.054	0.000	-98.590	-55.509
Amalgamation (Pre)	0.016	0.051	193.021	0.317	0.752	-0.085	0.117
Year	0.046	0.005	193.012	8.526	0.000	0.035	0.057
Parameter	B	SE		Wald Z	Sig.	95% CI	
						Lower	Upper
<i>Random Effects</i>							
Residual	0.045	0.005		9.823	0.000	0.037	0.055
Intercept	26.239	9.919		2.645	0.008	12.508	55.045

Table 42.  
*Mixed Model for Log Waterworks  
 Total*

Parameter	B	SE	Df	t	Sig.	95% CI	
						Lower	Upper
<i>Fixed Effects</i>							
Intercept	-95.199	14.093	196.380	-6.755	0.000	-122.993	-67.405
Amalgamation (Pre)	0.111	0.066	193.034	1.676	0.095	-0.020	0.242
Year	0.055	0.007	193.018	7.909	0.000	0.042	0.069
Parameter	B	SE		Wald Z	Sig.	95% CI	
						Lower	Upper
<i>Random Effects</i>							
Residual	0.076	0.008		9.823	0.000	0.062	0.093
Intercept	27.371	10.347		2.645	0.008	13.047	57.423

### Results – Qualitative Survey

To complement the analysis of municipal expenditures, a survey was administered to citizens in Essex County to determine their views on and satisfaction with the delivery of public services. A total of 420 individuals were surveyed. The demographics of survey participants is shown in Table 43. 145 (34.5%) of the respondents were male, 233 (55.5%) were female, while the remaining 42 (10%) did not report a gender. 12 (2.9%) were in the 18 to 25 age range; 131 (31.2%) were in the 26-45 age range; 174 (41.4%) were in the 46 to 65 range; and 61 (14.5%) were older. 10% declined to state their age. Finally, 40 (9.5%) had incomes in the \$20,000 to \$50,000 range; 114 (27.2%) had incomes between \$50,001 and \$100,000; 8 (1.9%) had incomes below \$20,000; and 151 (36%) had incomes above \$100,000. 63 (15%) stated they preferred not to name their income, while 44 (10.5%) left the question blank.

Table 43.  
*Demographics of Survey  
 Respondents*

	Frequency	Percent
<i>Gender</i>		
No Answer	42	10.0
Male	145	34.5
Female	233	55.5
<i>Age</i>		
No Answer	42	10.0
18-25	12	2.9
26-45	131	31.2
46-65	174	41.4
Over 65	61	14.5
<i>Income</i>		
No Answer	44	10.5
Below \$20,000	8	1.9
\$20,000-\$50,000	40	9.5
\$50,001- \$100,000	114	27.1
Over \$100,000	151	36.0
Prefer not to say	63	15.0

Note. N = 420.

Table 44 summarizes where respondents lived and the length of time spent in that location. Of the total, 19 (4.5%) lived in Amherstburg; 25 (6%) lived in Essex; 21 (5%) lived in Kingsville; 33 (7.9%) lived in Lakeshore; 38 (9%) lived in LaSalle; 11 (2.6%) lived in Leamington; 31 (7.4%) lived in Tecumseh; and the remaining 242 (57.6%) lived in Windsor. The length of time living in the municipality varied from less than one year for 10 respondents (2.4 %) to more than ten years for the majority of respondents (N = 298, 71%). 61 (14.5%) stated they had lived in the municipality for five to ten years, and 61 (14.5%) stated they had lived in their municipality for 5 to ten years. In terms of living in Essex county, even more reported having living there for at least ten years (N = 361, 86%). 12 (2.9%) reported living there for one to five

years; 17 (4%) reported living there five to ten years; and three (.7%) had lived there less than one year.

Table 44.  
*Residency of Survey Respondents*

	Frequency	Percent
<i>Municipality</i>		
Amherstburg	19	4.5
Essex	25	6.0
Kingsville	21	5.0
Lakeshore	33	7.9
LaSalle	38	9.0
Leamington	11	2.6
Tecumseh	31	7.4
Windsor	242	57.6
<i>Duration in Municipality</i>		
No Answer	10	2.4
1-5 years	41	9.8
5-10 years	61	14.5
Less than 1 year	10	2.4
More than 10 years	298	71.0
<i>Duration in Essex County</i>		
No Answer	27	6.4
1-5 years	12	2.9
5-10 years	17	4.0
Less than 1 year	3	.7
More than 10 years	361	86.0

The remaining questions related to respondents' views on government services. The responses have been separated according to whether or not the person lived in a municipality that had been a part of municipal amalgamation between 1995 and 2008<sup>119</sup>. Throughout the qualitative analysis, those who are 'affected' by amalgamation is intended to include residents who lives in jurisdictions where amalgamation occurred. Those who were 'unaffected' by

amalgamation is intended to include those who did not live in a jurisdiction that underwent amalgamation in the review period (1995-2008).

Figure 48 summarizes how citizens rate the services they receive from their municipality. Among those affected by amalgamation, 7% said their expectations were not met; 14.8% said their needs were barely met; 63.3% said their expectations were met; and 14.8% said their expectations were exceeded. Numbers were similar for those who were not affected by amalgamation. 7.1% said their expectations were not met; 14.2% said their expectations were barely met; 70.1% said their needs were met; and 8.6% said their expectations were exceeded.

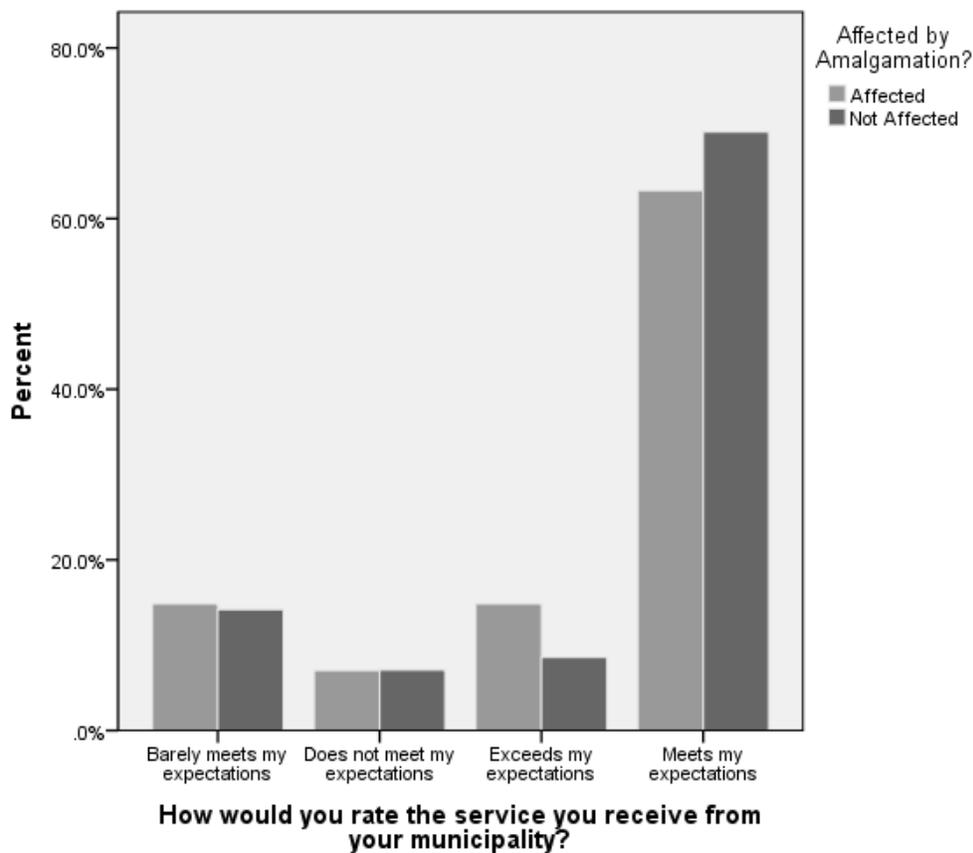


Figure 49. Citizen Ratings of Services Provided by Municipality

Figure 49 summarizes how often citizens contact their elected municipal councillors to discuss municipal issues. Among those affected by amalgamation, 45.7% have not contacted a councillor; 44.2% have done so infrequently; and 9.3% said they had done so frequently. Numbers were nearly identical for those not affected by amalgamation. 46.3% had never contacted a councillor; 43.7% had done so infrequently; and 9.3% had done so frequently.

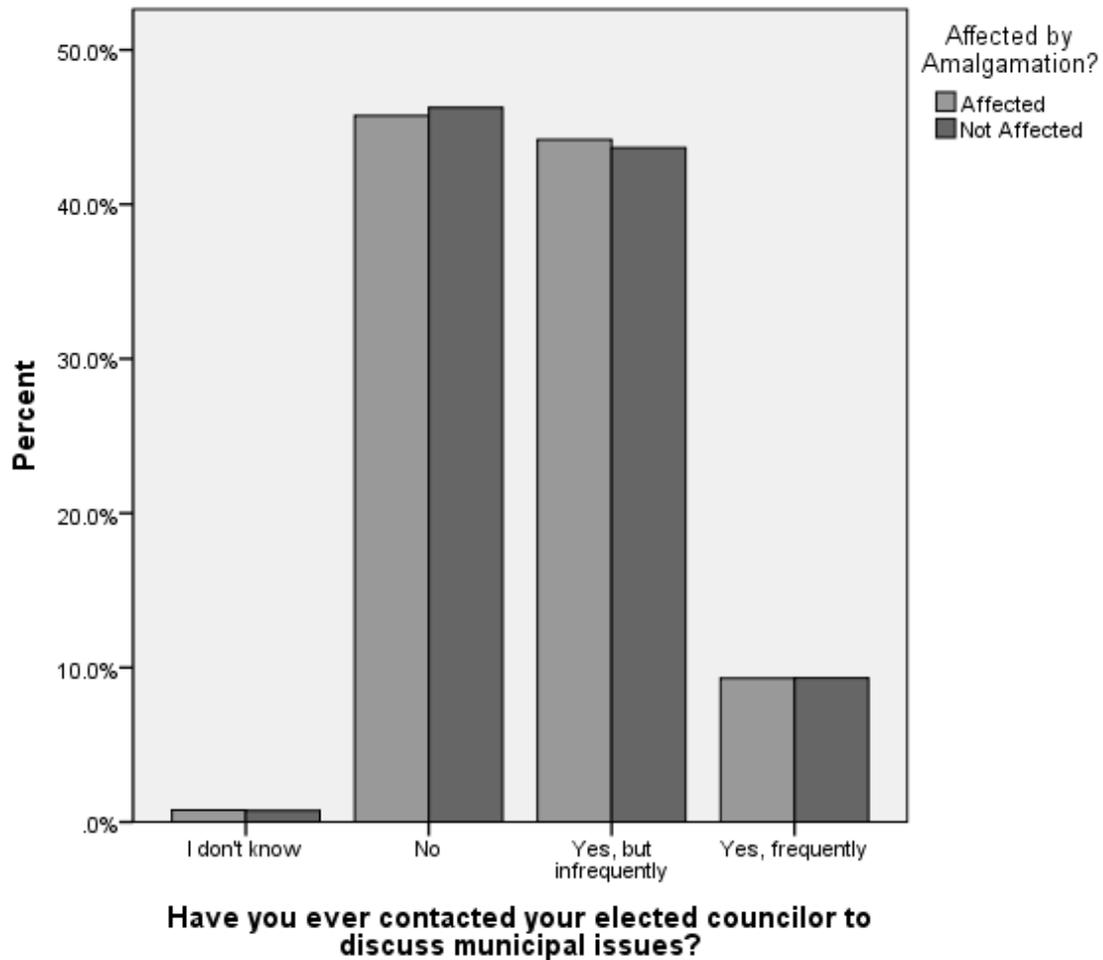


Figure 50. Frequency of Resident Contact With Municipal Councillors

Figure 50 summarizes whether or not citizens believe municipalities cooperate to maximize taxpayer value. Among those affected by amalgamation, 10.9% stated that this never

happens; 15.6% said this is always the case; and 57.8% said yes, but only in some areas. The numbers for those not affected by agglomeration were similar. 11.9% said this never occurs; 15.2% said it always occurs, and 52% said yes, but only in some areas.

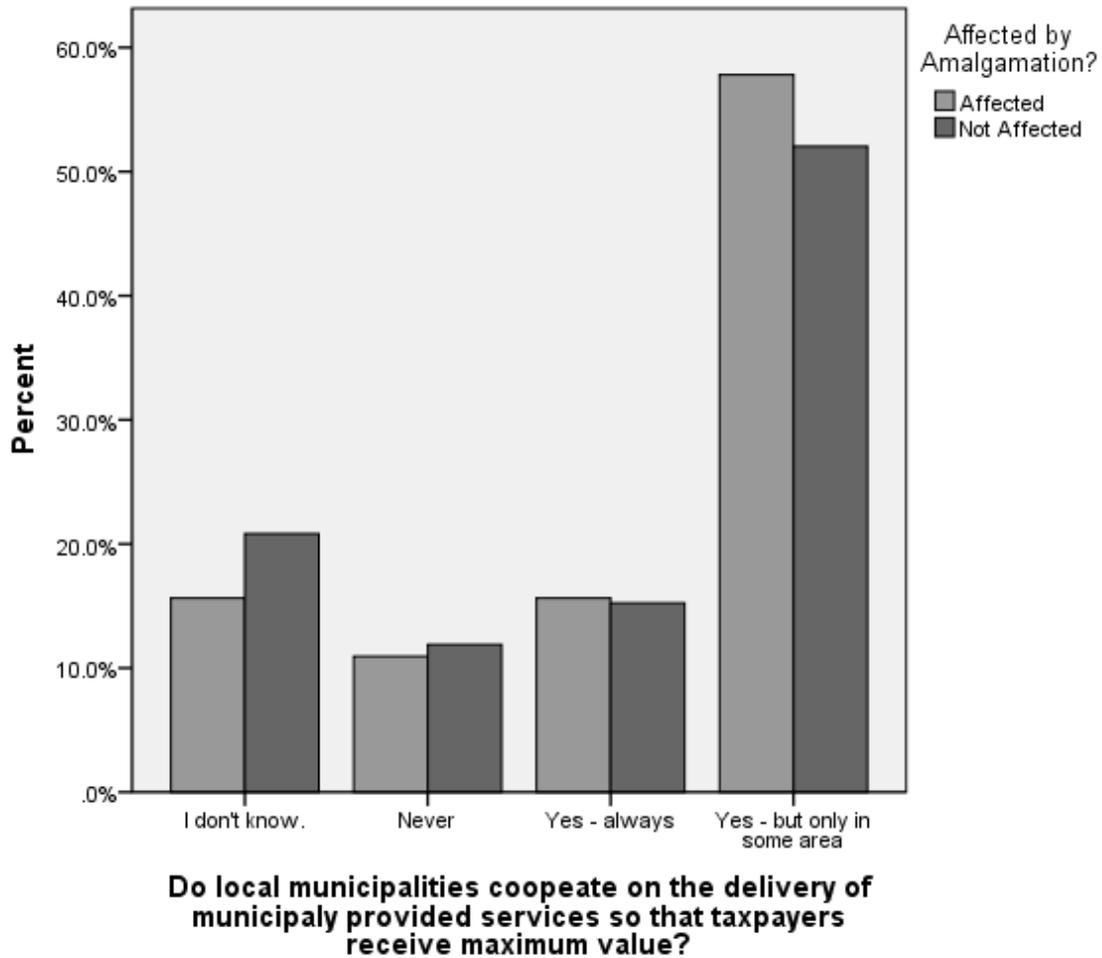


Figure 51. Citizen Perception Regarding Cooperation Among Municipalities

Figure 51 examines whether citizens feel there would be benefits from regionalizing municipal services among Essex County municipalities. Among those affected by amalgamation, 23.3% said no and 57.4% said yes. The remaining 19.4% were unsure. Among those not affected, 13.4% said no and 63.9% said yes. The remaining 22.7% were uncertain.

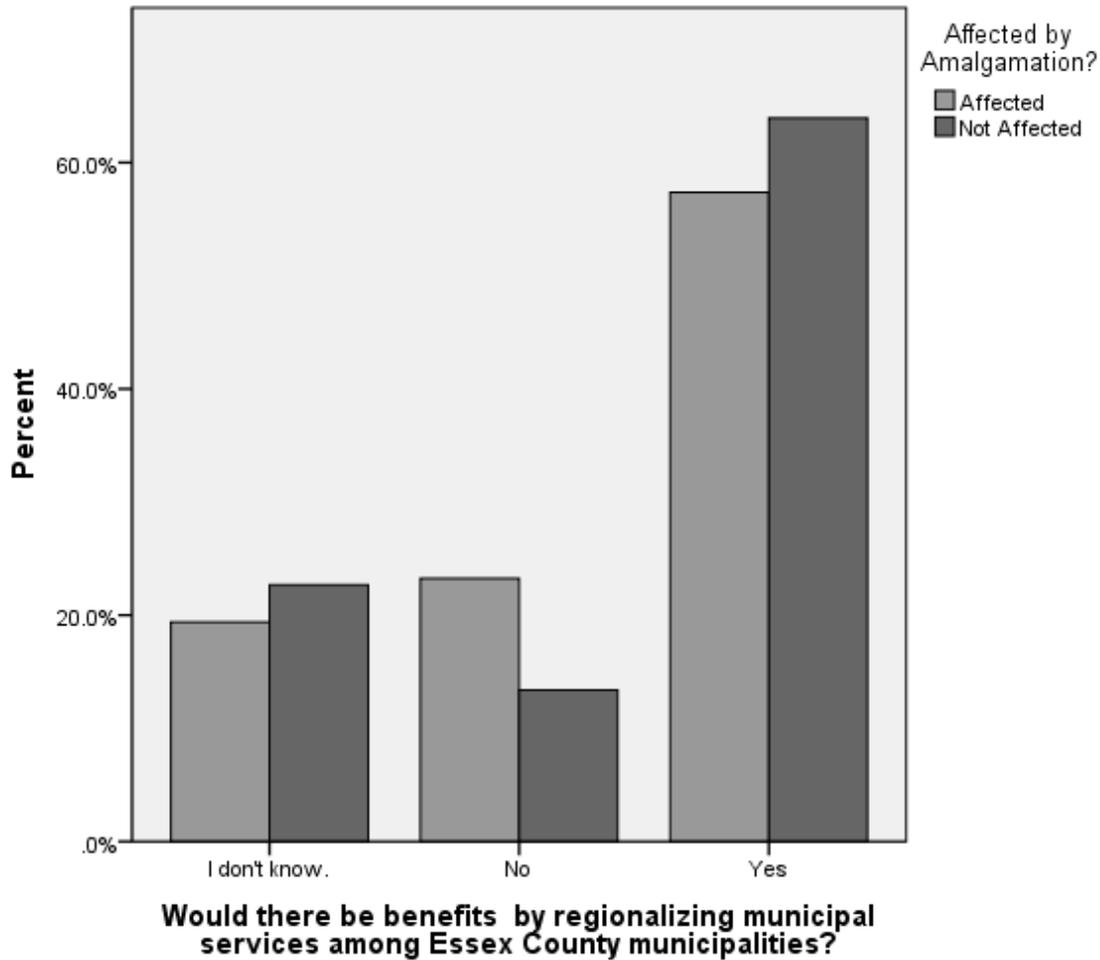


Figure 52. Citizen Perceptions on Benefits of Regional Government Service Provision

Respondents were given a list of benefits and asked if they felt each would result from amalgamation. Table 45 summarizes the results. Among the responses, 31.8% of the affected and 38.3% of the unaffected respondents endorsed better overall delivery of service. Lower taxes was selected by 28.7% of the affected and 31.2% of the unaffected respondents. Of those affected by amalgamation, 48.1% endorsed the lower cost of providing services while 52.4% of residents in unaffected areas agreed. Of those affected by amalgamation, 31.8% chose less government which was supported by 32.3% of those in unaffected jurisdictions. Of those

affected by amalgamation, 43.4% supported more consistent standards services while 42% of residents in unaffected areas agreed. Finally, 30.2% of the affected and 38.3% of the unaffected felt that amalgamation would make the region more attractive to investors.

Table 45.  
*Percent Endorsing Benefits of  
 Amalgamation*

Benefit	Affected	Unaffected
Better Overall Delivery of Service	31.80%	38.30%
Lower Taxes	28.70%	31.20%
Lower Cost of Service Provision	48.10%	52.40%
Less Government	31.80%	32.30%
More Consistent Standards	43.40%	42.00%
More Attractive to Investors	30.20%	38.30%

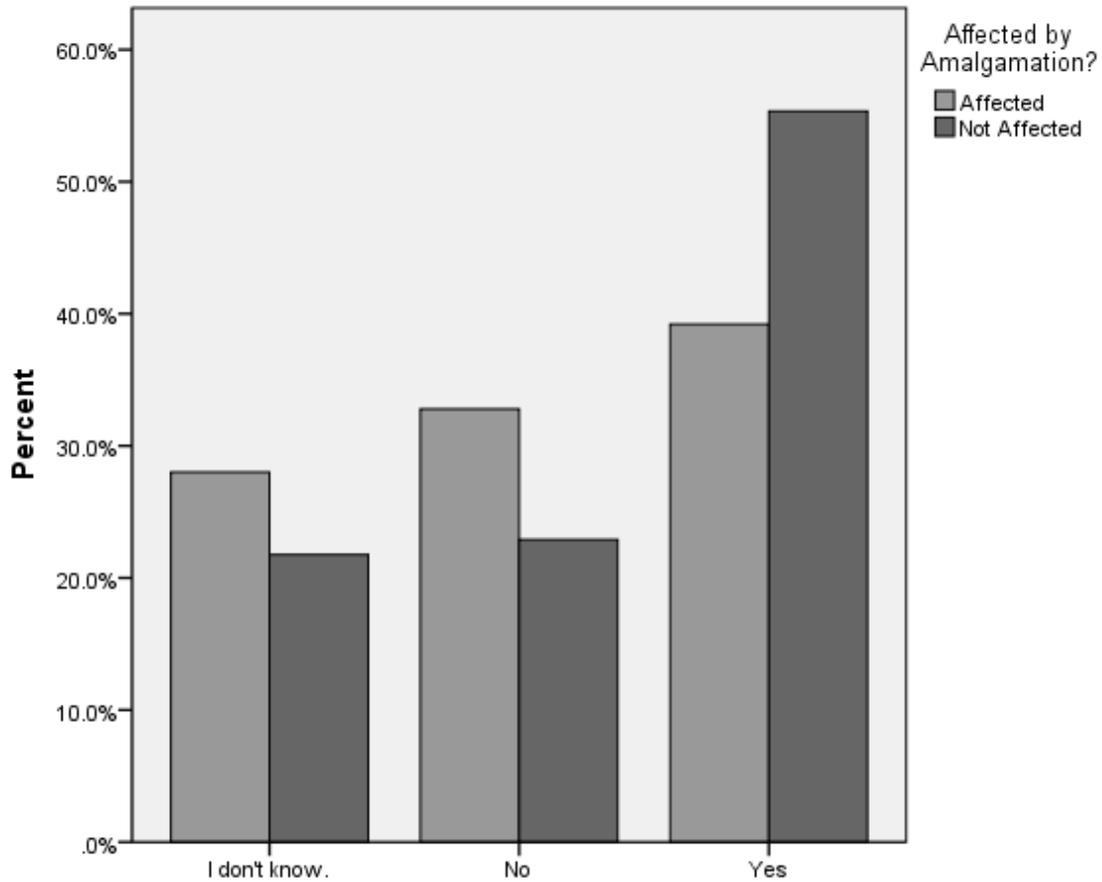
Respondents were also invited to identify their own perceived benefits besides the six listed, these answers are set forth in Table 46.

Table 46.

*Other Perceived Benefits of Amalgamation*

All of the above if done in a business atmosphere and not political.
But this does NOT mean that the Mayor of Windsor gets increased 'powers'.
Consistency not only of standards of service delivery, but of standards of service delivery per tax.
Economies of scale would provide savings.
Rejection of artificial borders created by 1999 amalgamation.
Should be more benefits but probably won't happen.
There is way too much duplication & too many bureaucrats.
Better promotion and partnership.
Better regional planning, perhaps even the beginning of controlling urban sprawl.
Efficiency.
Get rid of bickering between city and county.
It's the only way to address environmental issues, including pollution reduction.
Less competition between municipalities, Less bureaucracy.
Less management as each separate town would not require a full management structure.
More equitable cost sharing.
More jobs.
More open debate about service delivery and cost.
More visitors, convenient & affordable transportation for the region, better value for the dollar.
Most interested in an up-to-date regional public efficient transit system.
Much better promotion of our Region for attracting and securing new investments.
Overall amalgamation is needed and makes absolute common sense, there is no doubt!
Public transit throughout.
Regional vision for public transport, industrial zoning, social services instead of the n.i.m.b.y.
We would get things done faster without the hyperbole and endless studies.
Would help to create a better level of cooperation between jurisdictions.

Figure 52 summarizes answers to the question of whether amalgamation would maximize value<sup>120</sup> to taxpayers. Among those already affected by amalgamation, 32.8% said no and 39.2% said yes. The remaining 28% were uncertain. Among those unaffected by the process, 22.9% said no and 55.3% said yes. 21.8% were unsure.



**Would municipal amalgamation be a solution to maximize value to local taxpayers?**

Figure 53. Citizen Perspective on Value of Amalgamation

Figure 53 summarizes beliefs about whether amalgamation would lower tax bills.

Among those affected by amalgamation, 34.4% said no and 32.8% said yes. 32.8% were

unsure. Among those not affected, 25.9% said no and 38.8% said yes. 35.4% were uncertain.

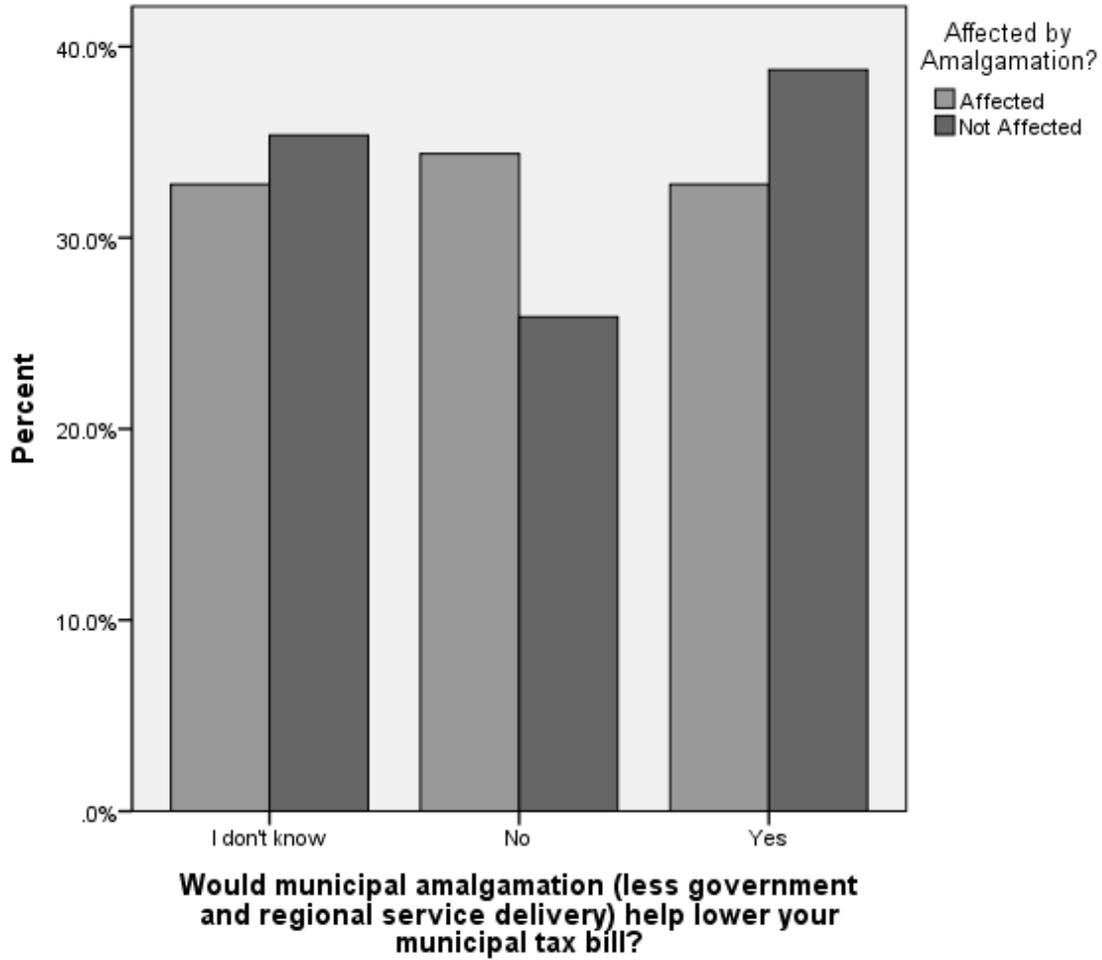


Figure 54. Citizen Perspective Regarding Property Tax Rate Following Amalgamation

Respondents were also asked if they would support the creation of one regional government for issues in Windsor and Essex County. Figure 54 shows the results. For those in municipalities affected by amalgamation, 38.4% said no and 43.2% said yes while 18.4% were uncertain. Among those in unaffected municipalities, 20.5% said no and 60.8% said yes. 18.6% were uncertain.

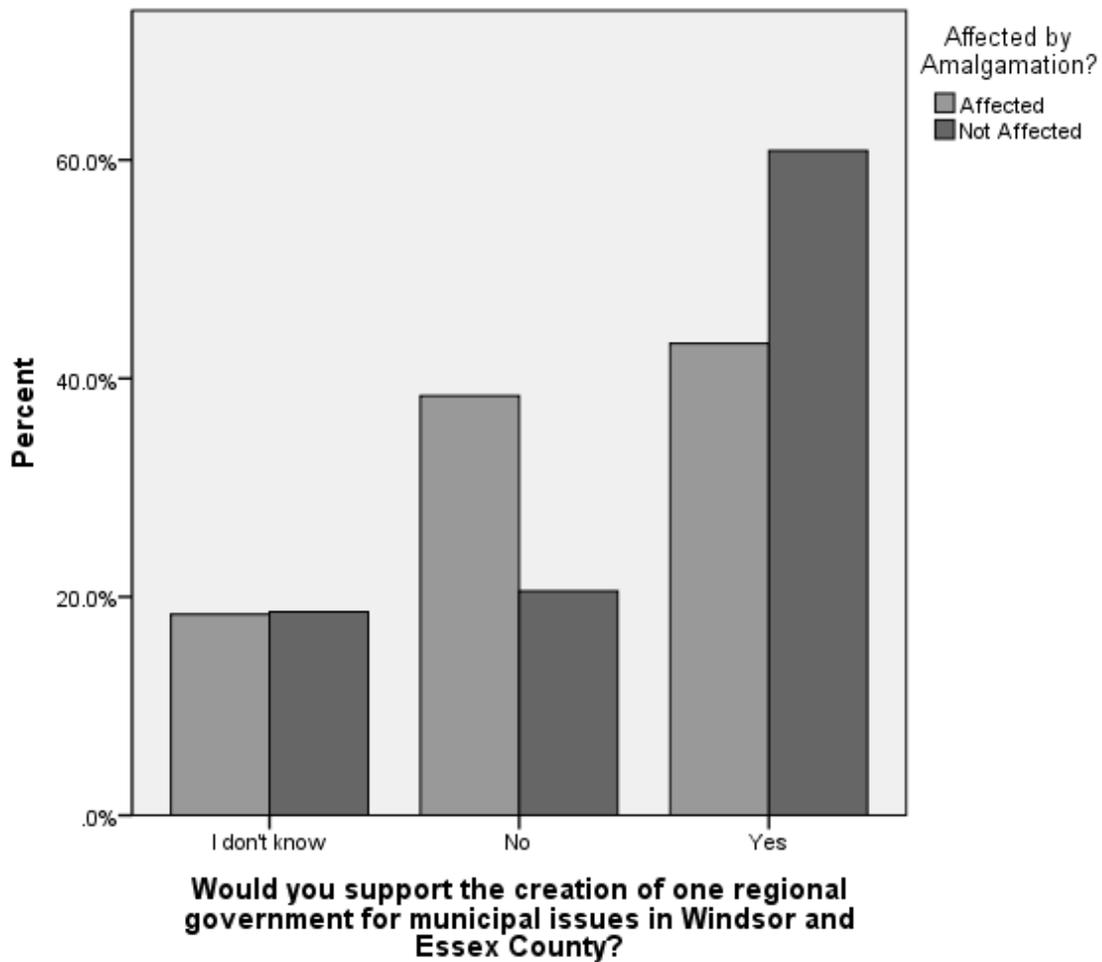


Figure 55. Citizen Support for Regional Government

Subjects were then invited to elaborate on why they may not support a regional government. A sample of various comments received is provided in Table 47.

Table 47.

*Citizen Reasons for Not Supporting a Regional Municipal Government*

Higher tax rates. Amalgamation of our three towns into one did not reduce the property tax equitably across our new town. Two former towns had a decrease while one had an increase.
City of Windsor is large enough on its own. County municipalities should amalgamate into one.
Elections would be controlled by Windsor voters.
Empire building that would benefit one area more than the rest.
High City debt load.
I don't want to pay the rates that city dwellers pay for the services
Increased unionization, more in-house services, a much larger central command and control government will diminish my access to services and water down my voice.
It will not save money. County fire services for example are solely volunteer. Canceling O.P.P. contracts in order to create Regional police service costs money not only to opt out of the contracts.
It would end municipal competition, leaving nowhere to escape to.
Larger organization, more difficult to meet specific needs.
Less autonomy for the smaller villages and towns.
Loss of local control.
More cushy jobs for selected few and less efficiency to all.
Service decline. Savings don't exist.
Prefer focus on my specific region.
Taxes would go UP, not down. Windsor already pays double what I do for half the size lot
The county is too big. Tax money wouldn't be distributed evenly.
The services would suffer--one area would receive better or faster servicing than the rest.
Windsor would still look out for Windsor, population would rule the voting.
You lose the local touch and it has been proven in Leamington that our municipality has grown too large. We have significantly more employees now working for the municipality than prior to amalgamation.
County wants everything but pays for nothing.
Diversity in issues and needs - rural v. urban.
False economies of scale. Bigger is not necessarily better.
I believe it would take longer to resolve issues.
I don't feel that the wants and needs of the city are in line with those of the county.
I don't feel they would be as effective regionally.
It has a poor track record of working elsewhere.
Lack of cooperation. County wants all services but does not want to pay for them. Taxpayers of Windsor end up with increased taxes as a result.
More layers of government and bureaucracy. How it has been implemented in the GTA has been a nightmare.
Municipal Government services need to be personalized. Large corporations and business have trouble with personalized service.

Figure 55 summarizes respondent attitudes towards the possibility investors would consider regional boundaries in their locational decision making. Among those from affected municipalities, 39% said no and 42.3% said yes. 18.7% were uncertain. Among those from unaffected municipalities, 25.4% said no and 55.8% said yes. 18.8% were uncertain.

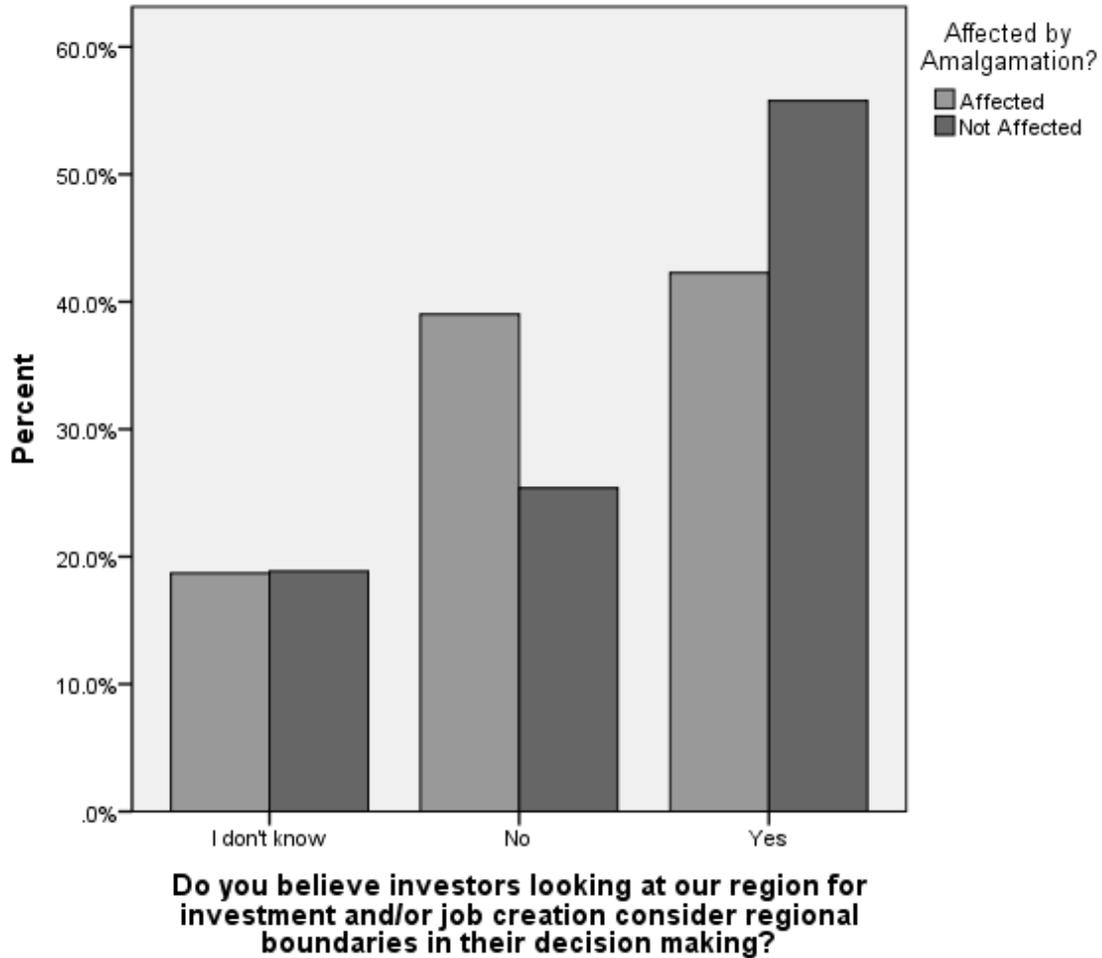


Figure 56. Citizen Perceptions of Boundary Consideration by Investor

Respondents were then asked if they felt that tourists recognize notice municipal boundaries. Figure 56 highlights the responses provided. By far the largest answer given was no. Among those from affected municipalities, 87% chose no compared to 8.9% who said yes. Among unaffected municipalities, 76.5% of said no compared to 17.3% who replied yes.

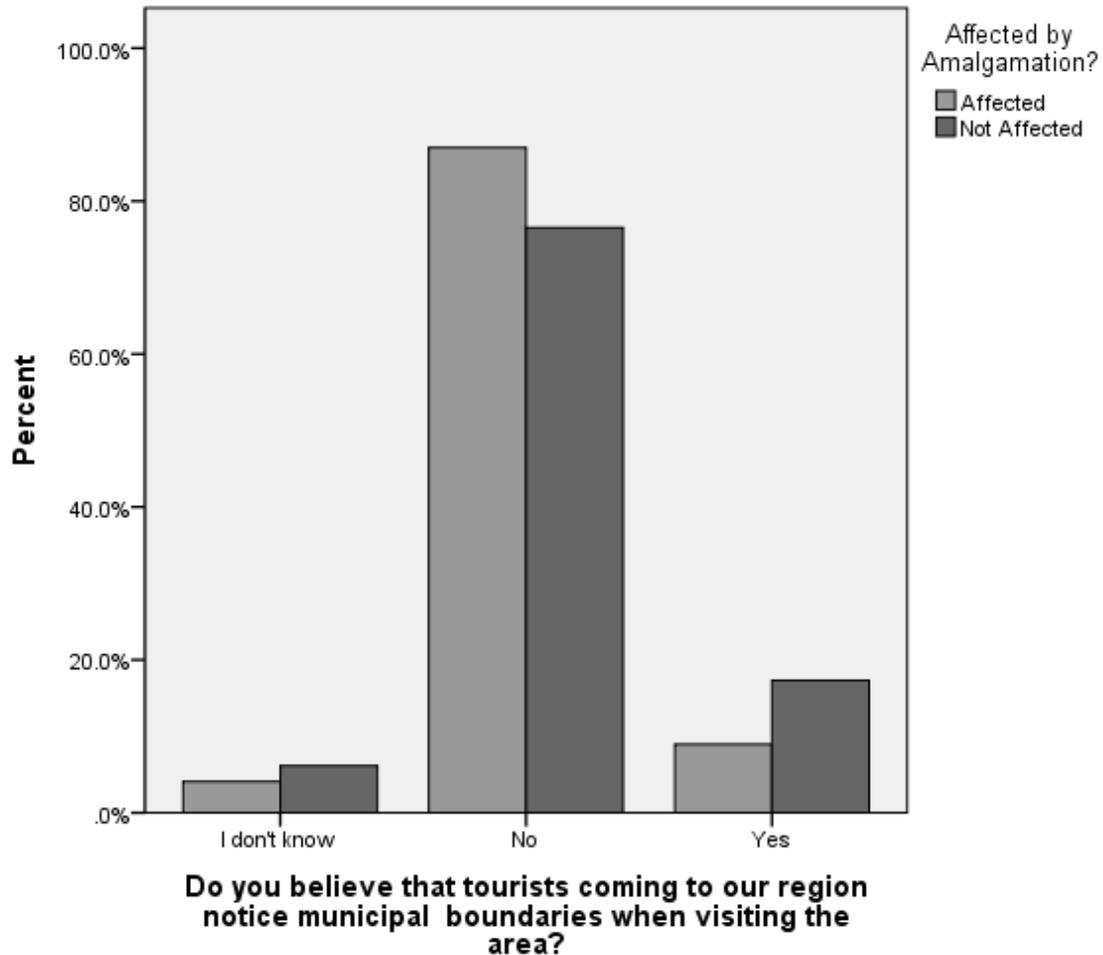


Figure 57. Citizen Perceptions of Tourist Knowledge of Boundaries in Region

Figure 57 summarizes sentiments about the extent to which municipal politicians should consider the interests of the whole region. Both groups of respondents overwhelmingly felt that the answer should be “Yes - always.” Among respondents living in affected municipalities,

69.7% said yes, compared to 18.9% who said sometimes, 7.4% said probably not, and .8% who said never. Among residents living in unaffected municipalities, 71.1% said yes, compared to 18% who said sometimes, 5.1% who said probably not, and .8% who said never.

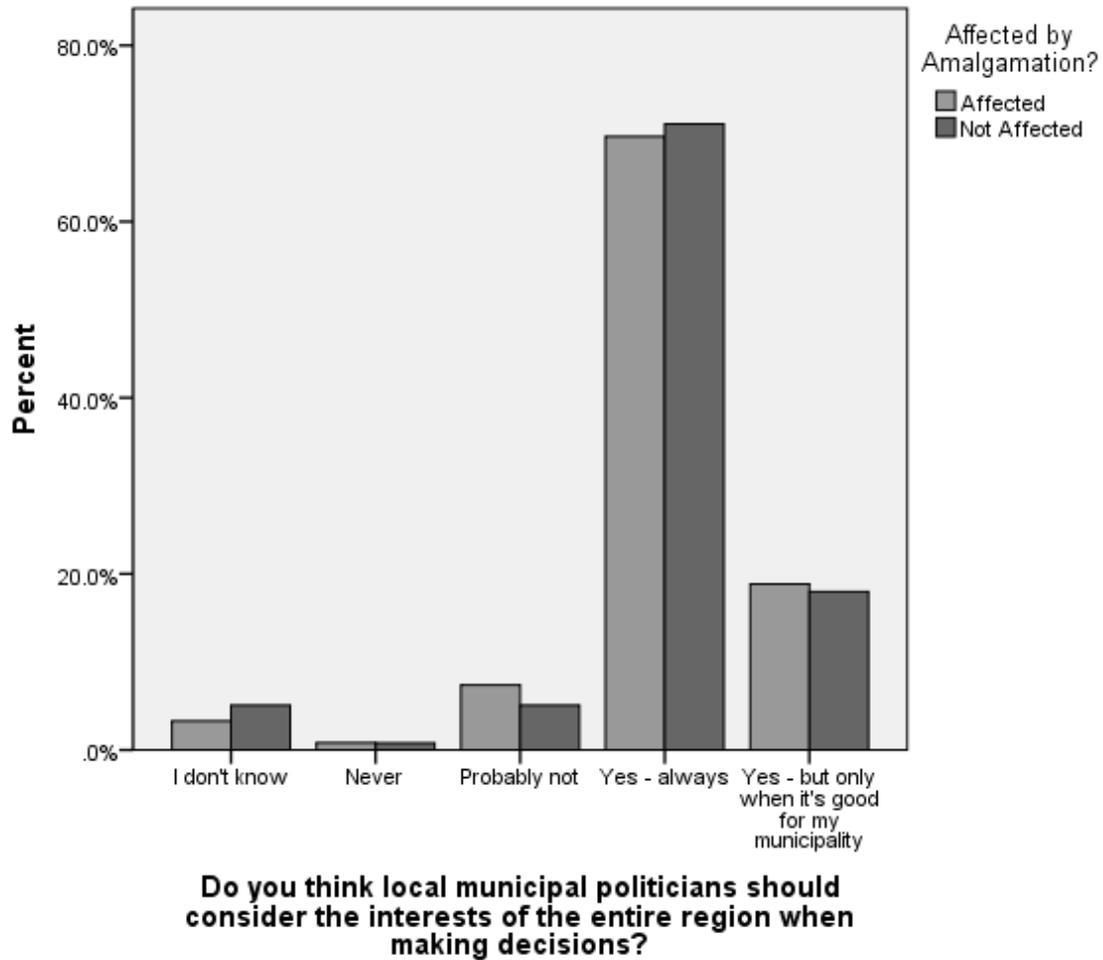


Figure 58. Citizen Perception Regarding Politicians Scope of Responsibility

As Figure 58 suggests, respondents felt that municipal politicians should consider regional issues more often. Among respondents in the affected municipalities (those municipal jurisdictions where amalgamation took place between 1995 – 2008), 43.4% said that politicians are not considering regional issues enough while 37.7% said politicians only consider regional

interests sometimes. Among respondents in the unaffected regions (the City of Windsor and Town of LaSalle), 42.2% of respondents said the municipal politicians do not consider regional interests enough, and 36.4% said they only do so sometimes.

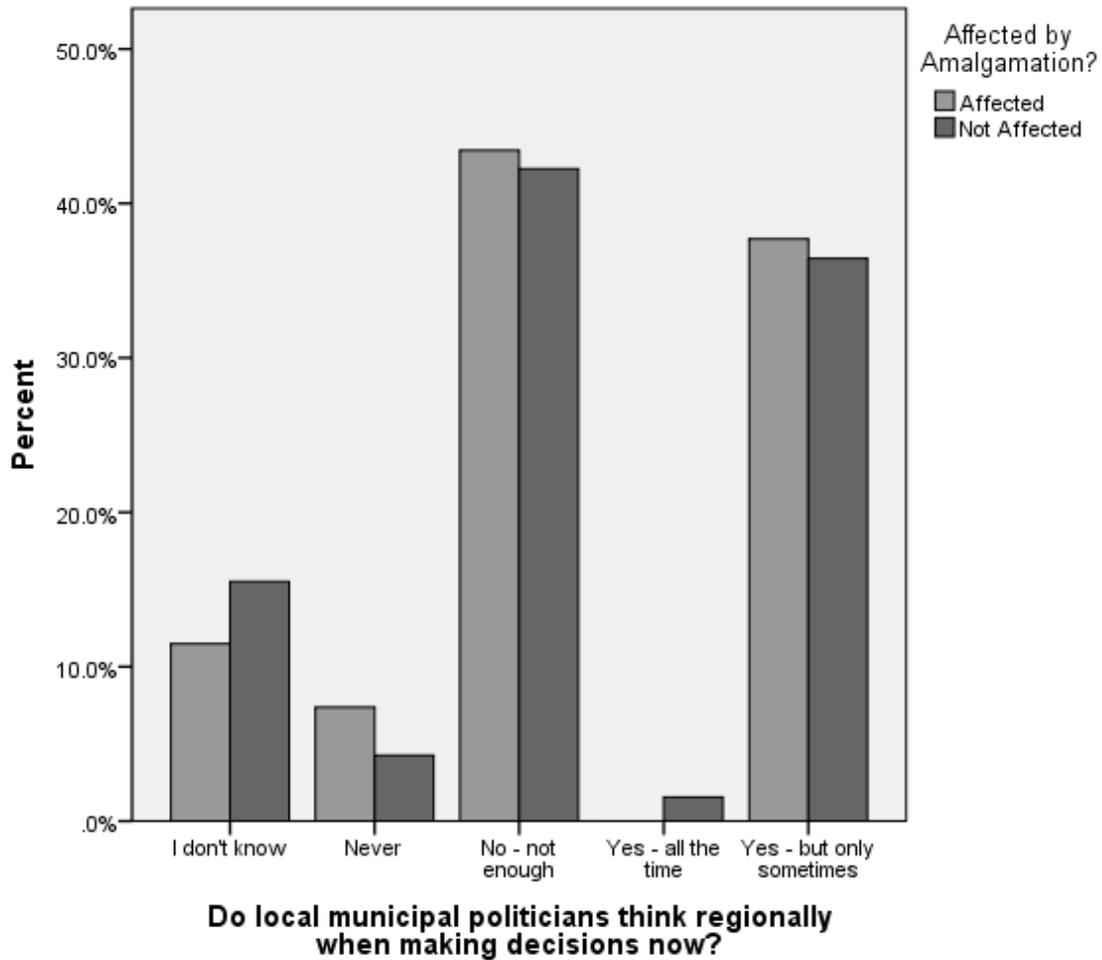
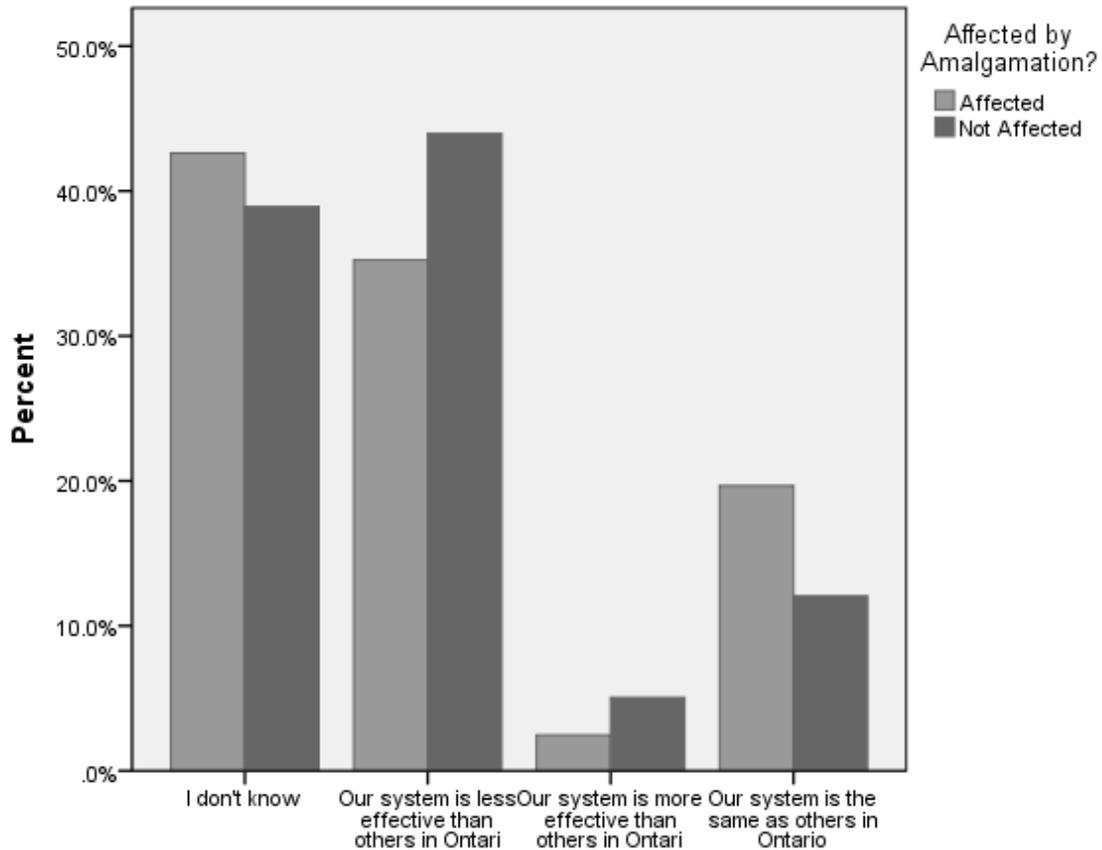


Figure 59. Citizen Perception on Coverage Area of Local Political Decisions

Finally, respondents were asked to evaluate their perceptions of effectiveness of government in Essex County as compared to other jurisdictions in Ontario. The results are shown in Figure 59. Among the affected municipalities, the modal response was “do not know” (42.6%). Thereafter, 35.2% said the system was less effective than others; 19.7% said it was

about the same as others; and only 2.5% said it was more effective. Among those not affected by amalgamation, 44% felt that the Essex County system was less effective than other jurisdictions in Ontario; 12.1% said it was about the same; and 5.1% said it was more effective. 38.9% of respondents said they did not know.



**How do you think the Windsor and Essex County area compare to other regions in Ontario as it relates to municipal government cooperation?**

Figure 60. Citizen Perception of Effectiveness of Local Government in Windsor-Essex Compared to Other Jurisdictions in Ontario

## **Results - By Region/Municipality - Introduction**

The series of charts that follow cover the time period from 1995 to 2008. Data sets are separated by municipality and by region so that a broader view of data from a general area can be compared to the actual municipality that underwent amalgamation. For example, the City of Toronto data is presented separately, followed by the Greater Toronto Area with Toronto excluded, and then ultimately by the Greater Toronto Area in its entirety (including Toronto). For the Windsor-Essex region, Essex County and the City of Windsor are reported separately and then collectively so that the effect of amalgamation within a region can be viewed as a whole, but also so that a general comparison can be made between the non-amalgamated area and the amalgamated area within the same region.

Finally, the City of Ottawa, because it is a single-tier municipality is reported in one set of charts as there is no expanded area that can be used for comparison purposes. It is not the intent of this analysis to provide an expansive review of inter-region occurrences but rather to compare outcomes stemming from interpretations and analysis of data between regions. Accordingly, the results presented below include a summary of eight distinct areas of municipal expenditures. These expenditures are separated into their classification as either an operating or capital expenditure. Operating expenditures are those which are generally recurring and serve to provide day-to-day service. For example, employee wages, costs of electricity to run water pumps, and new books for a library, etc. Capital expenditures are those which are not recurring in nature but are required to provide service. For example, the purchase of new vehicles or construction of a new city hall or library would be considered capital expenditures. Generally speaking, capital budgets are more likely to vary on individual service expenditures

compared to operating budgets of that same service. For example, a municipality may purchase a new fire truck as needed which would be indicated by a large capital expenditure in the year of purchase while other time periods would generally indicate lower average expenditures. A spike in one particular year is not necessarily relevant when reflected in an average over a given time period. However, one generally would expect a capital budget to be relatively stable when viewed on a macro-level. That is, the capital budget for the entire organization is likely to look more normal over time than for any particular service level independently. A third chart including total expenditures for each service is also presented following each operating expenditure chart. This is provided as a visual means to determine whether overall expenditures for each service level appear stable or whether they fluctuate year-by-year. Finally, the data is separated based upon its overall expenditure as well as its *per capita* expenditure level. The *per capita* data is separated in order to determine whether expenditure changes result in an overall change in costs per resident.

The data used to populate the charts below is derived from the Financial Information Returns ("FIR") that each municipality in Ontario is required to submit yearly with the Ontario Ministry of Municipal Affairs and Housing. The instructions provided to municipalities to aid in completion of the FIR are uniform and are designed to allow for an 'apples-to-apples' comparison. However, there may be slight variations in the instructions from one year to the next. That is, inclusion of certain expenses in a category in 1995 may vary slightly from 2008 however such changes would be uniform for each municipality. Any variations from one year to the next would be minor and are not likely to materially impact the overall quality of the

data. The FIR instructions outline the type of expenditures to be allocated to each service.

These include:

## **Fire**

- Fire administration
  - Fire alarm system
  - Auxiliary fire services
  - Fire equipment
  - Fire fighting force (regular and volunteer)
  - Fire halls
  - Fire prevention and inspection
  - Hydrant rental
  - Other fire protection expenditures

## **Garbage**

- Waste collection
  - Administration, if applicable
  - Pickup of garbage
  - Excludes pick-up for diversion and recycling
  - Includes collection of garbage from all property classes
  - Other waste collection expenditures
- Waste disposal
  - Administration, if applicable
  - Deposit of garbage from all property classes into a transfer station, landfill site, incineration facility or energy from waste facility.
  - Hauling
  - Perpetual care of active and closed sites
  - Solid waste landfill closure and post-closure
  - Transfer station
  - Other waste disposal expenditures
- Recycling
  - Administration, if applicable
  - Backyard composting programs
  - Centralized facility
  - Collection and processing of material collected from all property classes which is diverted for recycling including, paper and cardboard, plastic, glass, Bulky items,

such as refrigerators, stoves, etc., Christmas tree, Gardening waste, household hazardous waste and source separated household organics

- Promotional expenditures
- Purchase and delivery of recycling containers and source separated organic bins
- Other recycling expenditures

## **General Government**

- Governance
  - Election management including election return management and registration of candidates
  - Council including council members and administrative staff directly supporting council members
  - Council support including agenda preparation, minute taking, council protocol, A/V services, research for council members
  - Office of the Mayor/Chair including wages and benefits for Mayor/Chair and administrative support
  
- Corporate Management
  - CAO/City Manager including wages and benefits of CAO/City Manager, direct administrative support and corporate strategic planning
  - Corporate accounting including financial statement preparation, preparation of FIR and Statistics Canada and other general returns
  - Corporate budgeting including budget coordination and design of budget documents, guidelines and templates
  - Corporate communication including website management, large mail-outs, general information telephone lines, switchboard, brand management and corporate news releases
  - Corporate financial policy and analysis including creating purchasing policies and developing overall financial direction for the municipality
  - Corporate legal support including lawsuits of general or large scale nature and legal support to changes to the overall nature of the municipality
  - Debt management including debt payment, debt registration, sinking fund management and issuing agent negotiations
  - Development charge administration including by-law development, determination of charge, collection of charge, administration of development charge reserves
  - Emergency planning including emergency planning coordinator, disaster recovery assets and planning exercises
  - Internal audit including value for money audits, compliance audits, systems audits, monetary processing audits
  - Investments including portfolio management, investment dealer negotiations, cash flow forecasting

- Protocol and special events including visits of foreign dignitaries, large community events and parades
- Real estate including acquisition and disposal of land, lease negotiations and encroachment agreements and administration of expropriations
- Taxation including property class shortfalls, property tax policy development, property tax bill generation, payments/receipts processing and payments to Municipal Property Assessment Corporation (MPAC) and certain tax write-offs, including increases to allowances for tax write-offs
- Program Support
  - Includes items that are not readily assigned to more specific areas and includes:
    - Accounts payable and receivable
    - Budgeting
    - Compensation management
    - Facilities and Property Management
    - Fleet
    - Health and Safety
    - HR Counselling
    - IT application, delivery, and data management
    - Infrastructure tool access including data and voice
    - Insurance/Risk Management administration
    - Labour and employee relations
    - Mailroom
    - Payroll
    - Printing and graphics
    - Program accounting
    - Program specific communication
    - Program legal support
    - Purchasing
    - Records management
    - Staffing
    - Stores and commodity management
    - Training and development

## **Library**

- Administration, if applicable
- Contributions to regional library boards
- Library boards
- Other library expenditures

## Planning

- Planning and zoning
  - Administration
  - Committees of adjustment
  - Judges' plans
  - Land division committees
  - Official plan
  - Planning boards
  - Planning department
  - Subdivision control
  - Urban renewal surveys and studies
  - Zoning by law
  - Other planning and zoning expenditures
  
- Commercial and industrial
  - Administration, if applicable
  - Business improvement areas
  - Commercial and industrial portion of urban renewal program
  - Grants to boards of trade and chambers of commerce
  - Industrial or development commissions and committees
  - Industrial parks and land assembly for commercial and industrial purposes
  - Markets
  - Tourist information and promotion
  - Other industrial and commercial development expenditures
  
- Residential development
  - Administration, if applicable
  - Housing studies
  - Land assembly for residential purposes
  - Ontario Home Renewal Plan administration
  - Other residential developments
  - Residential portion of urban renewal program
  - Trailer parks
  - Other residential development expenditures
  
- Agricultural and reforestation
  - Administration, if applicable

- Advancement of agriculture
- Grants to agricultural societies
- Portion of drainage work done under the Drainage Act which benefits landowners
- Reforestation
- Weed control and tree cutting
- Other agricultural and reforestation expenditures
- Tile drainage/shoreline assistance
  - Programs under the *Shoreline Property Assistance Act*
  - Tile drainage carried out under the *Tile Drainage Act*

## **Police**

- Administration
  - Police services boards
  - Conveyance of prisoners
  - Equipment
  - Garages
  - Lock ups
  - Offices
  - Payments for OPP services
  - Police animals
  - Police communication systems
  - Police service
  - Other police protection expenditures

## **Waterworks**

- Waterworks system
  - Administration
  - Connections and hydrant leads
  - Debt charges met from taxation
  - Distribution (all activities from the point where water leaves the treatment plant and reaches private property lines).
  - Service operating agreements with the Ontario Clean Water Agency and other contractors/suppliers.
  - Treatment (all activities from supply sources to completion of treatment defined as the point where water leaves the treatment plant)
  - Waterworks system
  - Other waterworks system expenditures

## **Operating and Capital Budget**

- This area is effectively the entire budget for the municipality and includes the above noted service areas in addition to all other service areas provided by the municipality including but not limited to, social services, transit, parks and recreation, roadways and winter control, and health services.

Finally, a linear trend line has been included on each chart. This type of trend line offers insights into whether a specific series of linear data is increasing or decreasing.

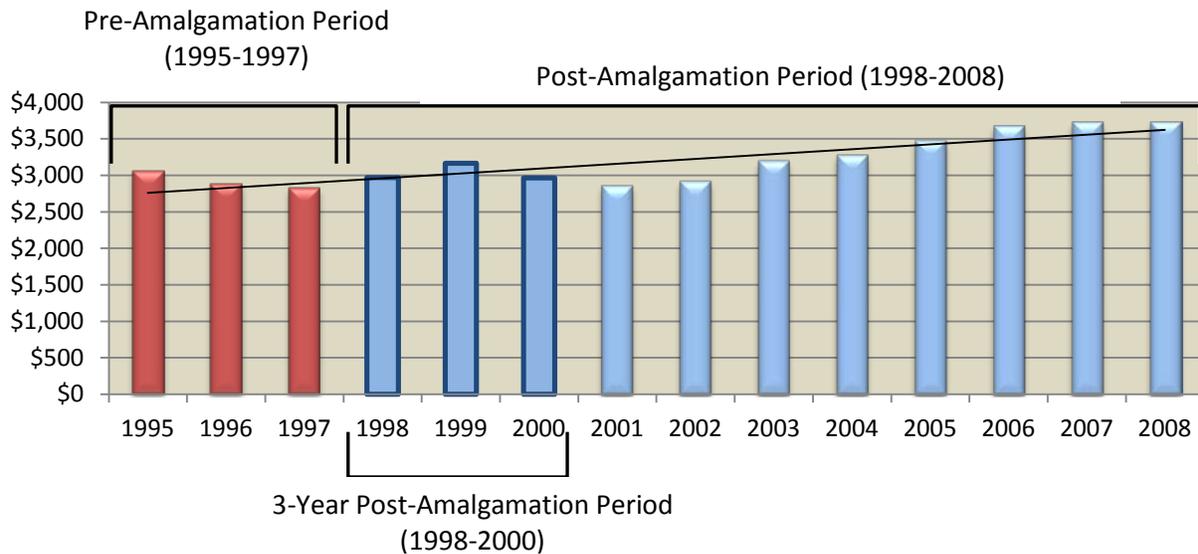
## Results – City of Toronto

The quantitative analysis undertaken with respect to data from the City of Toronto is reported below. Each service considered is separated into operating, capital, and total expenditures (operating and capital expenditures combined). Operating, capital, and total expenditures are further analyzed as total dollar expenditures and per capita expenditures, the results of which are reported in two charts and a table per expenditure (i.e. Two charts for Fire Capital expenditures - one for total dollar expenditures and one for per capita expenditures). The charts and table have been colour coded so that corresponding data sets from the table can be matched to each chart. Data related to the three-year post-amalgamation period is located immediately adjacent to the pre-amalgamation data and is the same colour as the remaining post-amalgamation data, however, each year has been outlined in a separate colour to make it immediately recognizable to the reader. In addition, the averages of data over time has been analyzed and included in each corresponding table. With respect to the data related to the City of Toronto, the following definitions apply:

- (1) Amalgamation occurred in 1998;
- (2) The pre-amalgamation period is the time period from 1995-1997. This data is reflected in the corresponding charts and table in red;
- (3) The post-amalgamation period is the time period from 1998-2008. This data is reflected in the corresponding charts and table in blue;
- (4) The 3-year post-amalgamation period is the time period from 1998-2000. This data is reflected in the corresponding charts and table in blue with a solid blue border;

- (5) The 'Percent Change between the Pre- and Post-Amalgamation Periods' is the average change between the entire pre-amalgamation period and the entire post-amalgamation period; and,
- (6) The 'Percent Change between Pre- and Three-Year Post-Amalgamation Periods' is the average change between the entire pre-amalgamation period and the three-year period immediately following amalgamation (1998-2000).

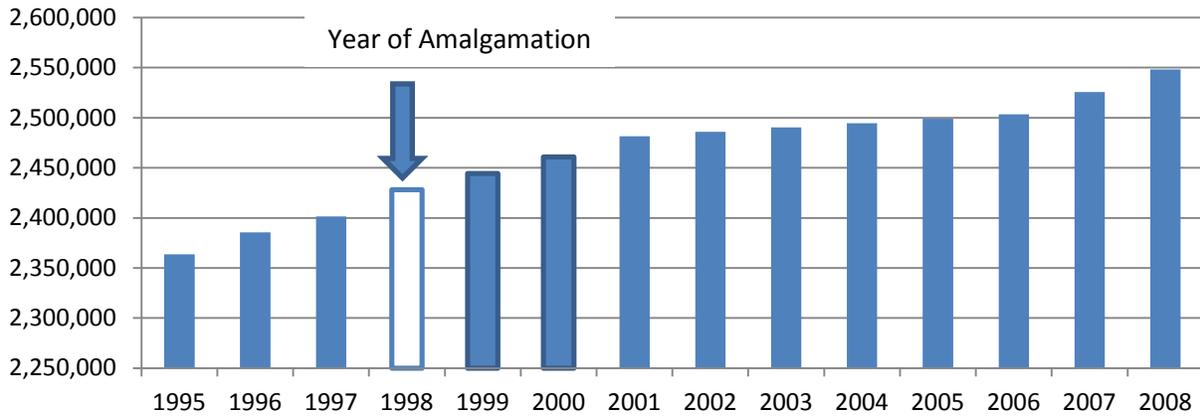
### Sample Chart – City of Toronto



### Sample Table - City of Toronto

Year (Amalgamation Status)	Operating and Capital Budget - Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 7,235,947,137	\$ 3,061.55
1996 (Pre-Amalgamation)	\$ 6,865,664,145	\$ 2,878.18
1997 (Pre-Amalgamation)	\$ 6,790,567,776	\$ 2,827.72
1998 (Post-Amalgamation)	\$ 7,212,140,475	\$ 2,970.26
1999 (Post-Amalgamation)	\$ 7,739,066,821	\$ 3,166.03
2000 (Post-Amalgamation)	\$ 7,295,701,045	\$ 2,964.75
2001 (Post-Amalgamation)	\$ 7,078,889,183	\$ 2,852.67
2002 (Post-Amalgamation)	\$ 7,239,037,876	\$ 2,912.10
2003 (Post-Amalgamation)	\$ 7,946,847,478	\$ 3,191.24
2004 (Post-Amalgamation)	\$ 8,155,083,757	\$ 3,269.14
2005 (Post-Amalgamation)	\$ 8,659,980,207	\$ 3,465.48
2006 (Post-Amalgamation)	\$ 9,192,359,468	\$ 3,672.12
2007 (Post-Amalgamation)	\$ 9,399,426,127	\$ 3,721.61
2008 (Post-Amalgamation)	\$ 9,483,516,306	\$ 3,721.96
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 6,964,059,686	\$ 2,922.48
Post-Amalgamation Period (1998-2008)	\$ 8,127,458,977	\$ 3,264
Percent Change between Pre- and Post-Amalgamation Periods	16.71%	11.70%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 7,415,636,114	\$ 3,034
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	6.48%	3.80%

## Population - City of Toronto

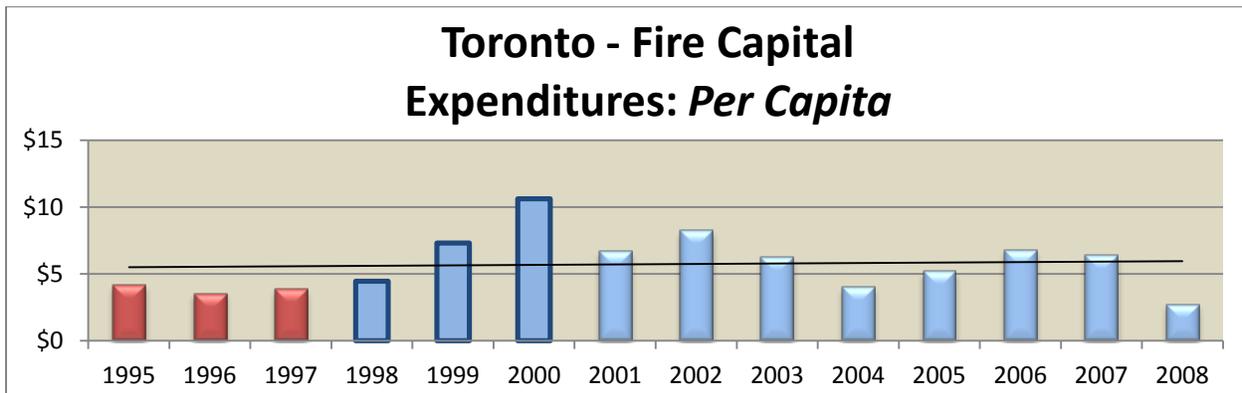
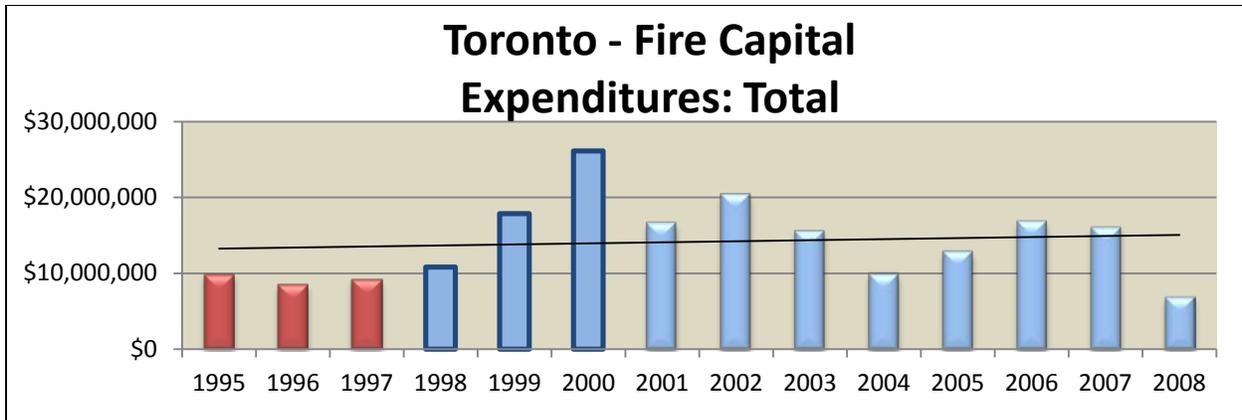


Year	Amalgamation Status	Population
1995	Pre-Amalgamation	2,363,491
1996	Pre-Amalgamation	2,385,421
1997	Pre-Amalgamation	2,401,428
1998*	Post-Amalgamation	2,428,116
1999	Post-Amalgamation	2,444,409
2000	Post-Amalgamation	2,460,811
2001	Post-Amalgamation	2,481,494
2002	Post-Amalgamation	2,485,851
2003	Post-Amalgamation	2,490,209
2004	Post-Amalgamation	2,494,566
2005	Post-Amalgamation	2,498,924
2006	Post-Amalgamation	2,503,281
2007	Post-Amalgamation	2,525,637
2008	Post-Amalgamation	2,547,993
<b>Average Population</b>		<b>2,465,117</b>
<b>Population - % Change (1995-2008)</b>		<b>7.81%</b>
* Year of Amalgamation		

Fire capital spending showed a large increase in the three-year period following amalgamation with a 99.01% increase. *Per capita* spending for the same period was slightly less at 93.64%. Overall capital spending on fire services decreased following the three-year post-amalgamation period however spending increased between the pre- and post-amalgamation periods with total post-amalgamation spending at 68.81% and *per capita* spending at 61.99%.

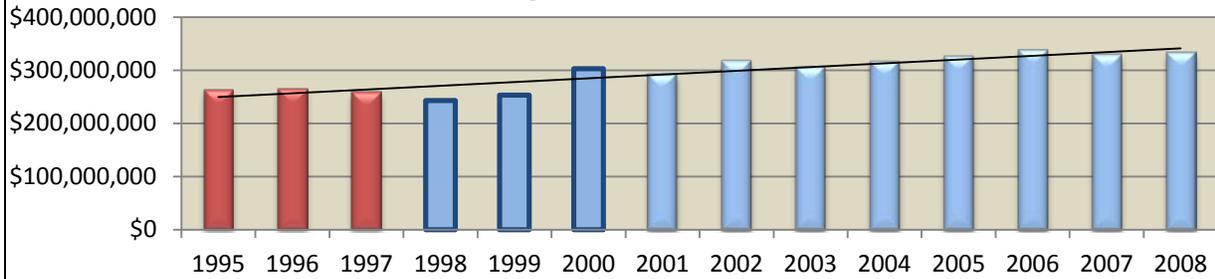
Fire operating expenditures were considerably modest in the three-year post-amalgamation period (1998-2000) with an average increase of only 1.60% on a total expenditure basis and nearly a 1% decrease in *per capita* expenditures over the same time period. Spending continued to rise post-amalgamation with an overall average increase of 16.17% and 11.20% *per capita*. The post-amalgamation period consists of an 11-year time period so the *per capita* increase was just over 1% per annum.

When capital and operating spending on fire services is combined the data reveals a 4.9% increase in post-amalgamation expenditures in the three-year period following amalgamation and nearly an 18% increase between the pre- and post-amalgamation periods. *Per capita* spending increased nearly 13% between the two periods.

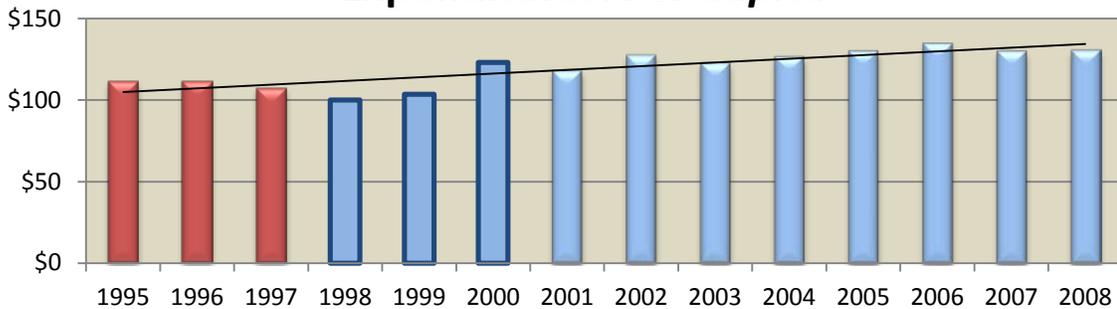


Year (Amalgamation Status)	Fire Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 9,875,371	\$ 4.18
1996 (Pre-Amalgamation)	\$ 8,459,510	\$ 3.55
1997 (Pre-Amalgamation)	\$ 9,211,194	\$ 3.84
1998 (Post-Amalgamation)	\$ 10,817,468	\$ 4.46
1999 (Post-Amalgamation)	\$ 17,877,124	\$ 7.31
2000 (Post-Amalgamation)	\$ 26,125,185	\$ 10.62
2001 (Post-Amalgamation)	\$ 16,695,807	\$ 6.73
2002 (Post-Amalgamation)	\$ 20,473,621	\$ 8.24
2003 (Post-Amalgamation)	\$ 15,601,883	\$ 6.27
2004 (Post-Amalgamation)	\$ 10,025,810	\$ 4.02
2005 (Post-Amalgamation)	\$ 12,929,418	\$ 5.17
2006 (Post-Amalgamation)	\$ 16,906,111	\$ 6.75
2007 (Post-Amalgamation)	\$ 16,074,719	\$ 6.36
2008 (Post-Amalgamation)	\$ 6,976,336	\$ 2.74
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 9,182,025	\$ 3.85
Post-Amalgamation Period (1998-2008)	\$ 15,500,317	\$ 6.24
Percent Change between Pre- and Post-Amalgamation Periods	68.81%	61.99%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 18,273,259	\$ 7.46
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	99.01%	93.64%

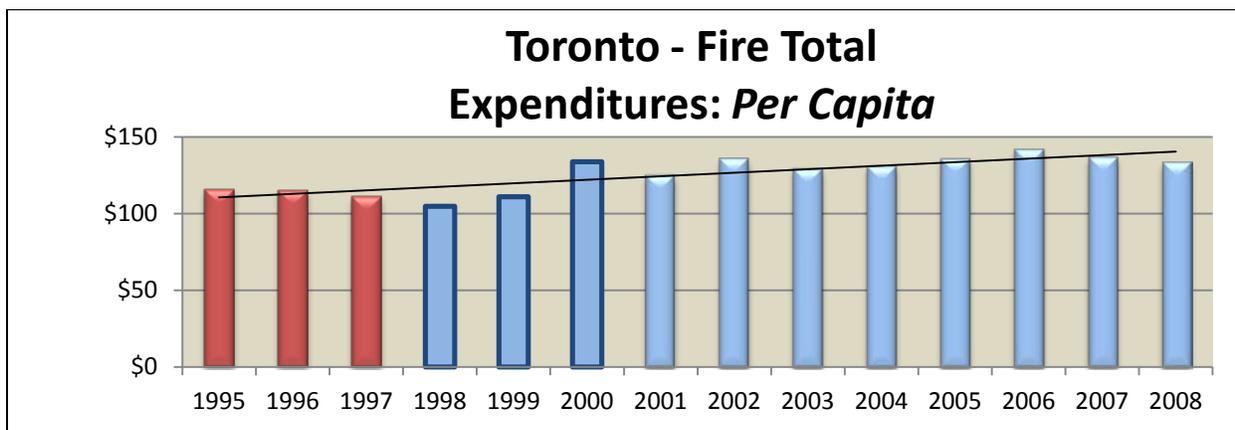
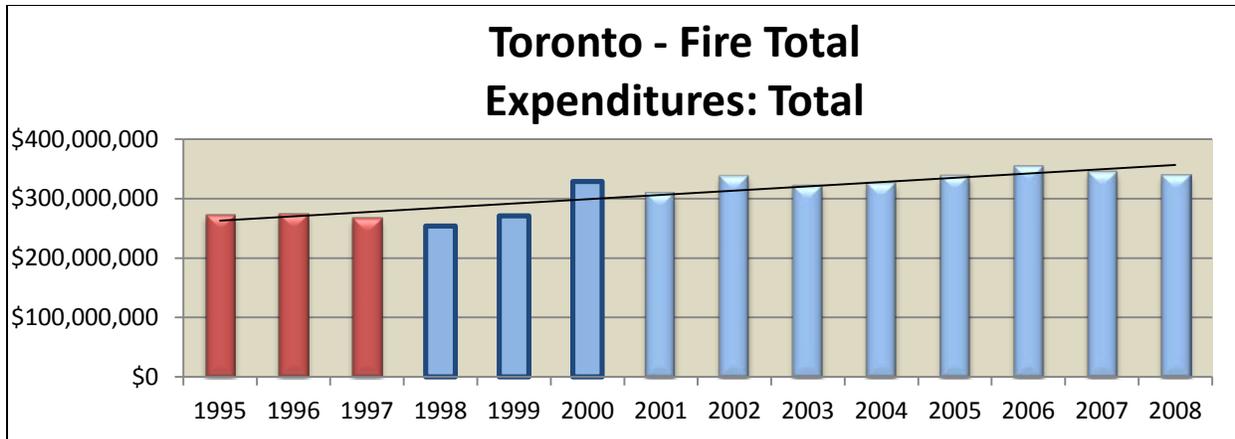
### Toronto - Fire Operating Expenditures: Total



### Toronto - Fire Operating Expenditures: Per Capita



Year (Amalgamation Status)	Fire Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 263,236,664	\$ 111.38
1996 (Pre-Amalgamation)	\$ 265,314,216	\$ 111.22
1997 (Pre-Amalgamation)	\$ 258,119,975	\$ 107.49
1998 (Post-Amalgamation)	\$ 243,166,613	\$ 100.15
1999 (Post-Amalgamation)	\$ 253,347,408	\$ 103.64
2000 (Post-Amalgamation)	\$ 302,774,051	\$ 123.04
2001 (Post-Amalgamation)	\$ 292,318,164	\$ 117.80
2002 (Post-Amalgamation)	\$ 316,804,246	\$ 127.44
2003 (Post-Amalgamation)	\$ 305,000,265	\$ 122.48
2004 (Post-Amalgamation)	\$ 315,365,326	\$ 126.42
2005 (Post-Amalgamation)	\$ 324,773,663	\$ 129.97
2006 (Post-Amalgamation)	\$ 337,015,602	\$ 134.63
2007 (Post-Amalgamation)	\$ 328,420,441	\$ 130.03
2008 (Post-Amalgamation)	\$ 331,932,415	\$ 130.27
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 262,223,618	\$ 110.03
Post-Amalgamation Period (1998-2008)	\$ 304,628,927	\$ 122.35
Percent Change between Pre- and Post-Amalgamation Periods	16.17%	11.20%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 266,429,357	\$ 108.94
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	1.60%	-0.99%

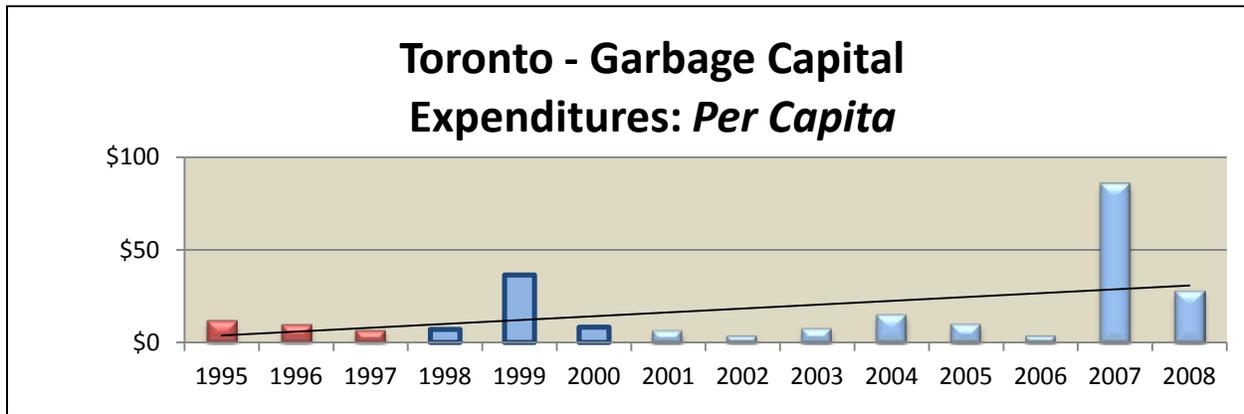
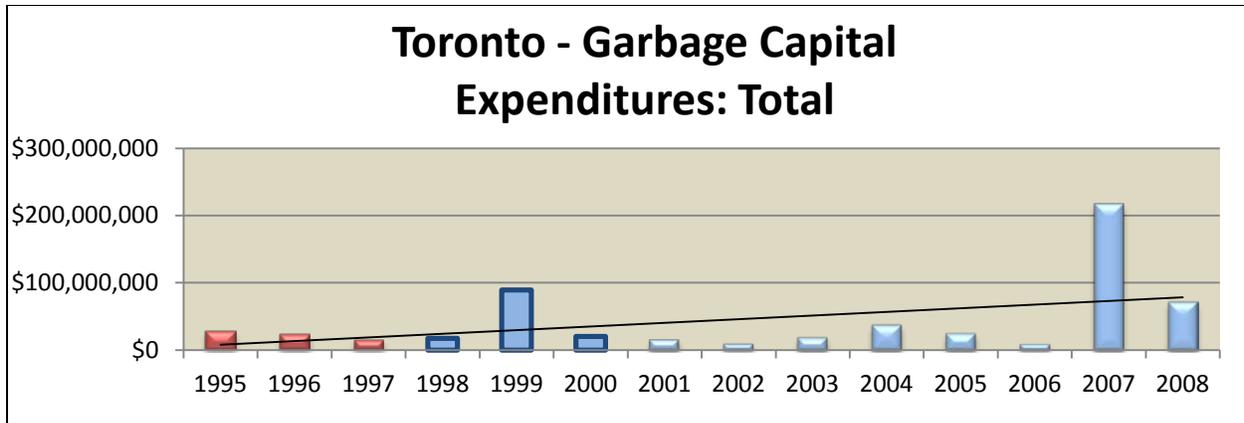


Year (Amalgamation Status)	Fire Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 273,112,035	\$ 115.55
1996 (Pre-Amalgamation)	\$ 273,773,726	\$ 114.77
1997 (Pre-Amalgamation)	\$ 267,331,169	\$ 111.32
1998 (Post-Amalgamation)	\$ 253,984,081	\$ 104.60
1999 (Post-Amalgamation)	\$ 271,224,532	\$ 110.96
2000 (Post-Amalgamation)	\$ 328,899,236	\$ 133.65
2001 (Post-Amalgamation)	\$ 309,013,971	\$ 124.53
2002 (Post-Amalgamation)	\$ 337,277,867	\$ 135.68
2003 (Post-Amalgamation)	\$ 320,602,148	\$ 128.75
2004 (Post-Amalgamation)	\$ 325,391,136	\$ 130.44
2005 (Post-Amalgamation)	\$ 337,703,081	\$ 135.14
2006 (Post-Amalgamation)	\$ 353,921,713	\$ 141.38
2007 (Post-Amalgamation)	\$ 344,495,160	\$ 136.40
2008 (Post-Amalgamation)	\$ 338,908,751	\$ 133.01
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 271,405,643	\$ 113.88
Post-Amalgamation Period (1998-2008)	\$ 320,129,243	\$ 128.59
Percent Change between Pre- and Post-Amalgamation Periods	17.95%	12.92%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 284,702,616	\$ 116.40
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	4.90%	2.21%

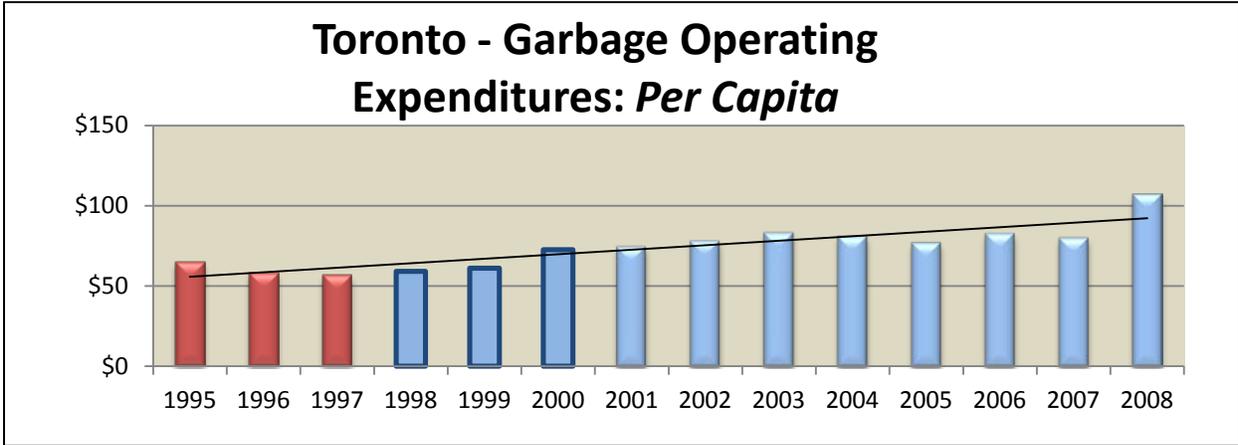
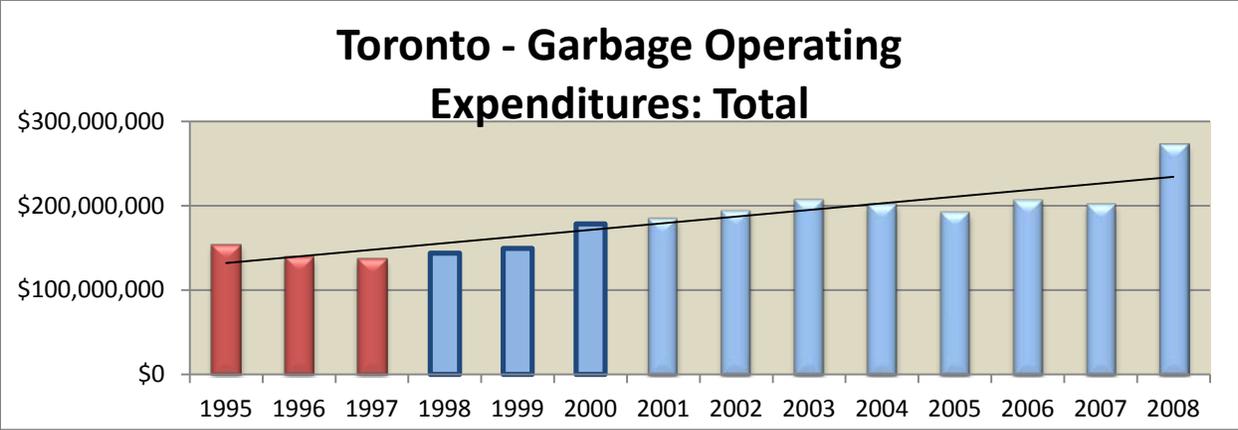
In the three-year period following amalgamation capital spending increased by 91.80% while *per capita* spending increased by 86.71%. Total spending for the post-amalgamation period continued to rise and was 121.54% higher than the pre-amalgamation period.

Operating expenditures related to garbage service delivery increased by 9.81% in the three-year period following amalgamation while the *per capita* increase for the same period was only 6.98%. For the total period post-amalgamation, average costs increased 35.44% more than the pre-amalgamation period with a *per capita* increase of 29.49%.

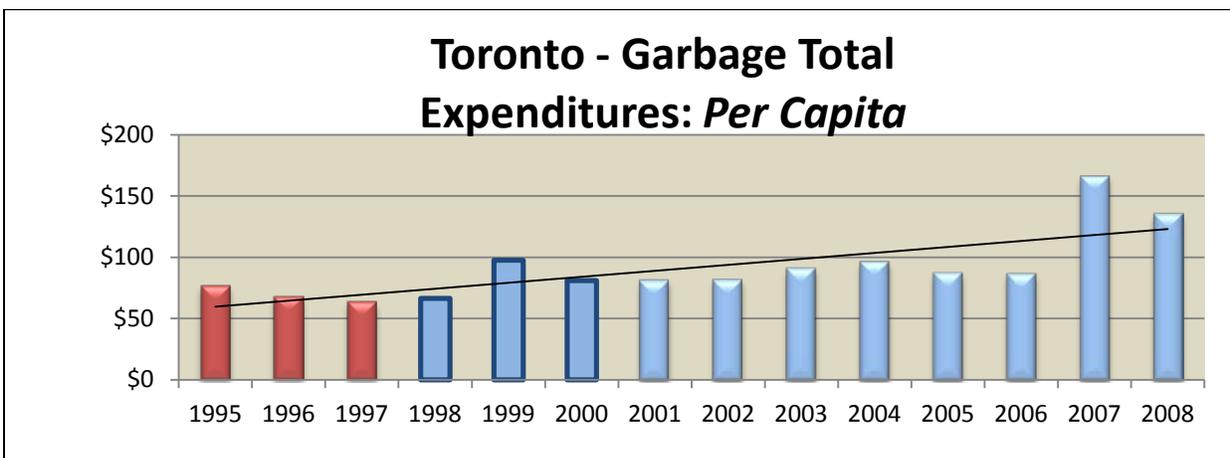
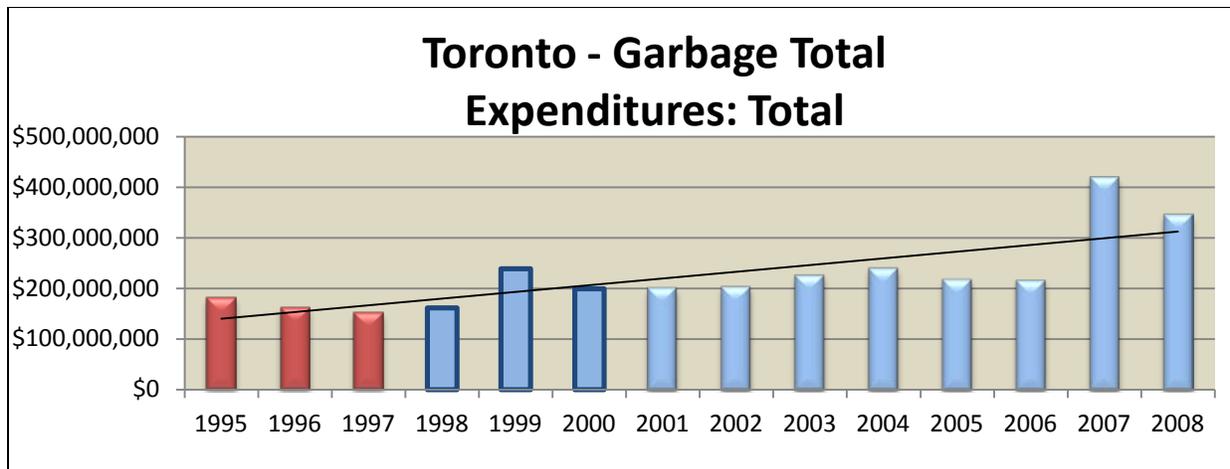
Total expenditures on garbage increased by 46.92% with a *per capita* increase of 40.34% between the pre- and post-amalgamation time period. In the first three years following amalgamation, total average costs increased by 20.74% while *per capita* spending increased by 17.62%.



Year (Amalgamation Status)	Garbage Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 27,756,917	\$ 11.74
1996 (Pre-Amalgamation)	\$ 22,888,002	\$ 9.59
1997 (Pre-Amalgamation)	\$ 15,497,481	\$ 6.45
1998 (Post-Amalgamation)	\$ 17,343,229	\$ 7.14
1999 (Post-Amalgamation)	\$ 89,125,937	\$ 36.46
2000 (Post-Amalgamation)	\$ 20,392,769	\$ 8.29
2001 (Post-Amalgamation)	\$ 17,081,466	\$ 6.88
2002 (Post-Amalgamation)	\$ 10,070,276	\$ 4.05
2003 (Post-Amalgamation)	\$ 19,677,348	\$ 7.90
2004 (Post-Amalgamation)	\$ 38,594,694	\$ 15.47
2005 (Post-Amalgamation)	\$ 26,042,091	\$ 10.42
2006 (Post-Amalgamation)	\$ 9,968,172	\$ 3.98
2007 (Post-Amalgamation)	\$ 217,006,909	\$ 85.92
2008 (Post-Amalgamation)	\$ 71,970,604	\$ 28.25
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 22,047,467	\$ 9.26
Post-Amalgamation Period (1998-2008)	\$ 48,843,045	\$ 19.52
Percent Change between Pre- and Post-Amalgamation Periods	121.54%	110.75%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 42,287,312	\$ 17.30
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	91.80%	86.71%



Year (Amalgamation Status)	Garbage Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 153,829,871	\$ 65.09
1996 (Pre-Amalgamation)	\$ 139,191,900	\$ 58.35
1997 (Pre-Amalgamation)	\$ 136,895,492	\$ 57.01
1998 (Post-Amalgamation)	\$ 143,803,377	\$ 59.22
1999 (Post-Amalgamation)	\$ 149,607,305	\$ 61.20
2000 (Post-Amalgamation)	\$ 178,685,206	\$ 72.61
2001 (Post-Amalgamation)	\$ 184,931,171	\$ 74.52
2002 (Post-Amalgamation)	\$ 193,906,310	\$ 78.00
2003 (Post-Amalgamation)	\$ 207,310,209	\$ 83.25
2004 (Post-Amalgamation)	\$ 202,091,003	\$ 81.01
2005 (Post-Amalgamation)	\$ 192,593,006	\$ 77.07
2006 (Post-Amalgamation)	\$ 206,997,806	\$ 82.69
2007 (Post-Amalgamation)	\$ 202,051,181	\$ 80.00
2008 (Post-Amalgamation)	\$ 273,050,724	\$ 107.16
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 143,305,754	\$ 60.15
Post-Amalgamation Period (1998-2008)	\$ 194,093,391	\$ 77.89
Percent Change between Pre- and Post-Amalgamation Periods	35.44%	29.49%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 157,365,296	\$ 64.35
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	9.81%	6.98%



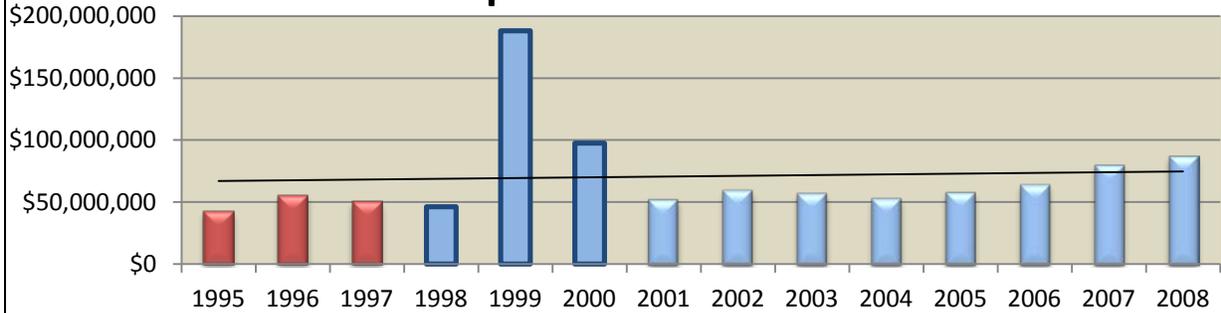
Year (Amalgamation Status)	Garbage Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 181,586,788	\$ 76.83
1996 (Pre-Amalgamation)	\$ 162,079,902	\$ 67.95
1997 (Pre-Amalgamation)	\$ 152,392,973	\$ 63.46
1998 (Post-Amalgamation)	\$ 161,146,606	\$ 66.37
1999 (Post-Amalgamation)	\$ 238,733,242	\$ 97.67
2000 (Post-Amalgamation)	\$ 199,077,975	\$ 80.90
2001 (Post-Amalgamation)	\$ 202,012,637	\$ 81.41
2002 (Post-Amalgamation)	\$ 203,976,586	\$ 82.06
2003 (Post-Amalgamation)	\$ 226,987,557	\$ 91.15
2004 (Post-Amalgamation)	\$ 240,685,697	\$ 96.48
2005 (Post-Amalgamation)	\$ 218,635,097	\$ 87.49
2006 (Post-Amalgamation)	\$ 216,965,978	\$ 86.67
2007 (Post-Amalgamation)	\$ 419,058,090	\$ 165.92
2008 (Post-Amalgamation)	\$ 345,021,328	\$ 135.41
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 165,353,221	\$ 69.41
Post-Amalgamation Period (1998-2008)	\$ 242,936,436	\$ 97.41
Percent Change between Pre- and Post-Amalgamation Periods	46.92%	40.34%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 199,652,608	\$ 81.64
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	20.74%	17.62%

Capital expenditures related to general government spending increased 123.44% in the three-year period following amalgamation with a *per capita* increase of 117.74%. Total capital expenditures for the entire post-amalgamation period were more moderate at 54.84% or 48.69% *per capita*.

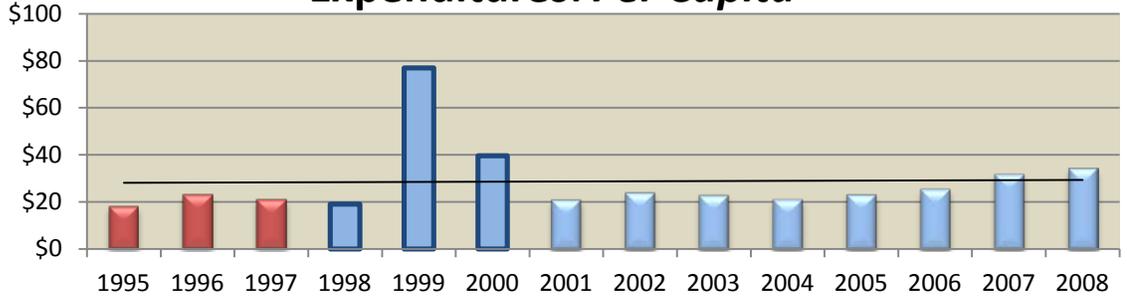
General government operating expenditures decreased by 8.21% in the three-year period after amalgamation while *per capita* expenditures were lower by 10.43%. Operating costs continued to fall and were, on average, lower by 19.85% or 23.18% *per capita* compared to the pre-amalgamation average.

Total overall spending on general government expenses decreased by 14.95% with a *per capita* decrease of 18.47%. The three-year period following amalgamation saw a negligible increase of .43% but a *per capita* decrease of 2.03% compared to the pre-amalgamation period.

## Toronto - General Government Capital Expenditures: Total

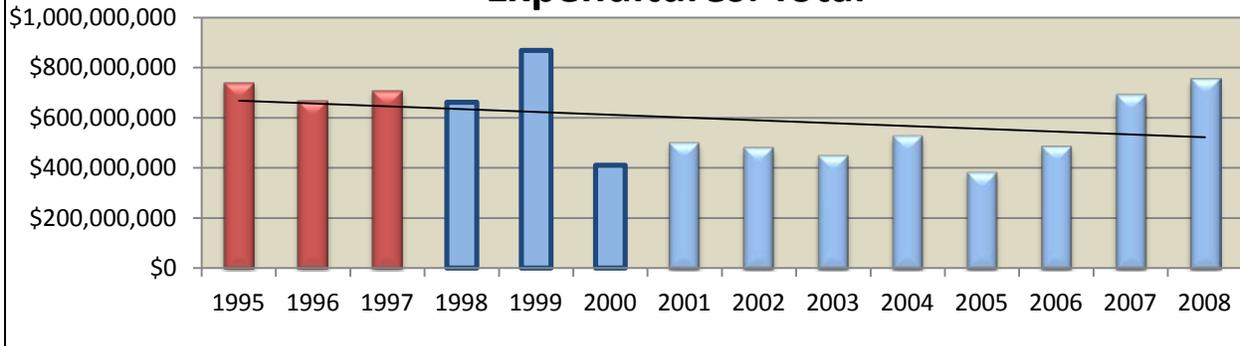


## Toronto - General Government Capital Expenditures: *Per Capita*

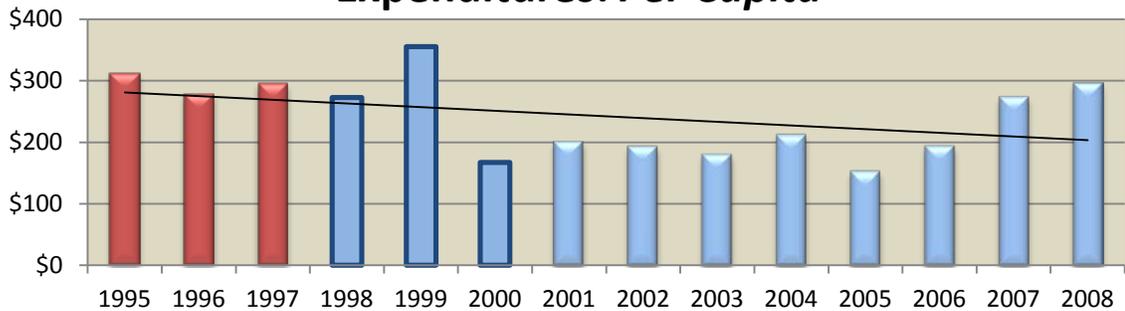


Year (Amalgamation Status)	General Government Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 42,632,185	\$ 18.04
1996 (Pre-Amalgamation)	\$ 55,291,274	\$ 23.18
1997 (Pre-Amalgamation)	\$ 50,655,215	\$ 21.09
1998 (Post-Amalgamation)	\$ 46,210,606	\$ 19.03
1999 (Post-Amalgamation)	\$ 188,198,037	\$ 76.99
2000 (Post-Amalgamation)	\$ 97,579,631	\$ 39.65
2001 (Post-Amalgamation)	\$ 52,335,829	\$ 21.09
2002 (Post-Amalgamation)	\$ 59,888,676	\$ 24.09
2003 (Post-Amalgamation)	\$ 57,330,204	\$ 23.02
2004 (Post-Amalgamation)	\$ 53,041,457	\$ 21.26
2005 (Post-Amalgamation)	\$ 58,096,693	\$ 23.25
2006 (Post-Amalgamation)	\$ 64,084,942	\$ 25.60
2007 (Post-Amalgamation)	\$ 79,788,789	\$ 31.59
2008 (Post-Amalgamation)	\$ 86,983,117	\$ 34.14
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 49,526,225	\$ 20.77
Post-Amalgamation Period (1998-2008)	\$ 76,685,271	\$ 30.88
Percent Change between Pre- and Post-Amalgamation Periods	54.84%	48.69%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 110,662,758	\$ 45.23
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	123.44%	117.74%

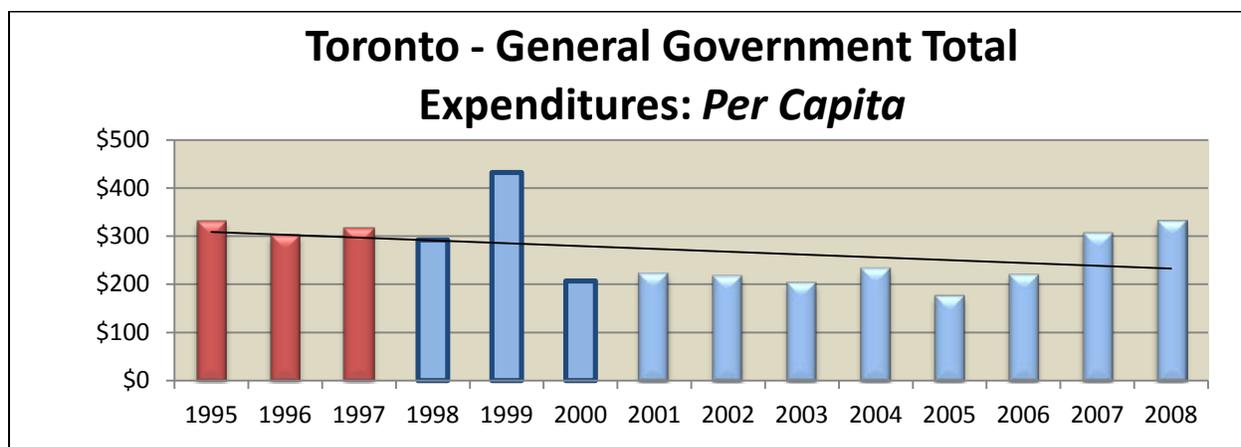
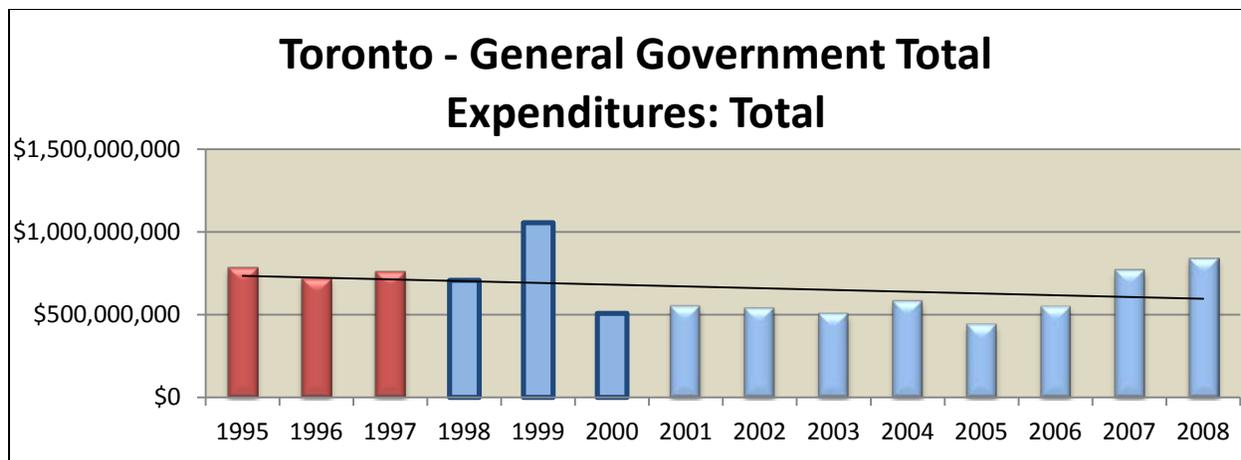
## Toronto - General Government Operating Expenditures: Total



## Toronto - General Government Operating Expenditures: *Per Capita*



Year (Amalgamation Status)	General Government Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 740,862,483	\$ 313.46
1996 (Pre-Amalgamation)	\$ 666,176,948	\$ 279.27
1997 (Pre-Amalgamation)	\$ 708,728,604	\$ 295.13
1998 (Post-Amalgamation)	\$ 662,537,378	\$ 272.86
1999 (Post-Amalgamation)	\$ 868,733,242	\$ 355.40
2000 (Post-Amalgamation)	\$ 410,881,987	\$ 166.97
2001 (Post-Amalgamation)	\$ 500,156,041	\$ 201.55
2002 (Post-Amalgamation)	\$ 481,210,100	\$ 193.58
2003 (Post-Amalgamation)	\$ 449,985,003	\$ 180.70
2004 (Post-Amalgamation)	\$ 529,198,664	\$ 212.14
2005 (Post-Amalgamation)	\$ 383,315,133	\$ 153.39
2006 (Post-Amalgamation)	\$ 486,452,633	\$ 194.33
2007 (Post-Amalgamation)	\$ 691,189,804	\$ 273.67
2008 (Post-Amalgamation)	\$ 754,537,932	\$ 296.13
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 705,256,012	\$ 295.95
Post-Amalgamation Period (1998-2008)	\$ 565,290,720	\$ 227.34
Percent Change between Pre- and Post-Amalgamation Periods	-19.85%	-23.18%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 647,384,202	\$ 265
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-8.21%	-10.43%

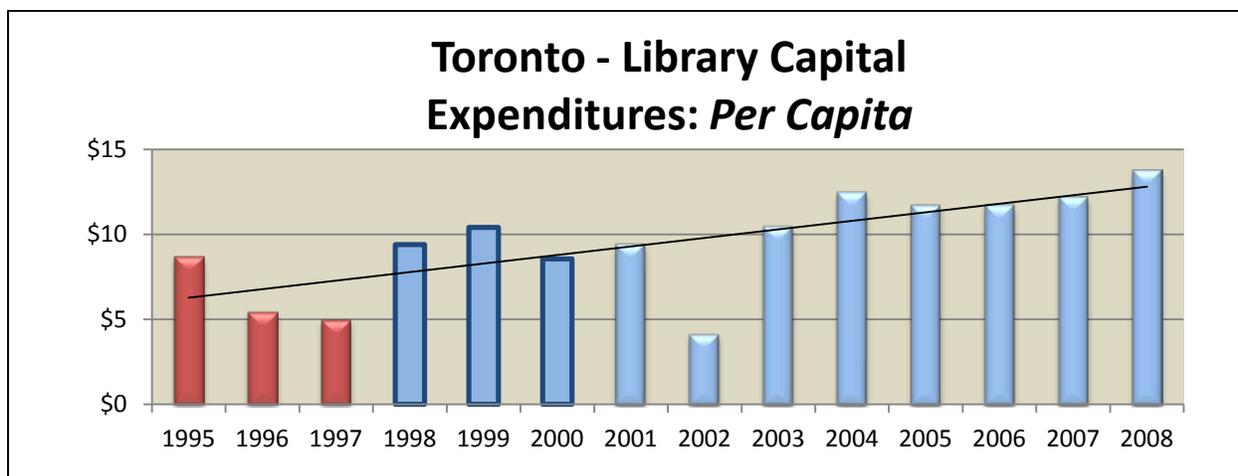
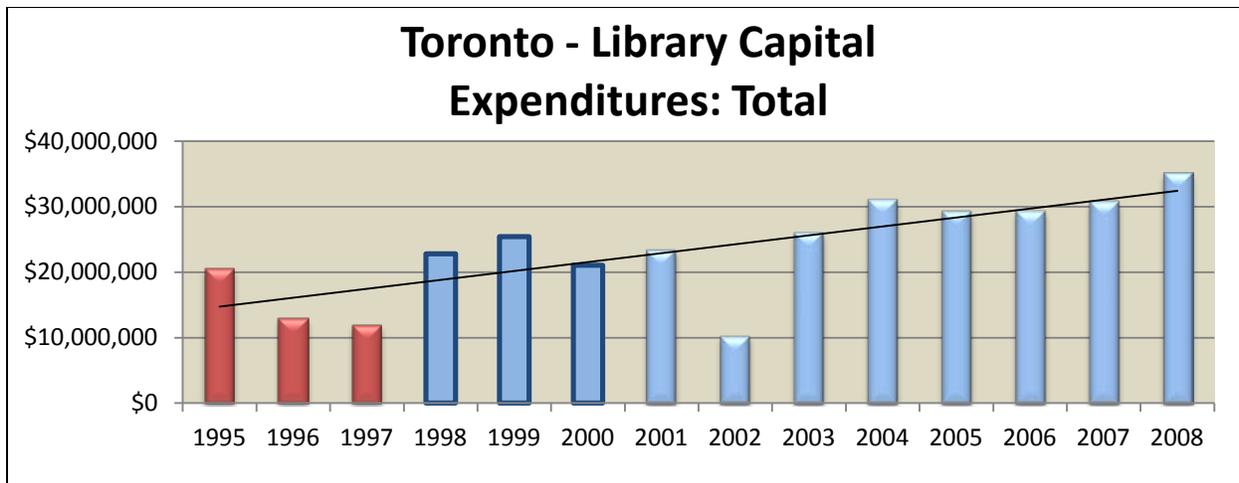


Year (Amalgamation Status)	General Government Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 783,494,668	\$ 331.50
1996 (Pre-Amalgamation)	\$ 721,468,222	\$ 302.45
1997 (Pre-Amalgamation)	\$ 759,383,819	\$ 316.22
1998 (Post-Amalgamation)	\$ 708,747,984	\$ 291.89
1999 (Post-Amalgamation)	\$ 1,056,931,279	\$ 432.39
2000 (Post-Amalgamation)	\$ 508,461,618	\$ 206.62
2001 (Post-Amalgamation)	\$ 552,491,870	\$ 222.64
2002 (Post-Amalgamation)	\$ 541,098,776	\$ 217.67
2003 (Post-Amalgamation)	\$ 507,315,207	\$ 203.72
2004 (Post-Amalgamation)	\$ 582,240,121	\$ 233.40
2005 (Post-Amalgamation)	\$ 441,411,826	\$ 176.64
2006 (Post-Amalgamation)	\$ 550,537,575	\$ 219.93
2007 (Post-Amalgamation)	\$ 770,978,593	\$ 305.26
2008 (Post-Amalgamation)	\$ 841,521,049	\$ 330.27
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 754,782,236	\$ 316.72
Post-Amalgamation Period (1998-2008)	\$ 641,975,991	\$ 258.22
Percent Change between Pre- and Post-Amalgamation Periods	-14.95%	-18.47%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 758,046,960	\$ 310
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	0.43%	-2.03%

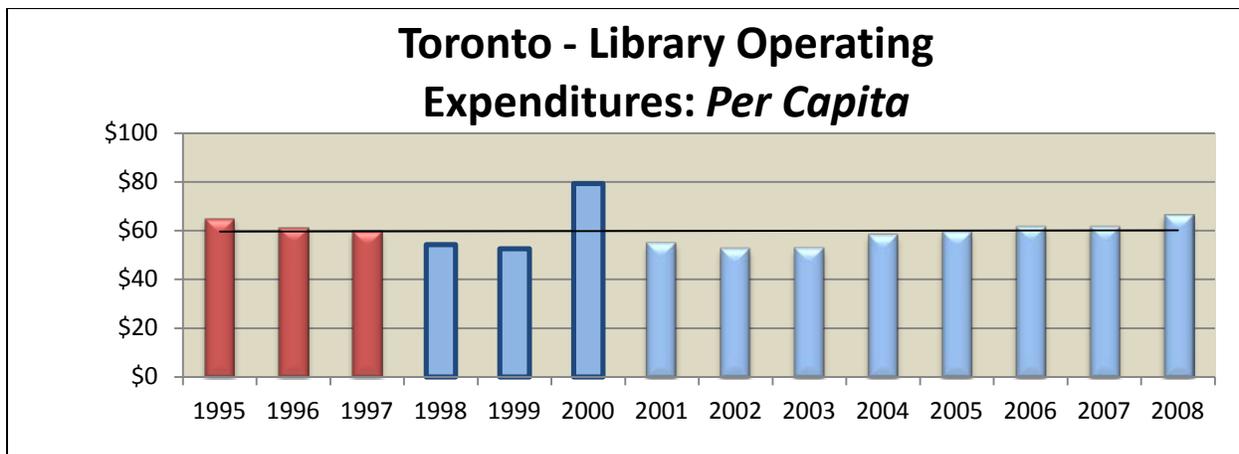
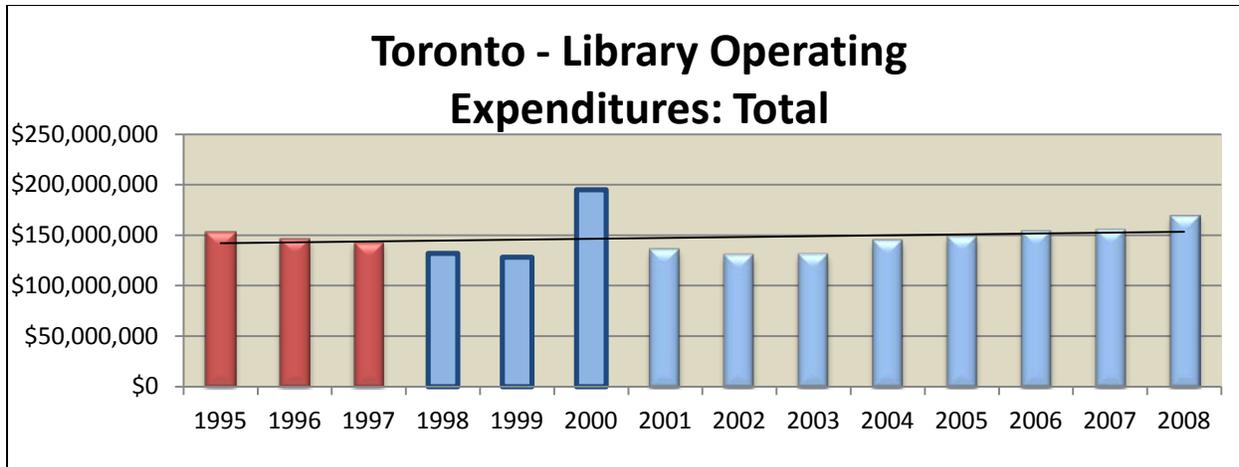
In the three-year period following amalgamation, average spending on library capital expenses rose 52.53% or 48.52% *per capita*. Average total expenditures on library capital expenses rose 70.98% or 48.52% *per capita* between the pre- and post-amalgamation time periods.

Library operating costs in the three-year post amalgamation period rose slightly by 2.80% yet the *per capita* increase was a mere .12%. Total library operating costs were .07% higher on average yet when population was considered, the data shows a *per capita* decrease of 4.17% on average.

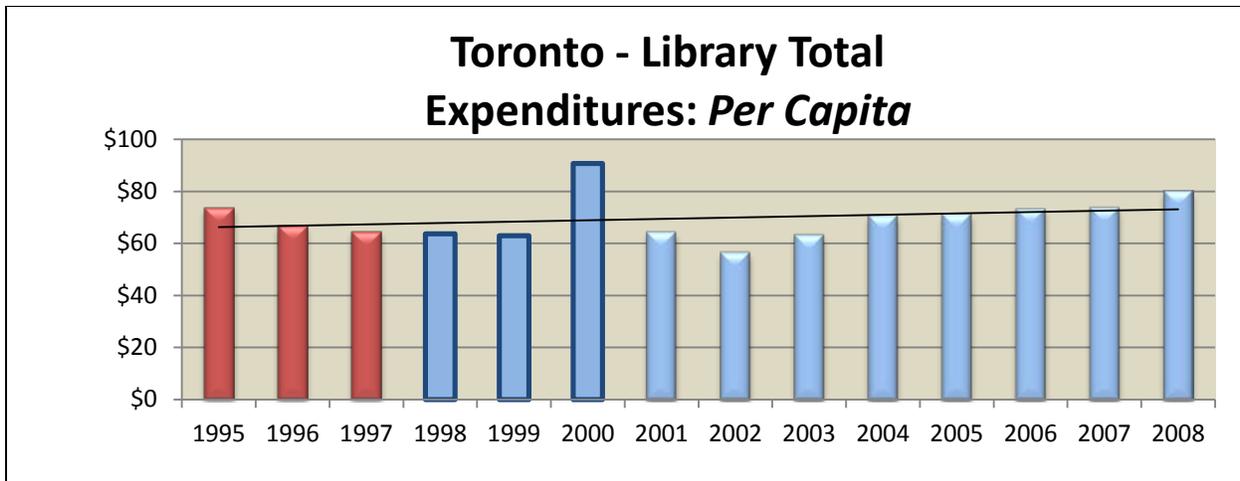
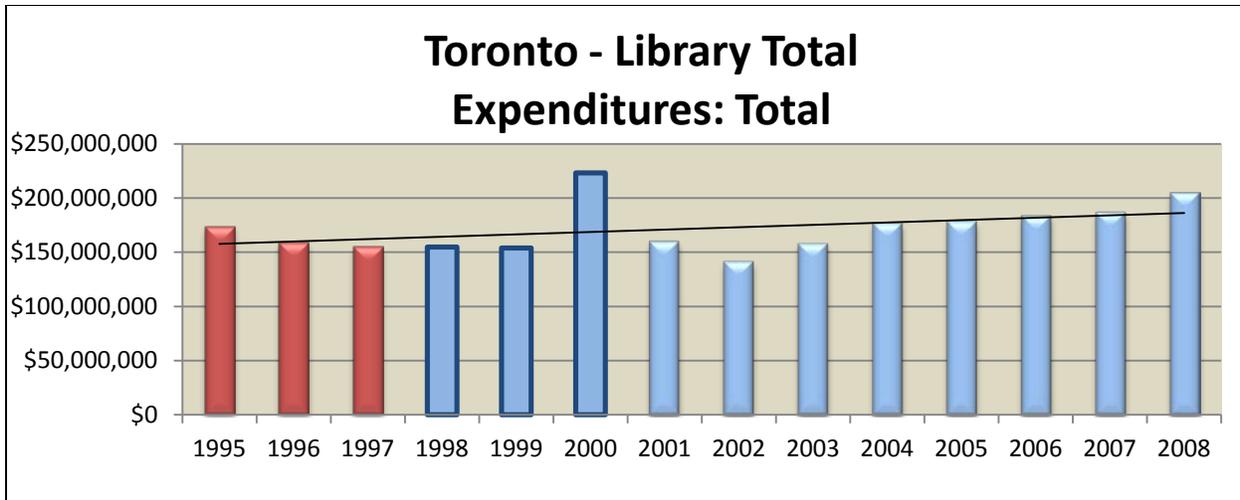
A review of total library expenditures reveals an average increase between the pre- and post-amalgamation period of 7.06% with a *per capita* change of 2.50%. These numbers are lower than the increase seen in the first three years following amalgamation where average costs increased 8.88% and 6.04% *per capita*.



Year (Amalgamation Status)	Library Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 20,546,680	\$ 8.69
1996 (Pre-Amalgamation)	\$ 12,951,880	\$ 5.43
1997 (Pre-Amalgamation)	\$ 11,959,362	\$ 4.98
1998 (Post-Amalgamation)	\$ 22,829,945	\$ 9.40
1999 (Post-Amalgamation)	\$ 25,455,505	\$ 10.41
2000 (Post-Amalgamation)	\$ 21,052,290	\$ 8.56
2001 (Post-Amalgamation)	\$ 23,404,392	\$ 9.43
2002 (Post-Amalgamation)	\$ 10,382,180	\$ 4.18
2003 (Post-Amalgamation)	\$ 26,081,533	\$ 10.47
2004 (Post-Amalgamation)	\$ 31,136,520	\$ 12.48
2005 (Post-Amalgamation)	\$ 29,299,906	\$ 11.73
2006 (Post-Amalgamation)	\$ 29,384,397	\$ 11.74
2007 (Post-Amalgamation)	\$ 30,821,745	\$ 12.20
2008 (Post-Amalgamation)	\$ 35,133,271	\$ 13.79
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 15,152,641	\$ 6.37
Post-Amalgamation Period (1998-2008)	\$ 25,907,426	\$ 10.40
Percent Change between Pre- and Post-Amalgamation Periods	70.98%	63.31%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 23,112,580	\$ 9
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	52.53%	48.52%



Year (Amalgamation Status)	Library Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 153,499,805	\$ 64.95
1996 (Pre-Amalgamation)	\$ 146,204,640	\$ 61.29
1997 (Pre-Amalgamation)	\$ 143,286,867	\$ 59.67
1998 (Post-Amalgamation)	\$ 131,914,596	\$ 54.33
1999 (Post-Amalgamation)	\$ 128,356,381	\$ 52.51
2000 (Post-Amalgamation)	\$ 195,125,109	\$ 79.29
2001 (Post-Amalgamation)	\$ 136,179,543	\$ 54.88
2002 (Post-Amalgamation)	\$ 130,608,096	\$ 52.54
2003 (Post-Amalgamation)	\$ 131,472,938	\$ 52.80
2004 (Post-Amalgamation)	\$ 145,059,956	\$ 58.15
2005 (Post-Amalgamation)	\$ 148,793,673	\$ 59.54
2006 (Post-Amalgamation)	\$ 153,695,572	\$ 61.40
2007 (Post-Amalgamation)	\$ 155,225,290	\$ 61.46
2008 (Post-Amalgamation)	\$ 168,955,264	\$ 66.31
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 147,663,771	\$ 61.97
Post-Amalgamation Period (1998-2008)	\$ 147,762,402	\$ 59.38
Percent Change between Pre- and Post-Amalgamation Periods	0.07%	-4.17%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 151,798,695	\$ 62
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	2.80%	0.12%



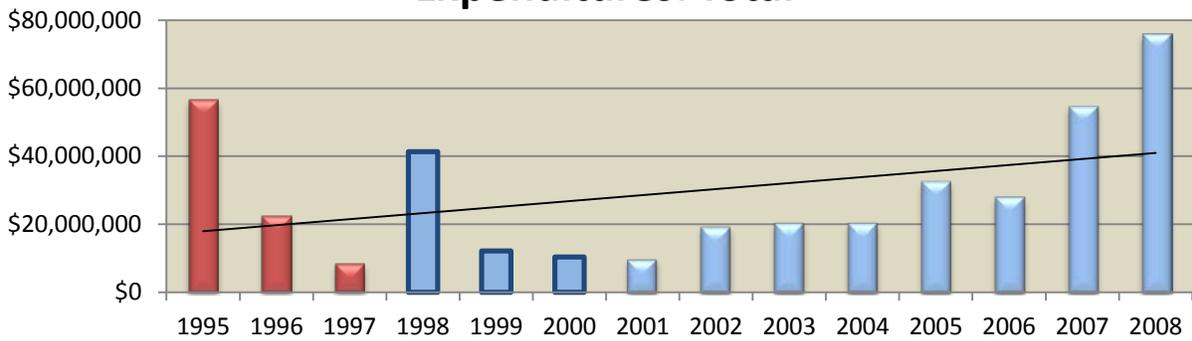
Year (Amalgamation Status)	Library Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 174,046,485	\$ 73.64
1996 (Pre-Amalgamation)	\$ 159,156,520	\$ 66.72
1997 (Pre-Amalgamation)	\$ 155,246,229	\$ 64.65
1998 (Post-Amalgamation)	\$ 154,744,541	\$ 63.73
1999 (Post-Amalgamation)	\$ 153,811,886	\$ 62.92
2000 (Post-Amalgamation)	\$ 223,275,431	\$ 90.73
2001 (Post-Amalgamation)	\$ 159,583,935	\$ 64.31
2002 (Post-Amalgamation)	\$ 140,990,276	\$ 56.72
2003 (Post-Amalgamation)	\$ 157,554,471	\$ 63.27
2004 (Post-Amalgamation)	\$ 176,196,476	\$ 70.63
2005 (Post-Amalgamation)	\$ 178,093,579	\$ 71.27
2006 (Post-Amalgamation)	\$ 183,079,969	\$ 73.14
2007 (Post-Amalgamation)	\$ 186,047,035	\$ 73.66
2008 (Post-Amalgamation)	\$ 204,088,535	\$ 80.10
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 162,816,411	\$ 68.34
Post-Amalgamation Period (1998-2008)	\$ 174,315,103	\$ 70.04
Percent Change between Pre- and Post-Amalgamation Periods	7.06%	2.50%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 177,277,286	\$ 72
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	8.88%	6.04%

Spending on planning capital expenses decreased dramatically in the first three-years following amalgamation with a decrease of 26.75% or a *per capita* decrease of 28.67%. Total average planning capital expenditures rose by a modest 1.82% compared to the pre-amalgamation period however the *per capita* percentage actually decreased by 3.38%.

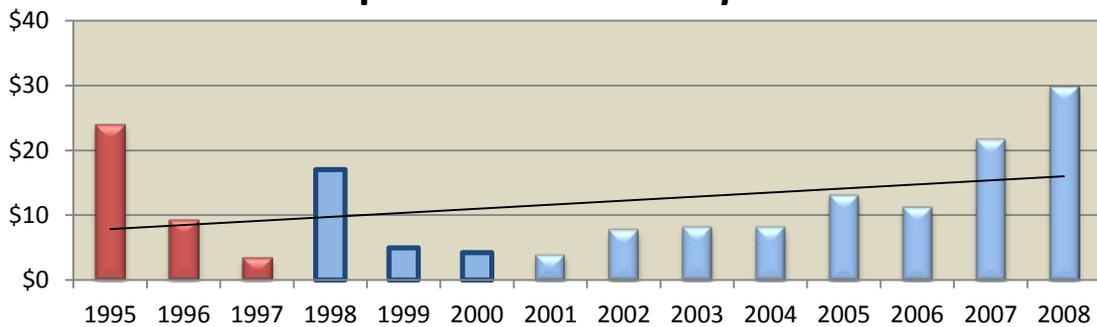
Operating expenditures related to planning increased in the three-year period following amalgamation by 252.02% or 244.16% *per capita*. A significant decrease in spending was found after the year 2000 with the average operating expenditure rising by 53.92% or 48.84% *per capita*.

When viewed as a whole, total planning expenditures increased by 180.09% (173.55% *per capita*) in the three-year period following amalgamation. Average total expenditures increased 40.48% (35.33% *per capita*) compared to the pre-amalgamation time period.

### Toronto - Planning Capital Expenditures: Total

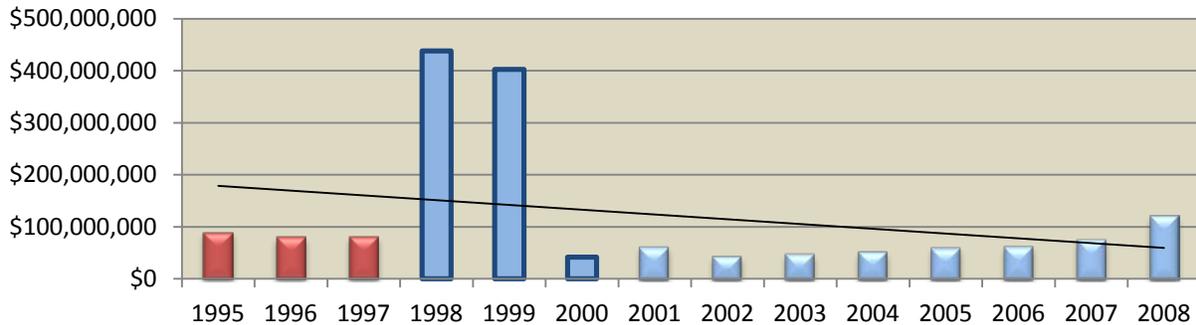


### Toronto - Planning Capital Expenditures: Per Capita

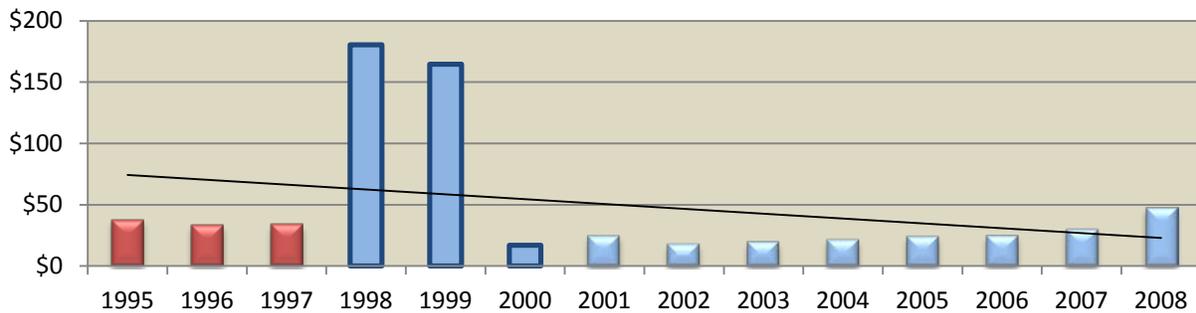


Year (Amalgamation Status)	Planning Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 56,616,772	\$ 23.95
1996 (Pre-Amalgamation)	\$ 22,268,053	\$ 9.34
1997 (Pre-Amalgamation)	\$ 8,286,658	\$ 3.45
1998 (Post-Amalgamation)	\$ 41,305,798	\$ 17.01
1999 (Post-Amalgamation)	\$ 12,170,379	\$ 4.98
2000 (Post-Amalgamation)	\$ 10,379,170	\$ 4.22
2001 (Post-Amalgamation)	\$ 9,870,594	\$ 3.98
2002 (Post-Amalgamation)	\$ 19,374,280	\$ 7.79
2003 (Post-Amalgamation)	\$ 20,448,969	\$ 8.21
2004 (Post-Amalgamation)	\$ 20,421,606	\$ 8.19
2005 (Post-Amalgamation)	\$ 32,750,722	\$ 13.11
2006 (Post-Amalgamation)	\$ 28,173,023	\$ 11.25
2007 (Post-Amalgamation)	\$ 54,751,767	\$ 21.68
2008 (Post-Amalgamation)	\$ 75,802,192	\$ 29.75
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 29,057,161	\$ 12.25
Post-Amalgamation Period (1998-2008)	\$ 29,586,227	\$ 11.83
Percent Change between Pre- and Post-Amalgamation Periods	1.82%	-3.38%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 21,285,116	\$ 8.74
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-26.75%	-28.67%

## Toronto - Planning Operating Expenditures: Total

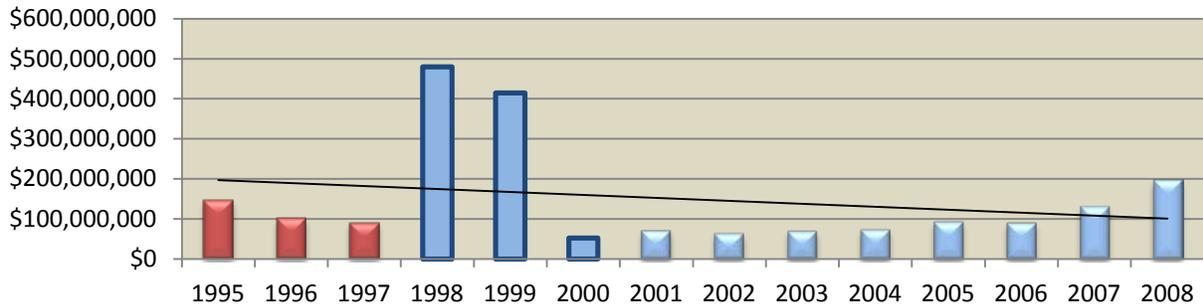


## Toronto - Planning Operating Expenditures: *Per Capita*

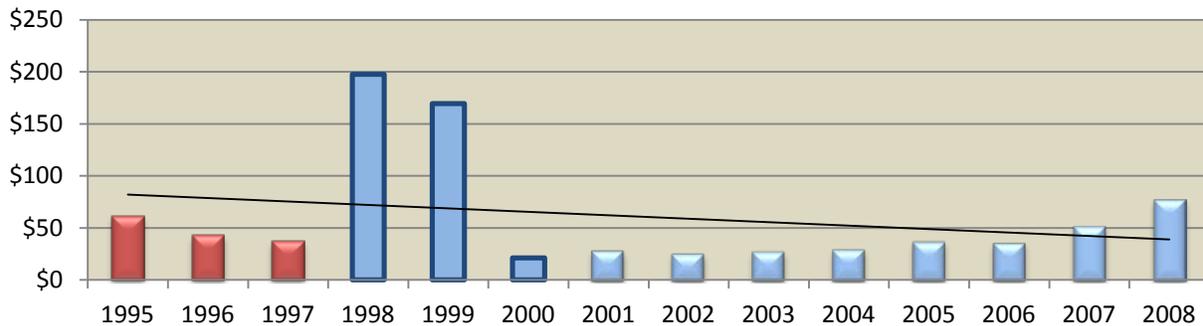


Year (Amalgamation Status)	Planning Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 89,392,252	\$ 37.82
1996 (Pre-Amalgamation)	\$ 80,154,825	\$ 33.60
1997 (Pre-Amalgamation)	\$ 81,127,127	\$ 33.78
1998 (Post-Amalgamation)	\$ 438,302,678	\$ 180.51
1999 (Post-Amalgamation)	\$ 402,460,678	\$ 164.65
2000 (Post-Amalgamation)	\$ 41,653,307	\$ 16.93
2001 (Post-Amalgamation)	\$ 62,163,853	\$ 25.05
2002 (Post-Amalgamation)	\$ 45,246,407	\$ 18.20
2003 (Post-Amalgamation)	\$ 49,705,312	\$ 19.96
2004 (Post-Amalgamation)	\$ 54,273,523	\$ 21.76
2005 (Post-Amalgamation)	\$ 60,938,608	\$ 24.39
2006 (Post-Amalgamation)	\$ 63,051,465	\$ 25.19
2007 (Post-Amalgamation)	\$ 75,910,320	\$ 30.06
2008 (Post-Amalgamation)	\$ 121,010,223	\$ 47.49
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 83,558,068	\$ 35.07
Post-Amalgamation Period (1998-2008)	\$ 128,610,579	\$ 52.20
Percent Change between Pre- and Post-Amalgamation Periods	53.92%	48.84%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 294,138,888	\$ 120.69
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	252.02%	244.16%

## Toronto - Planning Total Expenditures: Total



## Toronto - Planning Total Expenditures: *Per Capita*



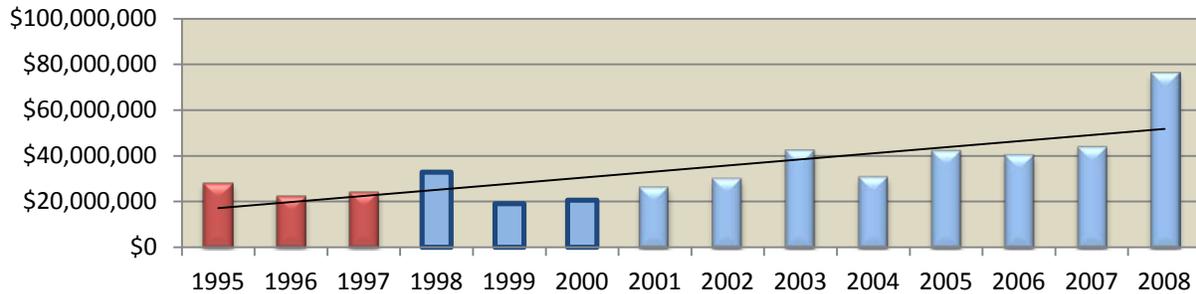
Year (Amalgamation Status)	Planning Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 146,009,024	\$ 61.78
1996 (Pre-Amalgamation)	\$ 102,422,878	\$ 42.94
1997 (Pre-Amalgamation)	\$ 89,413,785	\$ 37.23
1998 (Post-Amalgamation)	\$ 479,608,476	\$ 197.52
1999 (Post-Amalgamation)	\$ 414,631,057	\$ 169.62
2000 (Post-Amalgamation)	\$ 52,032,477	\$ 21.14
2001 (Post-Amalgamation)	\$ 72,034,447	\$ 29.03
2002 (Post-Amalgamation)	\$ 64,620,687	\$ 26.00
2003 (Post-Amalgamation)	\$ 70,154,281	\$ 28.17
2004 (Post-Amalgamation)	\$ 74,695,129	\$ 29.94
2005 (Post-Amalgamation)	\$ 93,689,330	\$ 37.49
2006 (Post-Amalgamation)	\$ 91,224,488	\$ 36.44
2007 (Post-Amalgamation)	\$ 130,662,087	\$ 51.73
2008 (Post-Amalgamation)	\$ 196,812,415	\$ 77.24
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 112,615,229	\$ 47.32
Post-Amalgamation Period (1998-2008)	\$ 158,196,807	\$ 64.03
Percent Change between Pre- and Post-Amalgamation Periods	40.48%	35.33%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 315,424,003	\$ 129.43
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	180.09%	173.55%

In the three-year period following amalgamation, police capital expenditures decreased an average of 2.85% or 5.21% *per capita* compared to the pre-amalgamation time period. Total capital expenditures when viewed across the entire post-amalgamation period, increased an average of 48.87% or 42.01% *per capita* compared to the pre-amalgamation period.

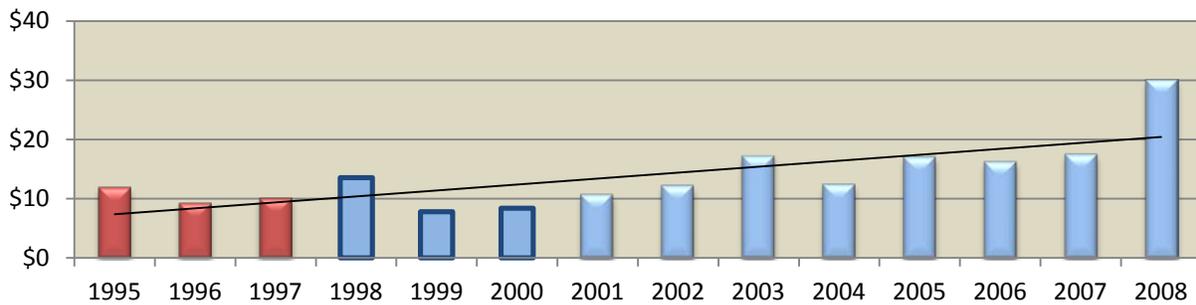
Average police operating expenditures increased by 18.76% or 13.65% *per capita* compared to the pre-amalgamation period. In the first three years following amalgamation, the average increase was only 2.67% or .09% *per capita*. As policing already was an amalgamated service in the City of Toronto, such a negligible increase immediately following amalgamation is not surprising and likely expected.

Total police expenditures increased an average of 19.97% (14.79% *per capita*) between the pre- and post-amalgamation period. In the first three-years following amalgamation only a small dollar increase was seen, averaging 2.45%, however when viewed on a *per capita* basis, the average increase over the same period fell by .12%.

## Toronto - Police Capital Expenditures: Total

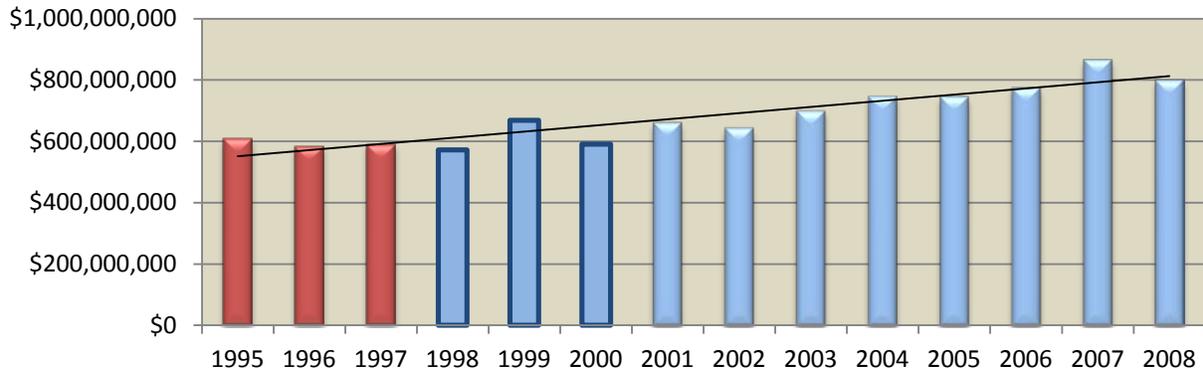


## Toronto - Police Capital Expenditures: *Per Capita*

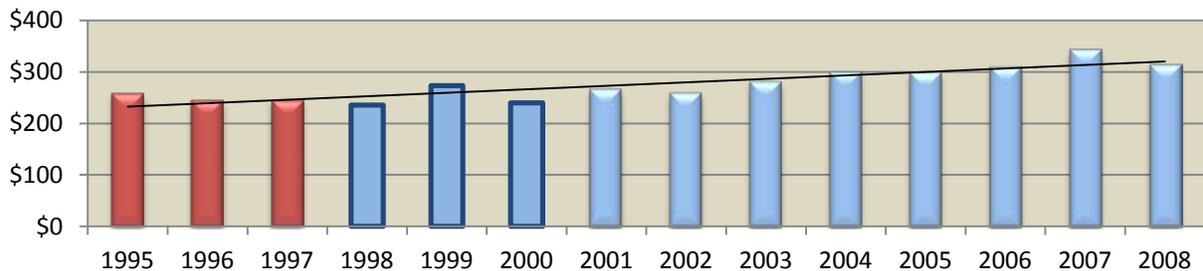


Year (Amalgamation Status)	Police Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 28,156,214	\$ 11.91
1996 (Pre-Amalgamation)	\$ 22,268,053	\$ 9.34
1997 (Pre-Amalgamation)	\$ 24,307,715	\$ 10.12
1998 (Post-Amalgamation)	\$ 32,870,819	\$ 13.54
1999 (Post-Amalgamation)	\$ 19,122,770	\$ 7.82
2000 (Post-Amalgamation)	\$ 20,606,321	\$ 8.37
2001 (Post-Amalgamation)	\$ 26,698,483	\$ 10.76
2002 (Post-Amalgamation)	\$ 30,496,266	\$ 12.27
2003 (Post-Amalgamation)	\$ 42,946,172	\$ 17.25
2004 (Post-Amalgamation)	\$ 31,163,251	\$ 12.49
2005 (Post-Amalgamation)	\$ 42,659,342	\$ 17.07
2006 (Post-Amalgamation)	\$ 40,735,020	\$ 16.27
2007 (Post-Amalgamation)	\$ 44,214,514	\$ 17.51
2008 (Post-Amalgamation)	\$ 76,429,805	\$ 30.00
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 24,910,661	\$ 10.46
Post-Amalgamation Period (1998-2008)	\$ 37,085,706	\$ 14.85
Percent Change between Pre- and Post-Amalgamation Periods	48.87%	42.01%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 24,199,970	\$ 9.91
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-2.85%	-5.21%

## Toronto - Police Operating Expenditures: Total

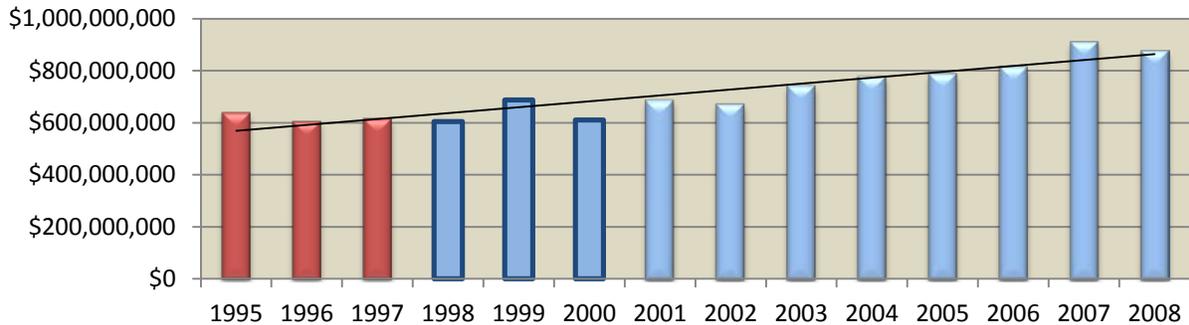


## Toronto - Police Operating Expenditures: *Per Capita*

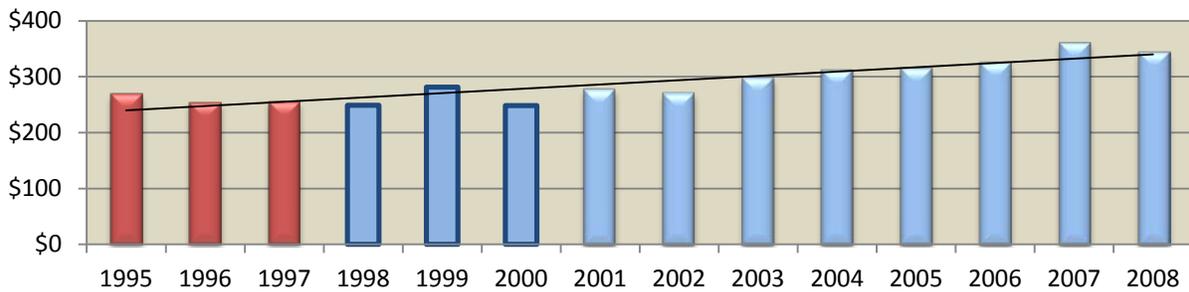


Year (Amalgamation Status)	Police Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 609,556,442	\$ 257.91
1996 (Pre-Amalgamation)	\$ 583,755,869	\$ 244.72
1997 (Pre-Amalgamation)	\$ 590,205,021	\$ 245.77
1998 (Post-Amalgamation)	\$ 571,895,235	\$ 235.53
1999 (Post-Amalgamation)	\$ 668,551,673	\$ 273.50
2000 (Post-Amalgamation)	\$ 590,695,525	\$ 240.04
2001 (Post-Amalgamation)	\$ 661,555,670	\$ 266.60
2002 (Post-Amalgamation)	\$ 643,571,004	\$ 258.89
2003 (Post-Amalgamation)	\$ 699,301,960	\$ 280.82
2004 (Post-Amalgamation)	\$ 746,130,749	\$ 299.10
2005 (Post-Amalgamation)	\$ 745,336,475	\$ 298.26
2006 (Post-Amalgamation)	\$ 774,155,035	\$ 309.26
2007 (Post-Amalgamation)	\$ 866,177,502	\$ 342.95
2008 (Post-Amalgamation)	\$ 799,197,058	\$ 313.66
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 594,505,777	\$ 249.47
Post-Amalgamation Period (1998-2008)	\$ 706,051,626	\$ 283.51
Percent Change between Pre- and Post-Amalgamation Periods	18.76%	13.65%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 610,380,811	\$ 249.69
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	2.67%	0.09%

## Toronto - Police Total Expenditures: Total



## Toronto - Police Total Expenditures: *Per Capita*



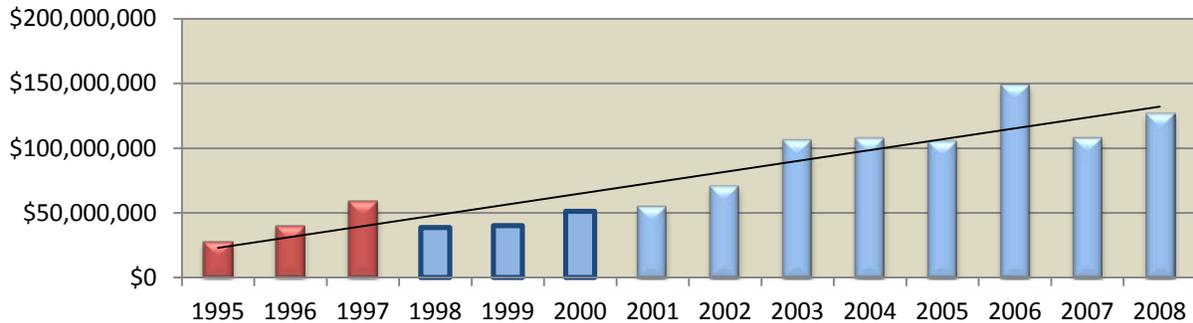
Year (Amalgamation Status)	Police Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 637,712,656	\$ 269.82
1996 (Pre-Amalgamation)	\$ 606,023,922	\$ 254.05
1997 (Pre-Amalgamation)	\$ 614,512,736	\$ 255.89
1998 (Post-Amalgamation)	\$ 604,766,054	\$ 249.07
1999 (Post-Amalgamation)	\$ 687,674,443	\$ 281.33
2000 (Post-Amalgamation)	\$ 611,301,846	\$ 248.41
2001 (Post-Amalgamation)	\$ 688,254,153	\$ 277.35
2002 (Post-Amalgamation)	\$ 674,067,270	\$ 271.16
2003 (Post-Amalgamation)	\$ 742,248,132	\$ 298.07
2004 (Post-Amalgamation)	\$ 777,294,000	\$ 311.59
2005 (Post-Amalgamation)	\$ 787,995,817	\$ 315.33
2006 (Post-Amalgamation)	\$ 814,890,055	\$ 325.53
2007 (Post-Amalgamation)	\$ 910,392,016	\$ 360.46
2008 (Post-Amalgamation)	\$ 875,626,863	\$ 343.65
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 619,416,438	\$ 259.92
Post-Amalgamation Period (1998-2008)	\$ 743,137,332	\$ 298.36
Percent Change between Pre- and Post-Amalgamation Periods	19.97%	14.79%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 634,580,781	\$ 259.60
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	2.45%	-0.12%

Capital expenditures related to waterworks increased on average 106.03% (96.95% *per capita*) more than the pre-amalgamation period. The vast majority of this increase did not happen in the first three years following amalgamation in the Greater Toronto Area as spending during that period increased by only 2.67% (.24% *per capita*) on average.

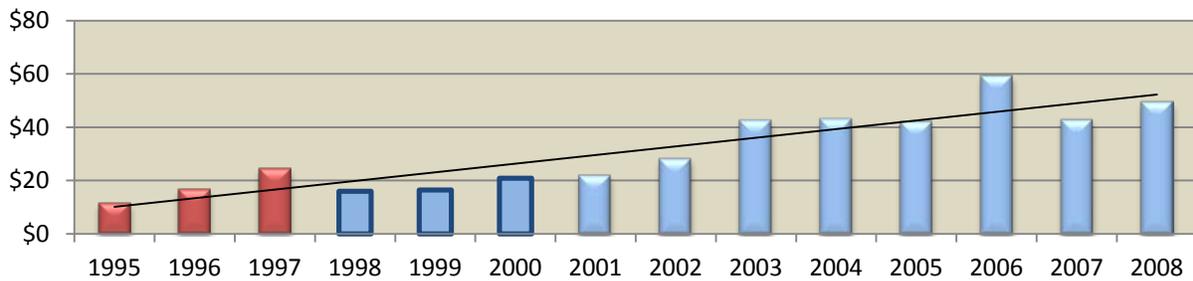
In the three year period following amalgamation, waterworks operating expenditures fell by an average of 3.65% *per capita* (-1.17% on a total dollar basis). Spending continued to rise for the remainder of the post-amalgamation period with an average total increase of 42.26% (36.19% *per capita*).

When capital and operating expenditures are viewed together, total waterworks spending was up an average of 53.02% post-amalgamation (46.43% *per capita*). All of this increase came following the three year post-amalgamation period which saw a decrease of .53% (2.99% *per capita*).

## Toronto - Waterworks Capital Expenditures: Total

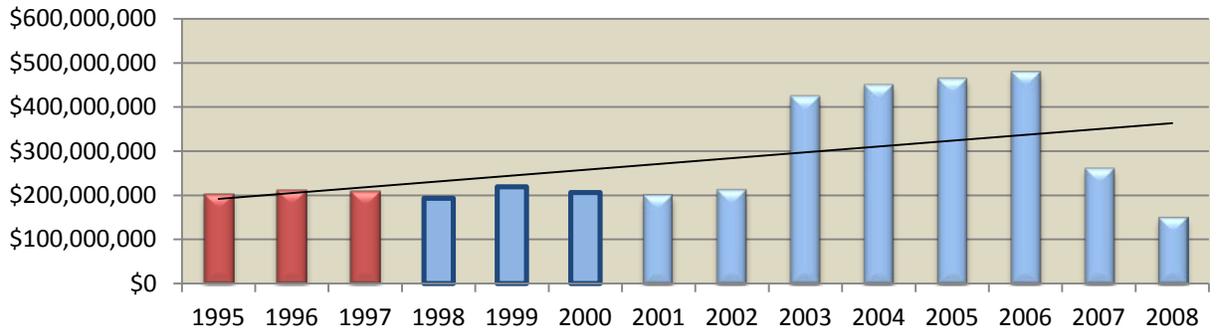


## Toronto - Waterworks Capital Expenditures: *Per Capita*

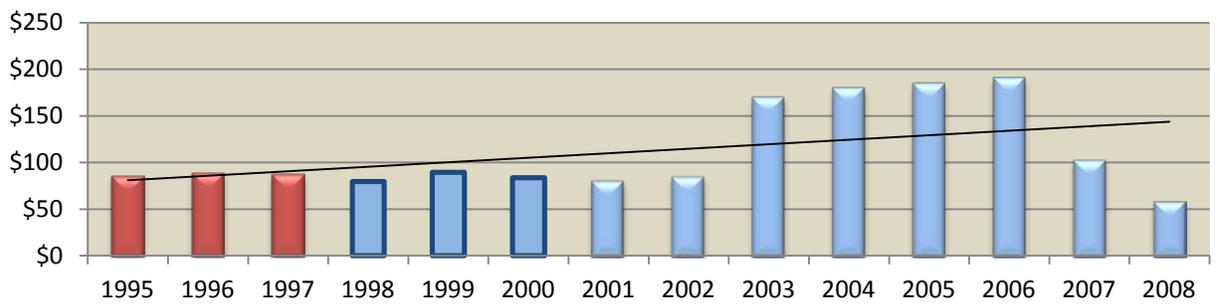


Year (Amalgamation Status)	Waterworks Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 27,595,570	\$ 11.68
1996 (Pre-Amalgamation)	\$ 40,280,370	\$ 16.89
1997 (Pre-Amalgamation)	\$ 59,027,442	\$ 24.58
1998 (Post-Amalgamation)	\$ 38,774,874	\$ 15.97
1999 (Post-Amalgamation)	\$ 40,160,456	\$ 16.43
2000 (Post-Amalgamation)	\$ 51,354,403	\$ 20.87
2001 (Post-Amalgamation)	\$ 55,248,077	\$ 22.26
2002 (Post-Amalgamation)	\$ 70,978,408	\$ 28.55
2003 (Post-Amalgamation)	\$ 106,363,623	\$ 42.71
2004 (Post-Amalgamation)	\$ 107,743,794	\$ 43.19
2005 (Post-Amalgamation)	\$ 105,311,154	\$ 42.14
2006 (Post-Amalgamation)	\$ 148,524,953	\$ 59.33
2007 (Post-Amalgamation)	\$ 108,091,658	\$ 42.80
2008 (Post-Amalgamation)	\$ 126,147,422	\$ 49.51
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 42,301,127	\$ 17.71
Post-Amalgamation Period (1998-2008)	\$ 87,154,438	\$ 34.89
Percent Change between Pre- and Post-Amalgamation Periods	106.03%	96.95%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 43,429,911	\$ 17.76
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	2.67%	0.24%

## Toronto - Waterworks Operating Expenditures: Total

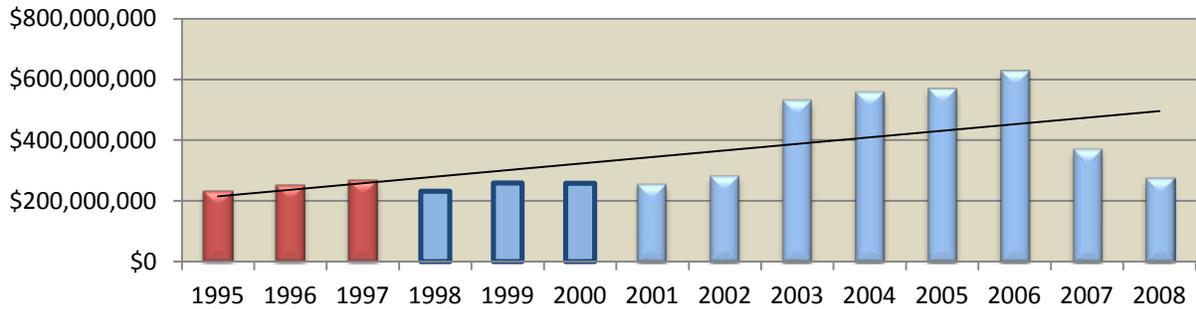


## Toronto - Waterworks Operating Expenditures: *Per Capita*

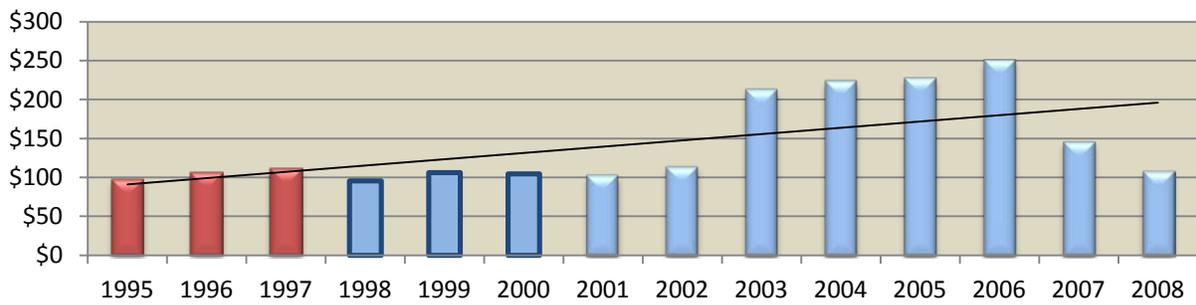


Year (Amalgamation Status)	Waterworks Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 203,513,490	\$ 86.11
1996 (Pre-Amalgamation)	\$ 212,541,032	\$ 89.10
1997 (Pre-Amalgamation)	\$ 209,449,362	\$ 87.22
1998 (Post-Amalgamation)	\$ 193,008,497	\$ 79.49
1999 (Post-Amalgamation)	\$ 218,984,482	\$ 89.59
2000 (Post-Amalgamation)	\$ 206,169,790	\$ 83.78
2001 (Post-Amalgamation)	\$ 201,679,407	\$ 81.27
2002 (Post-Amalgamation)	\$ 213,494,391	\$ 85.88
2003 (Post-Amalgamation)	\$ 423,976,734	\$ 170.26
2004 (Post-Amalgamation)	\$ 450,252,925	\$ 180.49
2005 (Post-Amalgamation)	\$ 463,560,440	\$ 185.50
2006 (Post-Amalgamation)	\$ 479,382,248	\$ 191.50
2007 (Post-Amalgamation)	\$ 261,523,696	\$ 103.55
2008 (Post-Amalgamation)	\$ 150,801,525	\$ 59.18
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 208,501,295	\$ 87.48
Post-Amalgamation Period (1998-2008)	\$ 296,621,285	\$ 119.14
Percent Change between Pre- and Post-Amalgamation Periods	42.26%	36.19%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 206,054,256	\$ 84.29
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-1.17%	-3.65%

## Toronto - Waterworks Total Expenditures: Total



## Toronto - Waterworks Total Expenditures: Per Capita



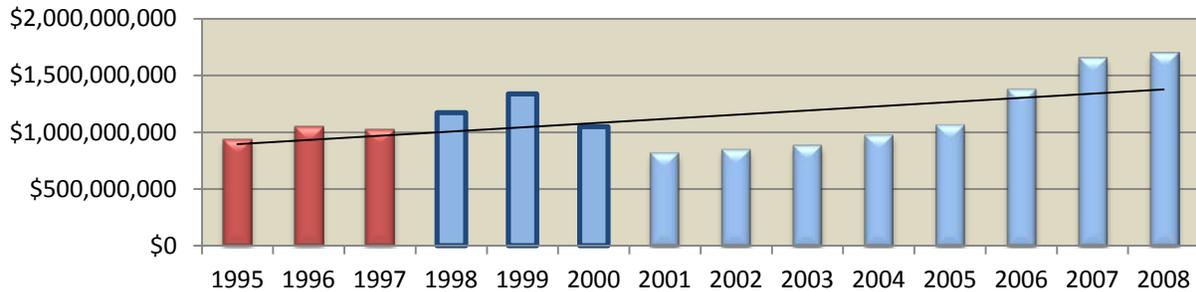
Year (Amalgamation Status)	Waterworks Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 231,109,060	\$ 97.78
1996 (Pre-Amalgamation)	\$ 252,821,402	\$ 105.99
1997 (Pre-Amalgamation)	\$ 268,476,804	\$ 111.80
1998 (Post-Amalgamation)	\$ 231,783,371	\$ 95.46
1999 (Post-Amalgamation)	\$ 259,144,938	\$ 106.02
2000 (Post-Amalgamation)	\$ 257,524,193	\$ 104.65
2001 (Post-Amalgamation)	\$ 256,927,484	\$ 103.54
2002 (Post-Amalgamation)	\$ 284,472,799	\$ 114.44
2003 (Post-Amalgamation)	\$ 530,340,357	\$ 212.97
2004 (Post-Amalgamation)	\$ 557,996,719	\$ 223.68
2005 (Post-Amalgamation)	\$ 568,871,594	\$ 227.65
2006 (Post-Amalgamation)	\$ 627,907,201	\$ 250.83
2007 (Post-Amalgamation)	\$ 369,615,354	\$ 146.35
2008 (Post-Amalgamation)	\$ 276,948,947	\$ 108.69
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 250,802,422	\$ 105.19
Post-Amalgamation Period (1998-2008)	\$ 383,775,723	\$ 154.02
Percent Change between Pre- and Post-Amalgamation Periods	53.02%	46.43%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 249,484,167	\$ 102.04
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-0.53%	-2.99%

As can be seen from the charts below, total capital spending in Toronto increased an average of 18.27% in the three years following amalgamation (15.37% *per capita*). Spending decreased following that period with an average total increase between the pre- and post-amalgamation period of 16.89% (11.88% *per capita*).

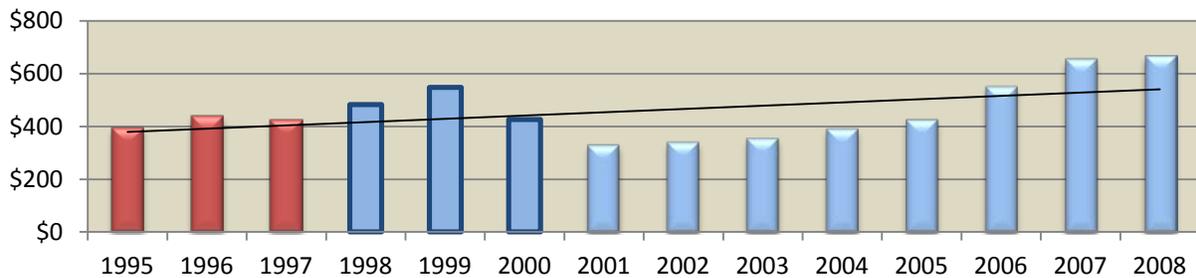
Total operating expenditures in the three year period after amalgamation were at or below the trend line for the entire data collection period rising 4.50% (1.86% *per capita*). In comparing the pre- and post-amalgamation time periods, the data reveals an average increase of 16.67% (11.66% *per capita*) following amalgamation.

When the total operating and capital budget is viewed as a whole, the average budget increase in Toronto in the first three years following amalgamation was 6.48% (3.80% *per capita*). The average increase over the entire post-amalgamation period was 16.71% higher (11.70% *per capita*) compared to the pre-amalgamation spending levels.

## Toronto - Capital Budget Expenditures: Total

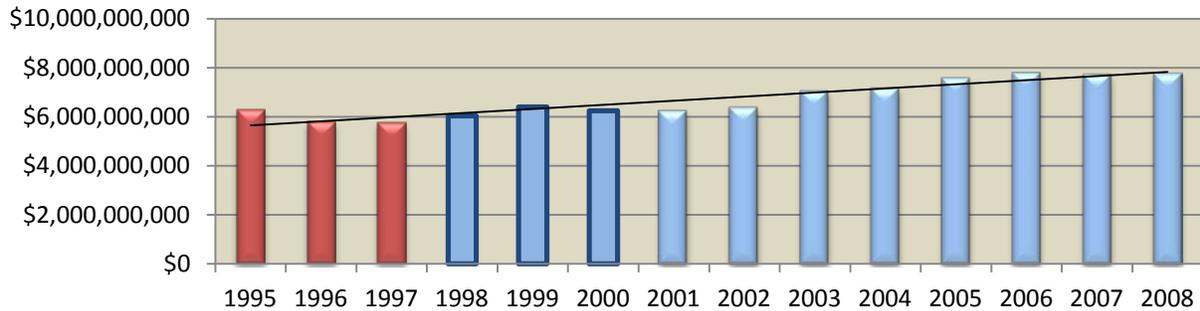


## Toronto - Capital Budget Expenditures: *Per Capita*

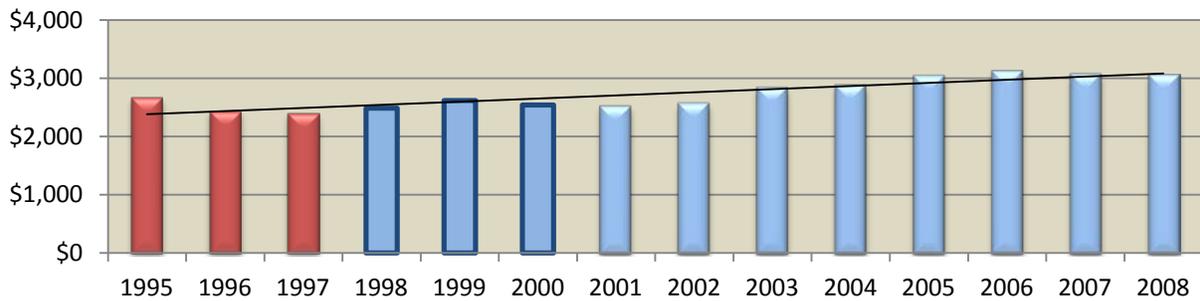


Year (Amalgamation Status)	Capital Budget Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 934,817,261	\$ 395.52
1996 (Pre-Amalgamation)	\$ 1,052,077,134	\$ 441.04
1997 (Pre-Amalgamation)	\$ 1,022,438,670	\$ 425.76
1998 (Post-Amalgamation)	\$ 1,172,188,878	\$ 482.76
1999 (Post-Amalgamation)	\$ 1,338,826,137	\$ 547.71
2000 (Post-Amalgamation)	\$ 1,048,005,819	\$ 425.88
2001 (Post-Amalgamation)	\$ 821,998,685	\$ 331.25
2002 (Post-Amalgamation)	\$ 849,707,892	\$ 341.82
2003 (Post-Amalgamation)	\$ 888,144,712	\$ 356.65
2004 (Post-Amalgamation)	\$ 979,388,210	\$ 392.61
2005 (Post-Amalgamation)	\$ 1,068,046,752	\$ 427.40
2006 (Post-Amalgamation)	\$ 1,377,397,568	\$ 550.24
2007 (Post-Amalgamation)	\$ 1,654,792,522	\$ 655.20
2008 (Post-Amalgamation)	\$ 1,699,775,018	\$ 667.10
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 1,003,111,022	\$ 420.78
Post-Amalgamation Period (1998-2008)	\$ 1,172,570,199	\$ 470.78
Percent Change between Pre- and Post-Amalgamation Periods	16.89%	11.88%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 1,186,340,278	\$ 485.45
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	18.27%	15.37%

## Toronto - Operating Budget Expenditures: Total

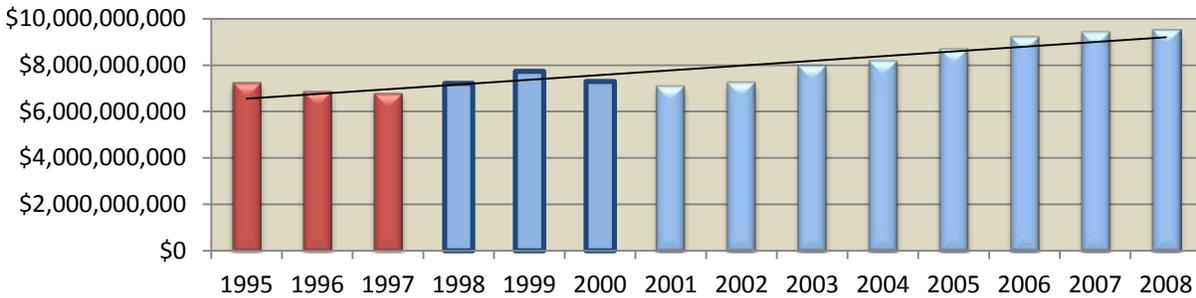


## Toronto - Operating Budget Expenditures: *Per Capita*

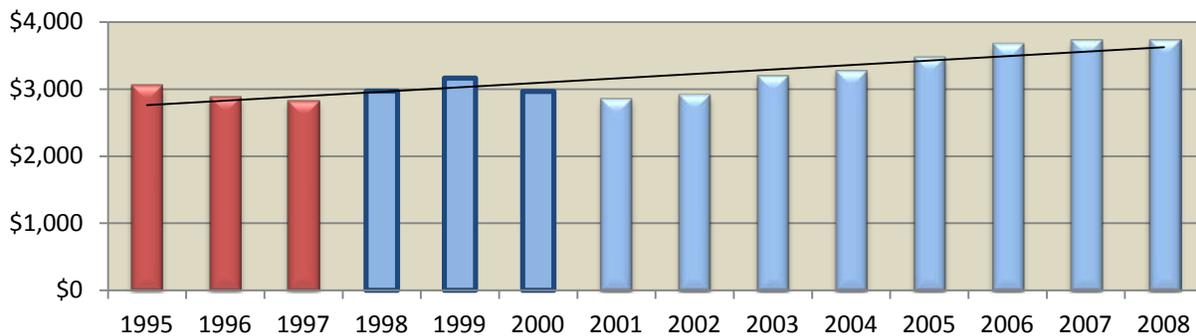


Year (Amalgamation Status)	Operating Budget	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 6,301,129,876	\$ 2,666.03
1996 (Pre-Amalgamation)	\$ 5,813,587,011	\$ 2,437.13
1997 (Pre-Amalgamation)	\$ 5,768,129,106	\$ 2,401.96
1998 (Post-Amalgamation)	\$ 6,039,951,597	\$ 2,487.51
1999 (Post-Amalgamation)	\$ 6,400,240,684	\$ 2,618.32
2000 (Post-Amalgamation)	\$ 6,247,695,226	\$ 2,538.88
2001 (Post-Amalgamation)	\$ 6,256,890,498	\$ 2,521.42
2002 (Post-Amalgamation)	\$ 6,389,329,984	\$ 2,570.28
2003 (Post-Amalgamation)	\$ 7,058,702,766	\$ 2,834.58
2004 (Post-Amalgamation)	\$ 7,175,695,547	\$ 2,876.53
2005 (Post-Amalgamation)	\$ 7,591,933,455	\$ 3,038.08
2006 (Post-Amalgamation)	\$ 7,814,961,900	\$ 3,121.89
2007 (Post-Amalgamation)	\$ 7,744,633,605	\$ 3,066.41
2008 (Post-Amalgamation)	\$ 7,783,741,288	\$ 3,054.85
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 5,960,948,664	\$ 2,501.71
Post-Amalgamation Period (1998-2008)	\$ 6,954,888,777	\$ 2,794
Percent Change between Pre- and Post-Amalgamation Periods	16.67%	11.66%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 6,229,295,836	\$ 2,548
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	4.50%	1.86%

## Toronto - Operating and Capital Budget Expenditures: Total



## Toronto - Operating and Capital Budget Expenditures: *Per Capita*



Year (Amalgamation Status)	Operating and Capital Budget - Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 7,235,947,137	\$ 3,061.55
1996 (Pre-Amalgamation)	\$ 6,865,664,145	\$ 2,878.18
1997 (Pre-Amalgamation)	\$ 6,790,567,776	\$ 2,827.72
1998 (Post-Amalgamation)	\$ 7,212,140,475	\$ 2,970.26
1999 (Post-Amalgamation)	\$ 7,739,066,821	\$ 3,166.03
2000 (Post-Amalgamation)	\$ 7,295,701,045	\$ 2,964.75
2001 (Post-Amalgamation)	\$ 7,078,889,183	\$ 2,852.67
2002 (Post-Amalgamation)	\$ 7,239,037,876	\$ 2,912.10
2003 (Post-Amalgamation)	\$ 7,946,847,478	\$ 3,191.24
2004 (Post-Amalgamation)	\$ 8,155,083,757	\$ 3,269.14
2005 (Post-Amalgamation)	\$ 8,659,980,207	\$ 3,465.48
2006 (Post-Amalgamation)	\$ 9,192,359,468	\$ 3,672.12
2007 (Post-Amalgamation)	\$ 9,399,426,127	\$ 3,721.61
2008 (Post-Amalgamation)	\$ 9,483,516,306	\$ 3,721.96
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 6,964,059,686	\$ 2,922.48
Post-Amalgamation Period (1998-2008)	\$ 8,127,458,977	\$ 3,264
Percent Change between Pre- and Post-Amalgamation Periods	16.71%	11.70%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 7,415,636,114	\$ 3,034
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	6.48%	3.80%

## **Results - Greater Toronto Area (not including Toronto)**

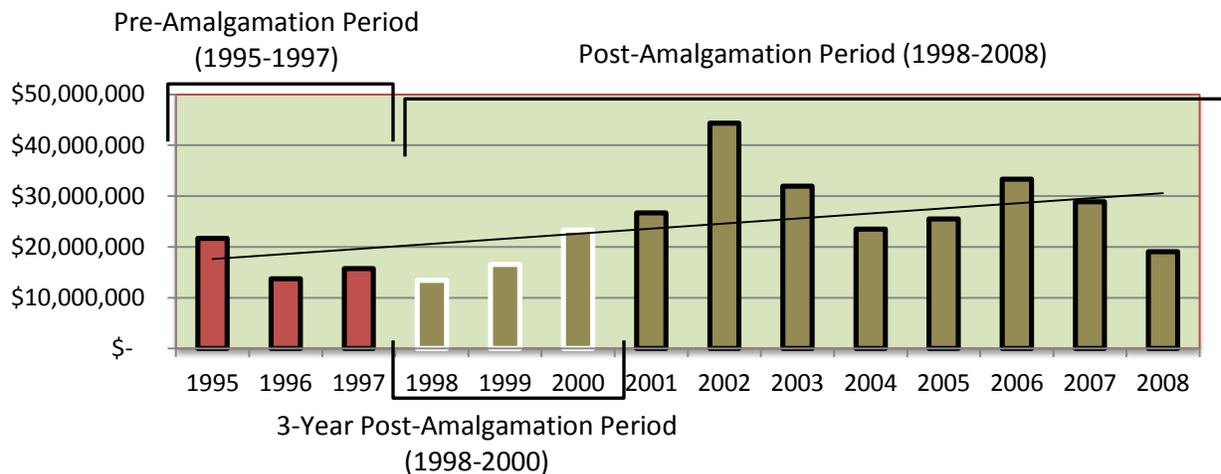
The quantitative analysis with respect to data from the Greater Toronto Area (excluding City of Toronto data) is reported below. Each service considered is separated into operating, capital, and total expenditures (operating and capital expenditures combined). Operating, capital, and total expenditures are further analyzed as total dollar expenditures and per capita expenditures, the results of which are reported in two charts and a table. The charts and table have been colour coded so that corresponding data sets from the table can be matched to each chart. Data related to the three-year post-amalgamation period is located immediately adjacent to the pre-amalgamation data and is the same colour as the remaining post-amalgamation data, however, each year has been outlined in a separate colour to make it immediately recognizable to the reader. In addition, the averages of data over time has been analyzed and included in each corresponding table. With respect to data related to the Greater Toronto Area (excluding the City of Toronto), the following definitions apply:

- (1) Amalgamation in the City of Toronto occurred in 1998 however no amalgamation occurred in the rest of the GTA at anytime during the period 1995-2008;
- (2) The pre-amalgamation period has been notionally set as the time period from 1995-1997 to match the pre-amalgamation period in the City of Toronto. This data is reflected in the corresponding charts and table in red;
- (3) The post-amalgamation period has been notionally set as the time period from 1998-2008 to match the post-amalgamation period in the City of Toronto. This data is reflected in the corresponding charts and table in green;
- (4) The 3-year post-amalgamation period is notionally set as the time period from 1998-2000. This data is reflected in the corresponding charts and table in green with a solid white border;

(5) The 'Percent Change between the Pre- and Post-Amalgamation Periods' is the average change between the entire pre-amalgamation period and the entire post-amalgamation period; and,

(6) The 'Percent Change between Pre- and Three-Year Post-Amalgamation Periods' is the average change between the entire pre-amalgamation period and the three-year period immediately following amalgamation (1998-2000).

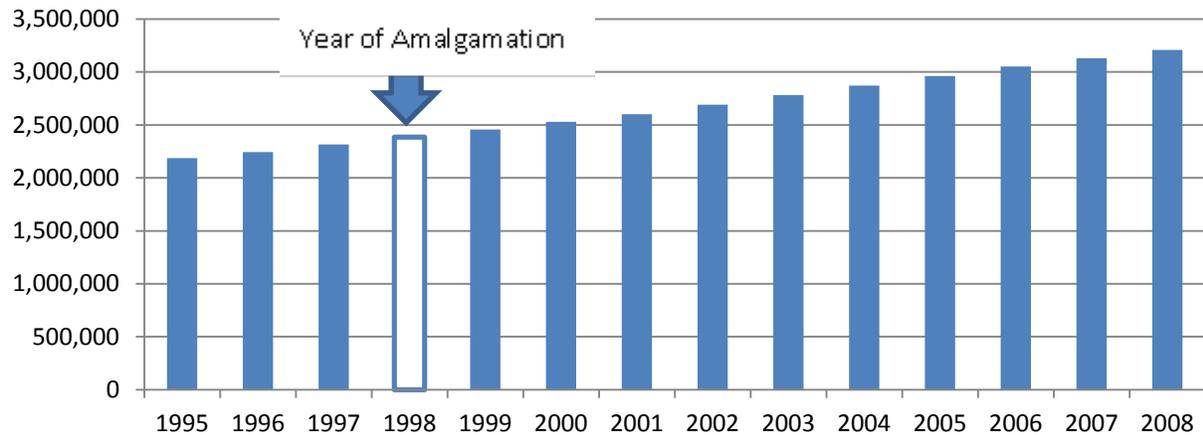
**Sample Chart – Greater Toronto Area (not including the City of Toronto)**



**Sample Table - Greater Toronto Area (not including the City of Toronto)**

Year (Amalgamation Status)	Fire Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 21,672,464.00	\$ 9.91
1996 (Pre-Amalgamation)	\$ 13,719,806.00	\$ 6.12
1997 (Pre-Amalgamation)	\$ 15,724,163.00	\$ 6.79
1998 (Post-Amalgamation)	\$ 13,450,211.00	\$ 5.64
1999 (Post-Amalgamation)	\$ 16,566,716.00	\$ 6.74
2000 (Post-Amalgamation)	\$ 23,323,879.00	\$ 9.22
2001 (Post-Amalgamation)	\$ 26,723,921.00	\$ 10.28
2002 (Post-Amalgamation)	\$ 44,361,438.00	\$ 16.49
2003 (Post-Amalgamation)	\$ 31,935,254.00	\$ 11.48
2004 (Post-Amalgamation)	\$ 23,530,024.00	\$ 8.19
2005 (Post-Amalgamation)	\$ 25,499,478.00	\$ 8.61
2006 (Post-Amalgamation)	\$ 33,305,675.00	\$ 10.91
2007 (Post-Amalgamation)	\$ 28,908,244.00	\$ 9.24
2008 (Post-Amalgamation)	\$ 19,036,830.00	\$ 5.94
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 17,038,811	\$ 7.61
Post-Amalgamation Period (1998-2008)	\$ 26,058,334	\$ 9.34
Percent Change between Pre- and Post-Amalgamation Periods	52.94%	22.79%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 17,780,269	\$ 7.20
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	4.35%	-5.34%

## Population - Greater Toronto Area (GTA) (Not Including City of Toronto)

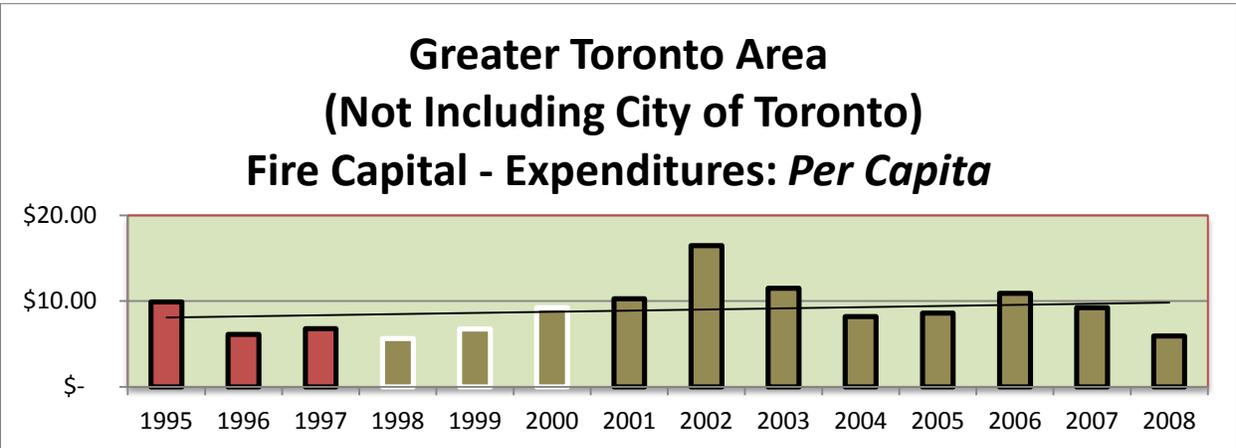


Year	Amalgamation Status	Population
1995	Pre-Amalgamation	2,186,569
1996	Pre-Amalgamation	2,243,261
1997	Pre-Amalgamation	2,314,613
1998*	Post-Amalgamation	2,385,964
1999	Post-Amalgamation	2,457,315
2000	Post-Amalgamation	2,528,666
2001	Post-Amalgamation	2,600,018
2002	Post-Amalgamation	2,690,457
2003	Post-Amalgamation	2,780,896
2004	Post-Amalgamation	2,871,328
2005	Post-Amalgamation	2,961,767
2006	Post-Amalgamation	3,052,206
2007	Post-Amalgamation	3,129,523
2008	Post-Amalgamation	3,206,838
<b>Average Population</b>		<b>2,672,102</b>
<b>Population - Percent Change (1995-2008)</b>		<b>46.66%</b>
* Year of amalgamation in City of Toronto		

Fire service capital spending increased by 4.35% on average in the three year period following amalgamation. However when viewed on a *per capita* basis, capital spending decreased by 5.34% over the same period. Total spending increased by 52.94% between the pre- and post-amalgamation period but the *per capita* increase was less than half that percentage at 22.79%.

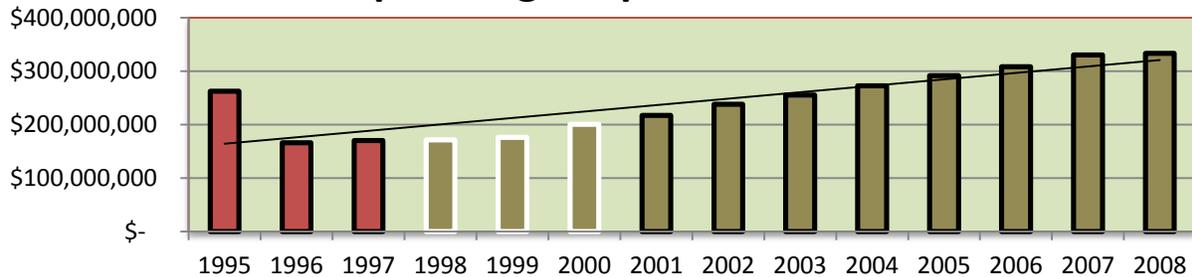
Total spending related to fire operating expenses decreased following amalgamation by 8.48% and more than double that percentage to 16.75% when viewed on a *per capita* basis. Total spending increased by 27.22% on average compared to the pre-amalgamation period. However total spending was relatively flat at .89% when viewed on a *per capita* basis.

When total spending related to fire services for the GTA (not including the City of Toronto) is consolidated, expenditures fell by 7.47% (15.85% *per capita*) in the period immediately following amalgamation while average total expenditures rose by 29.24% (2.60% *per capita*) between pre- and post-amalgamation periods.

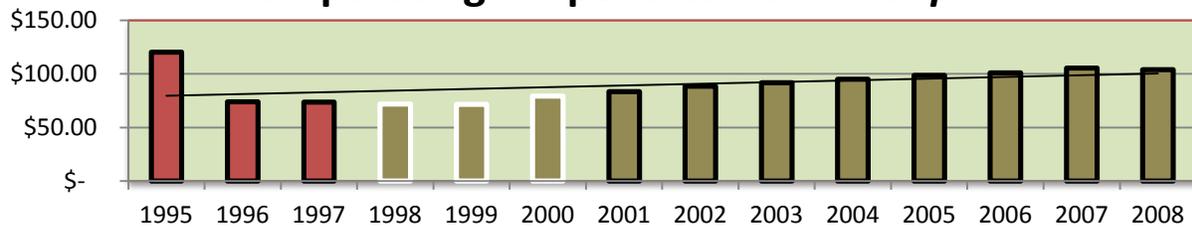


Year (Amalgamation Status)	Fire Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 21,672,464.00	\$ 9.91
1996 (Pre-Amalgamation)	\$ 13,719,806.00	\$ 6.12
1997 (Pre-Amalgamation)	\$ 15,724,163.00	\$ 6.79
1998 (Post-Amalgamation)	\$ 13,450,211.00	\$ 5.64
1999 (Post-Amalgamation)	\$ 16,566,716.00	\$ 6.74
2000 (Post-Amalgamation)	\$ 23,323,879.00	\$ 9.22
2001 (Post-Amalgamation)	\$ 26,723,921.00	\$ 10.28
2002 (Post-Amalgamation)	\$ 44,361,438.00	\$ 16.49
2003 (Post-Amalgamation)	\$ 31,935,254.00	\$ 11.48
2004 (Post-Amalgamation)	\$ 23,530,024.00	\$ 8.19
2005 (Post-Amalgamation)	\$ 25,499,478.00	\$ 8.61
2006 (Post-Amalgamation)	\$ 33,305,675.00	\$ 10.91
2007 (Post-Amalgamation)	\$ 28,908,244.00	\$ 9.24
2008 (Post-Amalgamation)	\$ 19,036,830.00	\$ 5.94
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 17,038,811	\$ 7.61
Post-Amalgamation Period (1998-2008)	\$ 26,058,334	\$ 9.34
Percent Change between Pre- and Post-Amalgamation Periods	52.94%	22.79%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 17,780,269	\$ 7.20
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	4.35%	-5.34%

**Greater Toronto Area  
(Not Including City of Toronto)  
Fire Operating - Expenditures: Total**

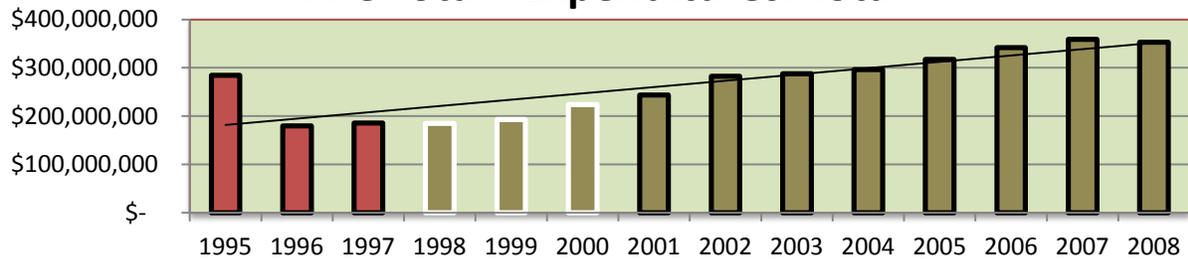


**Greater Toronto Area  
(Not Including City of Toronto)  
Fire Operating - Expenditures: *Per Capita***

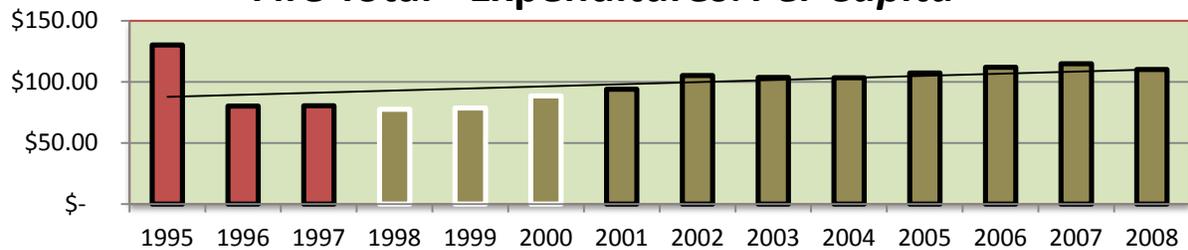


Year (Amalgamation Status)	Fire Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 262,945,874.00	\$ 120.26
1996 (Pre-Amalgamation)	\$ 166,348,276.00	\$ 74.15
1997 (Pre-Amalgamation)	\$ 170,312,769.00	\$ 73.58
1998 (Post-Amalgamation)	\$ 171,856,682.00	\$ 72.03
1999 (Post-Amalgamation)	\$ 176,268,205.00	\$ 71.73
2000 (Post-Amalgamation)	\$ 200,647,786.00	\$ 79.35
2001 (Post-Amalgamation)	\$ 217,256,879.00	\$ 83.56
2002 (Post-Amalgamation)	\$ 238,393,315.00	\$ 88.61
2003 (Post-Amalgamation)	\$ 255,746,629.00	\$ 91.97
2004 (Post-Amalgamation)	\$ 272,741,481.00	\$ 94.99
2005 (Post-Amalgamation)	\$ 291,808,600.00	\$ 98.53
2006 (Post-Amalgamation)	\$ 308,218,986.00	\$ 100.98
2007 (Post-Amalgamation)	\$ 330,271,179.00	\$ 105.53
2008 (Post-Amalgamation)	\$ 333,712,586.00	\$ 104.06
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 199,868,973	\$ 89.33
Post-Amalgamation Period (1998-2008)	\$ 254,265,666	\$ 90.12
Percent Change between Pre- and Post-Amalgamation Periods	27.22%	0.89%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 182,924,224	\$ 74.37
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-8.48%	-16.75%

**Greater Toronto Area  
(Not Including City of Toronto)  
Fire Total - Expenditures: Total**



**Greater Toronto Area  
(Not Including City of Toronto)  
Fire Total - Expenditures: *Per Capita***



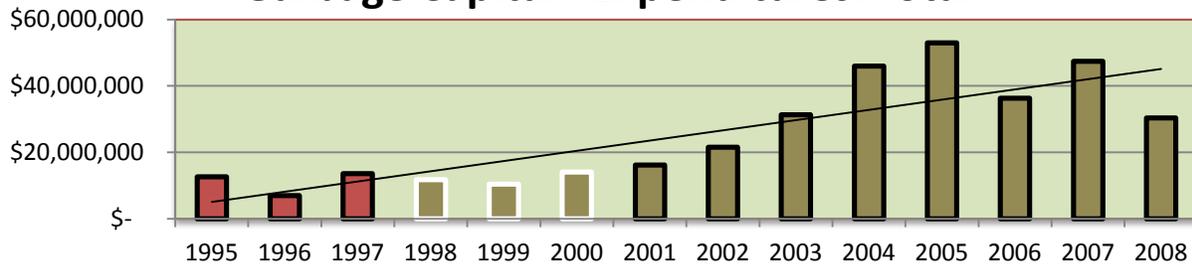
Year (Amalgamation Status)	Fire Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 284,618,338	\$ 130.17
1996 (Pre-Amalgamation)	\$ 180,068,082	\$ 80.27
1997 (Pre-Amalgamation)	\$ 186,036,932	\$ 80.37
1998 (Post-Amalgamation)	\$ 185,306,893	\$ 77.67
1999 (Post-Amalgamation)	\$ 192,834,921	\$ 78.47
2000 (Post-Amalgamation)	\$ 223,971,665	\$ 88.57
2001 (Post-Amalgamation)	\$ 243,980,800	\$ 93.84
2002 (Post-Amalgamation)	\$ 282,754,753	\$ 105.10
2003 (Post-Amalgamation)	\$ 287,681,883	\$ 103.45
2004 (Post-Amalgamation)	\$ 296,271,505	\$ 103.18
2005 (Post-Amalgamation)	\$ 317,308,078	\$ 107.13
2006 (Post-Amalgamation)	\$ 341,524,661	\$ 111.89
2007 (Post-Amalgamation)	\$ 359,179,423	\$ 114.77
2008 (Post-Amalgamation)	\$ 352,749,416	\$ 110.00
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 216,907,784	\$ 96.94
Post-Amalgamation Period (1998-2008)	\$ 280,324,000	\$ 99.46
Percent Change between Pre- and Post-Amalgamation Periods	29.24%	2.60%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 200,704,493	\$ 81.57
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-7.47%	-15.85%

Spending related to garbage capital expenses decreased by .02% on a *per capita* basis in the three-year period following amalgamation however total garbage capital expenses during that period rose by 9.35%. Following the three year post-amalgamation period, spending rose considerably. The average increase between the pre- and post-amalgamation period was 161.14% (104.19% *per capita*).

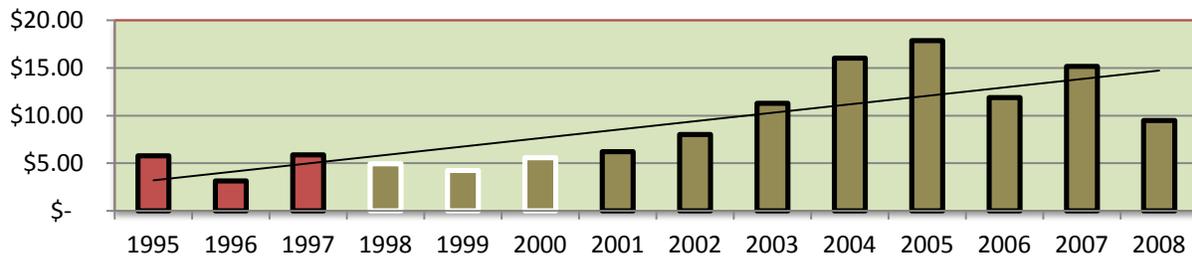
Spending related to garbage operations was flat in the three year post-amalgamation period with an average increase of .08% while *per capita* spending during that period decreased by 8.74% on average. Expenditures in the post-amalgamation period increased an average of 35.07% (7.51% *per capita*) compared to the pre-amalgamation period.

Total garbage expenditures increased an average of 45.26% (15.31% *per capita*) between the pre- and post-amalgamation period. In the first three years following amalgamation *per capita* expenditures decreased by 8.04% and were relatively flat when viewed on a dollar basis increasing an average of .83%.

### Greater Toronto Area (Not Including City of Toronto) Garbage Capital - Expenditures: Total

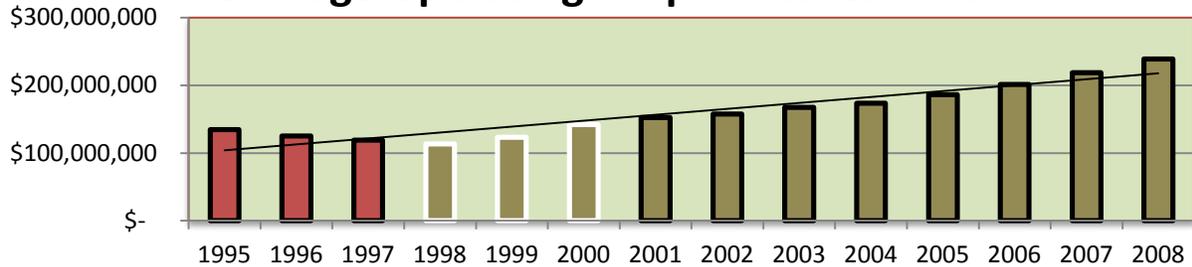


### Greater Toronto Area (Not Including City of Toronto) Garbage Capital - Expenditures: *Per Capita*

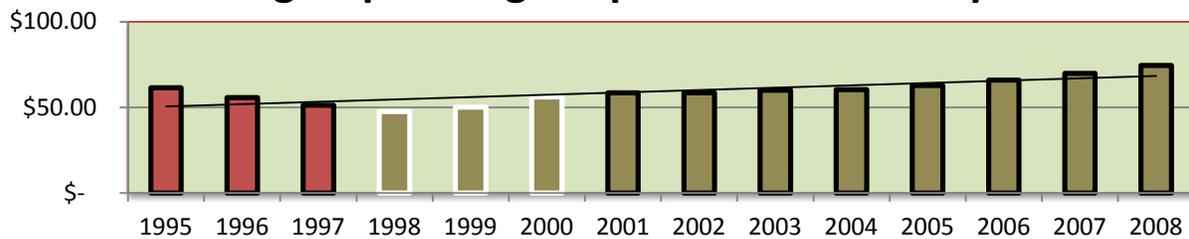


Year (Amalgamation Status)	Garbage Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 12,621,155	\$ 5.77
1996 (Pre-Amalgamation)	\$ 7,029,381	\$ 3.13
1997 (Pre-Amalgamation)	\$ 13,608,869	\$ 5.88
1998 (Post-Amalgamation)	\$ 11,823,761	\$ 4.96
1999 (Post-Amalgamation)	\$ 10,456,495	\$ 4.26
2000 (Post-Amalgamation)	\$ 14,089,542	\$ 5.57
2001 (Post-Amalgamation)	\$ 16,149,066	\$ 6.21
2002 (Post-Amalgamation)	\$ 21,571,347	\$ 8.02
2003 (Post-Amalgamation)	\$ 31,353,948	\$ 11.27
2004 (Post-Amalgamation)	\$ 46,007,688	\$ 16.02
2005 (Post-Amalgamation)	\$ 52,919,725	\$ 17.87
2006 (Post-Amalgamation)	\$ 36,288,327	\$ 11.89
2007 (Post-Amalgamation)	\$ 47,436,903	\$ 15.16
2008 (Post-Amalgamation)	\$ 30,368,739	\$ 9.47
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 11,086,468	\$ 4.93
Post-Amalgamation Period (1998-2008)	\$ 28,951,413	\$ 10.06
Percent Change between Pre- and Post-Amalgamation Periods	161.14%	104.19%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 12,123,266	\$ 5
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	9.35%	-0.02%

**Greater Toronto Area  
(Not Including City of Toronto)  
Garbage Operating - Expenditures: Total**

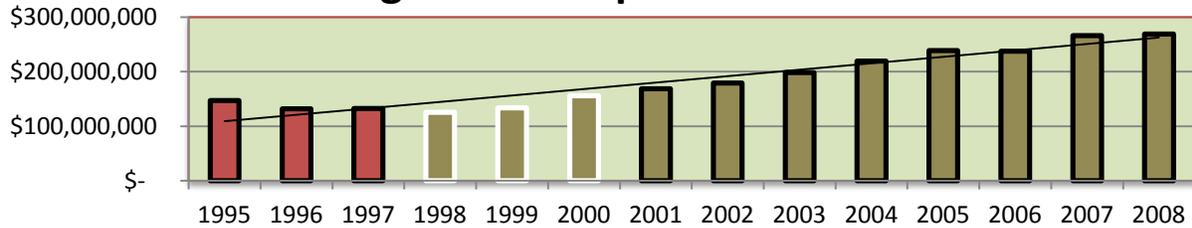


**Greater Toronto Area  
(Not Including City of Toronto)  
Garbage Operating - Expenditures: *Per Capita***

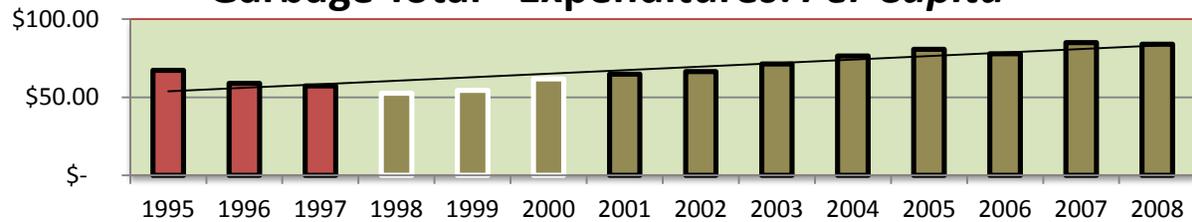


Year (Amalgamation Status)	Garbage Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 134,542,187	\$ 61.53
1996 (Pre-Amalgamation)	\$ 124,933,085	\$ 55.69
1997 (Pre-Amalgamation)	\$ 118,829,871	\$ 51.34
1998 (Post-Amalgamation)	\$ 113,554,472	\$ 47.59
1999 (Post-Amalgamation)	\$ 123,115,549	\$ 50.10
2000 (Post-Amalgamation)	\$ 141,949,878	\$ 56.14
2001 (Post-Amalgamation)	\$ 152,281,496	\$ 58.57
2002 (Post-Amalgamation)	\$ 157,339,533	\$ 58.48
2003 (Post-Amalgamation)	\$ 167,166,473	\$ 60.11
2004 (Post-Amalgamation)	\$ 173,500,390	\$ 60.43
2005 (Post-Amalgamation)	\$ 185,963,777	\$ 62.79
2006 (Post-Amalgamation)	\$ 201,378,077	\$ 65.98
2007 (Post-Amalgamation)	\$ 218,527,828	\$ 69.83
2008 (Post-Amalgamation)	\$ 238,809,678	\$ 74.47
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 126,101,714	\$ 56.19
Post-Amalgamation Period (1998-2008)	\$ 170,326,105	\$ 60.41
Percent Change between Pre- and Post-Amalgamation Periods	35.07%	7.51%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 126,206,633	\$ 51
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	0.08%	-8.74%

### Greater Toronto Area (Not Including City of Toronto) Garbage Total - Expenditures: Total



### Greater Toronto Area (Not Including City of Toronto) Garbage Total - Expenditures: *Per Capita*



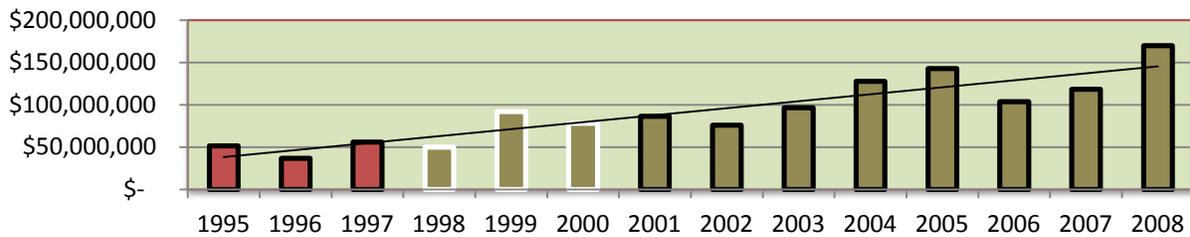
Year (Amalgamation Status)	Garbage Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 147,163,342	\$ 67.30
1996 (Pre-Amalgamation)	\$ 131,962,466	\$ 58.83
1997 (Pre-Amalgamation)	\$ 132,438,740	\$ 57.22
1998 (Post-Amalgamation)	\$ 125,378,233	\$ 52.55
1999 (Post-Amalgamation)	\$ 133,572,044	\$ 54.36
2000 (Post-Amalgamation)	\$ 156,039,420	\$ 61.71
2001 (Post-Amalgamation)	\$ 168,430,562	\$ 64.78
2002 (Post-Amalgamation)	\$ 178,910,880	\$ 66.50
2003 (Post-Amalgamation)	\$ 198,520,421	\$ 71.39
2004 (Post-Amalgamation)	\$ 219,508,078	\$ 76.45
2005 (Post-Amalgamation)	\$ 238,883,502	\$ 80.66
2006 (Post-Amalgamation)	\$ 237,666,404	\$ 77.87
2007 (Post-Amalgamation)	\$ 265,964,731	\$ 84.99
2008 (Post-Amalgamation)	\$ 269,178,417	\$ 83.94
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 137,188,183	\$ 61.12
Post-Amalgamation Period (1998-2008)	\$ 199,277,517	\$ 70.47
Percent Change between Pre- and Post-Amalgamation Periods	45.26%	15.31%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 138,329,899	\$ 56.20
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	0.83%	-8.04%

Spending related to general government expenditures for the GTA (not including the City of Toronto) increased an average of 115.40% (71.03% *per capita*) between the pre- and post-amalgamation period. Spending rose an average of 52.37% (39.01% *per capita*) in the first three years following amalgamation.

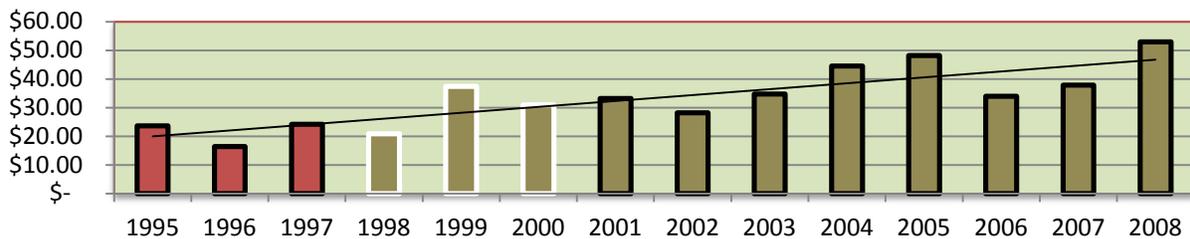
General government operating expenditures rose an average of 30.74% (19.51% *per capita*) in the first three years following amalgamation. Average increases over the entire post-amalgamation period were 55.76% or 25.71% *per capita*.

When general government expenditures are consolidated, average total spending rose by 62.25% (30.64% *per capita*) between the pre- and post-amalgamation periods. In the first three years after amalgamation average spending rose by 33.10% (21.63% *per capita*).

## Greater Toronto Area (Not Including City of Toronto) General Government Capital - Expenditures: Total

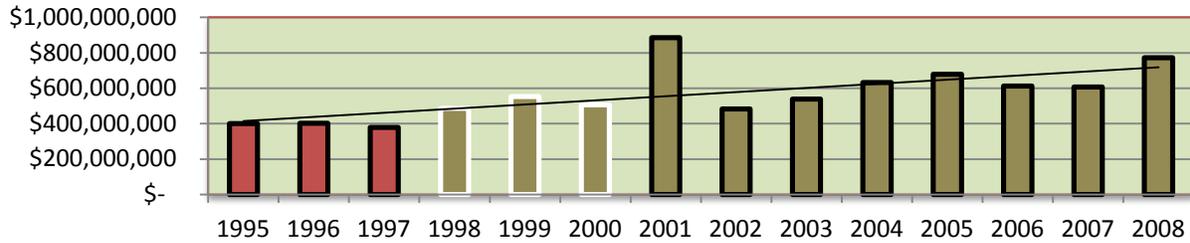


## Greater Toronto Area (Not Including City of Toronto) General Government Capital - Expenditures: *Per Capita*

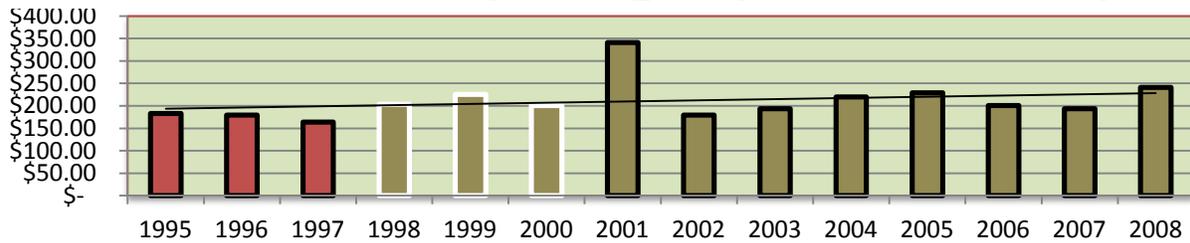


Year (Amalgamation Status)	General Government Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 51,604,108	\$ 23.60
1996 (Pre-Amalgamation)	\$ 36,928,364	\$ 16.46
1997 (Pre-Amalgamation)	\$ 56,050,914	\$ 24.22
1998 (Post-Amalgamation)	\$ 49,891,927	\$ 20.91
1999 (Post-Amalgamation)	\$ 92,052,296	\$ 37.46
2000 (Post-Amalgamation)	\$ 78,351,369	\$ 30.99
2001 (Post-Amalgamation)	\$ 86,341,196	\$ 33.21
2002 (Post-Amalgamation)	\$ 75,872,874	\$ 28.20
2003 (Post-Amalgamation)	\$ 96,710,108	\$ 34.78
2004 (Post-Amalgamation)	\$ 127,958,484	\$ 44.56
2005 (Post-Amalgamation)	\$ 142,665,334	\$ 48.17
2006 (Post-Amalgamation)	\$ 103,736,547	\$ 33.99
2007 (Post-Amalgamation)	\$ 118,416,471	\$ 37.84
2008 (Post-Amalgamation)	\$ 169,922,252	\$ 52.99
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 48,194,462	\$ 21.43
Post-Amalgamation Period (1998-2008)	\$ 103,810,805	\$ 36.64
Percent Change between Pre- and Post-Amalgamation Periods	115.40%	71.03%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 73,431,864	\$ 29.79
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	52.37%	39.01%

## Greater Toronto Area (Not Including City of Toronto) General Government Operating - Expenditures: Total

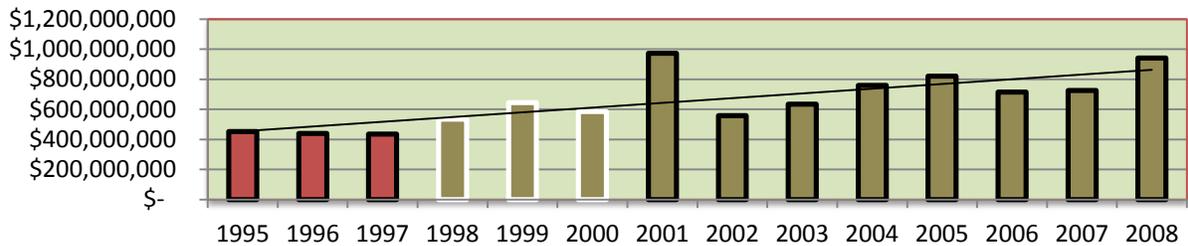


## Greater Toronto Area (Not Including City of Toronto) General Government Operating - Expenditures: *Per Capita*

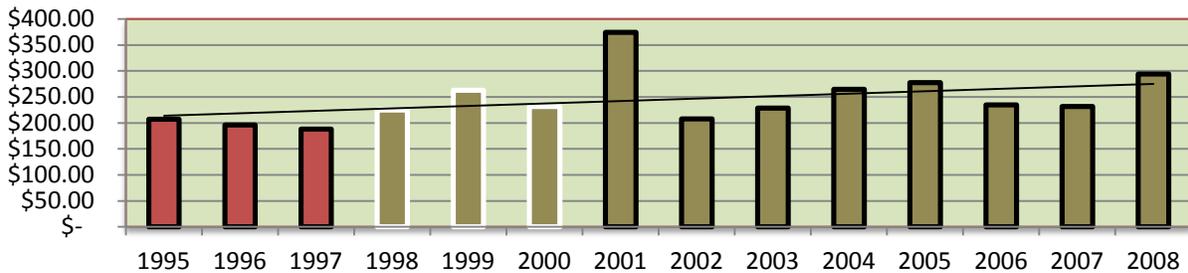


Year (Amalgamation Status)	General Government Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 400,635,878	\$ 183.23
1996 (Pre-Amalgamation)	\$ 402,597,350	\$ 179.47
1997 (Pre-Amalgamation)	\$ 379,694,194	\$ 164.04
1998 (Post-Amalgamation)	\$ 486,277,620	\$ 203.81
1999 (Post-Amalgamation)	\$ 553,729,907	\$ 225.34
2000 (Post-Amalgamation)	\$ 506,574,092	\$ 200.33
2001 (Post-Amalgamation)	\$ 886,095,575	\$ 340.80
2002 (Post-Amalgamation)	\$ 483,450,875	\$ 179.69
2003 (Post-Amalgamation)	\$ 538,270,630	\$ 193.56
2004 (Post-Amalgamation)	\$ 631,929,386	\$ 220.08
2005 (Post-Amalgamation)	\$ 678,619,291	\$ 229.13
2006 (Post-Amalgamation)	\$ 611,743,194	\$ 200.43
2007 (Post-Amalgamation)	\$ 606,856,786	\$ 193.91
2008 (Post-Amalgamation)	\$ 772,358,963	\$ 240.85
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 394,309,141	\$ 175.58
Post-Amalgamation Period (1998-2008)	\$ 614,173,302	\$ 220.72
Percent Change between Pre- and Post-Amalgamation Periods	55.76%	25.71%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 515,527,206	\$ 209.83
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	30.74%	19.51%

## Greater Toronto Area (Not Including City of Toronto) General Government Total - Expenditures: Total



## Greater Toronto Area (Not Including City of Toronto) General Government Total - Expenditures: *Per Capita*



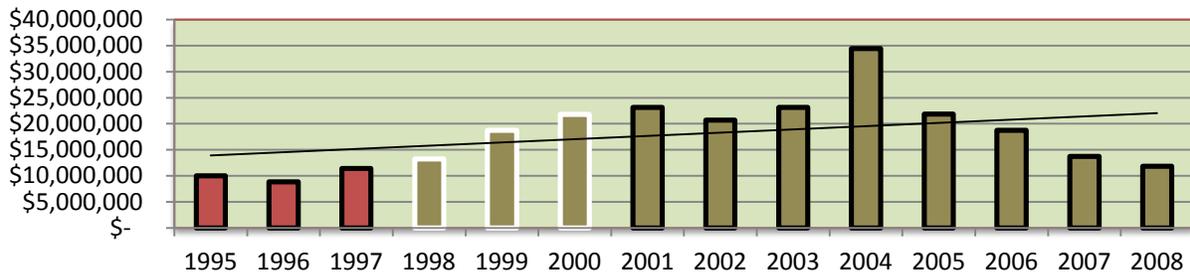
Year (Amalgamation Status)	General Government Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 452,239,986	\$ 206.83
1996 (Pre-Amalgamation)	\$ 439,525,714	\$ 195.93
1997 (Pre-Amalgamation)	\$ 435,745,108	\$ 188.26
1998 (Post-Amalgamation)	\$ 536,169,547	\$ 224.72
1999 (Post-Amalgamation)	\$ 645,782,203	\$ 262.80
2000 (Post-Amalgamation)	\$ 584,925,461	\$ 231.32
2001 (Post-Amalgamation)	\$ 972,436,771	\$ 374.01
2002 (Post-Amalgamation)	\$ 559,323,749	\$ 207.89
2003 (Post-Amalgamation)	\$ 634,980,738	\$ 228.34
2004 (Post-Amalgamation)	\$ 759,887,870	\$ 264.65
2005 (Post-Amalgamation)	\$ 821,284,625	\$ 277.30
2006 (Post-Amalgamation)	\$ 715,479,741	\$ 234.41
2007 (Post-Amalgamation)	\$ 725,273,257	\$ 231.75
2008 (Post-Amalgamation)	\$ 942,281,215	\$ 293.83
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 442,503,603	\$ 197.01
Post-Amalgamation Period (1998-2008)	\$ 717,984,107	\$ 257.37
Percent Change between Pre- and Post-Amalgamation Periods	62.25%	30.64%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 588,959,070	\$ 239.61
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	33.10%	21.63%

Library capital expenditures increased an average of 99.60% (62.93% *per capita*) in the post-amalgamation period. In the first three years following amalgamation, expenditures rose sharply by 77.80% or 62.15% *per capita*.

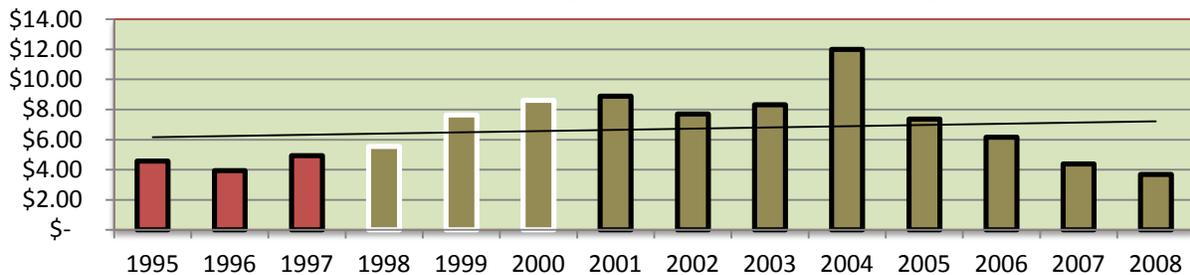
Library operating expenditures increased by 2.97% in the first three years following amalgamation however, when viewed on a *per capita* basis, average spending decreased by 5.97%. For the entire post-amalgamation period, spending rose by 37.60% which only translated to a 9.71% *per capita* increase when compared to the pre-amalgamation period.

The average increase in total library expenditures for the three year period following amalgamation was 12.26% however that increase was only 2.48% higher on a *per capita* basis. Overall expenditures between the pre- and post-amalgamation period were equal to 45.30% or 16.31% *per capita*.

## Greater Toronto Area (Not Including City of Toronto) Library Capital - Expenditures: Total

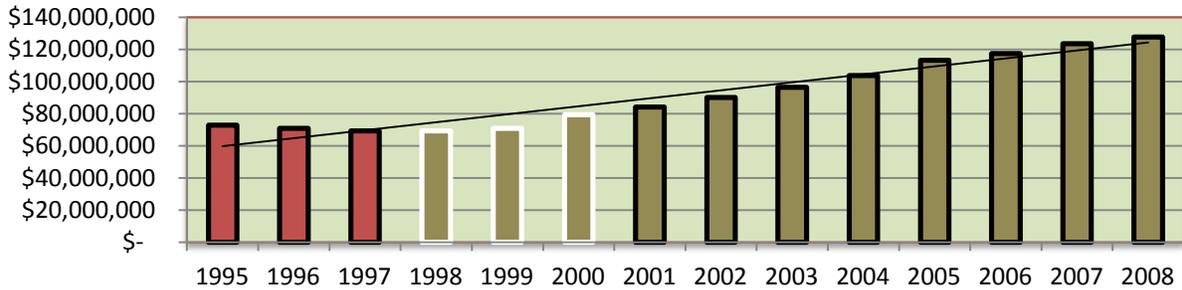


## Greater Toronto Area (Not Including City of Toronto) Library Capital - Expenditures: *Per Capita*

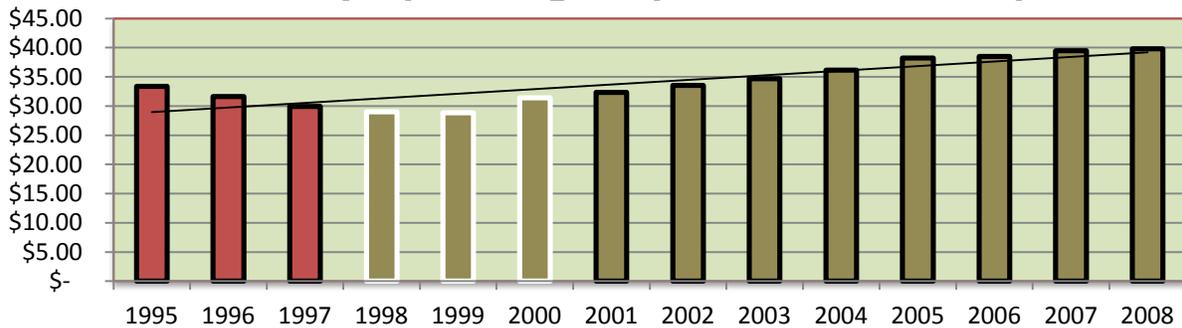


Year (Amalgamation Status)	Library Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 9,992,532	\$ 4.57
1996 (Pre-Amalgamation)	\$ 8,841,079	\$ 3.94
1997 (Pre-Amalgamation)	\$ 11,415,280	\$ 4.93
1998 (Post-Amalgamation)	\$ 13,236,893	\$ 5.55
1999 (Post-Amalgamation)	\$ 18,758,721	\$ 7.63
2000 (Post-Amalgamation)	\$ 21,788,230	\$ 8.62
2001 (Post-Amalgamation)	\$ 23,136,988	\$ 8.90
2002 (Post-Amalgamation)	\$ 20,700,054	\$ 7.69
2003 (Post-Amalgamation)	\$ 23,148,754	\$ 8.32
2004 (Post-Amalgamation)	\$ 34,438,914	\$ 11.99
2005 (Post-Amalgamation)	\$ 21,834,569	\$ 7.37
2006 (Post-Amalgamation)	\$ 18,773,166	\$ 6.15
2007 (Post-Amalgamation)	\$ 13,731,753	\$ 4.39
2008 (Post-Amalgamation)	\$ 11,835,656	\$ 3.69
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 10,082,964	\$ 4.48
Post-Amalgamation Period (1998-2008)	\$ 20,125,791	\$ 7.30
Percent Change between Pre- and Post-Amalgamation Periods	99.60%	62.93%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 17,927,948	\$ 7
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	77.80%	62.15%

## Greater Toronto Area (Not Including City of Toronto) Library Operating - Expenditures: Total

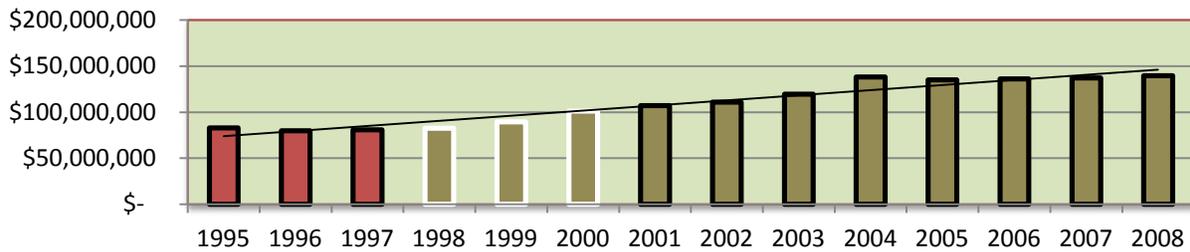


## Greater Toronto Area (Not Including City of Toronto) Library Operating - Expenditures: *Per Capita*

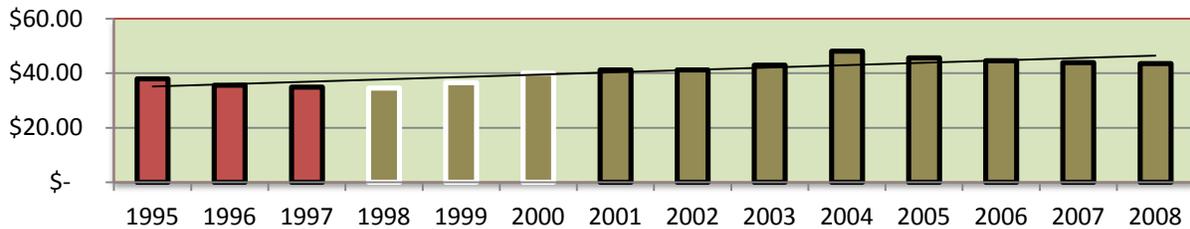


Year (Amalgamation Status)	Library Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 72,997,923	\$ 33.38
1996 (Pre-Amalgamation)	\$ 70,910,347	\$ 31.61
1997 (Pre-Amalgamation)	\$ 69,341,570	\$ 29.96
1998 (Post-Amalgamation)	\$ 69,258,159	\$ 29.03
1999 (Post-Amalgamation)	\$ 70,898,186	\$ 28.85
2000 (Post-Amalgamation)	\$ 79,418,710	\$ 31.41
2001 (Post-Amalgamation)	\$ 84,099,517	\$ 32.35
2002 (Post-Amalgamation)	\$ 90,194,764	\$ 33.52
2003 (Post-Amalgamation)	\$ 96,398,004	\$ 34.66
2004 (Post-Amalgamation)	\$ 103,737,496	\$ 36.13
2005 (Post-Amalgamation)	\$ 113,291,687	\$ 38.25
2006 (Post-Amalgamation)	\$ 117,429,717	\$ 38.47
2007 (Post-Amalgamation)	\$ 123,572,167	\$ 39.49
2008 (Post-Amalgamation)	\$ 127,607,318	\$ 39.79
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 71,083,280	\$ 31.65
Post-Amalgamation Period (1998-2008)	\$ 97,809,611	\$ 34.72
Percent Change between Pre- and Post-Amalgamation Periods	37.60%	9.71%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 73,191,685	\$ 30
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	2.97%	-5.97%

### Greater Toronto Area (Not Including City of Toronto) Library Total - Expenditures: Total



### Greater Toronto Area (Not Including City of Toronto) Library Total - Expenditures: *Per Capita*



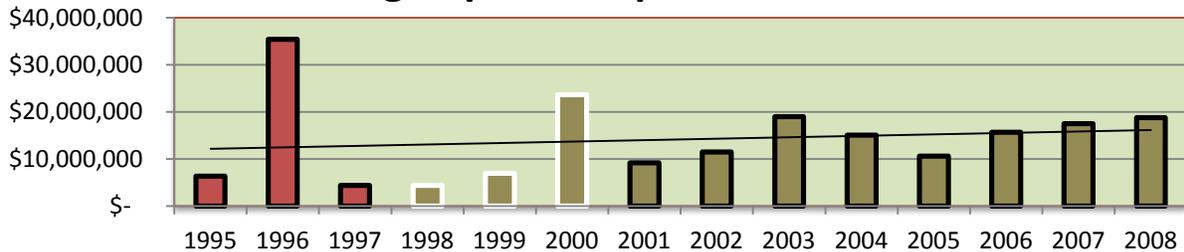
Year (Amalgamation Status)	Library Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 82,990,455	\$ 37.95
1996 (Pre-Amalgamation)	\$ 79,751,426	\$ 35.55
1997 (Pre-Amalgamation)	\$ 80,756,850	\$ 34.89
1998 (Post-Amalgamation)	\$ 82,495,052	\$ 34.58
1999 (Post-Amalgamation)	\$ 89,656,907	\$ 36.49
2000 (Post-Amalgamation)	\$ 101,206,940	\$ 40.02
2001 (Post-Amalgamation)	\$ 107,236,505	\$ 41.24
2002 (Post-Amalgamation)	\$ 110,894,818	\$ 41.22
2003 (Post-Amalgamation)	\$ 119,546,758	\$ 42.99
2004 (Post-Amalgamation)	\$ 138,176,410	\$ 48.12
2005 (Post-Amalgamation)	\$ 135,126,256	\$ 45.62
2006 (Post-Amalgamation)	\$ 136,202,883	\$ 44.62
2007 (Post-Amalgamation)	\$ 137,303,920	\$ 43.87
2008 (Post-Amalgamation)	\$ 139,442,974	\$ 43.48
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 81,166,244	\$ 36.13
Post-Amalgamation Period (1998-2008)	\$ 117,935,402	\$ 42.02
Percent Change between Pre- and Post-Amalgamation Periods	45.30%	16.31%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 91,119,633	\$ 37
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	12.26%	2.48%

Capital expenditures related to planning decreased across the board following amalgamation. Average expenditures in the three year period following amalgamation fell by 24.18% (31.89% *per capita*) compared to the pre-amalgamation period. Average expenditures between the pre- and post-amalgamation period fell by 9.98% on a dollar basis and by 28.35% *per capita*.

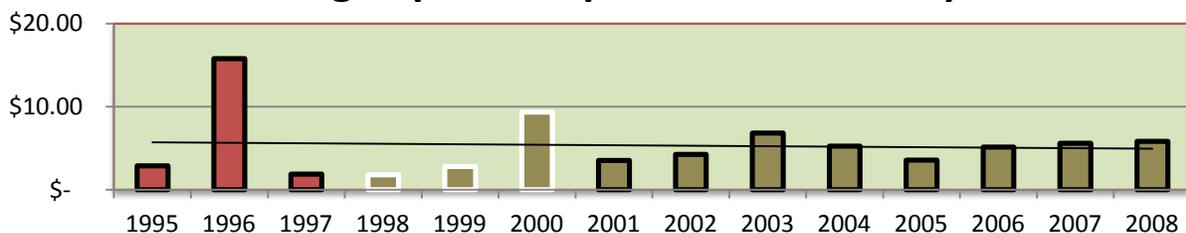
Average spending related to planning operations increased by 11.81% in the three year period following amalgamation however the *per capita* increase was only 2.13%. Total average planning operating expenditures between the pre- and post-amalgamation period rose by 75.21% or 38.98% *per capita*.

Average total planning expenditures fell on a *per capita* basis by 4.62% in the first three years following amalgamation. Total average costs were an average of 58.33% higher (25.61% *per capita*) between the pre- and post-amalgamation periods.

### Greater Toronto Area (Not Including City of Toronto) Planning Capital - Expenditures: Total

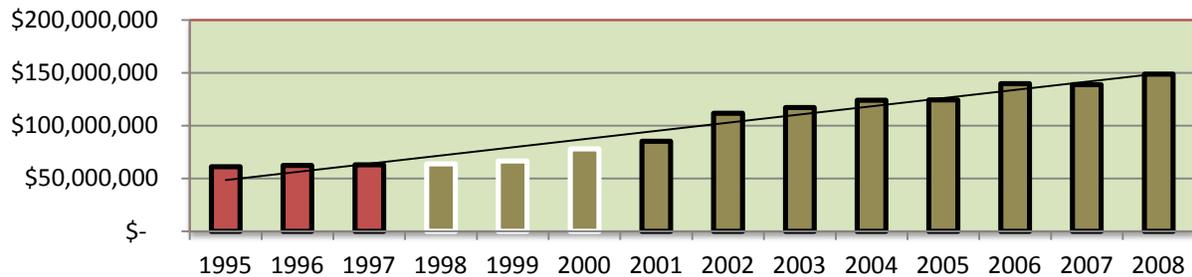


### Greater Toronto Area (Not Including City of Toronto) Planning Capital - Expenditures: *Per Capita*

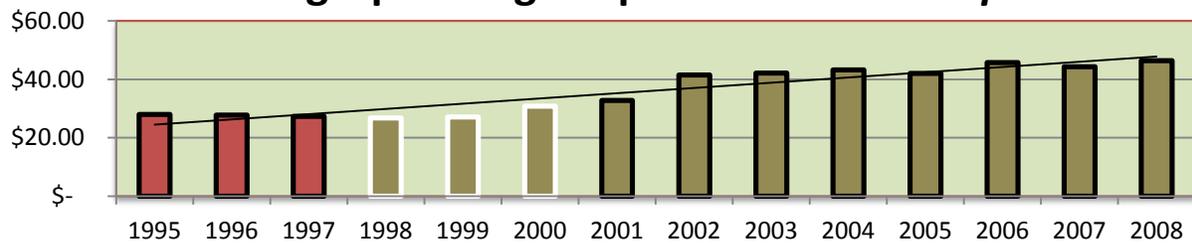


Year (Amalgamation Status)	Planning Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 6,330,849	\$ 2.90
1996 (Pre-Amalgamation)	\$ 35,401,404	\$ 15.78
1997 (Pre-Amalgamation)	\$ 4,361,423	\$ 1.88
1998 (Post-Amalgamation)	\$ 4,347,771	\$ 1.82
1999 (Post-Amalgamation)	\$ 6,948,041	\$ 2.83
2000 (Post-Amalgamation)	\$ 23,654,407	\$ 9.35
2001 (Post-Amalgamation)	\$ 9,165,122	\$ 3.53
2002 (Post-Amalgamation)	\$ 11,471,857	\$ 4.26
2003 (Post-Amalgamation)	\$ 18,951,053	\$ 6.81
2004 (Post-Amalgamation)	\$ 15,056,392	\$ 5.24
2005 (Post-Amalgamation)	\$ 10,610,990	\$ 3.58
2006 (Post-Amalgamation)	\$ 15,654,955	\$ 5.13
2007 (Post-Amalgamation)	\$ 17,514,505	\$ 5.60
2008 (Post-Amalgamation)	\$ 18,772,232	\$ 5.85
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 15,364,559	\$ 6.85
Post-Amalgamation Period (1998-2008)	\$ 13,831,575	\$ 4.91
Percent Change between Pre- and Post-Amalgamation Periods	-9.98%	-28.35%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 11,650,073	\$ 5
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-24.18%	-31.89%

**Greater Toronto Area  
(Not Including City of Toronto)  
Planning Operating - Expenditures: Total**

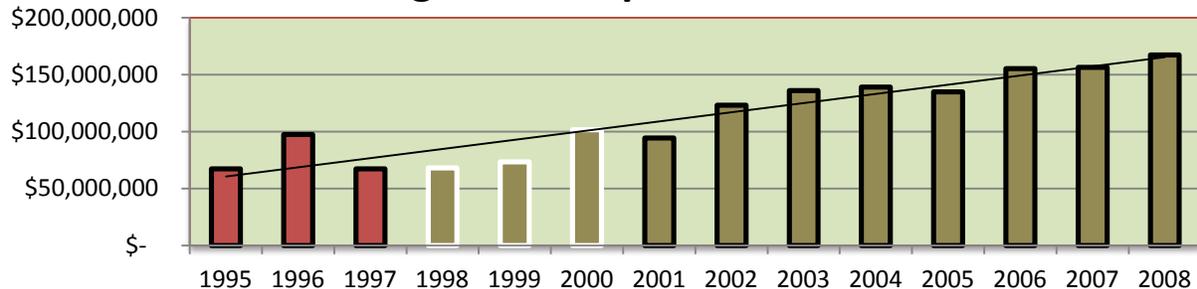


**Greater Toronto Area  
(Not Including City of Toronto)  
Planning Operating - Expenditures: *Per Capita***

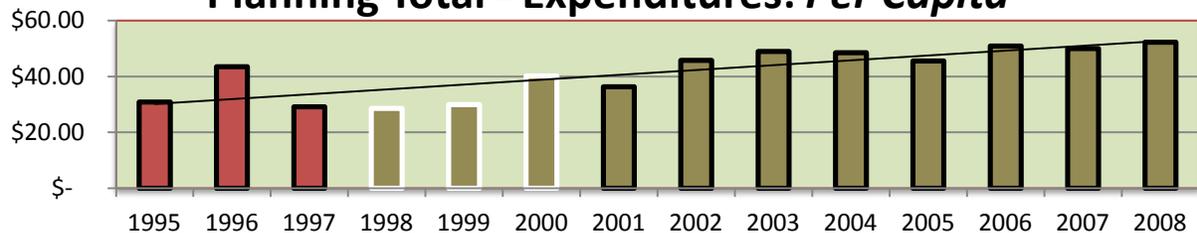


Year (Amalgamation Status)	Planning Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 61,101,325	\$ 27.94
1996 (Pre-Amalgamation)	\$ 62,285,798	\$ 27.77
1997 (Pre-Amalgamation)	\$ 63,135,550	\$ 27.28
1998 (Post-Amalgamation)	\$ 63,913,619	\$ 26.79
1999 (Post-Amalgamation)	\$ 66,646,494	\$ 27.12
2000 (Post-Amalgamation)	\$ 77,998,360	\$ 30.85
2001 (Post-Amalgamation)	\$ 85,175,823	\$ 32.76
2002 (Post-Amalgamation)	\$ 111,713,860	\$ 41.52
2003 (Post-Amalgamation)	\$ 117,253,567	\$ 42.16
2004 (Post-Amalgamation)	\$ 124,104,885	\$ 43.22
2005 (Post-Amalgamation)	\$ 124,348,097	\$ 41.98
2006 (Post-Amalgamation)	\$ 139,638,653	\$ 45.75
2007 (Post-Amalgamation)	\$ 138,836,281	\$ 44.36
2008 (Post-Amalgamation)	\$ 148,664,029	\$ 46.36
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 62,174,224	\$ 27.66
Post-Amalgamation Period (1998-2008)	\$ 108,935,788	\$ 38.44
Percent Change between Pre- and Post-Amalgamation Periods	75.21%	38.98%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 69,519,491	\$ 28
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	11.81%	2.13%

**Greater Toronto Area  
(Not Including City of Toronto)  
Planning Total - Expenditures: Total**



**Greater Toronto Area  
(Not Including City of Toronto)  
Planning Total - Expenditures: *Per Capita***



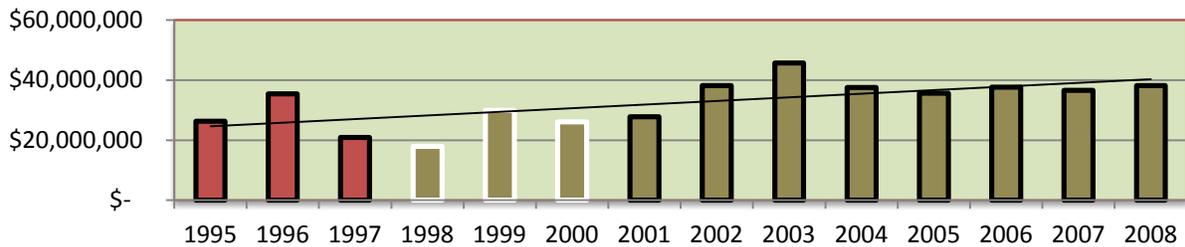
Year (Amalgamation Status)	Planning Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 67,432,174	\$ 30.84
1996 (Pre-Amalgamation)	\$ 97,687,202	\$ 43.55
1997 (Pre-Amalgamation)	\$ 67,496,973	\$ 29.16
1998 (Post-Amalgamation)	\$ 68,261,390	\$ 28.61
1999 (Post-Amalgamation)	\$ 73,594,535	\$ 29.95
2000 (Post-Amalgamation)	\$ 101,652,767	\$ 40.20
2001 (Post-Amalgamation)	\$ 94,340,945	\$ 36.28
2002 (Post-Amalgamation)	\$ 123,185,717	\$ 45.79
2003 (Post-Amalgamation)	\$ 136,204,620	\$ 48.98
2004 (Post-Amalgamation)	\$ 139,161,277	\$ 48.47
2005 (Post-Amalgamation)	\$ 134,959,087	\$ 45.57
2006 (Post-Amalgamation)	\$ 155,293,608	\$ 50.88
2007 (Post-Amalgamation)	\$ 156,350,786	\$ 49.96
2008 (Post-Amalgamation)	\$ 167,436,261	\$ 52.21
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 77,538,783	\$ 34.52
Post-Amalgamation Period (1998-2008)	\$ 122,767,363	\$ 43.35
Percent Change between Pre- and Post-Amalgamation Periods	58.33%	25.61%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 81,169,564	\$ 33
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	4.68%	-4.62%

Average spending related to police capital costs fell by 10.49% (18.54% *per capita*) in the first three years following amalgamation. Total police capital spending increased on average by 22.50% between the pre- and post-amalgamation period but when adjusted on a *per capita* basis this spending resulted in an average decrease of 2.06%.

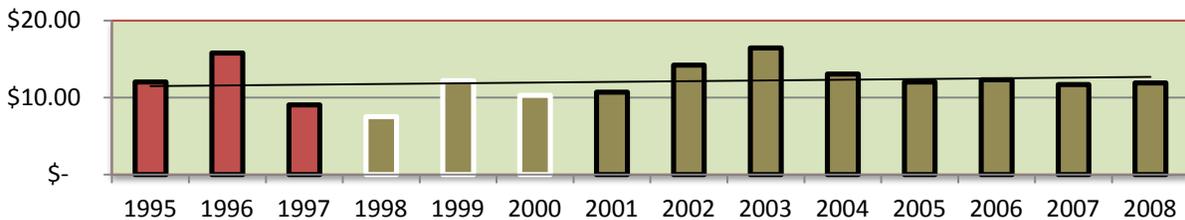
In the first three years following amalgamation, average police operating expenditures rose by 17.14% and when adjusted on a *per capita* basis rose only 7.06%. The average change between the pre- and post-amalgamation period was 58.73% or 26.53% when adjusted *per capita*.

Average total expenditures related to policing were 55.81% (24.22% *per capita*) higher following amalgamation compared to the pre-amalgamation average. In the first three years following amalgamation the average increase was 14.92% or 4.99% *per capita*.

**Greater Toronto Area  
(Not Including City of Toronto)  
Police Capital - Expenditures: Total**

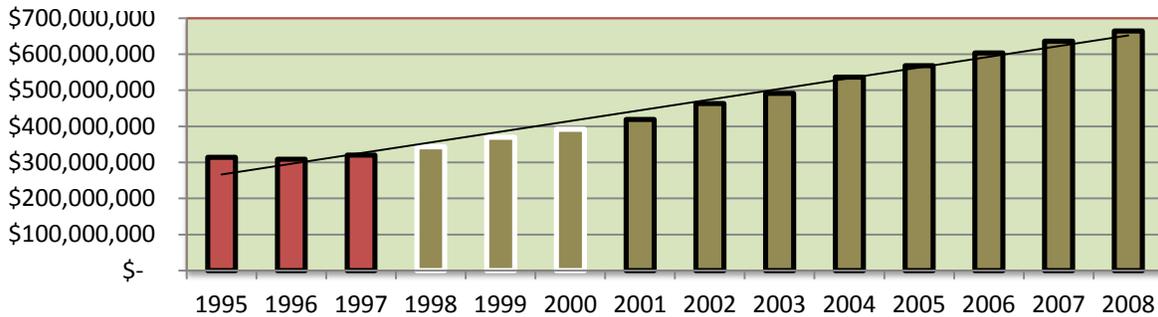


**Greater Toronto Area  
(Not Including City of Toronto)  
Police Capital - Expenditures: *Per Capita***

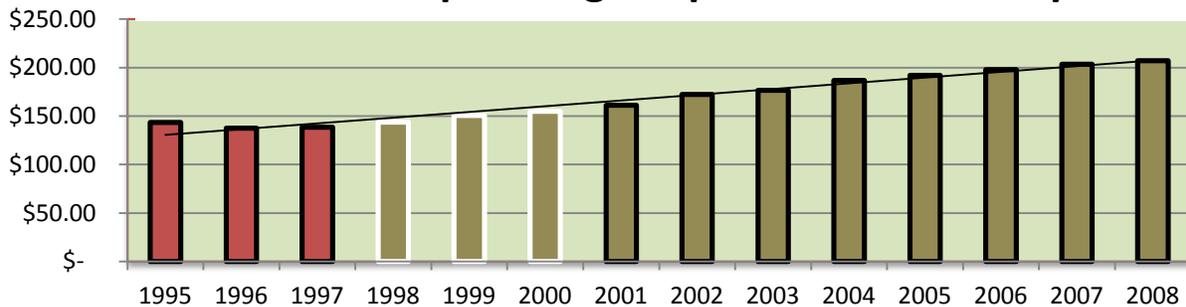


Year (Amalgamation Status)	Police Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 26,321,190	\$ 12.04
1996 (Pre-Amalgamation)	\$ 35,401,404	\$ 15.78
1997 (Pre-Amalgamation)	\$ 20,931,840	\$ 9.04
1998 (Post-Amalgamation)	\$ 17,964,760	\$ 7.53
1999 (Post-Amalgamation)	\$ 29,955,053	\$ 12.19
2000 (Post-Amalgamation)	\$ 26,066,380	\$ 10.31
2001 (Post-Amalgamation)	\$ 27,796,030	\$ 10.69
2002 (Post-Amalgamation)	\$ 38,224,184	\$ 14.21
2003 (Post-Amalgamation)	\$ 45,701,536	\$ 16.43
2004 (Post-Amalgamation)	\$ 37,485,723	\$ 13.06
2005 (Post-Amalgamation)	\$ 35,625,684	\$ 12.03
2006 (Post-Amalgamation)	\$ 37,643,383	\$ 12.33
2007 (Post-Amalgamation)	\$ 36,591,422	\$ 11.69
2008 (Post-Amalgamation)	\$ 38,197,695	\$ 11.91
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 27,551,478	\$ 12.29
Post-Amalgamation Period (1998-2008)	\$ 33,750,168	\$ 12.03
Percent Change between Pre- and Post-Amalgamation Periods	22.50%	-2.06%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 24,662,064	\$ 10
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-10.49%	-18.54%

## Greater Toronto Area (Not Including City of Toronto) Police Operating - Expenditures: Total

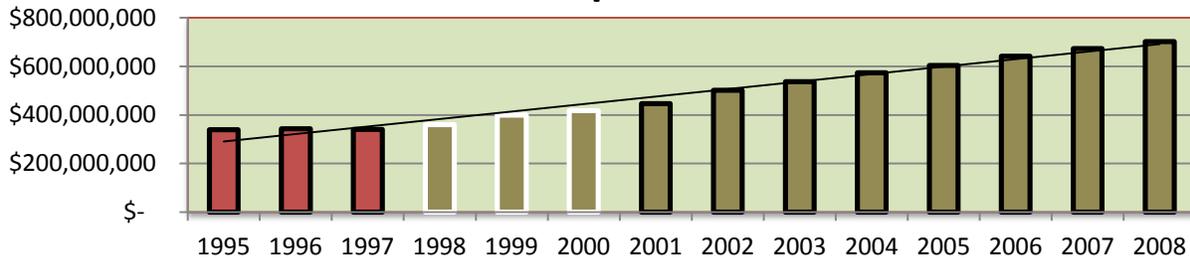


## Greater Toronto Area (Not Including City of Toronto) Police Operating - Expenditures: *Per Capita*

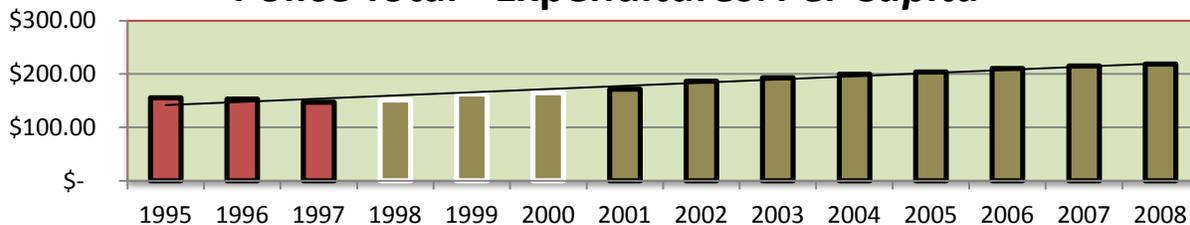


Year (Amalgamation Status)	Police Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 313,736,103	\$ 143.48
1996 (Pre-Amalgamation)	\$ 308,601,481	\$ 137.57
1997 (Pre-Amalgamation)	\$ 320,416,336	\$ 138.43
1998 (Post-Amalgamation)	\$ 342,802,251	\$ 143.67
1999 (Post-Amalgamation)	\$ 369,932,719	\$ 150.54
2000 (Post-Amalgamation)	\$ 391,629,284	\$ 154.88
2001 (Post-Amalgamation)	\$ 418,860,826	\$ 161.10
2002 (Post-Amalgamation)	\$ 463,388,663	\$ 172.23
2003 (Post-Amalgamation)	\$ 491,424,247	\$ 176.71
2004 (Post-Amalgamation)	\$ 536,530,046	\$ 186.86
2005 (Post-Amalgamation)	\$ 568,377,339	\$ 191.90
2006 (Post-Amalgamation)	\$ 603,670,284	\$ 197.78
2007 (Post-Amalgamation)	\$ 636,295,048	\$ 203.32
2008 (Post-Amalgamation)	\$ 664,117,294	\$ 207.09
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 314,251,307	\$ 139.83
Post-Amalgamation Period (1998-2008)	\$ 498,820,727	\$ 176.92
Percent Change between Pre- and Post-Amalgamation Periods	58.73%	26.53%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 368,121,418	\$ 150
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	17.14%	7.06%

### Greater Toronto Area (Not Including City of Toronto) Police Total - Expenditures: Total



### Greater Toronto Area (Not Including City of Toronto) Police Total - Expenditures: *Per Capita*

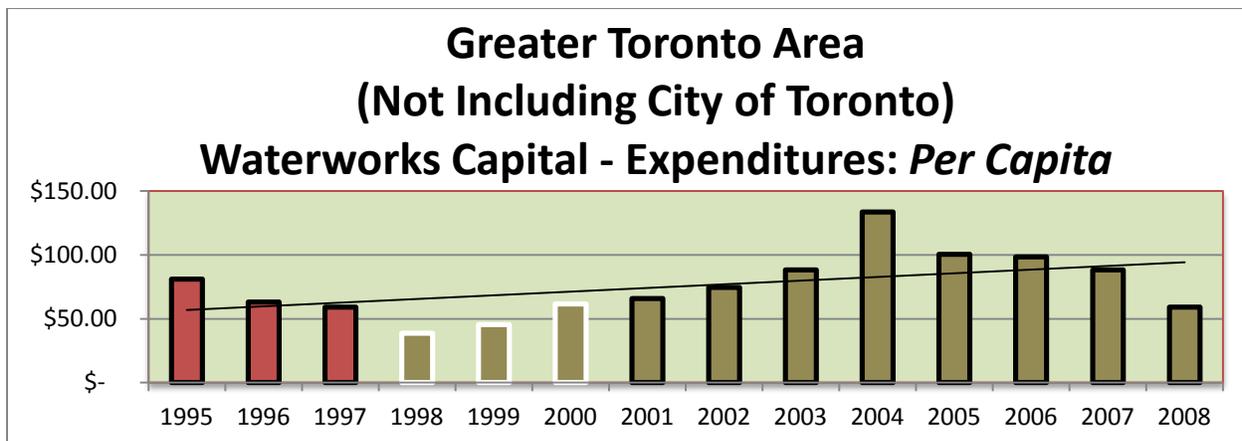
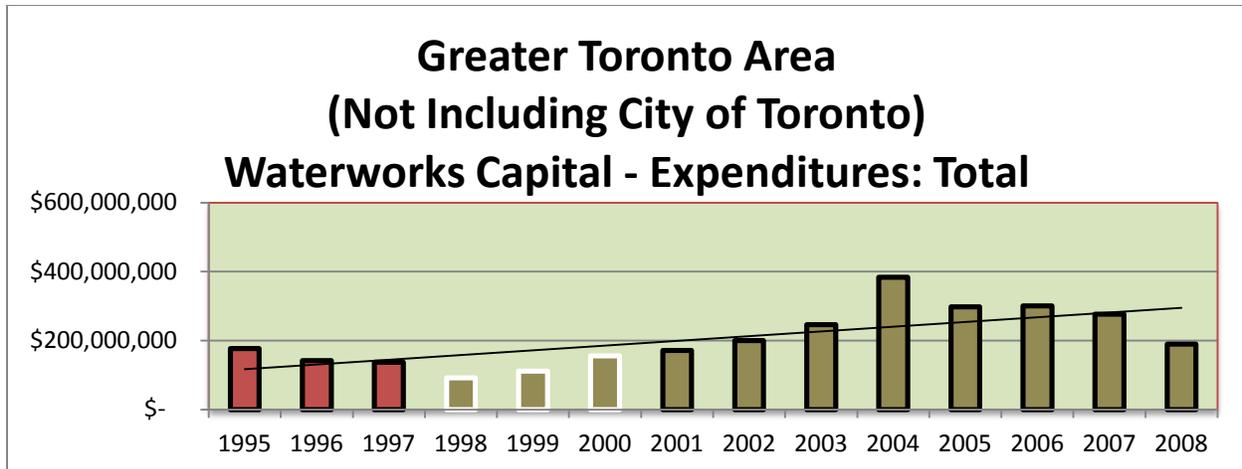


Year (Amalgamation Status)	Police Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 340,057,293	\$ 152.12
1996 (Pre-Amalgamation)	\$ 344,002,885	\$ 153.35
1997 (Pre-Amalgamation)	\$ 341,348,176	\$ 147.48
1998 (Post-Amalgamation)	\$ 360,767,011	\$ 151.20
1999 (Post-Amalgamation)	\$ 399,887,772	\$ 162.73
2000 (Post-Amalgamation)	\$ 417,695,664	\$ 165.18
2001 (Post-Amalgamation)	\$ 446,656,856	\$ 171.79
2002 (Post-Amalgamation)	\$ 501,612,847	\$ 186.44
2003 (Post-Amalgamation)	\$ 537,125,783	\$ 193.15
2004 (Post-Amalgamation)	\$ 574,015,769	\$ 199.91
2005 (Post-Amalgamation)	\$ 604,003,023	\$ 203.93
2006 (Post-Amalgamation)	\$ 641,313,667	\$ 210.11
2007 (Post-Amalgamation)	\$ 672,886,470	\$ 215.01
2008 (Post-Amalgamation)	\$ 702,314,989	\$ 219.01
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 341,802,785	\$ 152.12
Post-Amalgamation Period (1998-2008)	\$ 532,570,896	\$ 188.95
Percent Change between Pre- and Post-Amalgamation Periods	55.81%	24.22%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 392,783,482	\$ 160
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	14.92%	4.99%

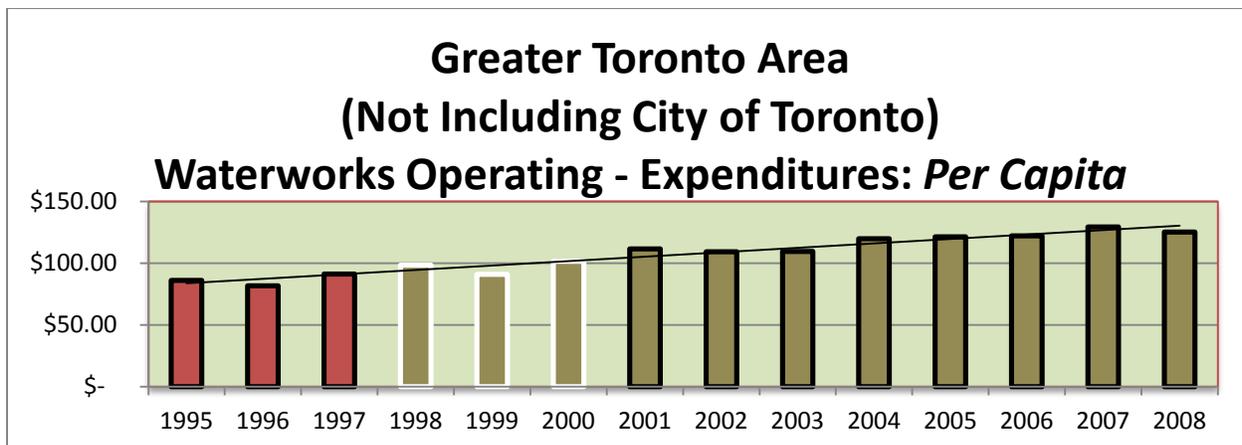
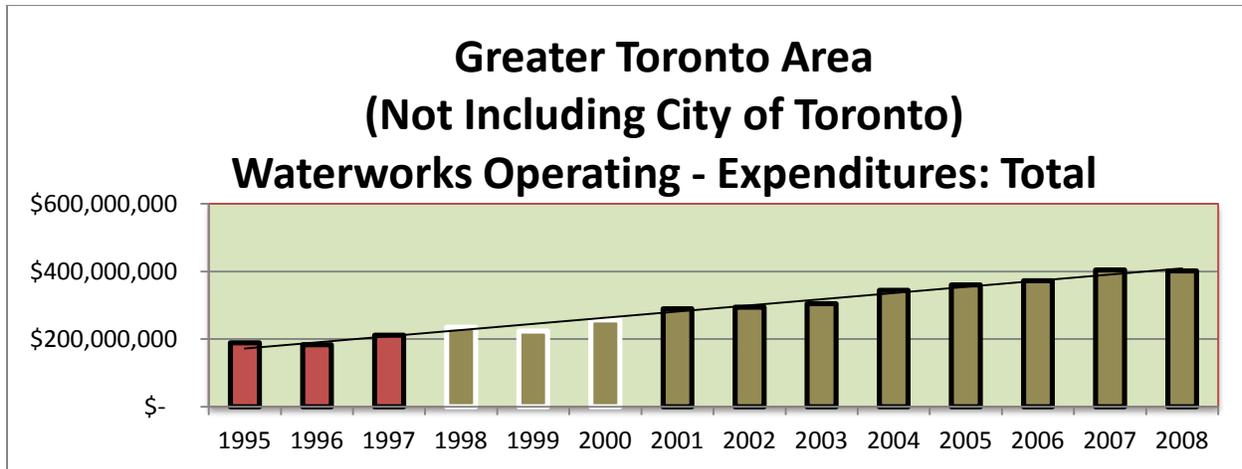
In the first three years following amalgamation, capital expenditures related to waterworks decreased an average of 21.08% (28.34% *per capita*) compared to the pre-amalgamation period. When these expenditures were viewed over the entire post-amalgamation period, spending increased 45.10% however the average *per capita* increase was only 14.60%.

Average spending related to waterworks operating expenses rose by 63.18% (30.47% *per capita*) following amalgamation when compared to the pre-amalgamation period. In the first three years following amalgamation average costs increased by 22.73% or 12.32% *per capita* when compared to the pre-amalgamation period.

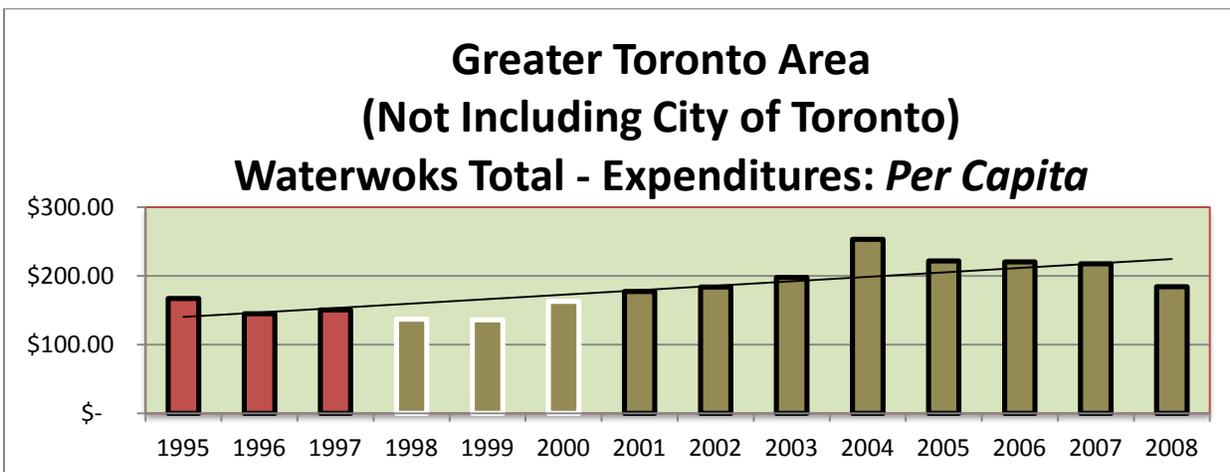
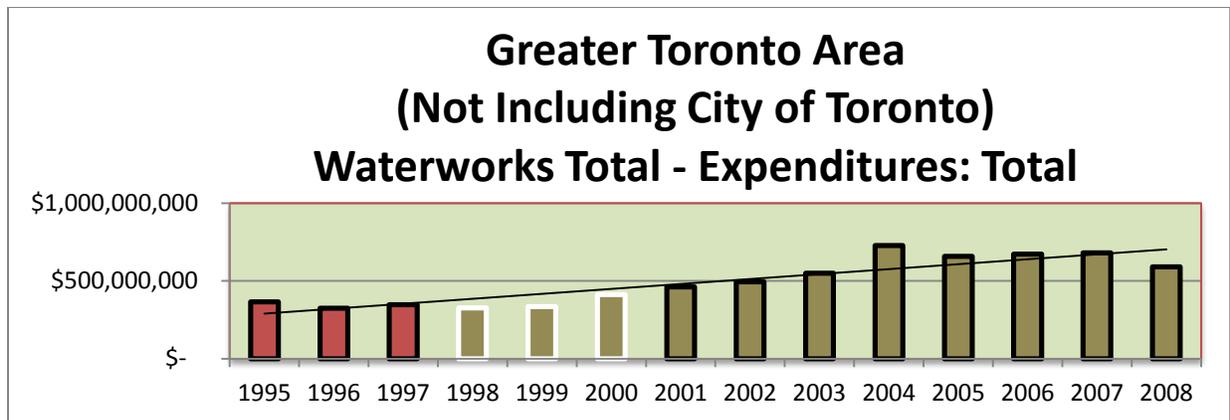
Average total expenditures related to waterworks capital and operating costs were 3.50% higher in the first three-years following amalgamation compared to the pre-amalgamation period. On a *per capita* basis, total costs decreased by 5.57% during the same time period. Average spending rose over the full post-amalgamation period with an increase of 55.24% or 23.49% *per capita*.



Year (Amalgamation Status)	Waterworks Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 177,248,139	\$ 81.06
1996 (Pre-Amalgamation)	\$ 141,910,737	\$ 63.26
1997 (Pre-Amalgamation)	\$ 136,872,326	\$ 59.13
1998 (Post-Amalgamation)	\$ 92,505,962	\$ 38.77
1999 (Post-Amalgamation)	\$ 111,696,085	\$ 45.45
2000 (Post-Amalgamation)	\$ 155,678,223	\$ 61.57
2001 (Post-Amalgamation)	\$ 171,493,276	\$ 65.96
2002 (Post-Amalgamation)	\$ 200,451,108	\$ 74.50
2003 (Post-Amalgamation)	\$ 245,700,539	\$ 88.35
2004 (Post-Amalgamation)	\$ 383,999,624	\$ 133.74
2005 (Post-Amalgamation)	\$ 297,988,913	\$ 100.61
2006 (Post-Amalgamation)	\$ 300,453,843	\$ 98.44
2007 (Post-Amalgamation)	\$ 276,392,525	\$ 88.32
2008 (Post-Amalgamation)	\$ 189,836,934	\$ 59.20
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 152,010,401	\$ 67.82
Post-Amalgamation Period (1998-2008)	\$ 220,563,367	\$ 77.72
Percent Change between Pre- and Post-Amalgamation Periods	45.10%	14.60%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 119,960,090	\$ 49
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-21.08%	-28.34%



Year (Amalgamation Status)	Waterworks Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 188,426,840	\$ 86.17
1996 (Pre-Amalgamation)	\$ 182,997,827	\$ 81.58
1997 (Pre-Amalgamation)	\$ 211,280,412	\$ 91.28
1998 (Post-Amalgamation)	\$ 235,102,030	\$ 98.54
1999 (Post-Amalgamation)	\$ 223,222,335	\$ 90.84
2000 (Post-Amalgamation)	\$ 256,842,518	\$ 101.57
2001 (Post-Amalgamation)	\$ 289,770,344	\$ 111.45
2002 (Post-Amalgamation)	\$ 294,180,081	\$ 109.34
2003 (Post-Amalgamation)	\$ 304,633,594	\$ 109.55
2004 (Post-Amalgamation)	\$ 343,968,882	\$ 119.79
2005 (Post-Amalgamation)	\$ 359,681,596	\$ 121.44
2006 (Post-Amalgamation)	\$ 372,854,286	\$ 122.16
2007 (Post-Amalgamation)	\$ 404,801,444	\$ 129.35
2008 (Post-Amalgamation)	\$ 401,339,784	\$ 125.15
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 194,235,026	\$ 86.34
Post-Amalgamation Period (1998-2008)	\$ 316,945,172	\$ 112.65
Percent Change between Pre- and Post-Amalgamation Periods	63.18%	30.47%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 238,388,961	\$ 97
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	22.73%	12.32%



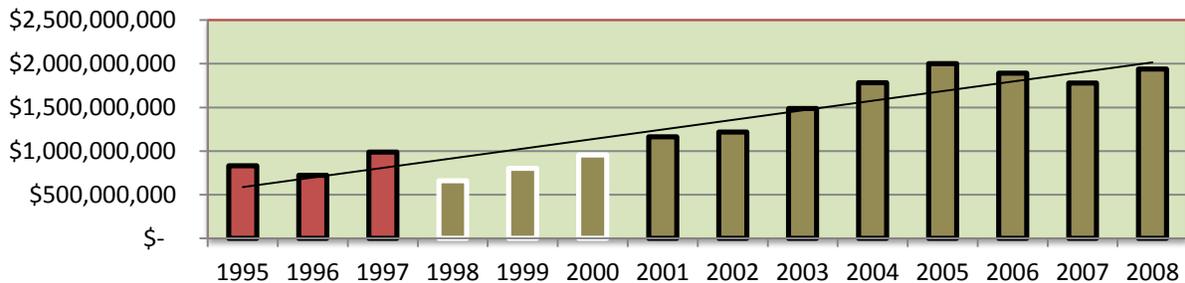
Year (Amalgamation Status)	Waterworks Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 365,674,979	\$ 167.24
1996 (Pre-Amalgamation)	\$ 324,908,564	\$ 144.84
1997 (Pre-Amalgamation)	\$ 348,152,738	\$ 150.42
1998 (Post-Amalgamation)	\$ 327,607,992	\$ 137.31
1999 (Post-Amalgamation)	\$ 334,918,420	\$ 136.29
2000 (Post-Amalgamation)	\$ 412,520,741	\$ 163.14
2001 (Post-Amalgamation)	\$ 461,263,620	\$ 177.41
2002 (Post-Amalgamation)	\$ 494,631,189	\$ 183.85
2003 (Post-Amalgamation)	\$ 550,334,133	\$ 197.90
2004 (Post-Amalgamation)	\$ 727,968,506	\$ 253.53
2005 (Post-Amalgamation)	\$ 657,670,509	\$ 222.05
2006 (Post-Amalgamation)	\$ 673,308,129	\$ 220.60
2007 (Post-Amalgamation)	\$ 681,193,969	\$ 217.67
2008 (Post-Amalgamation)	\$ 591,176,718	\$ 184.35
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 346,245,427	\$ 154.16
Post-Amalgamation Period (1998-2008)	\$ 537,508,539	\$ 190.37
Percent Change between Pre- and Post-Amalgamation Periods	55.24%	23.49%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 358,349,051	\$ 146
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	3.50%	-5.57%

Total average spending on the capital budget decreased by 5.01% (13.24% *per capita*) in the first three years following amalgamation compared to the average pre-amalgamation expenditures. When average spending is viewed over the full post-amalgamation period, expenditures rose by 67.98% (32.77% *per capita*).

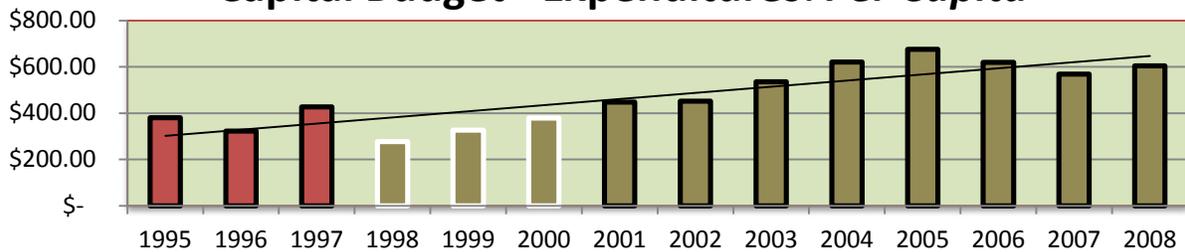
Average total operating expenditures increased by 71.69% in the full post-amalgamation time period while *per capita* expenditures rose by only 37.20% over the same period. Total operating budget expenditures were higher by an average of 31.85% (20.48% *per capita*) in the first three years following amalgamation.

Total capital and operating budget expenditures were 23.21% higher in the first three years following amalgamation compared to the pre-amalgamation period. The *per capita* impact over the same period was an increase of 12.59%. When average total budget expenditures were compared between the pre- and post-amalgamation periods, spending rose by 70.82% (36.16% *per capita*).

### Greater Toronto Area (Not Including City of Toronto) Capital Budget - Expenditures: Total

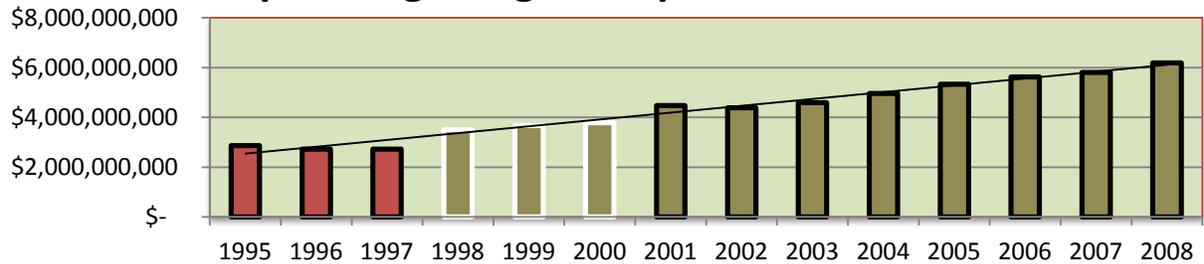


### Greater Toronto Area (Not Including City of Toronto) Capital Budget - Expenditures: *Per Capita*

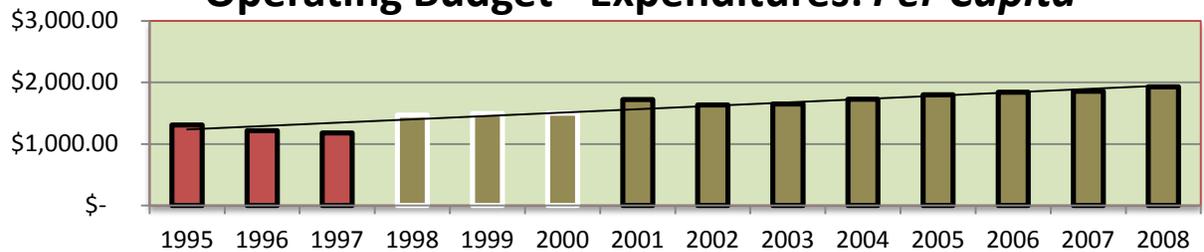


Year (Amalgamation Status)	Capital Budget Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 832,758,625	\$ 380.85
1996 (Pre-Amalgamation)	\$ 722,592,586	\$ 322.12
1997 (Pre-Amalgamation)	\$ 989,518,340	\$ 427.51
1998 (Post-Amalgamation)	\$ 659,506,125	\$ 276.41
1999 (Post-Amalgamation)	\$ 801,500,378	\$ 326.17
2000 (Post-Amalgamation)	\$ 956,434,073	\$ 378.24
2001 (Post-Amalgamation)	\$ 1,162,798,259	\$ 447.23
2002 (Post-Amalgamation)	\$ 1,216,285,963	\$ 452.07
2003 (Post-Amalgamation)	\$ 1,488,076,091	\$ 535.11
2004 (Post-Amalgamation)	\$ 1,780,950,085	\$ 620.25
2005 (Post-Amalgamation)	\$ 1,999,650,330	\$ 675.15
2006 (Post-Amalgamation)	\$ 1,890,273,879	\$ 619.31
2007 (Post-Amalgamation)	\$ 1,780,244,849	\$ 568.86
2008 (Post-Amalgamation)	\$ 1,939,039,917	\$ 604.66
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 848,289,850	\$ 376.83
Post-Amalgamation Period (1998-2008)	\$ 1,424,978,177	\$ 500.31
Percent Change between Pre- and Post-Amalgamation Periods	67.98%	32.77%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 805,813,525	\$ 327
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-5.01%	-13.24%

**Greater Toronto Area  
(Not Including City of Toronto)  
Operating Budget - Expenditures: Total**

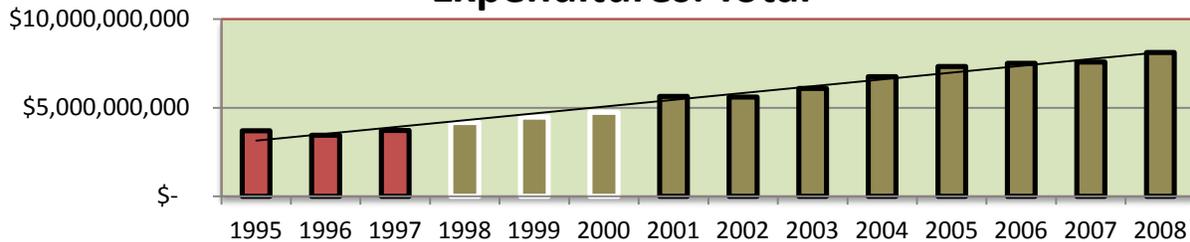


**Greater Toronto Area  
(Not Including City of Toronto)  
Operating Budget - Expenditures: *Per Capita***

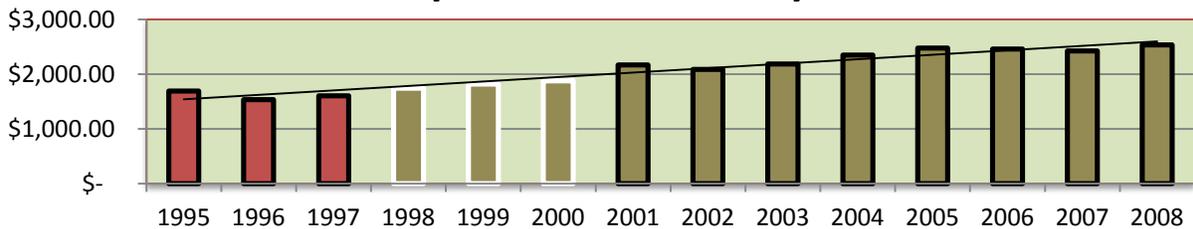


Year (Amalgamation Status)	Operating Budget	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 2,863,185,522	\$ 1,309.44
1996 (Pre-Amalgamation)	\$ 2,724,276,891	\$ 1,214.43
1997 (Pre-Amalgamation)	\$ 2,725,574,526	\$ 1,177.55
1998 (Post-Amalgamation)	\$ 3,500,163,652	\$ 1,466.98
1999 (Post-Amalgamation)	\$ 3,668,493,412	\$ 1,492.89
2000 (Post-Amalgamation)	\$ 3,792,000,515	\$ 1,499.61
2001 (Post-Amalgamation)	\$ 4,473,662,598	\$ 1,720.63
2002 (Post-Amalgamation)	\$ 4,390,942,078	\$ 1,632.04
2003 (Post-Amalgamation)	\$ 4,594,238,359	\$ 1,652.07
2004 (Post-Amalgamation)	\$ 4,965,564,157	\$ 1,729.36
2005 (Post-Amalgamation)	\$ 5,336,981,813	\$ 1,801.96
2006 (Post-Amalgamation)	\$ 5,619,973,374	\$ 1,841.28
2007 (Post-Amalgamation)	\$ 5,804,262,914	\$ 1,854.68
2008 (Post-Amalgamation)	\$ 6,185,474,514	\$ 1,928.84
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 2,771,012,313	\$ 1,233.81
Post-Amalgamation Period (1998-2008)	\$ 4,757,432,490	\$ 1,692.76
Percent Change between Pre- and Post-Amalgamation Periods	71.69%	37.20%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 3,653,552,526	\$ 1,486
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	31.85%	20.48%

### Greater Toronto Area (Not Including City of Toronto) Operating and Capital Budget Expenditures: Total



### Greater Toronto Area (Not Including City of Toronto) Operating and Capital Budget Expenditures: *Per Capita*



Year (Amalgamation Status)	Operating and Capital Budget - Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 3,695,944,147	\$ 1,690.29
1996 (Pre-Amalgamation)	\$ 3,446,869,477	\$ 1,536.54
1997 (Pre-Amalgamation)	\$ 3,715,092,866	\$ 1,605.06
1998 (Post-Amalgamation)	\$ 4,159,669,777	\$ 1,743.39
1999 (Post-Amalgamation)	\$ 4,469,993,790	\$ 1,819.06
2000 (Post-Amalgamation)	\$ 4,748,434,588	\$ 1,877.84
2001 (Post-Amalgamation)	\$ 5,636,460,857	\$ 2,167.85
2002 (Post-Amalgamation)	\$ 5,607,228,041	\$ 2,084.12
2003 (Post-Amalgamation)	\$ 6,082,314,450	\$ 2,187.18
2004 (Post-Amalgamation)	\$ 6,746,514,242	\$ 2,349.61
2005 (Post-Amalgamation)	\$ 7,336,632,143	\$ 2,477.11
2006 (Post-Amalgamation)	\$ 7,510,247,253	\$ 2,460.60
2007 (Post-Amalgamation)	\$ 7,584,507,763	\$ 2,423.53
2008 (Post-Amalgamation)	\$ 8,124,514,431	\$ 2,533.50
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 3,619,302,163	\$ 1,610.63
Post-Amalgamation Period (1998-2008)	\$ 6,182,410,667	\$ 2,193.07
Percent Change between Pre- and Post-Amalgamation Periods	70.82%	36.16%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 4,459,366,052	\$ 1,813
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	23.21%	12.59%

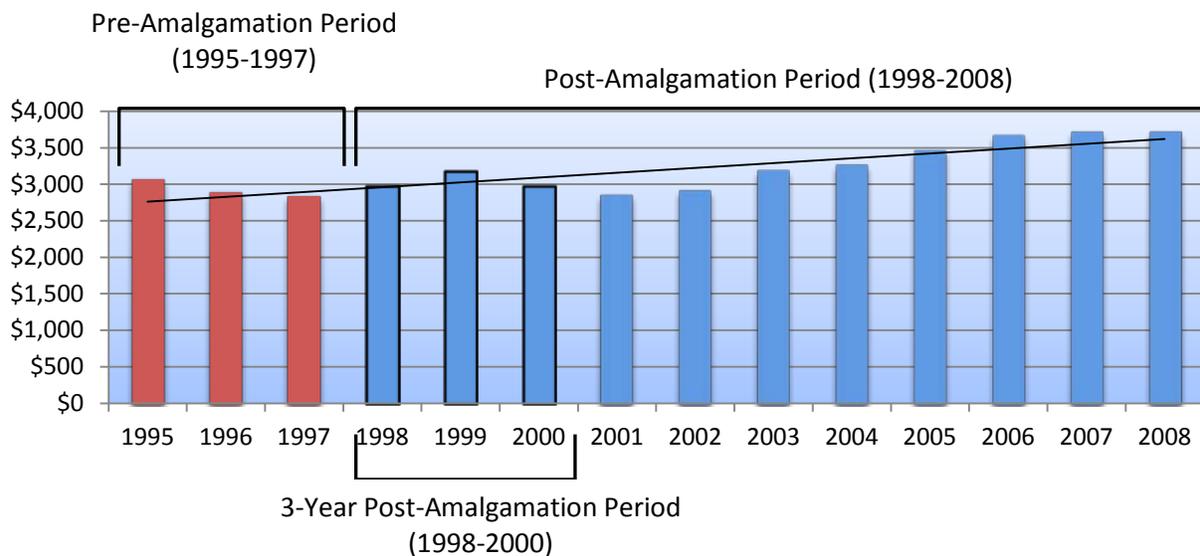
## Results - Greater Toronto Area

The quantitative analysis undertaken with respect to data from the Greater Toronto Area is reported below. Each service considered is separated into operating, capital, and total expenditures (operating and capital expenditures combined). Operating, capital, and total expenditures are further analyzed as total dollar expenditures and per capita expenditures, the results of which are reported in two charts and a table per expenditure (i.e. Two charts for Fire Capital expenditures - one for total dollar expenditures and one for per capita expenditures). The charts and table have been colour coded so that corresponding data sets from the table can be matched to each chart. Data related to the three-year post-amalgamation period is located immediately adjacent to the pre-amalgamation data and is the same colour as the remaining post-amalgamation data, however, each year has been outlined in a separate colour to make it immediately recognizable to the reader. In addition, the averages of data over time has been analyzed and included in each corresponding table. With respect to the data related to the Greater Toronto Area, the following definitions apply:

- (1) Amalgamation in the City of Toronto occurred in 1998 however the remaining portions of the GTA did not experience amalgamation during that time;
- (2) The pre-amalgamation period is the time period from 1995-1997. This data is reflected in the corresponding charts and table in red;
- (3) The post-amalgamation period is the time period from 1998-2008. This data is reflected in the corresponding charts and table in blue;
- (4) The 3-year post-amalgamation period is the time period from 1998-2000. This data is reflected in the corresponding charts and table in blue with a solid black border;

- (5) The 'Percent Change between the Pre- and Post-Amalgamation Periods' is the average change between the entire pre-amalgamation period and the entire post-amalgamation period; and,
- (6) The 'Percent Change between Pre- and Three-Year Post-Amalgamation Periods' is the average change between the entire pre-amalgamation period and the three-year period immediately following amalgamation (1998-2000).

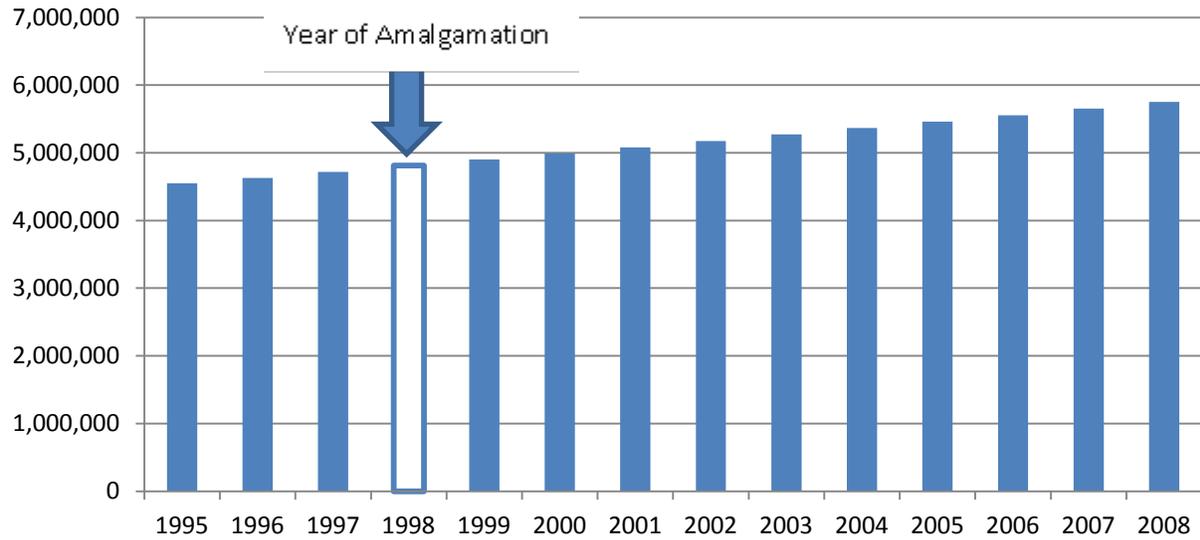
**Sample Chart – Greater Toronto Area**



**Sample Table – Greater Toronto Area**

Year (Amalgamation Status)	Fire Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$31,547,835	\$ 6.93
1996 (Pre-Amalgamation)	\$22,179,316	\$ 4.79
1997 (Pre-Amalgamation)	\$24,935,357	\$ 5.29
1998 (Post-Amalgamation)	\$24,267,679	\$ 5.04
1999 (Post-Amalgamation)	\$34,443,840	\$ 7.03
2000 (Post-Amalgamation)	\$49,449,064	\$ 9.91
2001 (Post-Amalgamation)	\$43,419,728	\$ 8.54
2002 (Post-Amalgamation)	\$64,835,059	\$ 12.53
2003 (Post-Amalgamation)	\$47,537,137	\$ 9.02
2004 (Post-Amalgamation)	\$33,555,834	\$ 6.25
2005 (Post-Amalgamation)	\$38,428,896	\$ 7.04
2006 (Post-Amalgamation)	\$50,211,786	\$ 9.04
2007 (Post-Amalgamation)	\$44,982,963	\$ 7.95
2008 (Post-Amalgamation)	\$26,013,166	\$ 4.52
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$26,220,836	\$ 5.67
Post-Amalgamation Period (1998-2008)	\$41,558,650	\$ 7.90
Percent Change between Pre- and Post-Amalgamation Periods	58.49%	39.26%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$36,053,528	\$ 7.33
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	37.50%	29.19%

## Population - Greater Toronto Area



Year	Amalgamation Status	Population
1995	Pre-Amalgamation	4,550,060
1996	Pre-Amalgamation	4,628,682
1997	Pre-Amalgamation	4,716,041
1998*	Post-Amalgamation	4,814,080
1999	Post-Amalgamation	4,901,724
2000	Post-Amalgamation	4,989,477
2001	Post-Amalgamation	5,081,512
2002	Post-Amalgamation	5,176,308
2003	Post-Amalgamation	5,271,105
2004	Post-Amalgamation	5,365,894
2005	Post-Amalgamation	5,460,691
2006	Post-Amalgamation	5,555,487
2007	Post-Amalgamation	5,655,160
2008	Post-Amalgamation	5,754,831
<b>Average Population</b>		<b>5,137,218</b>
<b>Population - Percent Change (1995-2008)</b>		<b>26.48%</b>
* Year of amalgamation in City of Toronto		

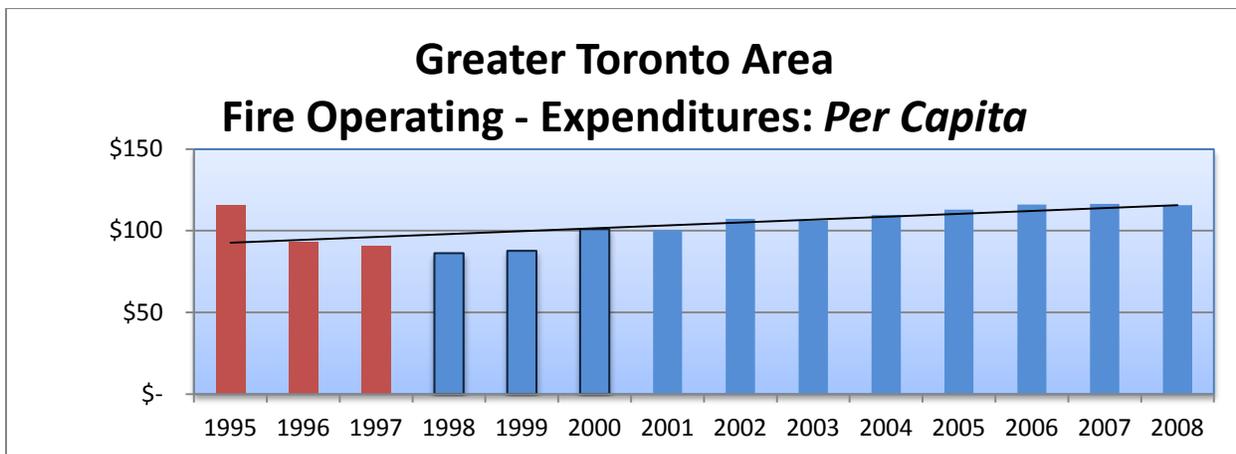
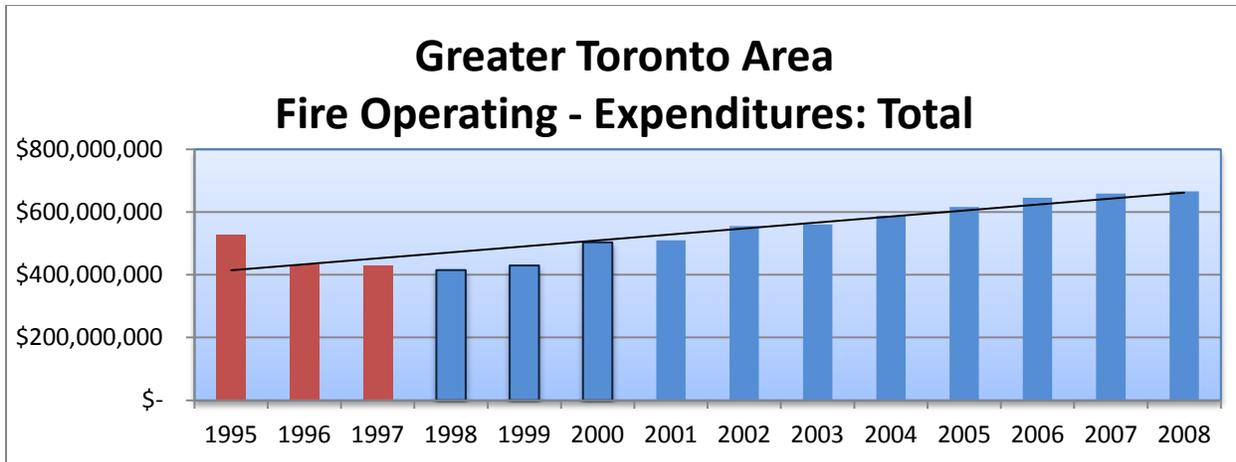
Average expenditures related to fire capital costs rose by 37.50% (29.19% *per capita*) in the first three years following amalgamation. Average spending increased by 58.49% (39.26% *per capita*) in the post-amalgamation period when compared to the pre-amalgamation period.

Spending related to fire operating costs fell an average of 2.76% (8.34% *per capita*) in the first three years following amalgamation. Expenditures increased an average of 20.95% (5.50% *per capita*) over the post-amalgamation period when compared to the pre-amalgamation period.

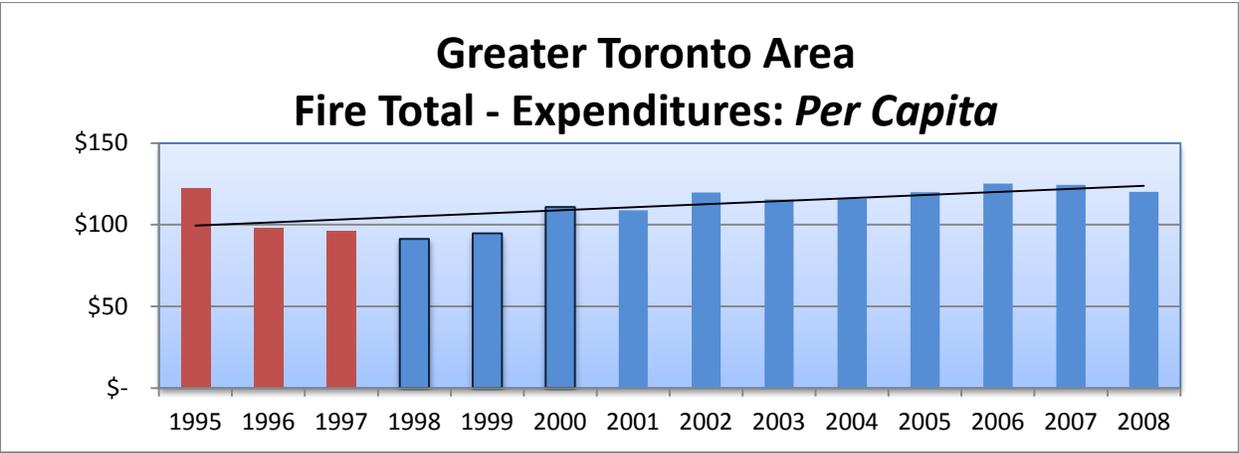
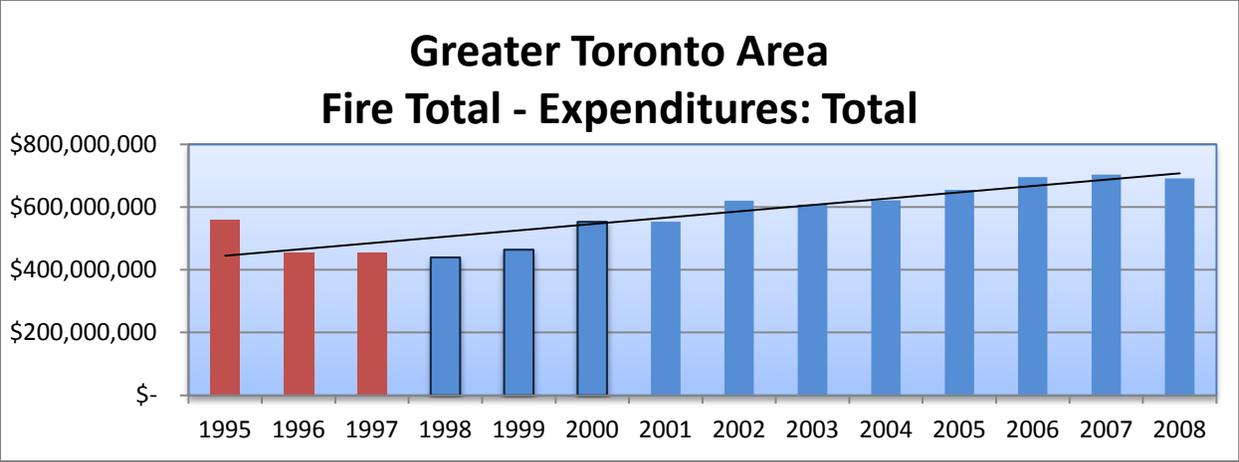
Total spending related to fire services increased an average of 22.96% between the pre- and post-amalgamation periods. *Per capita* spending over the same period was only 7.31% higher. Total expenditures fell in the first three years following amalgamation by an average of .60% or 6.32% *per capita*.



Year (Amalgamation Status)	Fire Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$31,547,835	\$ 6.93
1996 (Pre-Amalgamation)	\$22,179,316	\$ 4.79
1997 (Pre-Amalgamation)	\$24,935,357	\$ 5.29
1998 (Post-Amalgamation)	\$24,267,679	\$ 5.04
1999 (Post-Amalgamation)	\$34,443,840	\$ 7.03
2000 (Post-Amalgamation)	\$49,449,064	\$ 9.91
2001 (Post-Amalgamation)	\$43,419,728	\$ 8.54
2002 (Post-Amalgamation)	\$64,835,059	\$ 12.53
2003 (Post-Amalgamation)	\$47,537,137	\$ 9.02
2004 (Post-Amalgamation)	\$33,555,834	\$ 6.25
2005 (Post-Amalgamation)	\$38,428,896	\$ 7.04
2006 (Post-Amalgamation)	\$50,211,786	\$ 9.04
2007 (Post-Amalgamation)	\$44,982,963	\$ 7.95
2008 (Post-Amalgamation)	\$26,013,166	\$ 4.52
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$26,220,836	\$ 5.67
Post-Amalgamation Period (1998-2008)	\$41,558,650	\$ 7.90
Percent Change between Pre- and Post-Amalgamation Periods	58.49%	39.26%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$36,053,528	\$ 7.33
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	37.50%	29.19%



Year (Amalgamation Status)	Fire Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 526,182,538	\$ 115.64
1996 (Pre-Amalgamation)	\$ 431,662,492	\$ 93.26
1997 (Pre-Amalgamation)	\$ 428,432,744	\$ 90.85
1998 (Post-Amalgamation)	\$ 415,023,295	\$ 86.21
1999 (Post-Amalgamation)	\$ 429,615,613	\$ 87.65
2000 (Post-Amalgamation)	\$ 503,421,837	\$ 100.90
2001 (Post-Amalgamation)	\$ 509,575,043	\$ 100.28
2002 (Post-Amalgamation)	\$ 555,197,561	\$ 107.26
2003 (Post-Amalgamation)	\$ 560,746,894	\$ 106.38
2004 (Post-Amalgamation)	\$ 588,106,807	\$ 109.60
2005 (Post-Amalgamation)	\$ 616,582,263	\$ 112.91
2006 (Post-Amalgamation)	\$ 645,234,588	\$ 116.14
2007 (Post-Amalgamation)	\$ 658,691,620	\$ 116.48
2008 (Post-Amalgamation)	\$ 665,645,001	\$ 115.67
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 462,092,591	\$ 99.92
Post-Amalgamation Period (1998-2008)	\$ 558,894,593	\$ 105.41
Percent Change between Pre- and Post-Amalgamation Periods	20.95%	5.50%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 449,353,582	\$ 91.58
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-2.76%	-8.34%

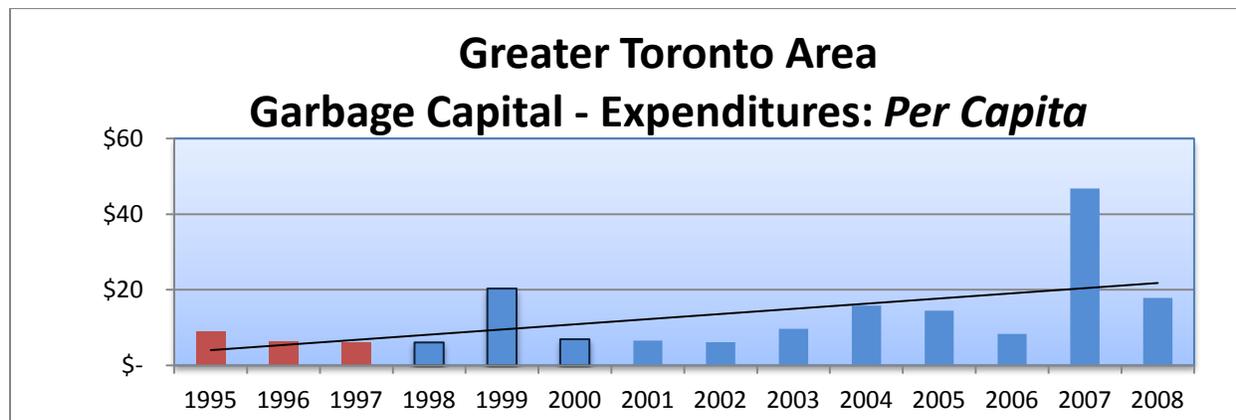
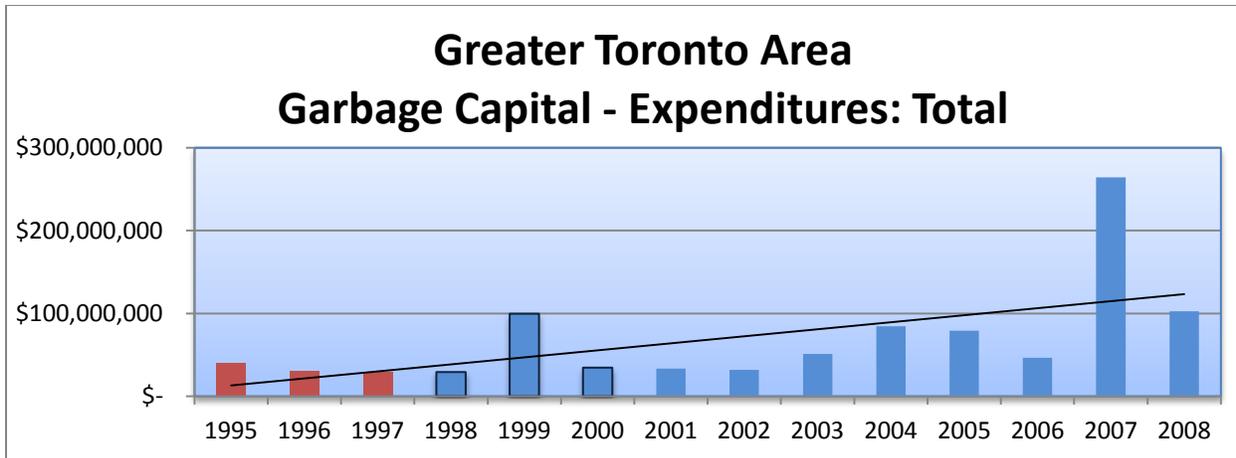


Year (Amalgamation Status)	Fire Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 557,730,373	\$ 122.58
1996 (Pre-Amalgamation)	\$ 453,841,808	\$ 98.05
1997 (Pre-Amalgamation)	\$ 453,368,101	\$ 96.13
1998 (Post-Amalgamation)	\$ 439,290,974	\$ 91.25
1999 (Post-Amalgamation)	\$ 464,059,453	\$ 94.67
2000 (Post-Amalgamation)	\$ 552,870,901	\$ 110.81
2001 (Post-Amalgamation)	\$ 552,994,771	\$ 108.82
2002 (Post-Amalgamation)	\$ 620,032,620	\$ 119.78
2003 (Post-Amalgamation)	\$ 608,284,031	\$ 115.40
2004 (Post-Amalgamation)	\$ 621,662,641	\$ 115.85
2005 (Post-Amalgamation)	\$ 655,011,159	\$ 119.95
2006 (Post-Amalgamation)	\$ 695,446,374	\$ 125.18
2007 (Post-Amalgamation)	\$ 703,674,583	\$ 124.43
2008 (Post-Amalgamation)	\$ 691,658,167	\$ 120.19
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 488,313,427	\$ 105.59
Post-Amalgamation Period (1998-2008)	\$ 600,453,243	\$ 113.30
Percent Change between Pre- and Post-Amalgamation Periods	22.96%	7.31%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 485,407,109	\$ 98.91
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-0.60%	-6.32%

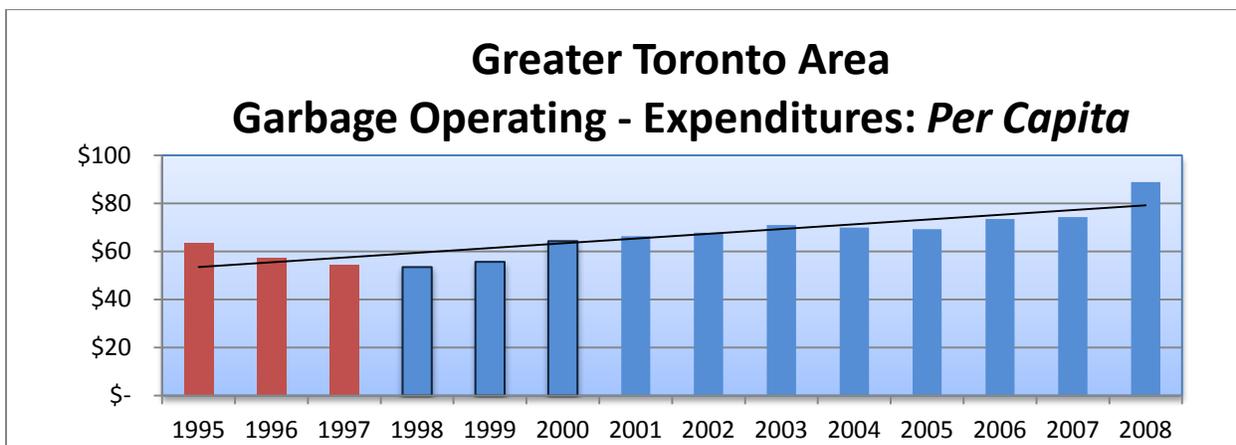
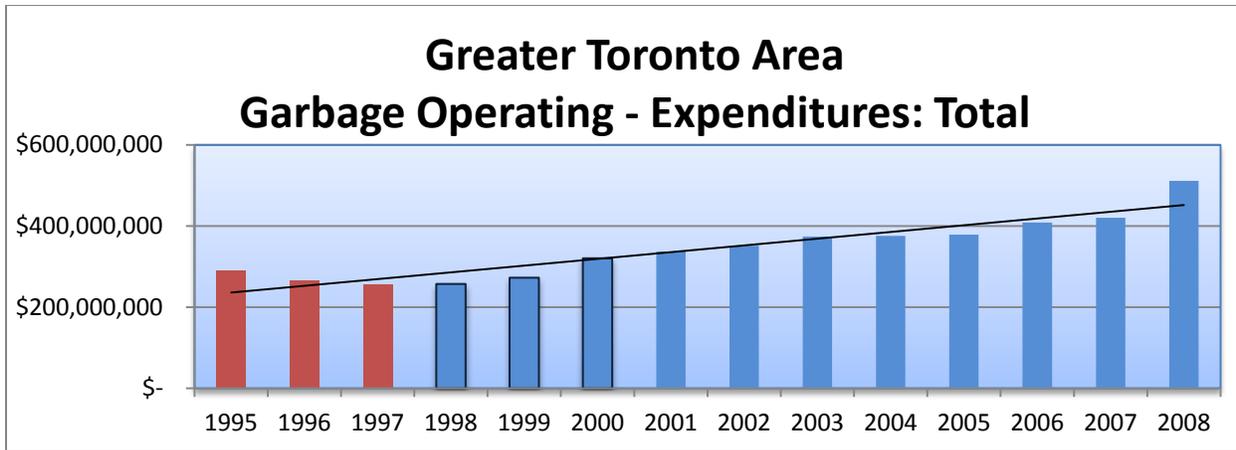
In the three year period immediately following amalgamation, average spending related to garbage capital expenses rose by 64.21% (54.75% *per capita*). When comparing the pre- and post-amalgamation time periods, average spending rose by 134.79% or 101.24% *per capita*.

Expenditures related to garbage operating costs decreased on average by .75% *per capita* in the first three years following amalgamation. Average expenditures between the pre- and post-amalgamation periods increased by 35.27% (17.85% *per capita*).

When consolidated, average total expenditures related to garbage services increased by 11.71% or 5.34% *per capita* in the three year period following amalgamation. Expenditures continued to increase in the post-amalgamation period with an average rise of 46.17% or 26.99% *per capita*.

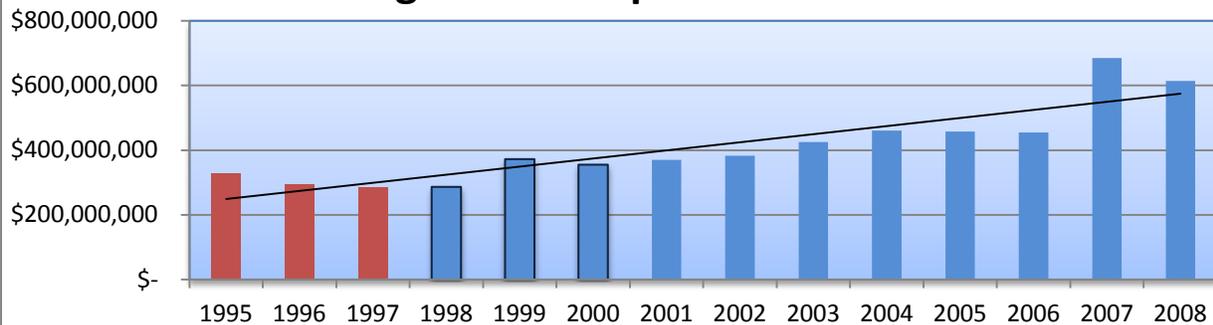


Year (Amalgamation Status)	Garbage Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 40,378,072	\$ 8.87
1996 (Pre-Amalgamation)	\$ 29,917,383	\$ 6.46
1997 (Pre-Amalgamation)	\$ 29,106,350	\$ 6.17
1998 (Post-Amalgamation)	\$ 29,166,990	\$ 6.06
1999 (Post-Amalgamation)	\$ 99,582,432	\$ 20.32
2000 (Post-Amalgamation)	\$ 34,482,311	\$ 6.91
2001 (Post-Amalgamation)	\$ 33,230,532	\$ 6.54
2002 (Post-Amalgamation)	\$ 31,641,623	\$ 6.11
2003 (Post-Amalgamation)	\$ 51,031,296	\$ 9.68
2004 (Post-Amalgamation)	\$ 84,602,382	\$ 15.77
2005 (Post-Amalgamation)	\$ 78,961,816	\$ 14.46
2006 (Post-Amalgamation)	\$ 46,256,499	\$ 8.33
2007 (Post-Amalgamation)	\$ 264,443,812	\$ 46.76
2008 (Post-Amalgamation)	\$ 102,339,343	\$ 17.78
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 33,133,935	\$ 7.17
Post-Amalgamation Period (1998-2008)	\$ 77,794,458	\$ 14.43
Percent Change between Pre- and Post-Amalgamation Periods	134.79%	101.24%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 54,410,578	\$ 11
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	64.21%	54.75%

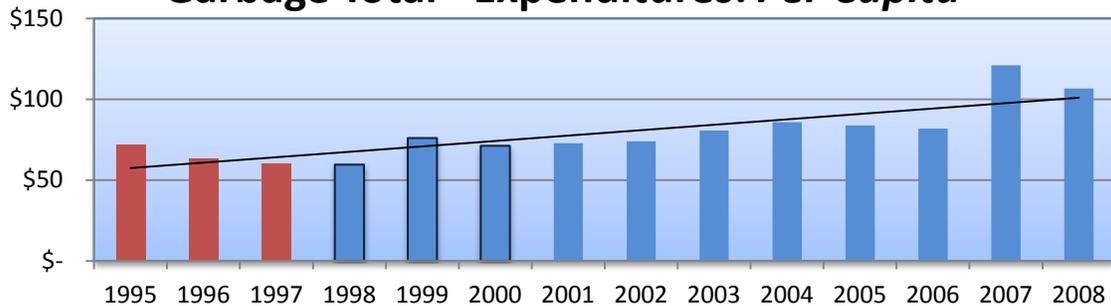


Year (Amalgamation Status)	Garbage Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 288,372,058	\$ 63.38
1996 (Pre-Amalgamation)	\$ 264,124,985	\$ 57.06
1997 (Pre-Amalgamation)	\$ 255,725,363	\$ 54.22
1998 (Post-Amalgamation)	\$ 257,357,849	\$ 53.46
1999 (Post-Amalgamation)	\$ 272,722,854	\$ 55.64
2000 (Post-Amalgamation)	\$ 320,635,084	\$ 64.26
2001 (Post-Amalgamation)	\$ 337,212,667	\$ 66.36
2002 (Post-Amalgamation)	\$ 351,245,843	\$ 67.86
2003 (Post-Amalgamation)	\$ 374,476,682	\$ 71.04
2004 (Post-Amalgamation)	\$ 375,591,393	\$ 70.00
2005 (Post-Amalgamation)	\$ 378,556,783	\$ 69.32
2006 (Post-Amalgamation)	\$ 408,375,883	\$ 73.51
2007 (Post-Amalgamation)	\$ 420,579,009	\$ 74.37
2008 (Post-Amalgamation)	\$ 511,860,402	\$ 88.94
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 269,407,469	\$ 58.22
Post-Amalgamation Period (1998-2008)	\$ 364,419,495	\$ 68.61
Percent Change between Pre- and Post-Amalgamation Periods	35.27%	17.85%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 283,571,929	\$ 58
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	5.26%	-0.75%

## Greater Toronto Area Garbage Total - Expenditures: Total



## Greater Toronto Area Garbage Total - Expenditures: *Per Capita*



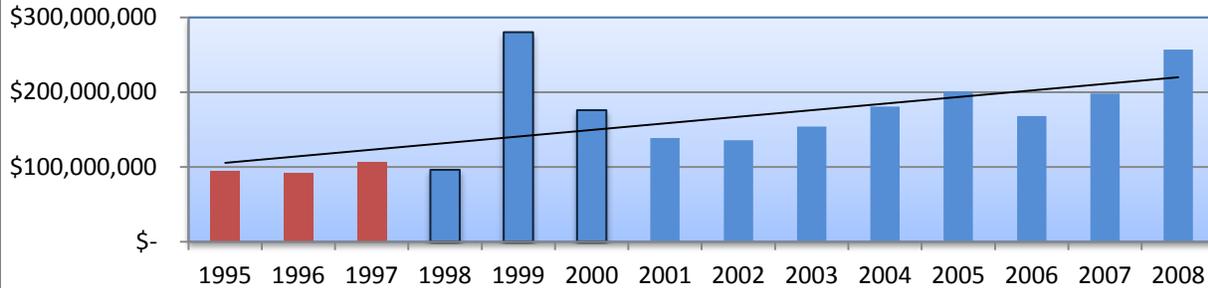
Year (Amalgamation Status)	Garbage Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 328,750,130	\$ 72.25
1996 (Pre-Amalgamation)	\$ 294,042,368	\$ 63.53
1997 (Pre-Amalgamation)	\$ 284,831,713	\$ 60.40
1998 (Post-Amalgamation)	\$ 286,524,839	\$ 59.52
1999 (Post-Amalgamation)	\$ 372,305,286	\$ 75.95
2000 (Post-Amalgamation)	\$ 355,117,395	\$ 71.17
2001 (Post-Amalgamation)	\$ 370,443,199	\$ 72.90
2002 (Post-Amalgamation)	\$ 382,887,466	\$ 73.97
2003 (Post-Amalgamation)	\$ 425,507,978	\$ 80.72
2004 (Post-Amalgamation)	\$ 460,193,775	\$ 85.76
2005 (Post-Amalgamation)	\$ 457,518,599	\$ 83.78
2006 (Post-Amalgamation)	\$ 454,632,382	\$ 81.83
2007 (Post-Amalgamation)	\$ 685,022,821	\$ 121.13
2008 (Post-Amalgamation)	\$ 614,199,745	\$ 106.73
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 302,541,403.67	\$ 65.39
Post-Amalgamation Period (1998-2008)	\$ 442,213,953.18	\$ 83.04
Percent Change between Pre- and Post-Amalgamation Periods	46.17%	26.99%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 337,982,507	\$ 68.88
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	11.71%	5.34%

In the first three years following amalgamation, average capital expenditures related to general government increased by 88.39% (77.67% *per capita*) when compared to the pre-amalgamation period. When viewed over the entire post-amalgamation period, average capital spending related to general government costs was 84.71% higher (61.90% *per capita*) when compared to the pre-amalgamation period.

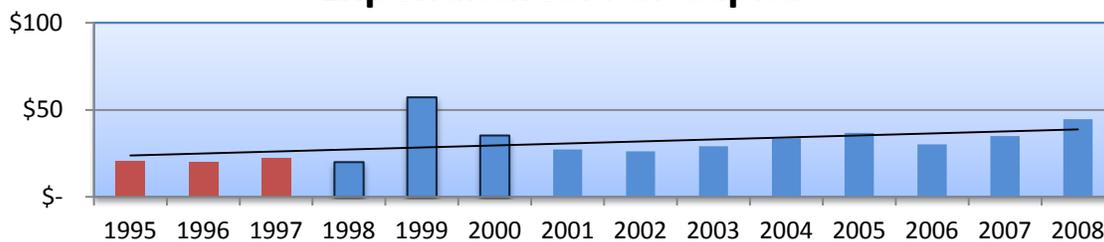
General government operating expenditures rose an average of 5.76% in the three years following amalgamation but when viewed on a *per capita* basis were essentially flat at .02%. Average spending between the pre- and post-amalgamation periods was higher by 7.27% on a dollar basis but was lower by 5.74% on a *per capita* basis.

Total spending on general government was higher on average in the three year period following amalgamation by 12.50% (6.35% *per capita*). Total spending in the full post-amalgamation period when compared to the pre-amalgamation period was higher by 13.59% on a dollar basis but decreased slightly on a *per capita* basis by .23%.

## Greater Toronto Area General Government Capital Expenditures: Total

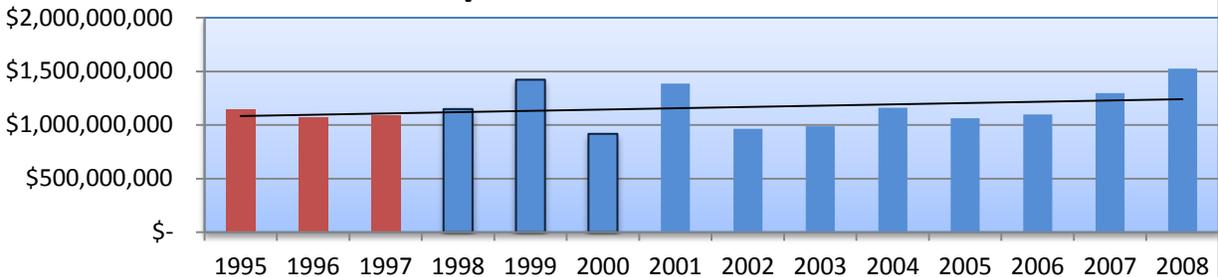


## Greater Toronto Area General Government Capital Expenditures: Per Capita

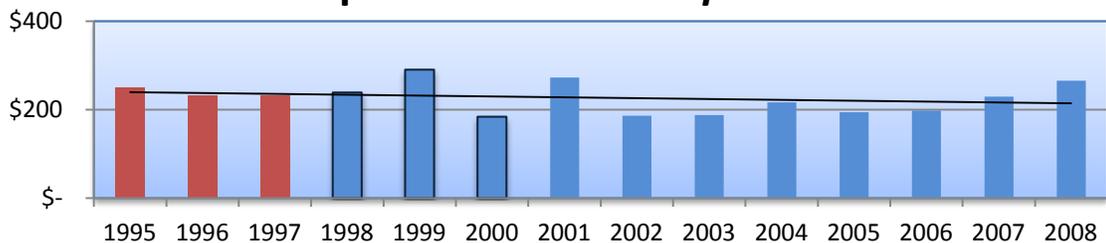


Year (Amalgamation Status)	General Government Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 94,236,293	\$ 20.71
1996 (Pre-Amalgamation)	\$ 92,219,638	\$ 19.92
1997 (Pre-Amalgamation)	\$ 106,706,129	\$ 22.63
1998 (Post-Amalgamation)	\$ 96,102,533	\$ 19.96
1999 (Post-Amalgamation)	\$ 280,250,333	\$ 57.17
2000 (Post-Amalgamation)	\$ 175,931,000	\$ 35.26
2001 (Post-Amalgamation)	\$ 138,677,025	\$ 27.29
2002 (Post-Amalgamation)	\$ 135,761,550	\$ 26.23
2003 (Post-Amalgamation)	\$ 154,040,312	\$ 29.22
2004 (Post-Amalgamation)	\$ 180,999,941	\$ 33.73
2005 (Post-Amalgamation)	\$ 200,762,027	\$ 36.76
2006 (Post-Amalgamation)	\$ 167,821,489	\$ 30.21
2007 (Post-Amalgamation)	\$ 198,205,260	\$ 35.05
2008 (Post-Amalgamation)	\$ 256,905,369	\$ 44.64
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 97,720,686.67	\$ 21.09
Post-Amalgamation Period (1998-2008)	\$ 180,496,076.27	\$ 34.14
Percent Change between Pre- and Post-Amalgamation Periods	84.71%	61.90%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 184,094,622	\$ 37.47
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	88.39%	77.67%

## Greater Toronto Area General Government Operating Expenditures: Total

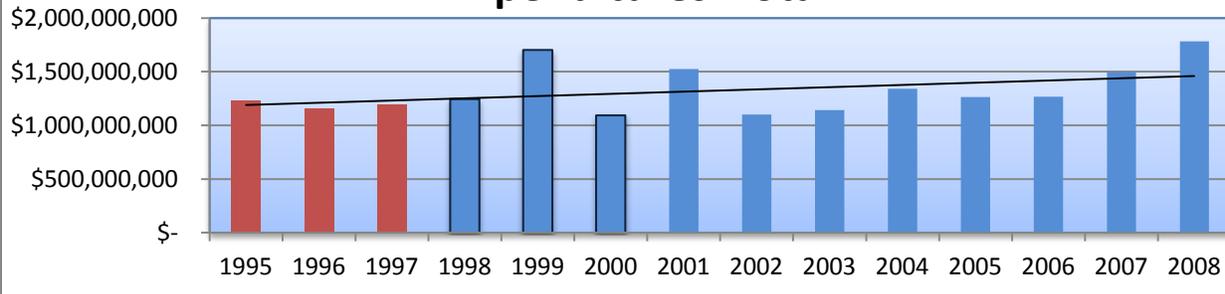


## Greater Toronto Area General Government Operating Expenditures: *Per Capita*

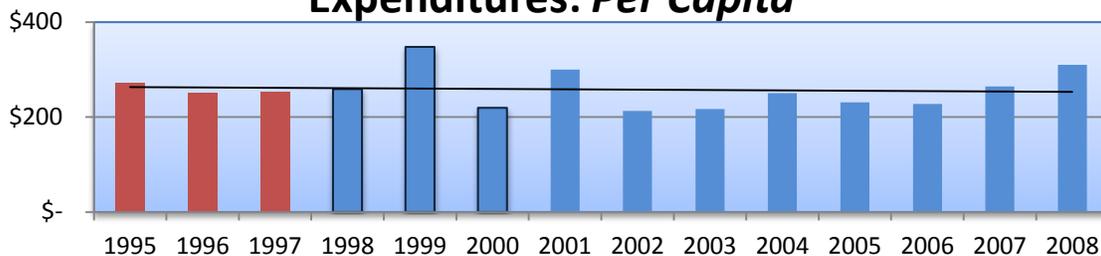


Year (Amalgamation Status)	General Government Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 1,141,498,361	\$ 250.88
1996 (Pre-Amalgamation)	\$ 1,068,774,298	\$ 230.90
1997 (Pre-Amalgamation)	\$ 1,088,422,798	\$ 230.79
1998 (Post-Amalgamation)	\$ 1,148,814,998	\$ 238.64
1999 (Post-Amalgamation)	\$ 1,422,463,149	\$ 290.20
2000 (Post-Amalgamation)	\$ 917,456,079	\$ 183.88
2001 (Post-Amalgamation)	\$ 1,386,251,616	\$ 272.80
2002 (Post-Amalgamation)	\$ 964,660,975	\$ 186.36
2003 (Post-Amalgamation)	\$ 988,255,633	\$ 187.49
2004 (Post-Amalgamation)	\$ 1,161,128,050	\$ 216.39
2005 (Post-Amalgamation)	\$ 1,061,934,424	\$ 194.47
2006 (Post-Amalgamation)	\$ 1,098,195,827	\$ 197.68
2007 (Post-Amalgamation)	\$ 1,298,046,590	\$ 229.53
2008 (Post-Amalgamation)	\$ 1,526,896,895	\$ 265.32
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 1,099,565,152.33	\$ 237.52
Post-Amalgamation Period (1998-2008)	\$ 1,179,464,021.45	\$ 223.89
Percent Change between Pre- and Post-Amalgamation Periods	7.27%	-5.74%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 1,162,911,409	\$ 237.57
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	5.76%	0.02%

### Greater Toronto Area General Government Total Expenditures: Total



### Greater Toronto Area General Government Total Expenditures: *Per Capita*

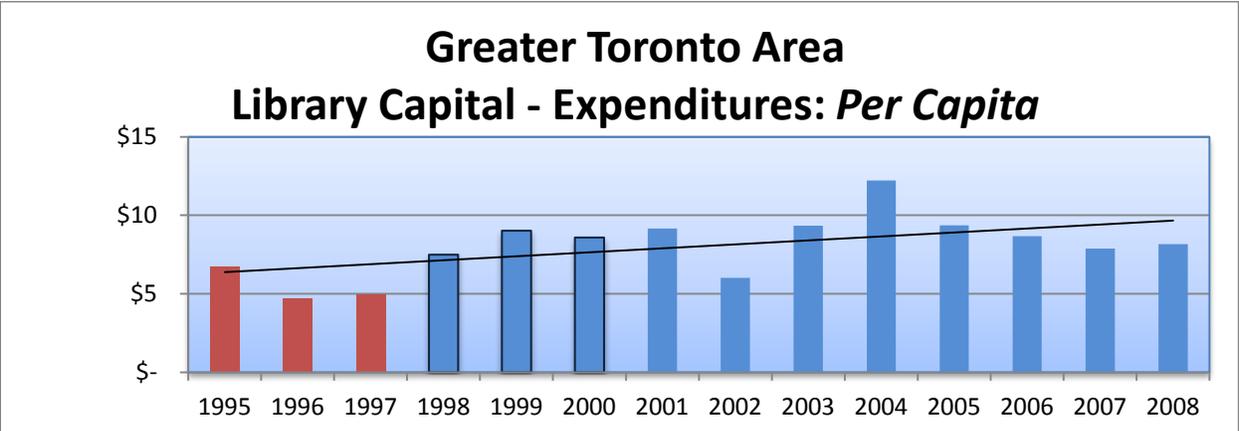
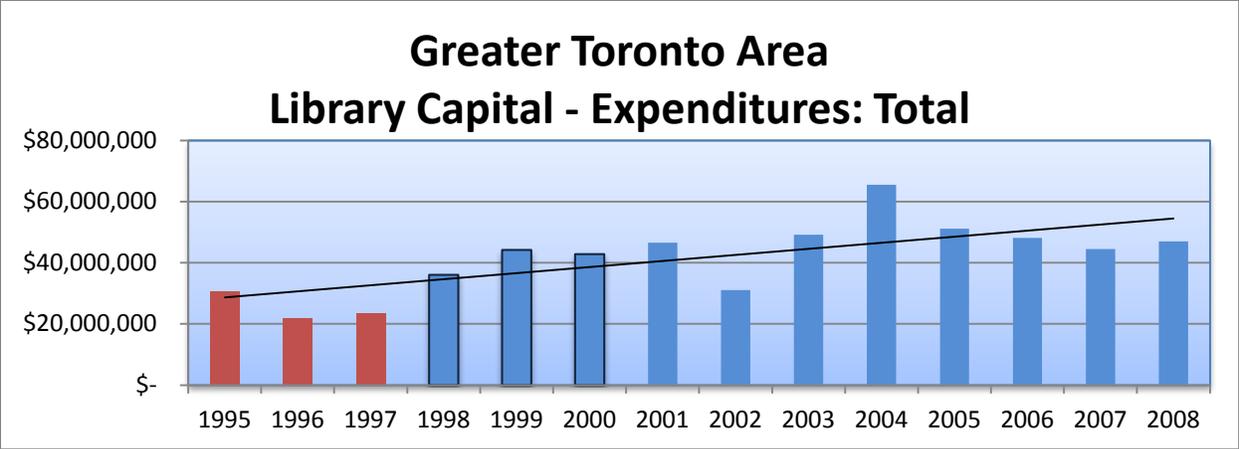


Year (Amalgamation Status)	General Government Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 1,235,734,654	\$ 271.59
1996 (Pre-Amalgamation)	\$ 1,160,993,936	\$ 250.83
1997 (Pre-Amalgamation)	\$ 1,195,128,927	\$ 253.42
1998 (Post-Amalgamation)	\$ 1,244,917,531	\$ 258.60
1999 (Post-Amalgamation)	\$ 1,702,713,482	\$ 347.37
2000 (Post-Amalgamation)	\$ 1,093,387,079	\$ 219.14
2001 (Post-Amalgamation)	\$ 1,524,928,641	\$ 300.09
2002 (Post-Amalgamation)	\$ 1,100,422,525	\$ 212.59
2003 (Post-Amalgamation)	\$ 1,142,295,945	\$ 216.71
2004 (Post-Amalgamation)	\$ 1,342,127,991	\$ 250.12
2005 (Post-Amalgamation)	\$ 1,262,696,451	\$ 231.23
2006 (Post-Amalgamation)	\$ 1,266,017,316	\$ 227.89
2007 (Post-Amalgamation)	\$ 1,496,251,850	\$ 264.58
2008 (Post-Amalgamation)	\$ 1,783,802,264	\$ 309.97
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 1,197,285,839.00	\$ 258.61
Post-Amalgamation Period (1998-2008)	\$ 1,359,960,097.73	\$ 258.03
Percent Change between Pre- and Post-Amalgamation Periods	13.59%	-0.23%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 1,347,006,031	\$ 275.04
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	12.50%	6.35%

Library capital expenditures rose an average of 62.63% (53.26% *per capita*) in the three year period following amalgamation as compared to the pre-amalgamation spending. Over the full post-amalgamation period, spending continued to rise to an average of 82.41% (59.70% *per capita*) more than the average spending during the pre-amalgamation period.

*Per capita* spending on library operating expenses was lower immediately following amalgamation by 3.04% (increased 2.85% on a dollar basis) and over the full post-amalgamation period by 1.76% (increased 12.26% on a dollar basis) when compared to average pre-amalgamation spending.

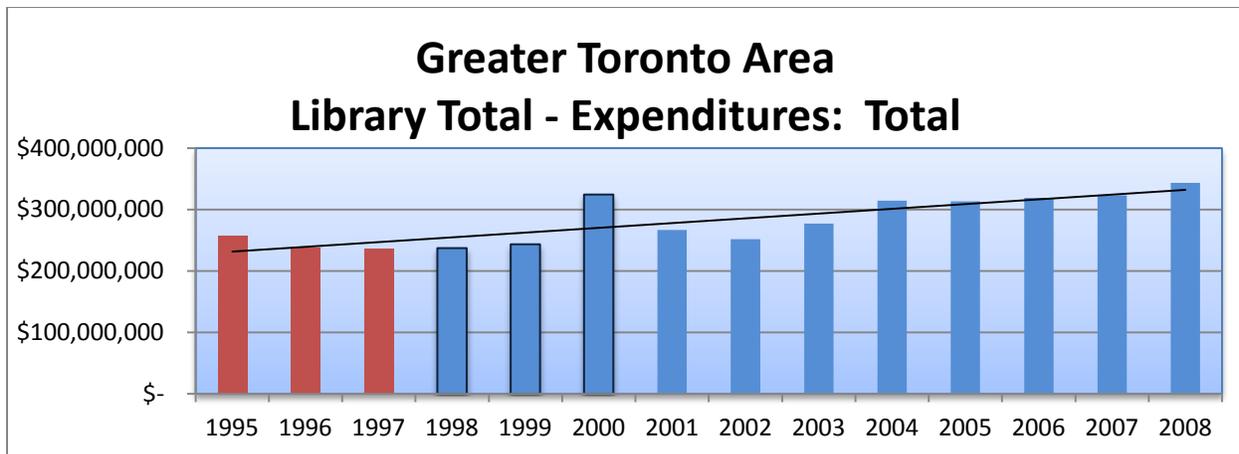
Average total library expenditures rose by 10.01% (3.69% *per capita*) in the first three years following amalgamation. Compared to the pre-amalgamation time period, total average library expenditures rose by 19.78% (4.85% *per capita*) over the full post-amalgamation period.



Year (Amalgamation Status)	Library Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 30,539,212	\$ 6.71
1996 (Pre-Amalgamation)	\$ 21,792,959	\$ 4.71
1997 (Pre-Amalgamation)	\$ 23,374,642	\$ 4.96
1998 (Post-Amalgamation)	\$ 36,066,838	\$ 7.49
1999 (Post-Amalgamation)	\$ 44,214,226	\$ 9.02
2000 (Post-Amalgamation)	\$ 42,840,520	\$ 8.59
2001 (Post-Amalgamation)	\$ 46,541,380	\$ 9.16
2002 (Post-Amalgamation)	\$ 31,082,234	\$ 6.00
2003 (Post-Amalgamation)	\$ 49,230,287	\$ 9.34
2004 (Post-Amalgamation)	\$ 65,575,434	\$ 12.22
2005 (Post-Amalgamation)	\$ 51,134,475	\$ 9.36
2006 (Post-Amalgamation)	\$ 48,157,563	\$ 8.67
2007 (Post-Amalgamation)	\$ 44,553,498	\$ 7.88
2008 (Post-Amalgamation)	\$ 46,968,927	\$ 8.16
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 25,235,604.33	\$ 5.46
Post-Amalgamation Period (1998-2008)	\$ 46,033,216.55	\$ 8.72
Percent Change between Pre- and Post-Amalgamation Periods	82.41%	59.70%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 41,040,528	\$ 8.37
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	62.63%	53.26%



Year (Amalgamation Status)	Library Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 226,497,728	\$ 49.78
1996 (Pre-Amalgamation)	\$ 217,114,987	\$ 46.91
1997 (Pre-Amalgamation)	\$ 212,628,437	\$ 45.09
1998 (Post-Amalgamation)	\$ 201,172,755	\$ 41.79
1999 (Post-Amalgamation)	\$ 199,254,567	\$ 40.65
2000 (Post-Amalgamation)	\$ 274,543,819	\$ 55.02
2001 (Post-Amalgamation)	\$ 220,279,060	\$ 43.35
2002 (Post-Amalgamation)	\$ 220,802,860	\$ 42.66
2003 (Post-Amalgamation)	\$ 227,870,942	\$ 43.23
2004 (Post-Amalgamation)	\$ 248,797,452	\$ 46.37
2005 (Post-Amalgamation)	\$ 262,085,360	\$ 47.99
2006 (Post-Amalgamation)	\$ 271,125,289	\$ 48.80
2007 (Post-Amalgamation)	\$ 278,797,457	\$ 49.30
2008 (Post-Amalgamation)	\$ 296,562,582	\$ 51.53
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 218,747,050.67	\$ 47.26
Post-Amalgamation Period (1998-2008)	\$ 245,572,013.00	\$ 46.43
Percent Change between Pre- and Post-Amalgamation Periods	12.26%	-1.76%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 224,990,380	\$ 45.82
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	2.85%	-3.04%

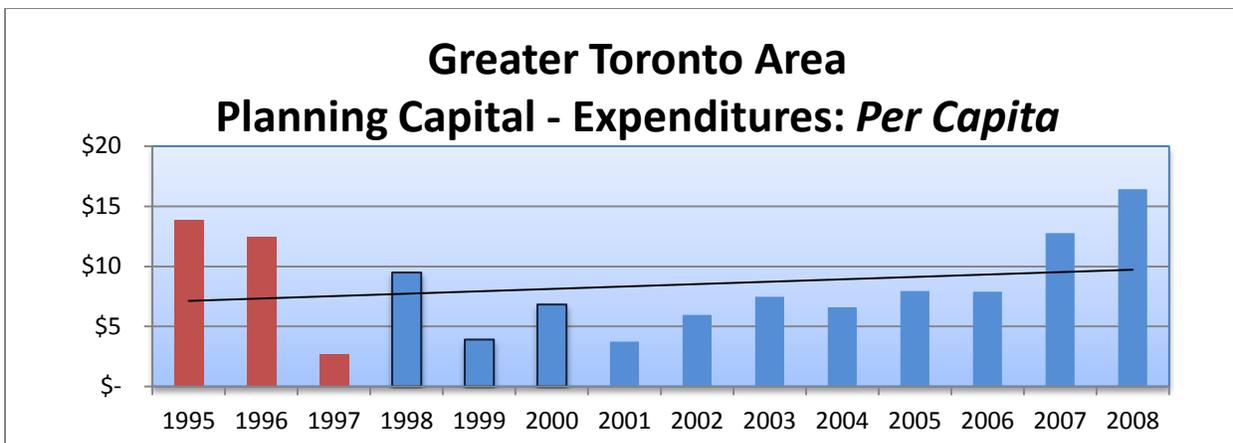
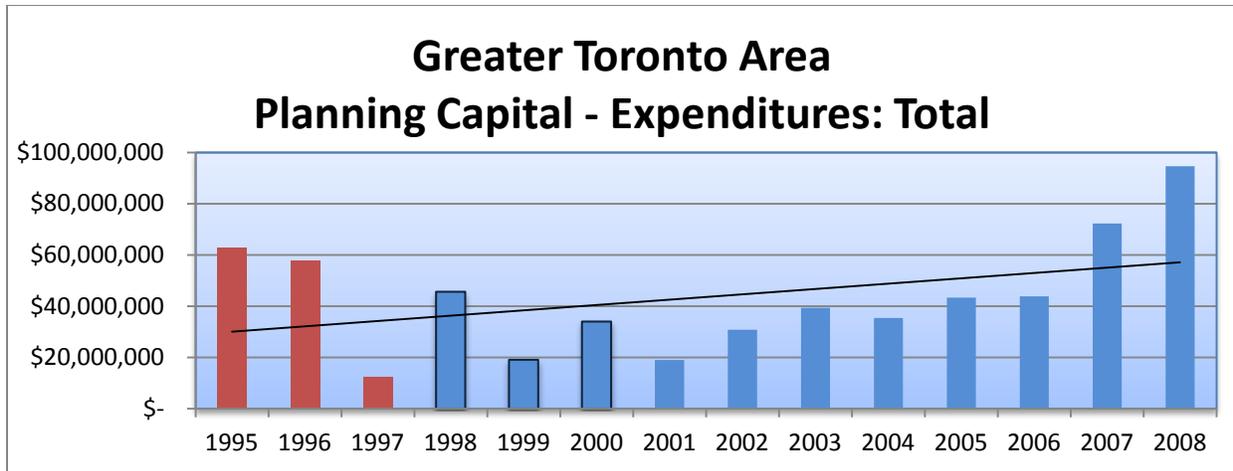


Year (Amalgamation Status)	Library Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 257,036,940	\$ 56.49
1996 (Pre-Amalgamation)	\$ 238,907,946	\$ 51.61
1997 (Pre-Amalgamation)	\$ 236,003,079	\$ 50.04
1998 (Post-Amalgamation)	\$ 237,239,593	\$ 49.28
1999 (Post-Amalgamation)	\$ 243,468,793	\$ 49.67
2000 (Post-Amalgamation)	\$ 324,482,371	\$ 65.03
2001 (Post-Amalgamation)	\$ 266,820,440	\$ 52.51
2002 (Post-Amalgamation)	\$ 251,885,094	\$ 48.66
2003 (Post-Amalgamation)	\$ 277,101,229	\$ 52.57
2004 (Post-Amalgamation)	\$ 314,372,886	\$ 58.59
2005 (Post-Amalgamation)	\$ 313,219,835	\$ 57.36
2006 (Post-Amalgamation)	\$ 319,282,852	\$ 57.47
2007 (Post-Amalgamation)	\$ 323,350,955	\$ 57.18
2008 (Post-Amalgamation)	\$ 343,531,509	\$ 59.69
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 243,982,655.00	\$ 52.72
Post-Amalgamation Period (1998-2008)	\$ 292,250,505.18	\$ 55.27
Percent Change between Pre- and Post-Amalgamation Periods	19.78%	4.85%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 268,396,919	\$ 54.66
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	10.01%	3.69%

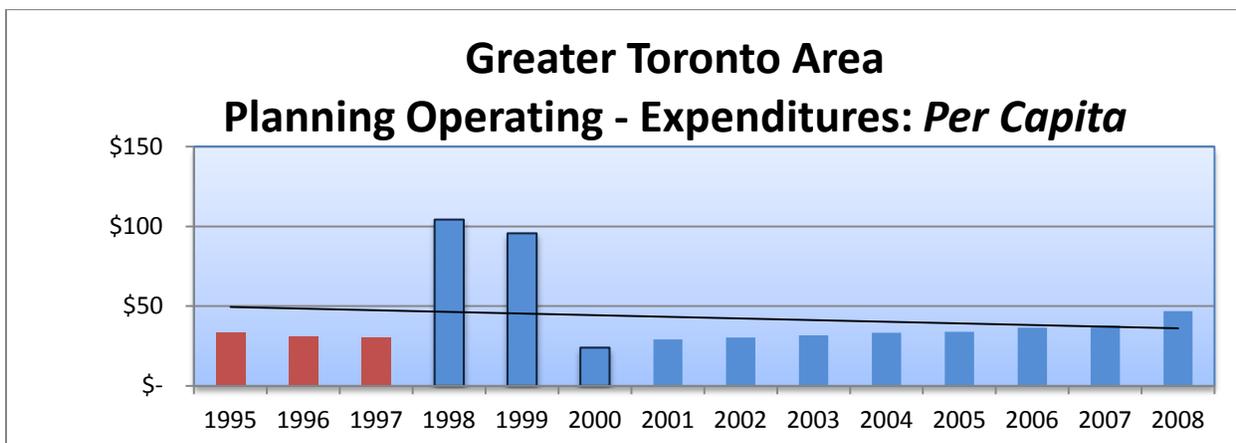
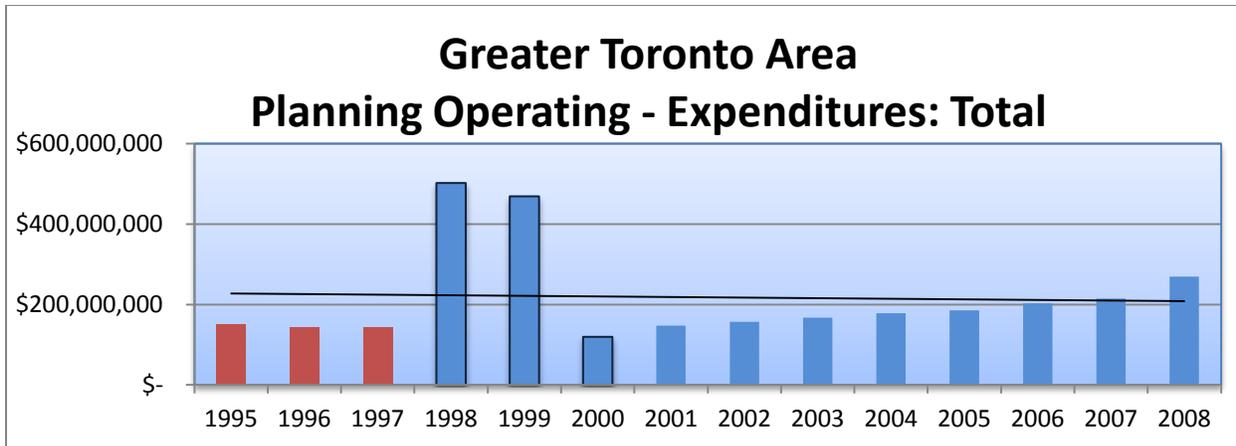
Average expenditures related to planning capital costs decreased following amalgamation. In the first three years following amalgamation, average spending was 25.86% (30.27% *per capita*) less than the average pre-amalgamation period. Over the full post-amalgamation period, spending decreased by 2.26% or 16.19% *per capita*.

Expenditures related to planning operating services increased significantly in the three year period following amalgamation. Average spending rose by 149.54% (137.20% *per capita*) compared to the pre-amalgamation timeframe. Spending decreased after the three year time period but was still higher by an average of 63% (45.40% *per capita*) compared to the pre-amalgamation period.

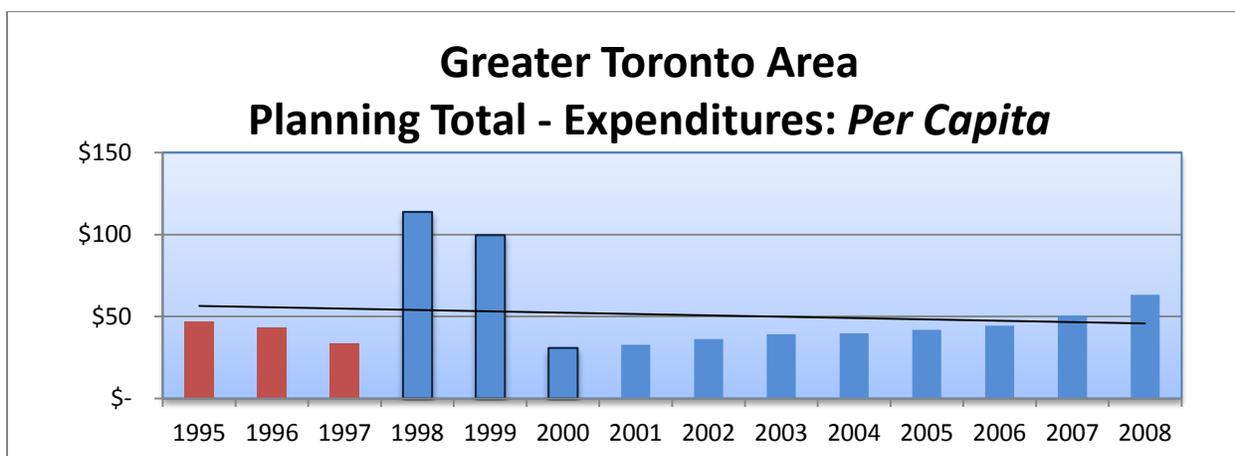
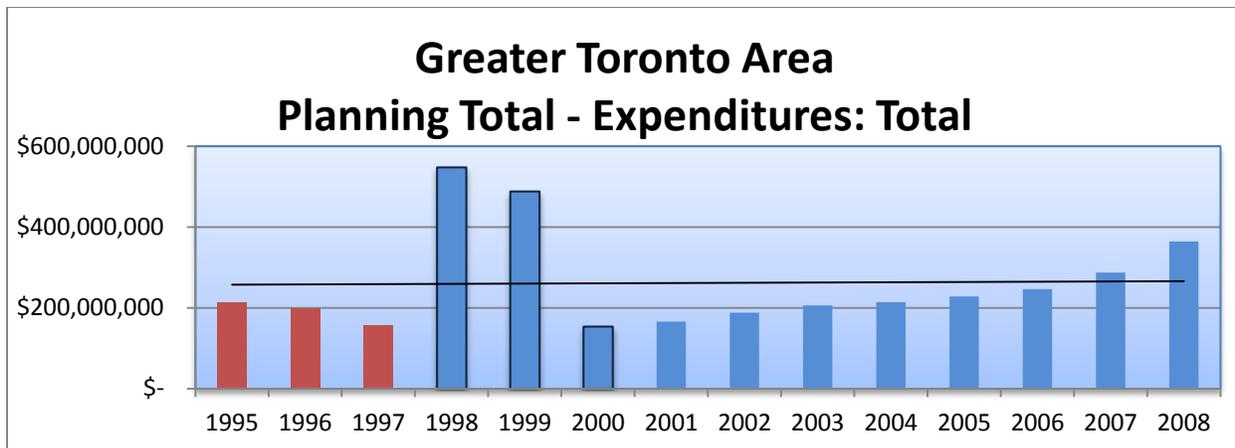
Total expenditures related to planning increased by an average of 108.56% (97.88% *per capita*) in the first three years following amalgamation compared to the pre-amalgamation spending average. Average planning expenditures decreased over the remainder of the post-amalgamation period but were still an average of 47.76% higher (30.94% *per capita*) than spending in the pre-amalgamation period.



Year (Amalgamation Status)	Planning Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 62,947,621	\$ 13.83
1996 (Pre-Amalgamation)	\$ 57,669,457	\$ 12.46
1997 (Pre-Amalgamation)	\$ 12,648,081	\$ 2.68
1998 (Post-Amalgamation)	\$ 45,653,569	\$ 9.48
1999 (Post-Amalgamation)	\$ 19,118,420	\$ 3.90
2000 (Post-Amalgamation)	\$ 34,033,577	\$ 6.82
2001 (Post-Amalgamation)	\$ 19,035,716	\$ 3.75
2002 (Post-Amalgamation)	\$ 30,846,137	\$ 5.96
2003 (Post-Amalgamation)	\$ 39,400,022	\$ 7.47
2004 (Post-Amalgamation)	\$ 35,477,998	\$ 6.61
2005 (Post-Amalgamation)	\$ 43,361,712	\$ 7.94
2006 (Post-Amalgamation)	\$ 43,827,978	\$ 7.89
2007 (Post-Amalgamation)	\$ 72,266,272	\$ 12.78
2008 (Post-Amalgamation)	\$ 94,574,424	\$ 16.43
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 44,421,719.67	\$ 9.66
Post-Amalgamation Period (1998-2008)	\$ 43,417,802.27	\$ 8.09
Percent Change between Pre- and Post-Amalgamation Periods	-2.26%	-16.19%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 32,935,189	\$ 6.73
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-25.86%	-30.27%



Year (Amalgamation Status)	Planning Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 150,493,577	\$ 33.08
1996 (Pre-Amalgamation)	\$ 142,440,623	\$ 30.77
1997 (Pre-Amalgamation)	\$ 144,262,677	\$ 30.59
1998 (Post-Amalgamation)	\$ 502,216,297	\$ 104.32
1999 (Post-Amalgamation)	\$ 469,107,172	\$ 95.70
2000 (Post-Amalgamation)	\$ 119,651,667	\$ 23.98
2001 (Post-Amalgamation)	\$ 147,339,676	\$ 29.00
2002 (Post-Amalgamation)	\$ 156,960,267	\$ 30.32
2003 (Post-Amalgamation)	\$ 166,958,879	\$ 31.67
2004 (Post-Amalgamation)	\$ 178,378,408	\$ 33.24
2005 (Post-Amalgamation)	\$ 185,286,705	\$ 33.93
2006 (Post-Amalgamation)	\$ 202,690,118	\$ 36.48
2007 (Post-Amalgamation)	\$ 214,746,601	\$ 37.97
2008 (Post-Amalgamation)	\$ 269,674,252	\$ 46.86
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 145,732,292.33	\$ 31.48
Post-Amalgamation Period (1998-2008)	\$ 237,546,367.45	\$ 45.77
Percent Change between Pre- and Post-Amalgamation Periods	63.00%	45.40%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 363,658,379	\$ 74.67
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	149.54%	137.20%

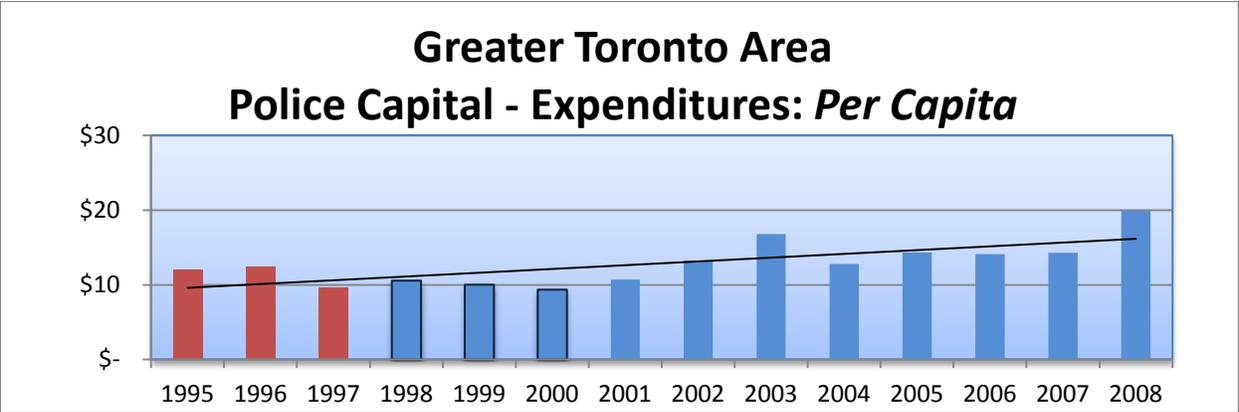
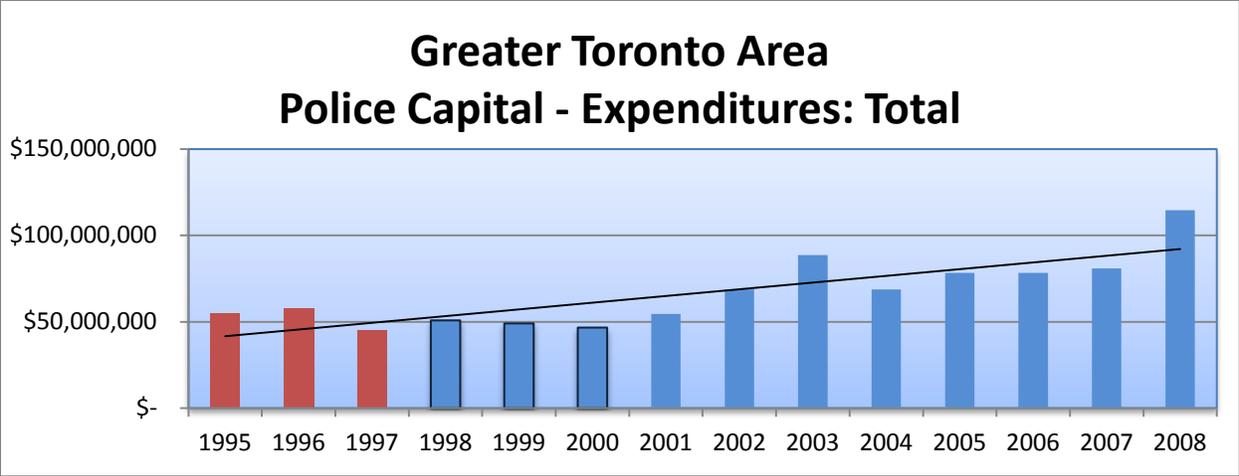


Year (Amalgamation Status)	Planning Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 213,441,198	\$ 46.91
1996 (Pre-Amalgamation)	\$ 200,110,080	\$ 43.23
1997 (Pre-Amalgamation)	\$ 156,910,758	\$ 33.27
1998 (Post-Amalgamation)	\$ 547,869,866	\$ 113.81
1999 (Post-Amalgamation)	\$ 488,225,592	\$ 99.60
2000 (Post-Amalgamation)	\$ 153,685,244	\$ 30.80
2001 (Post-Amalgamation)	\$ 166,375,392	\$ 32.74
2002 (Post-Amalgamation)	\$ 187,806,404	\$ 36.28
2003 (Post-Amalgamation)	\$ 206,358,901	\$ 39.15
2004 (Post-Amalgamation)	\$ 213,856,406	\$ 39.85
2005 (Post-Amalgamation)	\$ 228,648,417	\$ 41.87
2006 (Post-Amalgamation)	\$ 246,518,096	\$ 44.37
2007 (Post-Amalgamation)	\$ 287,012,873	\$ 50.75
2008 (Post-Amalgamation)	\$ 364,248,676	\$ 63.29
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 190,154,012.00	\$ 41.14
Post-Amalgamation Period (1998-2008)	\$ 280,964,169.73	\$ 53.87
Percent Change between Pre- and Post-Amalgamation Periods	47.76%	30.94%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 396,593,567	\$ 81.40
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	108.56%	97.88%

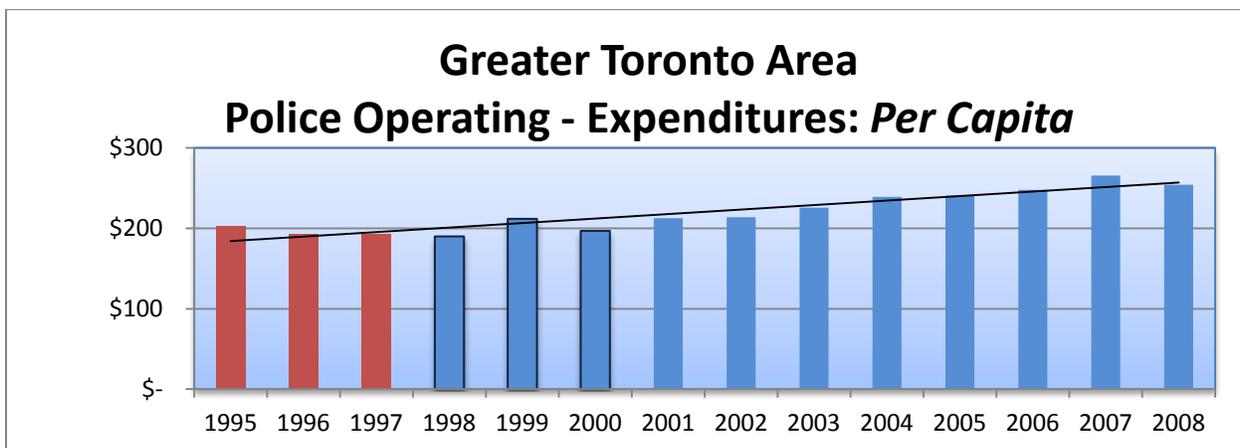
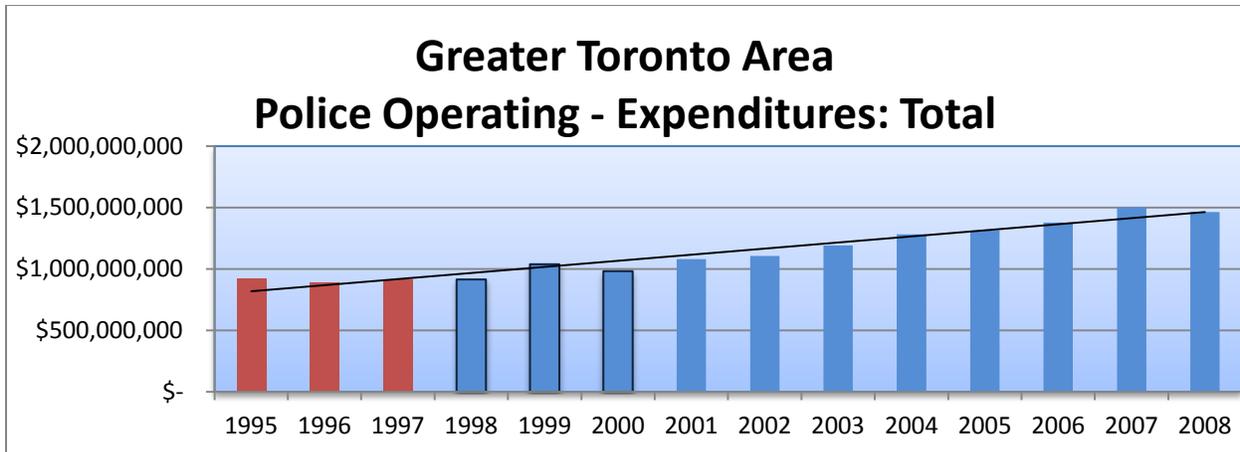
In the first three years following amalgamation, average police capital expenditures fell by 6.86% (12.05% *per capita*) compared to the pre-amalgamation average. Over the entire post-amalgamation time period, average police capital expenditures rose by 35.02% (17.18% *per capita*).

Police operating expenditures increased by an average of 1.69% *per capita* (7.67% on a dollar basis) in the first three years following amalgamation. Spending on police operations was higher by an average of 32.58% (15.74% *per capita*) over the total post-amalgamation time period when compared to the pre-amalgamation average.

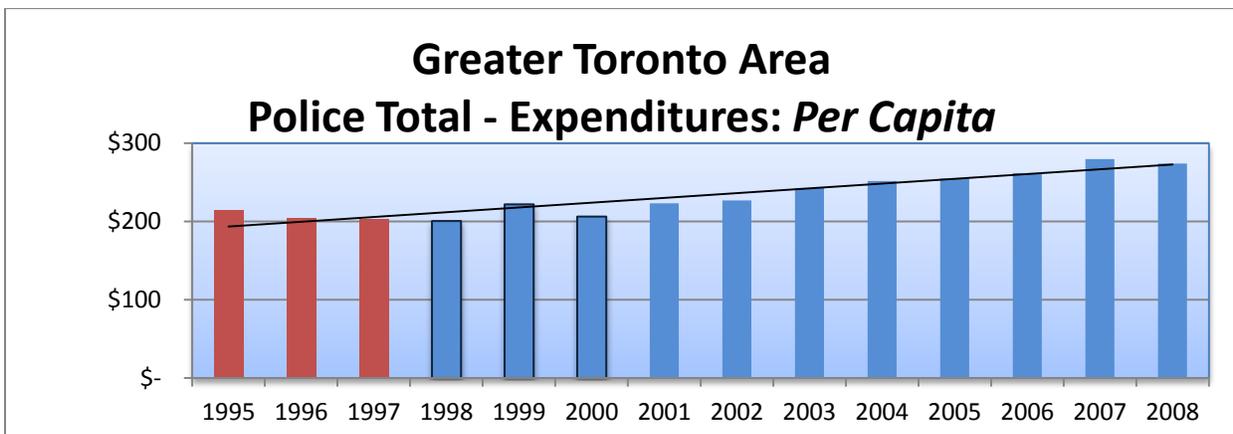
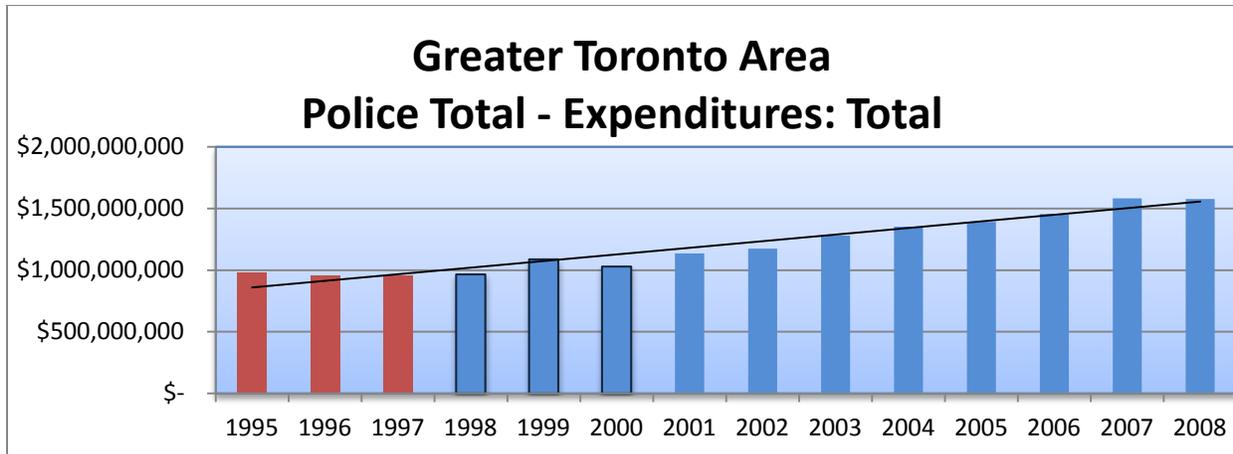
Total police spending was higher by an average of 6.88% in the first three years following amalgamation. When viewed on a *per capita* basis, the increase was only .94%. Over the entire post-amalgamation period, spending rose by 32.72% (15.82% *per capita*) compared to the pre-amalgamation period.



Year (Amalgamation Status)	Police Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 54,477,404	\$ 11.97
1996 (Pre-Amalgamation)	\$ 57,669,457	\$ 12.46
1997 (Pre-Amalgamation)	\$ 45,239,555	\$ 9.59
1998 (Post-Amalgamation)	\$ 50,835,579	\$ 10.56
1999 (Post-Amalgamation)	\$ 49,077,823	\$ 10.01
2000 (Post-Amalgamation)	\$ 46,672,701	\$ 9.35
2001 (Post-Amalgamation)	\$ 54,494,513	\$ 10.72
2002 (Post-Amalgamation)	\$ 68,720,450	\$ 13.28
2003 (Post-Amalgamation)	\$ 88,647,708	\$ 16.82
2004 (Post-Amalgamation)	\$ 68,648,974	\$ 12.79
2005 (Post-Amalgamation)	\$ 78,285,026	\$ 14.34
2006 (Post-Amalgamation)	\$ 78,378,403	\$ 14.11
2007 (Post-Amalgamation)	\$ 80,805,936	\$ 14.29
2008 (Post-Amalgamation)	\$ 114,627,500	\$ 19.92
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 52,462,138.70	\$ 11.34
Post-Amalgamation Period (1998-2008)	\$ 70,835,873.93	\$ 13.29
Percent Change between Pre- and Post-Amalgamation Periods	35.02%	17.18%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 48,862,034	\$ 9.98
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-6.86%	-12.05%



Year (Amalgamation Status)	Police Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 923,292,545	\$ 202.92
1996 (Pre-Amalgamation)	\$ 892,357,350	\$ 192.79
1997 (Pre-Amalgamation)	\$ 910,621,357	\$ 193.09
1998 (Post-Amalgamation)	\$ 914,697,486	\$ 190.00
1999 (Post-Amalgamation)	\$ 1,038,484,392	\$ 211.86
2000 (Post-Amalgamation)	\$ 982,324,809	\$ 196.88
2001 (Post-Amalgamation)	\$ 1,080,416,496	\$ 212.62
2002 (Post-Amalgamation)	\$ 1,106,959,667	\$ 213.85
2003 (Post-Amalgamation)	\$ 1,190,726,207	\$ 225.90
2004 (Post-Amalgamation)	\$ 1,282,660,795	\$ 239.04
2005 (Post-Amalgamation)	\$ 1,313,713,814	\$ 240.58
2006 (Post-Amalgamation)	\$ 1,377,825,319	\$ 248.01
2007 (Post-Amalgamation)	\$ 1,502,472,550	\$ 265.68
2008 (Post-Amalgamation)	\$ 1,463,314,352	\$ 254.28
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 908,757,084.00	\$ 196.27
Post-Amalgamation Period (1998-2008)	\$ 1,204,872,353.36	\$ 227.15
Percent Change between Pre- and Post-Amalgamation Periods	32.58%	15.74%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 978,502,229	\$ 199.58
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	7.67%	1.69%

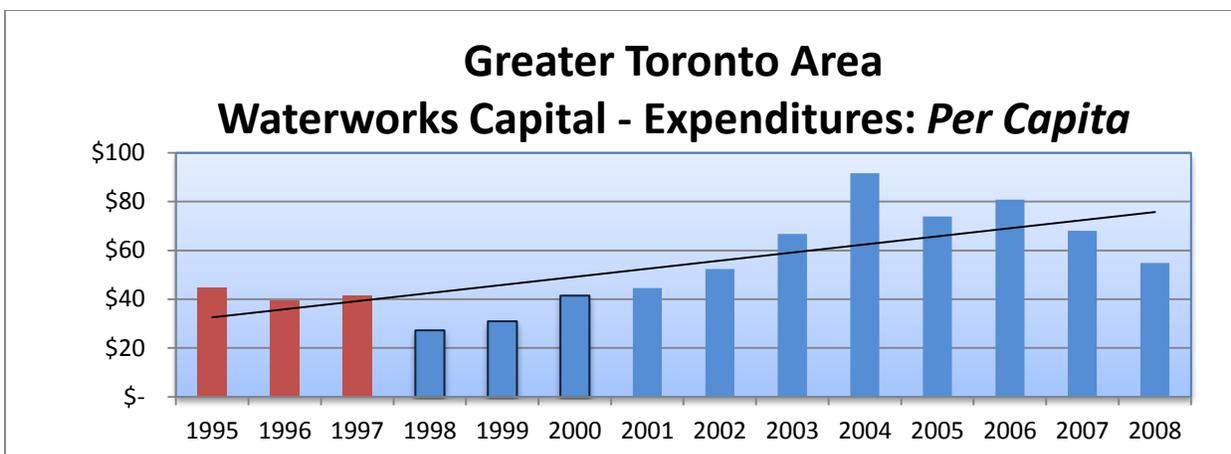
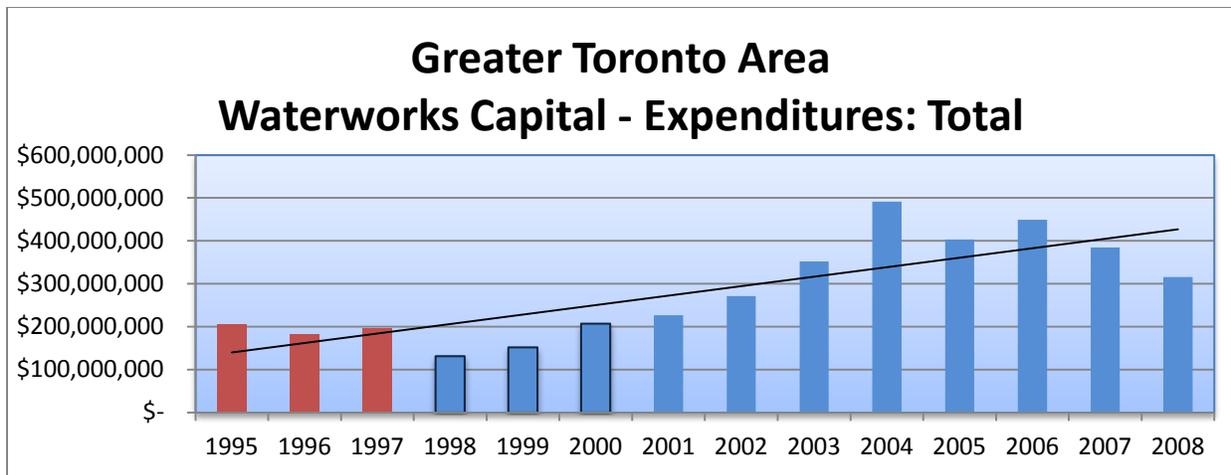


Year (Amalgamation Status)	Police Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 977,769,949	\$ 214.89
1996 (Pre-Amalgamation)	\$ 950,026,807	\$ 205.25
1997 (Pre-Amalgamation)	\$ 955,860,912	\$ 202.68
1998 (Post-Amalgamation)	\$ 965,533,065	\$ 200.56
1999 (Post-Amalgamation)	\$ 1,087,562,215	\$ 221.87
2000 (Post-Amalgamation)	\$ 1,028,997,510	\$ 206.23
2001 (Post-Amalgamation)	\$ 1,134,911,009	\$ 223.34
2002 (Post-Amalgamation)	\$ 1,175,680,117	\$ 227.13
2003 (Post-Amalgamation)	\$ 1,279,373,915	\$ 242.71
2004 (Post-Amalgamation)	\$ 1,351,309,769	\$ 251.83
2005 (Post-Amalgamation)	\$ 1,391,998,840	\$ 254.91
2006 (Post-Amalgamation)	\$ 1,456,203,722	\$ 262.12
2007 (Post-Amalgamation)	\$ 1,583,278,486	\$ 279.97
2008 (Post-Amalgamation)	\$ 1,577,941,852	\$ 274.19
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 961,219,222.67	\$ 207.61
Post-Amalgamation Period (1998-2008)	\$ 1,275,708,227.27	\$ 240.44
Percent Change between Pre- and Post-Amalgamation Periods	32.72%	15.82%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 1,027,364,263	\$ 209.56
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	6.88%	0.94%

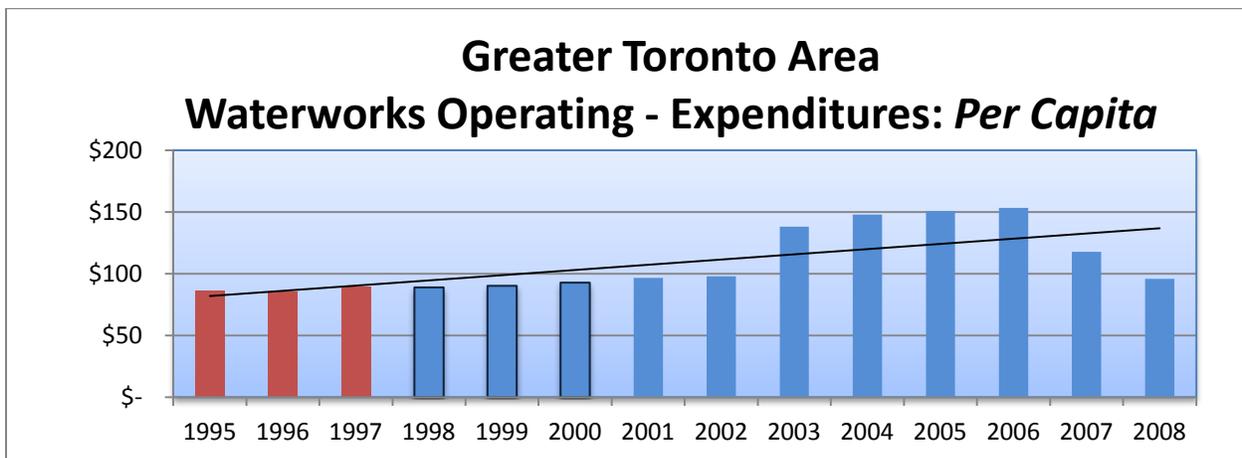
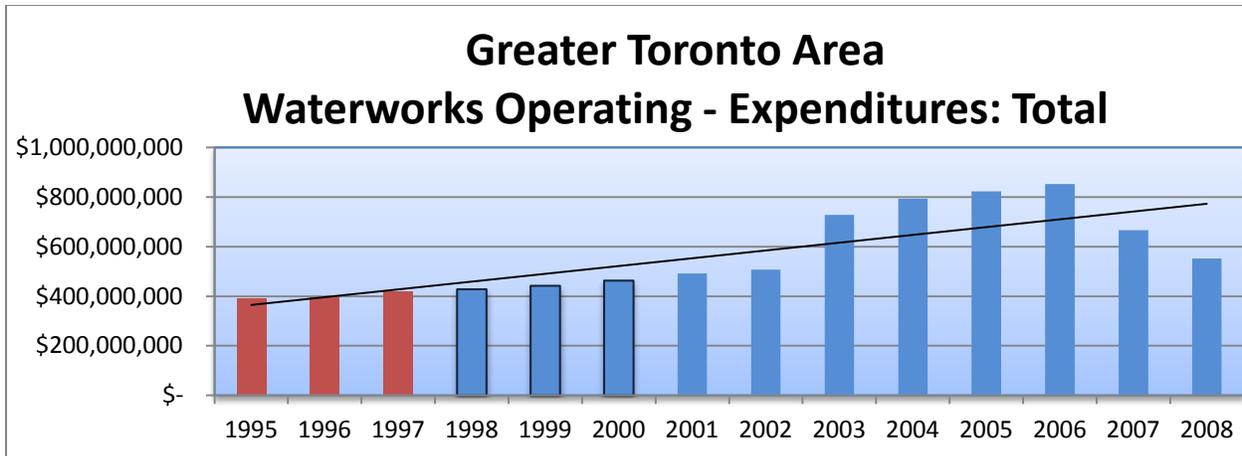
Waterworks capital expenditures were lower in the first three years following amalgamation by an average of 15.91% (20.79% *per capita*). Expenditures rose over the remaining post-amalgamation period ending higher by an average of 58.36% (37.06% *per capita*) when compared to the pre-amalgamation average.

Expenditures related to waterworks operating increased by an average of 10.36% (4.27% *per capita*) in the first three years following amalgamation. Spending continued to rise over the remaining post-amalgamation period with an overall average increase of 52.35% (32.90% *per capita*) when compared to the pre-amalgamation time period.

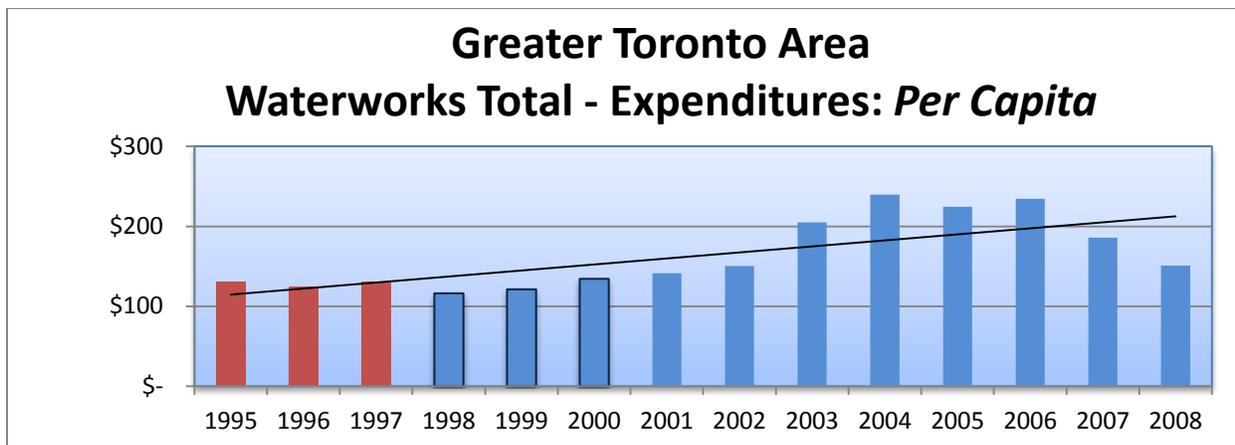
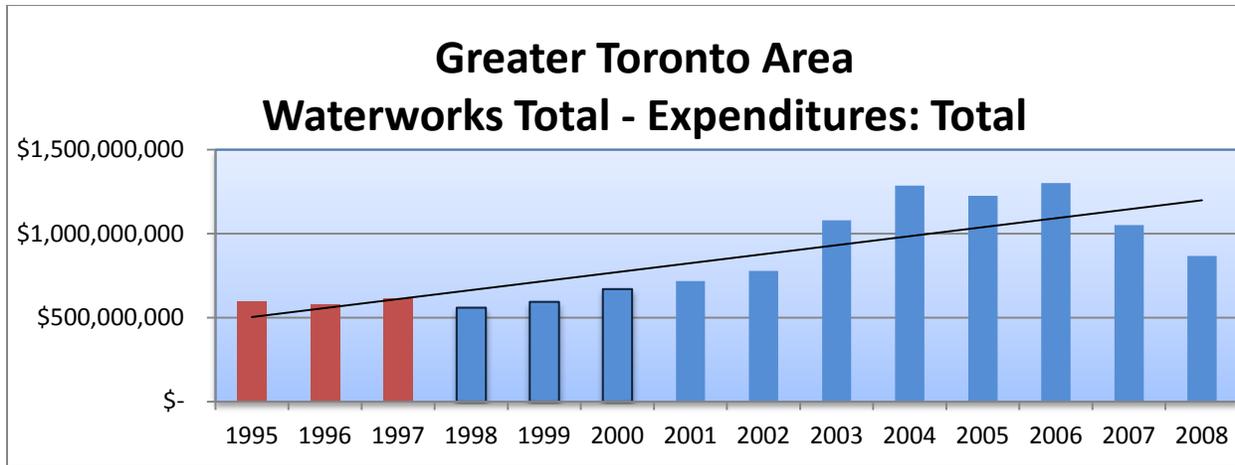
Total spending on waterworks was 1.81% higher on average in the first three years following amalgamation however average *per capita* spending over the same time period decreased by 3.89%. Overall spending was higher in the post-amalgamation time period by an average of 54.31% (34.25% *per capita*) compared to the pre-amalgamation period.



Year (Amalgamation Status)	Waterworks Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 204,843,709	\$ 45.02
1996 (Pre-Amalgamation)	\$ 182,191,107	\$ 39.36
1997 (Pre-Amalgamation)	\$ 195,899,768	\$ 41.54
1998 (Post-Amalgamation)	\$ 131,280,836	\$ 27.27
1999 (Post-Amalgamation)	\$ 151,856,541	\$ 30.98
2000 (Post-Amalgamation)	\$ 207,032,626	\$ 41.49
2001 (Post-Amalgamation)	\$ 226,741,353	\$ 44.62
2002 (Post-Amalgamation)	\$ 271,429,516	\$ 52.44
2003 (Post-Amalgamation)	\$ 352,064,162	\$ 66.79
2004 (Post-Amalgamation)	\$ 491,743,418	\$ 91.64
2005 (Post-Amalgamation)	\$ 403,300,067	\$ 73.86
2006 (Post-Amalgamation)	\$ 448,978,796	\$ 80.82
2007 (Post-Amalgamation)	\$ 384,484,183	\$ 67.99
2008 (Post-Amalgamation)	\$ 315,984,356	\$ 54.91
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 194,311,528.00	\$ 41.97
Post-Amalgamation Period (1998-2008)	\$ 307,717,804.91	\$ 57.53
Percent Change between Pre- and Post-Amalgamation Periods	58.36%	37.06%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 163,390,001	\$ 33.25
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-15.91%	-20.79%



Year (Amalgamation Status)	Waterworks Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 391,940,330	\$ 86.14
1996 (Pre-Amalgamation)	\$ 395,538,859	\$ 85.45
1997 (Pre-Amalgamation)	\$ 420,729,774	\$ 89.21
1998 (Post-Amalgamation)	\$ 428,110,527	\$ 88.93
1999 (Post-Amalgamation)	\$ 442,206,817	\$ 90.21
2000 (Post-Amalgamation)	\$ 463,012,308	\$ 92.80
2001 (Post-Amalgamation)	\$ 491,449,751	\$ 96.71
2002 (Post-Amalgamation)	\$ 507,674,472	\$ 98.08
2003 (Post-Amalgamation)	\$ 728,610,328	\$ 138.23
2004 (Post-Amalgamation)	\$ 794,221,807	\$ 148.01
2005 (Post-Amalgamation)	\$ 823,242,036	\$ 150.76
2006 (Post-Amalgamation)	\$ 852,236,534	\$ 153.40
2007 (Post-Amalgamation)	\$ 666,325,140	\$ 117.83
2008 (Post-Amalgamation)	\$ 552,141,309	\$ 95.94
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 402,736,321.00	\$ 86.94
Post-Amalgamation Period (1998-2008)	\$ 613,566,457.18	\$ 115.54
Percent Change between Pre- and Post-Amalgamation Periods	52.35%	32.90%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 444,443,217	\$ 90.65
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	10.36%	4.27%

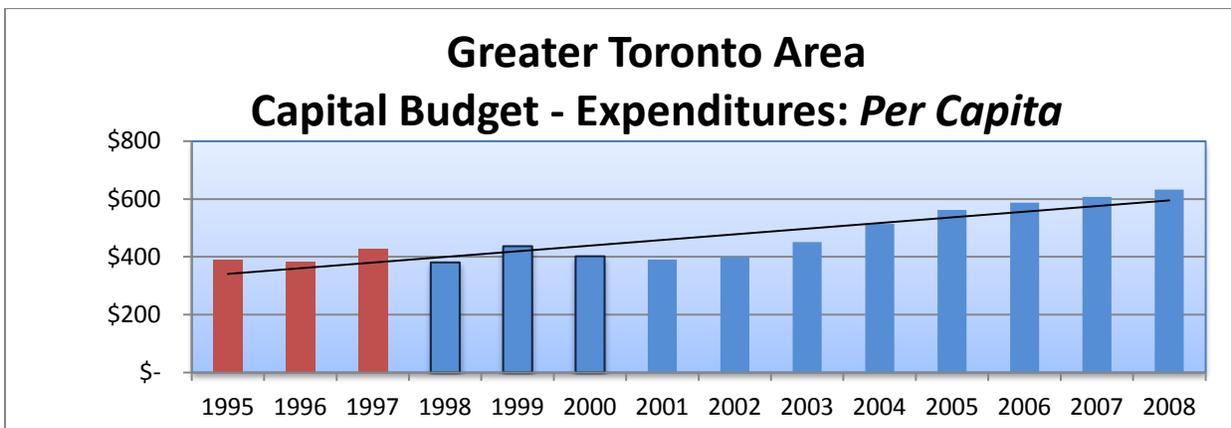
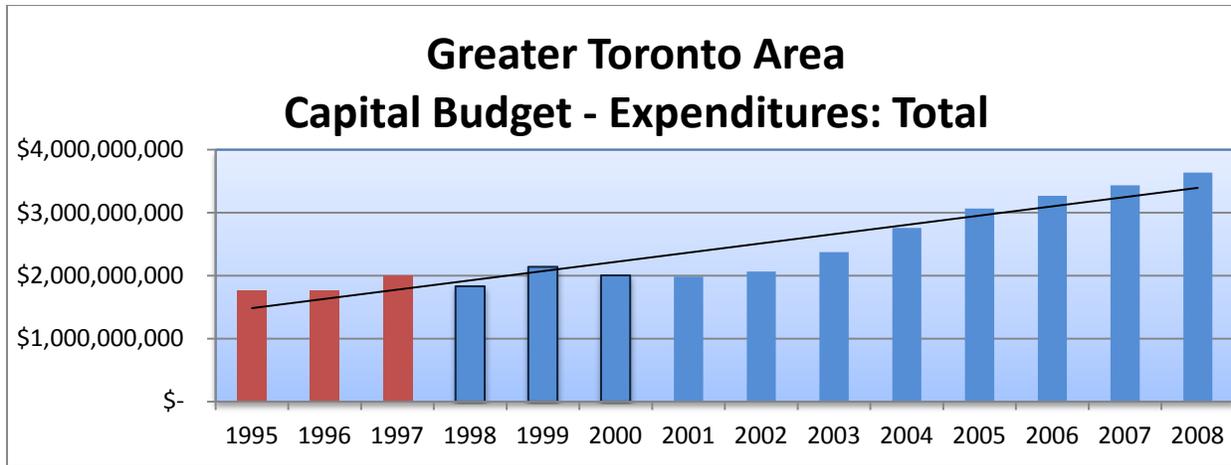


Year (Amalgamation Status)	Waterworks Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 596,784,039	\$ 131.16
1996 (Pre-Amalgamation)	\$ 577,729,966	\$ 124.82
1997 (Pre-Amalgamation)	\$ 616,629,542	\$ 130.75
1998 (Post-Amalgamation)	\$ 559,391,363	\$ 116.20
1999 (Post-Amalgamation)	\$ 594,063,358	\$ 121.19
2000 (Post-Amalgamation)	\$ 670,044,934	\$ 134.29
2001 (Post-Amalgamation)	\$ 718,191,104	\$ 141.33
2002 (Post-Amalgamation)	\$ 779,103,988	\$ 150.51
2003 (Post-Amalgamation)	\$ 1,080,674,490	\$ 205.02
2004 (Post-Amalgamation)	\$ 1,285,965,225	\$ 239.66
2005 (Post-Amalgamation)	\$ 1,226,542,103	\$ 224.61
2006 (Post-Amalgamation)	\$ 1,301,215,330	\$ 234.22
2007 (Post-Amalgamation)	\$ 1,050,809,323	\$ 185.81
2008 (Post-Amalgamation)	\$ 868,125,665	\$ 150.85
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 597,047,849.00	\$ 128.91
Post-Amalgamation Period (1998-2008)	\$ 921,284,262.09	\$ 173.06
Percent Change between Pre- and Post-Amalgamation Periods	54.31%	34.25%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 607,833,218	\$ 123.90
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	1.81%	-3.89%

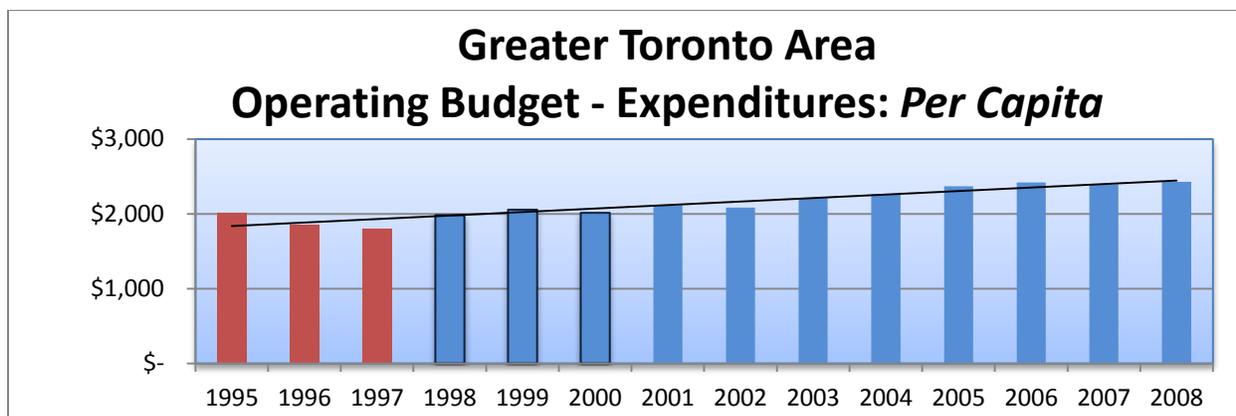
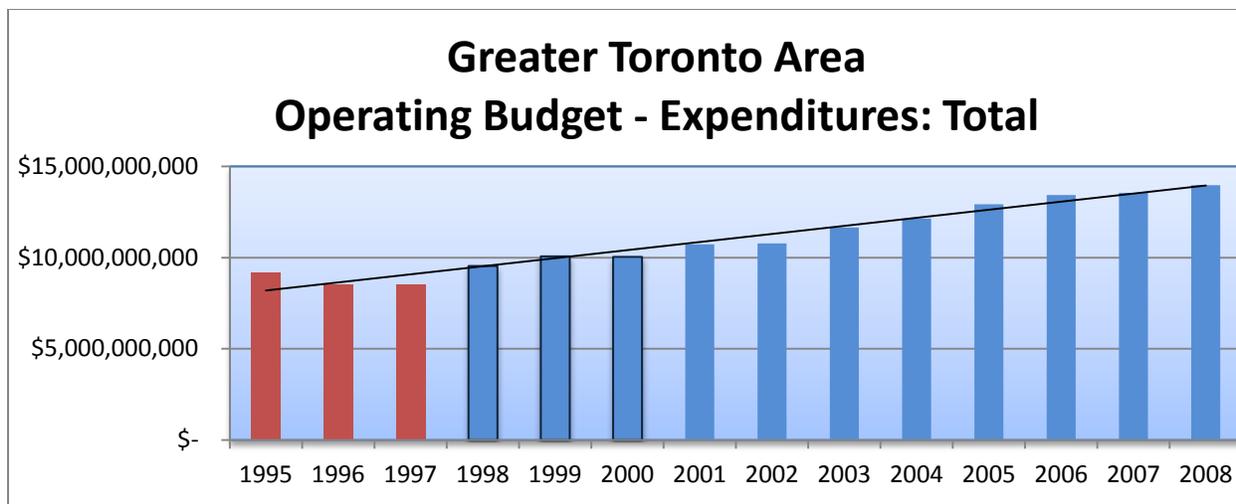
Total capital budget expenditures in the Greater Toronto Area were up an average of 7.60% (1.70% *per capita*) in the first three years following amalgamation. Over the entire post-amalgamation period, expenditures increased by an average of 40.30% (22.05% *per capita*) compared to the pre-amalgamation time period.

Total operating budget expenditures in the Greater Toronto Area increase by an average of 13.18% (6.86% *per capita*) in the first three years following amalgamation. Over the full post-amalgamation time period, average spending rose by 34.13% (17.22% *per capita*) compared to the pre-amalgamation time period.

Total budget expenditures in the first three years post-amalgamation were 12.20% higher (5.96% *per capita*) than the average spending in the pre-amalgamation period. Overall spending was up an average of 35.21% (18.06% *per capita*) over the entire post-amalgamation period as compared to the pre-amalgamation period.

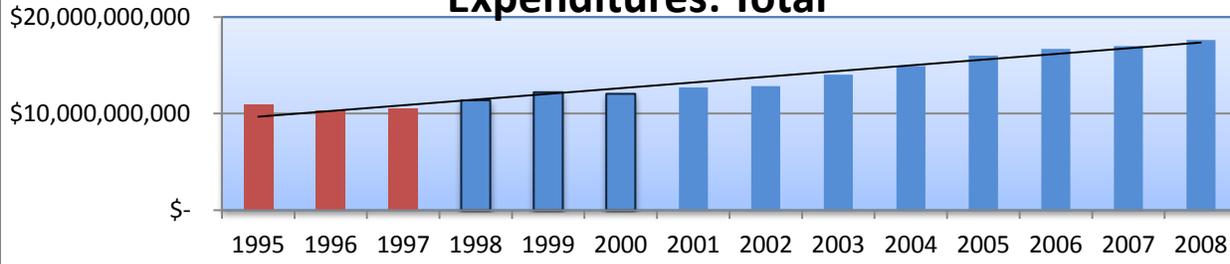


Year (Amalgamation Status)	Capital Budget Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 1,767,575,886	\$ 388.47
1996 (Pre-Amalgamation)	\$ 1,774,669,720	\$ 383.41
1997 (Pre-Amalgamation)	\$ 2,011,957,010	\$ 426.62
1998 (Post-Amalgamation)	\$ 1,831,695,003	\$ 380.49
1999 (Post-Amalgamation)	\$ 2,140,326,515	\$ 436.65
2000 (Post-Amalgamation)	\$ 2,004,439,892	\$ 401.73
2001 (Post-Amalgamation)	\$ 1,984,796,944	\$ 390.59
2002 (Post-Amalgamation)	\$ 2,065,993,855	\$ 399.12
2003 (Post-Amalgamation)	\$ 2,376,220,803	\$ 450.80
2004 (Post-Amalgamation)	\$ 2,760,338,295	\$ 514.42
2005 (Post-Amalgamation)	\$ 3,067,697,082	\$ 561.78
2006 (Post-Amalgamation)	\$ 3,267,671,447	\$ 588.19
2007 (Post-Amalgamation)	\$ 3,435,037,371	\$ 607.42
2008 (Post-Amalgamation)	\$ 3,638,814,935	\$ 632.31
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 1,851,400,872.00	\$ 399.50
Post-Amalgamation Period (1998-2008)	\$ 2,597,548,376.55	\$ 487.59
Percent Change between Pre- and Post-Amalgamation Periods	40.30%	22.05%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 1,992,153,803	\$ 406.29
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	7.60%	1.70%

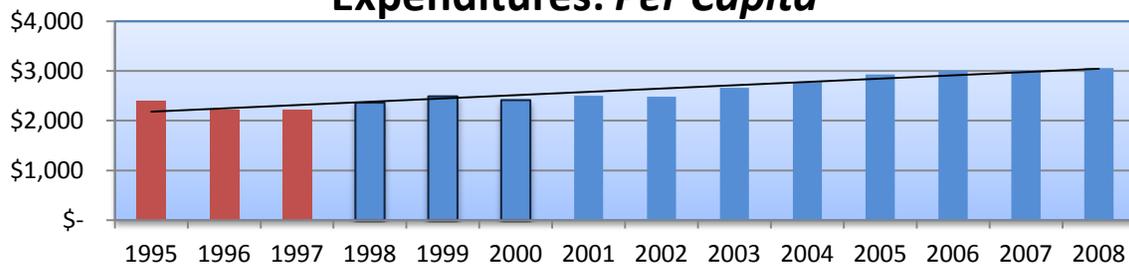


Year (Amalgamation Status)	Operating Budget	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 9,164,315,398	\$ 2,014.11
1996 (Pre-Amalgamation)	\$ 8,537,863,902	\$ 1,844.56
1997 (Pre-Amalgamation)	\$ 8,493,703,632	\$ 1,801.02
1998 (Post-Amalgamation)	\$ 9,540,115,249	\$ 1,981.71
1999 (Post-Amalgamation)	\$ 10,068,734,096	\$ 2,054.12
2000 (Post-Amalgamation)	\$ 10,039,695,741	\$ 2,012.17
2001 (Post-Amalgamation)	\$ 10,730,553,096	\$ 2,111.69
2002 (Post-Amalgamation)	\$ 10,780,272,062	\$ 2,082.62
2003 (Post-Amalgamation)	\$ 11,652,941,125	\$ 2,210.72
2004 (Post-Amalgamation)	\$ 12,141,259,704	\$ 2,262.67
2005 (Post-Amalgamation)	\$ 12,928,915,268	\$ 2,367.63
2006 (Post-Amalgamation)	\$ 13,434,935,274	\$ 2,418.32
2007 (Post-Amalgamation)	\$ 13,548,896,519	\$ 2,395.85
2008 (Post-Amalgamation)	\$ 13,969,215,802	\$ 2,427.39
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 8,731,960,977	\$ 1,886.56
Post-Amalgamation Period (1998-2008)	\$ 11,712,321,267	\$ 2,211.35
Percent Change between Pre- and Post-Amalgamation Periods	34.13%	17.22%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 9,882,848,362	\$ 2,016.00
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	13.18%	6.86%

### Greater Toronto Area Operating and Capital Budget Expenditures: Total



### Greater Toronto Area Operating and Capital Budget Expenditures: Per Capita



Year (Amalgamation Status)	Operating and Capital Budget - Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 10,931,891,284	\$ 2,402.58
1996 (Pre-Amalgamation)	\$ 10,312,533,622	\$ 2,227.96
1997 (Pre-Amalgamation)	\$ 10,505,660,642	\$ 2,227.64
1998 (Post-Amalgamation)	\$ 11,371,810,252	\$ 2,362.20
1999 (Post-Amalgamation)	\$ 12,209,060,611	\$ 2,490.77
2000 (Post-Amalgamation)	\$ 12,044,135,633	\$ 2,413.91
2001 (Post-Amalgamation)	\$ 12,715,350,040	\$ 2,502.28
2002 (Post-Amalgamation)	\$ 12,846,265,917	\$ 2,481.74
2003 (Post-Amalgamation)	\$ 14,029,161,928	\$ 2,661.52
2004 (Post-Amalgamation)	\$ 14,901,597,999	\$ 2,777.10
2005 (Post-Amalgamation)	\$ 15,996,612,350	\$ 2,929.41
2006 (Post-Amalgamation)	\$ 16,702,606,721	\$ 3,006.51
2007 (Post-Amalgamation)	\$ 16,983,933,890	\$ 3,003.26
2008 (Post-Amalgamation)	\$ 17,608,030,737	\$ 3,059.70
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1997)	\$ 10,583,361,849	\$ 2,286.06
Post-Amalgamation Period (1998-2008)	\$ 14,309,869,643	\$ 2,698.94
Percent Change between Pre- and Post-Amalgamation Periods	35.21%	18.06%
Three-Year Period Immediately Following Amalgamation (1998-2000)	\$ 11,875,002,165	\$ 2,422.29
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	12.20%	5.96%

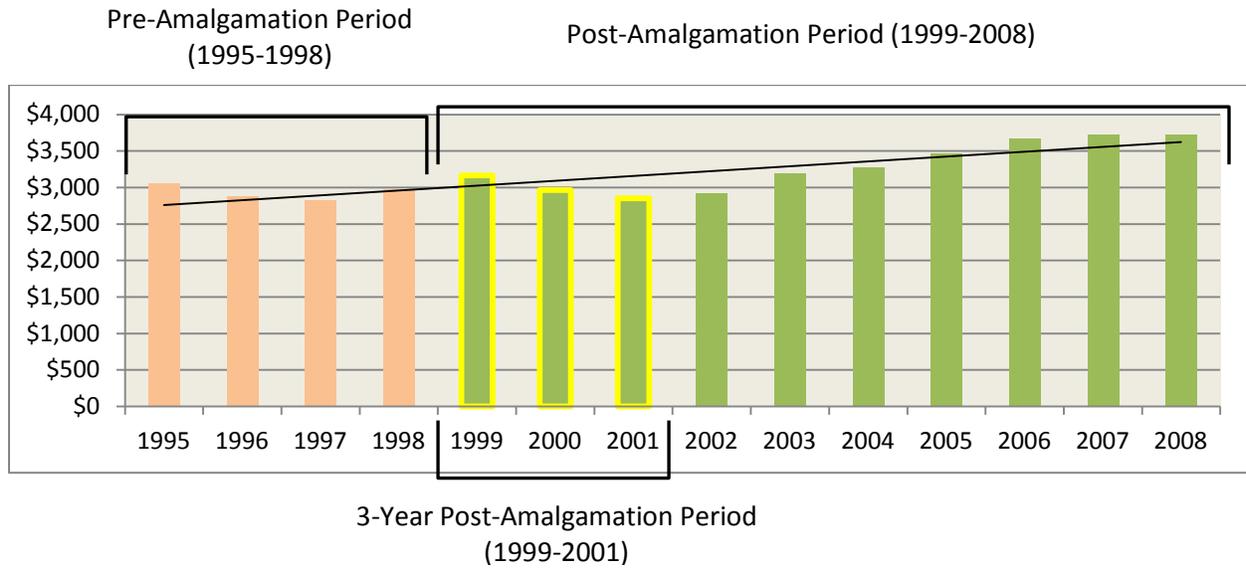
## Results – Essex County

The quantitative analysis undertaken with respect to data from the Essex County is reported below. Each service considered is separated into operating, capital, and total expenditures (operating and capital expenditures combined). Operating, capital, and total expenditures are further analyzed as total dollar expenditures and per capita expenditures, the results of which are reported in two charts and a table. The charts and table have been colour coded so that corresponding data sets from the table can be matched to each chart. Data related to the three-year post-amalgamation period is located immediately adjacent to the pre-amalgamation data and is the same colour as the remaining post-amalgamation data, however, each year has been outlined in a separate colour to make it immediately recognizable to the reader. In addition, the averages of data over time has been analyzed and included in each corresponding table. With respect to the data related to Essex County, the following definitions apply:

- (1) Amalgamation occurred among municipalities within Essex County (not including the City of Windsor or Pelee Island) on January 1, 1999;
- (2) The pre-amalgamation period is the time period from 1995-1998. This data is reflected in the corresponding charts and table in peach;
- (3) The post-amalgamation period is the time period from 1999-2008. This data is reflected in the corresponding charts and table in green;
- (4) The 3-year post-amalgamation period is the time period from 1999-2001. This data is reflected in the corresponding charts and table in blue with a solid yellow border;
- (5) The 'Percent Change between the Pre- and Post-Amalgamation Periods' is the average change between the entire pre-amalgamation period and the entire post-amalgamation period; and,

(6) The 'Percent Change between Pre- and Three-Year Post-Amalgamation Periods' is the average change between the entire pre-amalgamation period and the three-year period immediately following amalgamation (1999-2001).

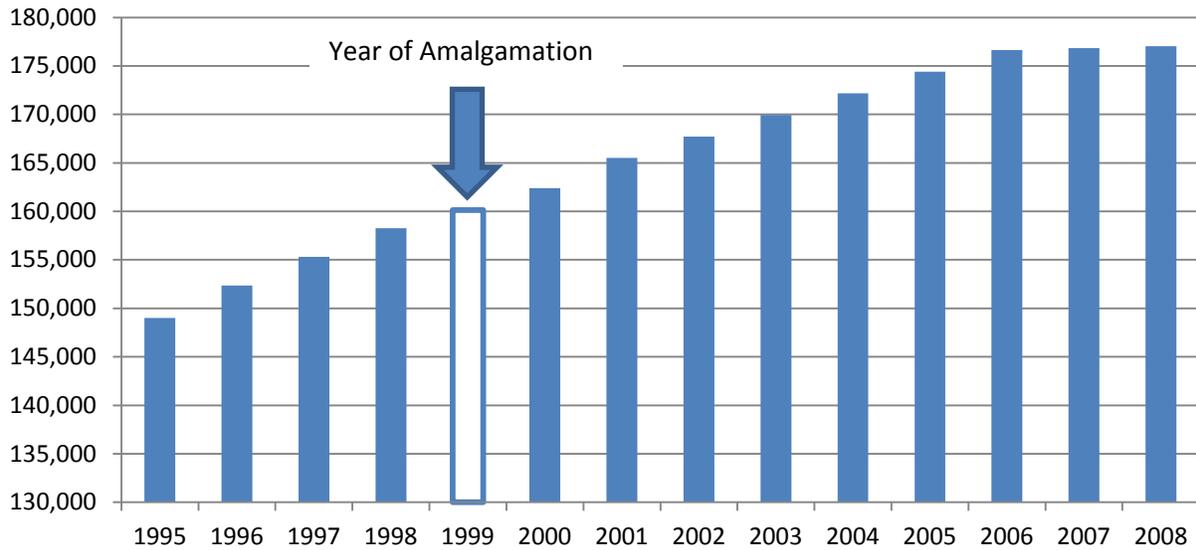
**Sample Chart – Essex County**



**Sample Table - Essex County**

Year (Amalgamation Status)	Fire Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 1,793,627	\$ 12.04
1996 (Pre-Amalgamation)	\$ 910,701	\$ 5.98
1997 (Pre-Amalgamation)	\$ 771,362	\$ 4.97
1998 (Pre-Amalgamation)	\$ 535,481	\$ 3.38
1999 (Post-Amalgamation)	\$ 750,894	\$ 4.69
2000 (Post-Amalgamation)	\$ 1,101,528	\$ 6.78
2001 (Post-Amalgamation)	\$ 2,628,449	\$ 15.88
2002 (Post-Amalgamation)	\$ 2,875,271	\$ 17.14
2003 (Post-Amalgamation)	\$ 1,584,335	\$ 9.32
2004 (Post-Amalgamation)	\$ 911,707	\$ 5.29
2005 (Post-Amalgamation)	\$ 967,502	\$ 5.55
2006 (Post-Amalgamation)	\$ 2,028,572	\$ 11.48
2007 (Post-Amalgamation)	\$ 614,393	\$ 3.47
2008 (Post-Amalgamation)	\$ 2,683,886	\$ 15.16
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 1,002,793	\$ 6.59
Post-Amalgamation Period (1999-2008)	\$ 1,614,654	\$ 9.48
Percent Change between Pre- and Post-Amalgamation Periods	61.02%	43.80%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 1,493,624	\$ 9.12
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	48.95%	38.34%

## Population - Essex County

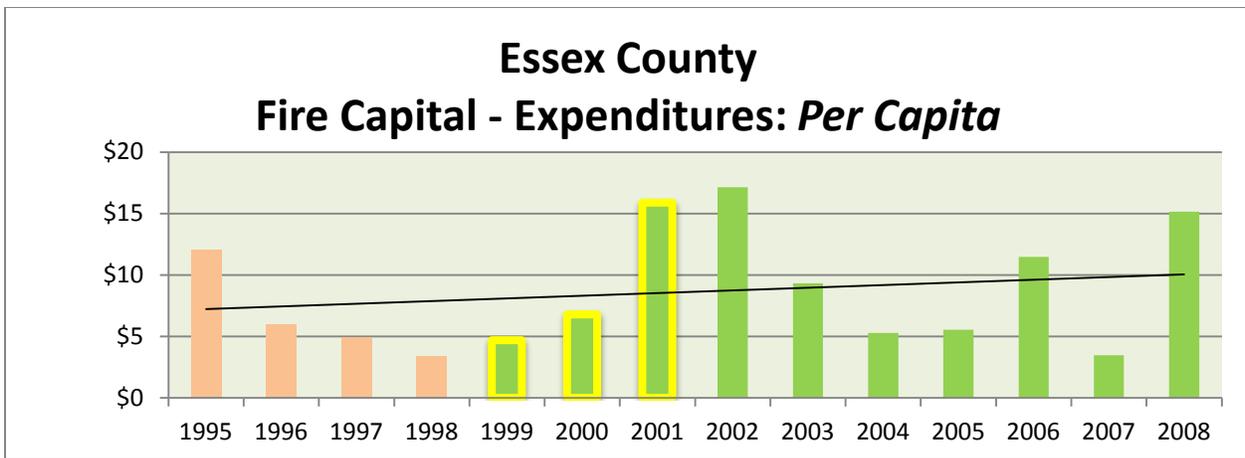
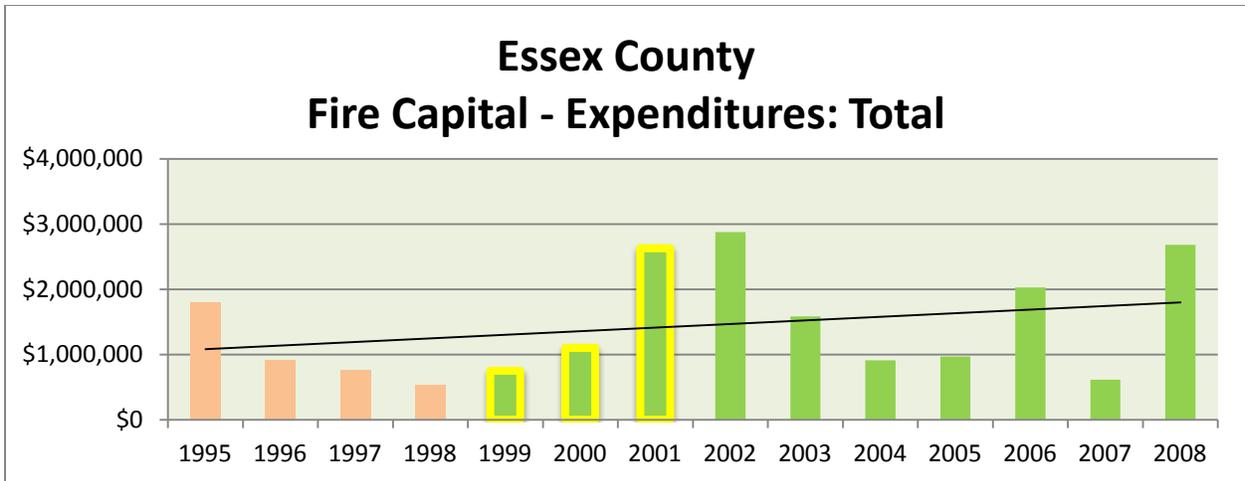


Year	Amalgamation Status	Population
1995	Pre-Amalgamation	149,010
1996	Pre-Amalgamation	152,352
1997	Pre-Amalgamation	155,314
1998	Pre-Amalgamation	158,275
1999*	Post-Amalgamation	160,130
2000	Post-Amalgamation	162,403
2001	Post-Amalgamation	165,501
2002	Post-Amalgamation	167,729
2003	Post-Amalgamation	169,959
2004	Post-Amalgamation	172,184
2005	Post-Amalgamation	174,414
2006	Post-Amalgamation	176,642
2007	Post-Amalgamation	176,840
2008	Post-Amalgamation	177,036
<b>Average Population</b>		<b>165,556</b>
<b>Population - Percent Change (1995-2008)</b>		<b>18.81%</b>
* Year of Amalgamation		

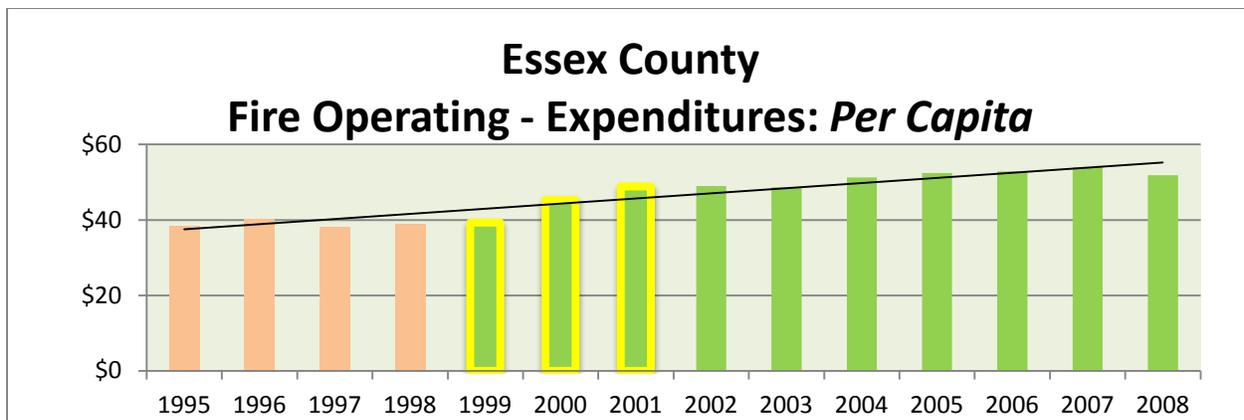
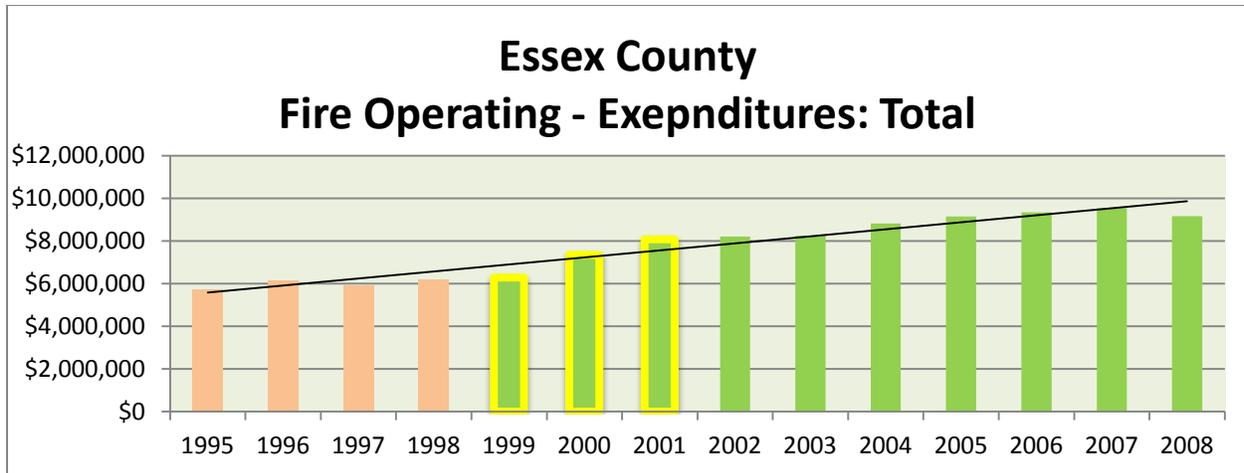
Total spending related to fire capital expenses was higher by an average of 48.95% (38.34% *per capita*) in the first three years following amalgamation. Spending was higher by an average of 61.02% (43.80% *per capita*) when comparing the full post-amalgamation period to the pre-amalgamation period.

Fire operating expenditures increased on average by 20.89% (14.11% *per capita*) in the first three years following amalgamation. Over the entire post-amalgamation period spending increased an average of 40.61% (26.61% *per capita*) compared to the pre-amalgamation average spending.

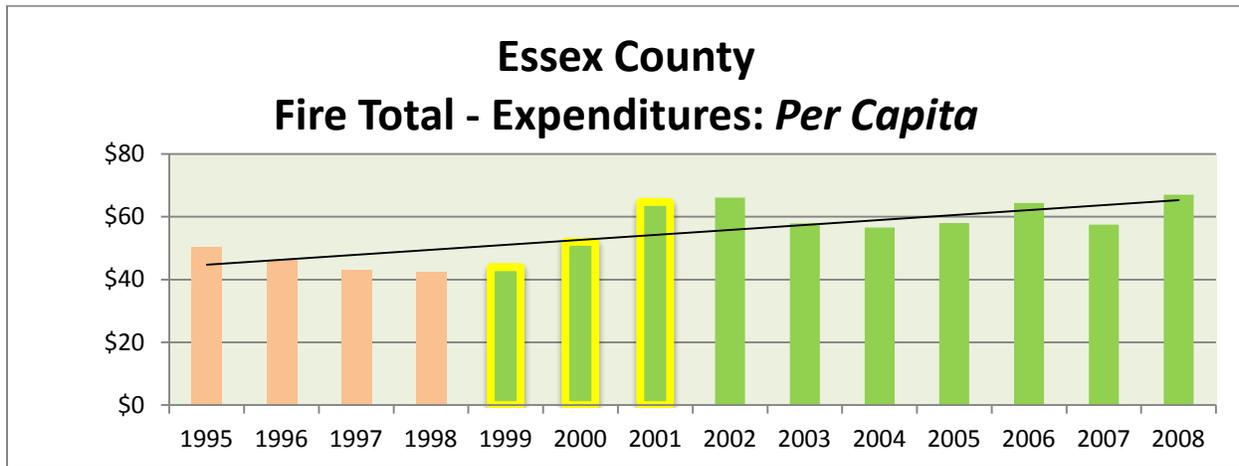
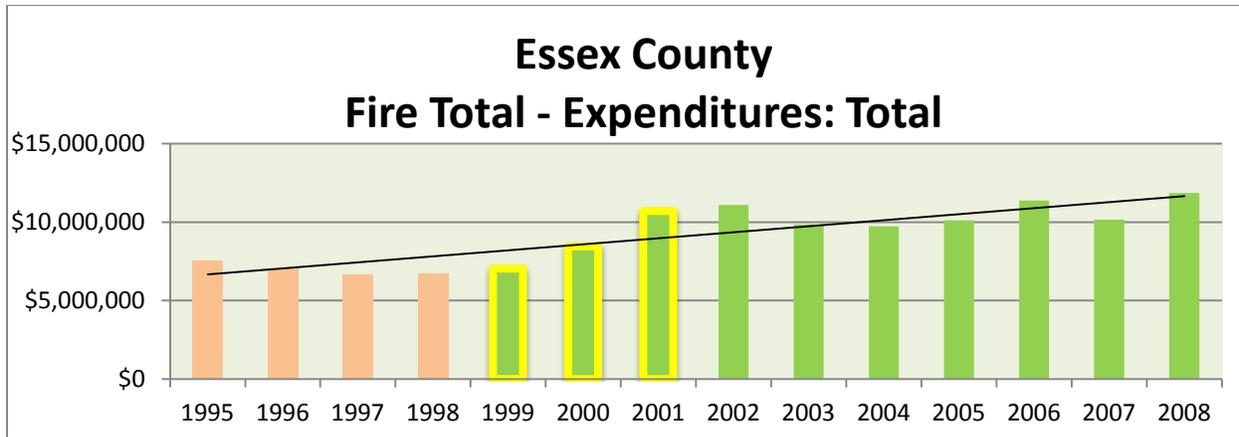
Total average spending related to fire services increased by 24.92% (17.62% *per capita*) in the first three years following amalgamation. Over the entire post-amalgamation period, spending was higher by 43.54% (29.10% *per capita*) compared to the pre-amalgamation spending averages.



Year (Amalgamation Status)	Fire Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 1,793,627	\$ 12.04
1996 (Pre-Amalgamation)	\$ 910,701	\$ 5.98
1997 (Pre-Amalgamation)	\$ 771,362	\$ 4.97
1998 (Pre-Amalgamation)	\$ 535,481	\$ 3.38
1999 (Post-Amalgamation)	\$ 750,894	\$ 4.69
2000 (Post-Amalgamation)	\$ 1,101,528	\$ 6.78
2001 (Post-Amalgamation)	\$ 2,628,449	\$ 15.88
2002 (Post-Amalgamation)	\$ 2,875,271	\$ 17.14
2003 (Post-Amalgamation)	\$ 1,584,335	\$ 9.32
2004 (Post-Amalgamation)	\$ 911,707	\$ 5.29
2005 (Post-Amalgamation)	\$ 967,502	\$ 5.55
2006 (Post-Amalgamation)	\$ 2,028,572	\$ 11.48
2007 (Post-Amalgamation)	\$ 614,393	\$ 3.47
2008 (Post-Amalgamation)	\$ 2,683,886	\$ 15.16
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 1,002,793	\$ 6.59
Post-Amalgamation Period (1999-2008)	\$ 1,614,654	\$ 9.48
Percent Change between Pre- and Post-Amalgamation Periods	61.02%	43.80%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 1,493,624	\$ 9.12
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	48.95%	38.34%



Year (Amalgamation Status)	Fire Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$5,725,518	\$ 38.42
1996 (Pre-Amalgamation)	\$6,143,286	\$ 40.32
1997 (Pre-Amalgamation)	\$5,915,738	\$ 38.09
1998 (Pre-Amalgamation)	\$6,180,205	\$ 39.05
1999 (Post-Amalgamation)	\$6,290,852	\$ 39.29
2000 (Post-Amalgamation)	\$7,352,829	\$ 45.28
2001 (Post-Amalgamation)	\$8,085,104	\$ 48.85
2002 (Post-Amalgamation)	\$8,212,740	\$ 48.96
2003 (Post-Amalgamation)	\$8,262,256	\$ 48.61
2004 (Post-Amalgamation)	\$8,820,964	\$ 51.23
2005 (Post-Amalgamation)	\$9,151,091	\$ 52.47
2006 (Post-Amalgamation)	\$9,343,771	\$ 52.90
2007 (Post-Amalgamation)	\$9,549,485	\$ 54.00
2008 (Post-Amalgamation)	\$9,173,557	\$ 51.82
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$5,991,187	\$ 38.97
Post-Amalgamation Period (1999-2008)	\$8,424,265	\$ 49.34
Percent Change between Pre- and Post-Amalgamation Periods	40.61%	26.61%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$7,242,928	\$ 44.47
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	20.89%	14.11%



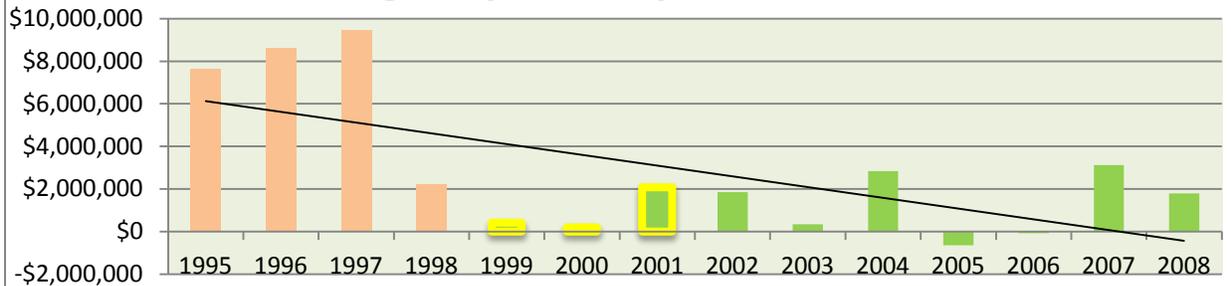
Year (Amalgamation Status)	Fire Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 7,519,145	\$ 50.46
1996 (Pre-Amalgamation)	\$ 7,053,987	\$ 46.30
1997 (Pre-Amalgamation)	\$ 6,687,100	\$ 43.06
1998 (Pre-Amalgamation)	\$ 6,715,686	\$ 42.43
1999 (Post-Amalgamation)	\$ 7,041,746	\$ 43.98
2000 (Post-Amalgamation)	\$ 8,454,357	\$ 52.06
2001 (Post-Amalgamation)	\$10,713,553	\$ 64.73
2002 (Post-Amalgamation)	\$11,088,011	\$ 66.11
2003 (Post-Amalgamation)	\$ 9,846,591	\$ 57.94
2004 (Post-Amalgamation)	\$ 9,732,671	\$ 56.52
2005 (Post-Amalgamation)	\$10,118,593	\$ 58.01
2006 (Post-Amalgamation)	\$11,372,343	\$ 64.38
2007 (Post-Amalgamation)	\$10,163,878	\$ 57.47
2008 (Post-Amalgamation)	\$11,857,443	\$ 66.98
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 6,993,980	\$ 45.56
Post-Amalgamation Period (1999-2008)	\$10,038,919	\$ 58.82
Percent Change between Pre- and Post-Amalgamation Periods	43.54%	29.10%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 8,736,552	\$ 53.59
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	24.92%	17.62%

Spending related to garbage capital expenses declined significantly when compared to average spending before amalgamation. In the first three years following amalgamation, spending fell by 87.13% (88.04% *per capita*) when compared to average spending pre-amalgamation. Over the entire post-amalgamation period, spending was lower by an average of 82.90% (84.74% *per capita*).

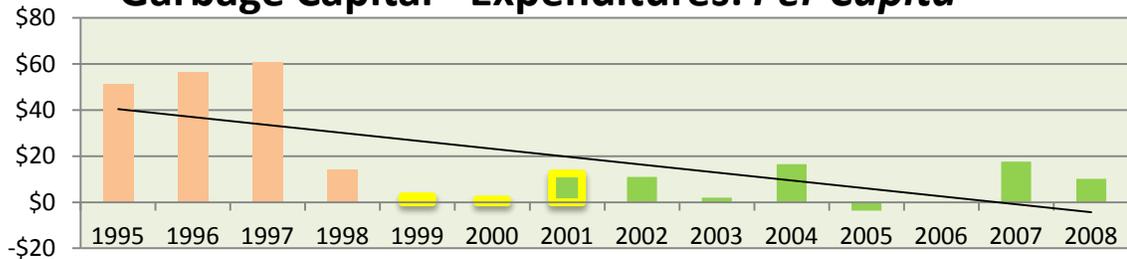
Garbage operating expenditures were lower in all time periods considered. In the first three years following amalgamation, average operating expenditures fell by 15.38% (19.98% *per capita*). When viewed over the full post-amalgamation time period average spending was 8.61% (17.62% *per capita*) lower than the average amount spent in the pre-amalgamation time period.

As expected based on the operating and capital spending decreases, total expenditures related to garbage were lower by 32.96% (36.72% *per capita*) in the three years following amalgamation. When viewed over the full post-amalgamation period, average spending was lower by 26.81% (34.13% *per capita*) as compared to the average pre-amalgamation spending.

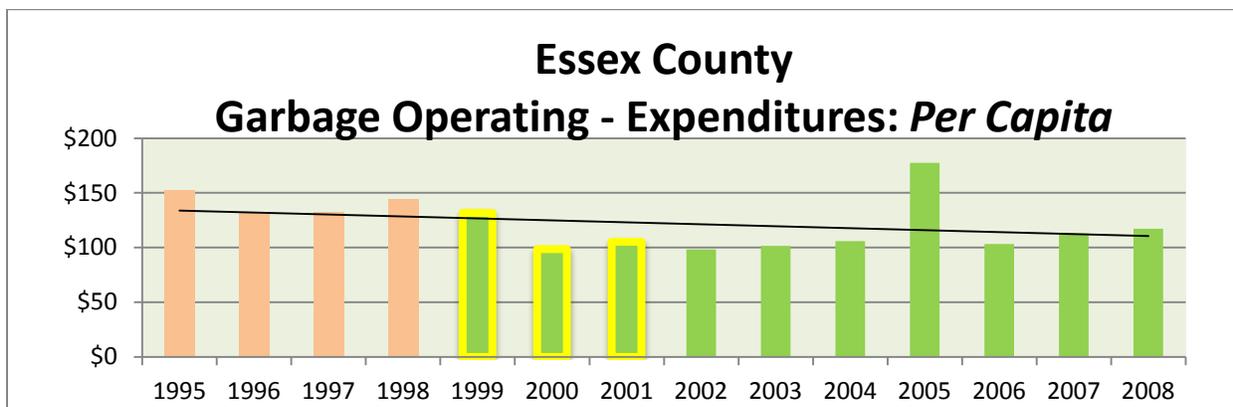
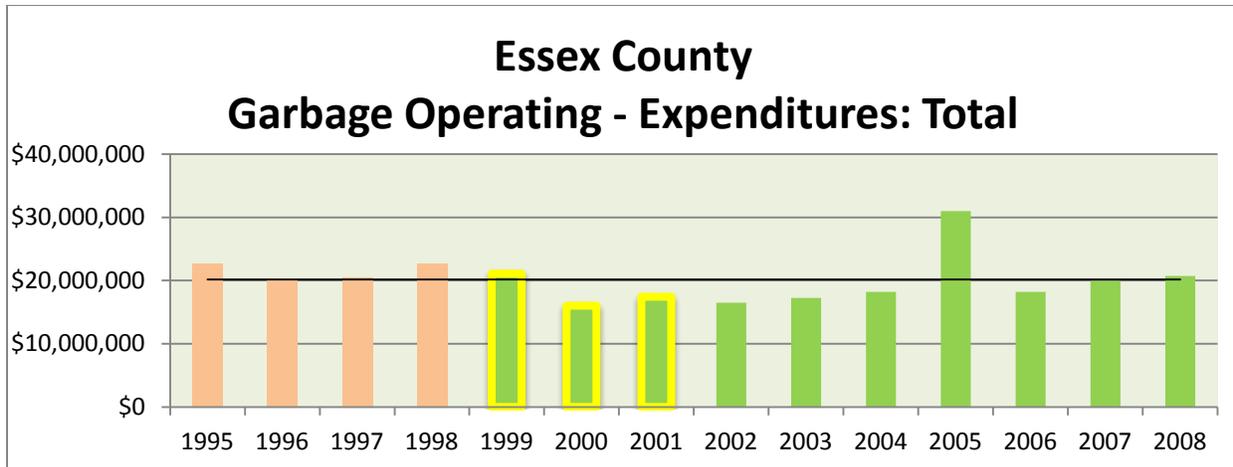
## Essex County Garbage Capital - Expenditures: Total



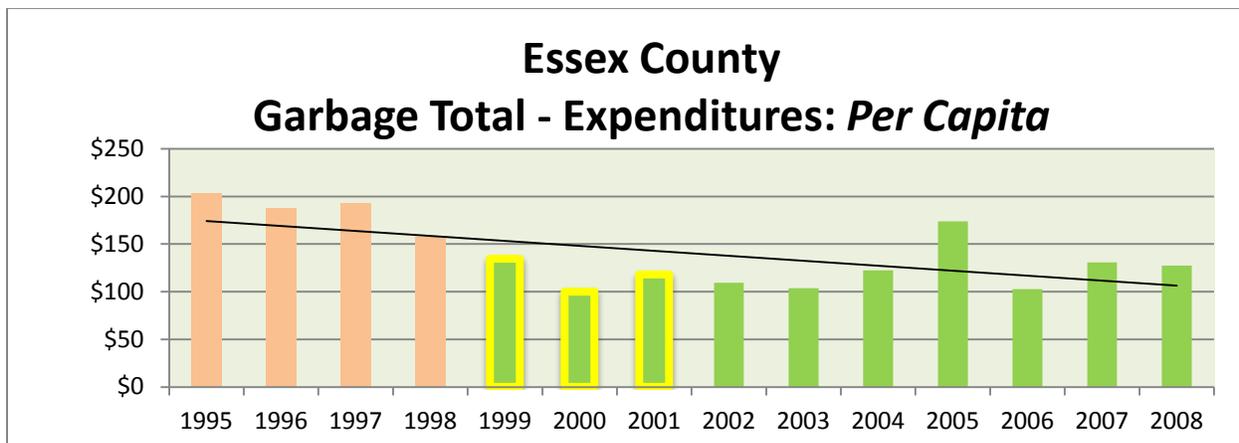
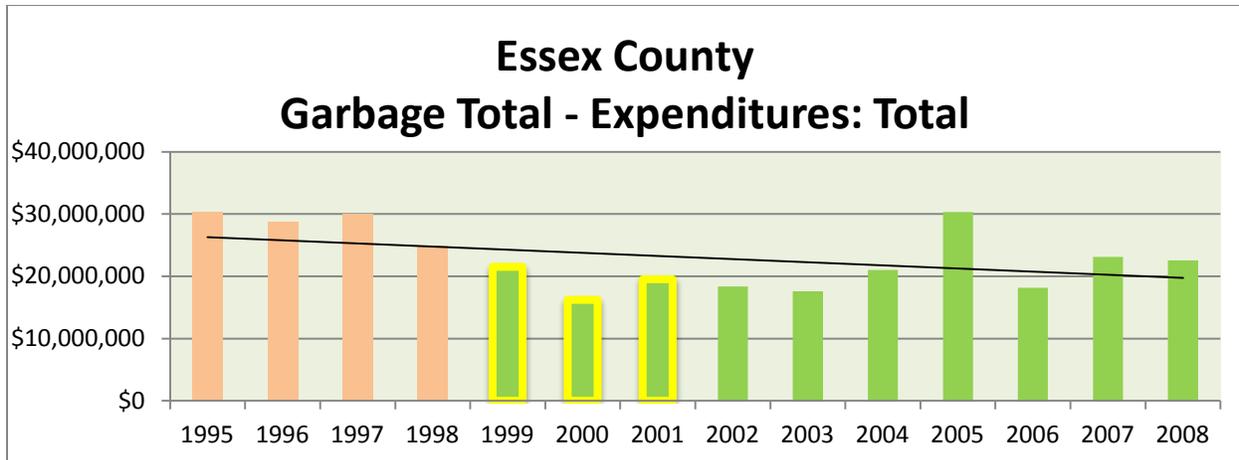
## Essex County Garbage Capital - Expenditures: *Per Capita*



Year (Amalgamation Status)	Garbage Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 7,642,067	\$ 51.29
1996 (Pre-Amalgamation)	\$ 8,615,305	\$ 56.55
1997 (Pre-Amalgamation)	\$ 9,425,493	\$ 60.69
1998 (Pre-Amalgamation)	\$ 2,215,446	\$ 14.00
1999 (Post-Amalgamation)	\$ 418,094	\$ 2.61
2000 (Post-Amalgamation)	\$ 195,886	\$ 1.21
2001 (Post-Amalgamation)	\$ 2,078,389	\$ 12.56
2002 (Post-Amalgamation)	\$ 1,851,320	\$ 11.04
2003 (Post-Amalgamation)	\$ 340,491	\$ 2.00
2004 (Post-Amalgamation)	\$ 2,833,877	\$ 16.46
2005 (Post-Amalgamation)	-\$ 641,875	-\$ 3.68
2006 (Post-Amalgamation)	-\$ 67,993	-\$ 0.38
2007 (Post-Amalgamation)	\$ 3,126,189	\$ 17.68
2008 (Post-Amalgamation)	\$ 1,794,717	\$ 10.14
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 6,974,578	\$ 45.63
Post-Amalgamation Period (1999-2008)	\$ 1,192,910	\$ 6.96
Percent Change between Pre- and Post-Amalgamation Periods	-82.90%	-84.74%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 897,456	\$ 5.46
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-87.13%	-88.04%



Year (Amalgamation Status)	Garbage Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$22,680,791	\$ 152.21
1996 (Pre-Amalgamation)	\$20,050,167	\$ 131.60
1997 (Pre-Amalgamation)	\$20,522,146	\$ 132.13
1998 (Pre-Amalgamation)	\$22,723,203	\$ 143.57
1999 (Post-Amalgamation)	\$21,102,235	\$ 131.78
2000 (Post-Amalgamation)	\$16,022,516	\$ 98.66
2001 (Post-Amalgamation)	\$17,436,904	\$ 105.36
2002 (Post-Amalgamation)	\$16,498,593	\$ 98.36
2003 (Post-Amalgamation)	\$17,251,749	\$ 101.51
2004 (Post-Amalgamation)	\$18,207,941	\$ 105.75
2005 (Post-Amalgamation)	\$30,965,918	\$ 177.54
2006 (Post-Amalgamation)	\$18,227,285	\$ 103.19
2007 (Post-Amalgamation)	\$19,985,157	\$ 113.01
2008 (Post-Amalgamation)	\$20,737,407	\$ 117.14
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$21,494,077	\$ 139.88
Post-Amalgamation Period (1999-2008)	\$19,643,571	\$ 115.23
Percent Change between Pre- and Post-Amalgamation Periods	-8.61%	-17.62%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$18,187,218	\$ 111.93
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-15.38%	-19.98%



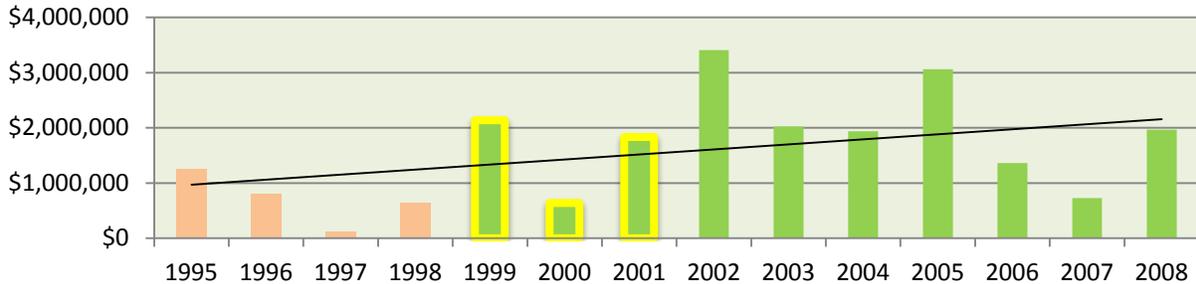
Year (Amalgamation Status)	Garbage Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$30,322,858	\$ 203.50
1996 (Pre-Amalgamation)	\$28,665,472	\$ 188.15
1997 (Pre-Amalgamation)	\$29,947,639	\$ 192.82
1998 (Pre-Amalgamation)	\$24,938,649	\$ 157.57
1999 (Post-Amalgamation)	\$21,520,329	\$ 134.39
2000 (Post-Amalgamation)	\$16,218,402	\$ 99.87
2001 (Post-Amalgamation)	\$19,515,293	\$ 117.92
2002 (Post-Amalgamation)	\$18,349,913	\$ 109.40
2003 (Post-Amalgamation)	\$17,592,240	\$ 103.51
2004 (Post-Amalgamation)	\$21,041,818	\$ 122.21
2005 (Post-Amalgamation)	\$30,324,043	\$ 173.86
2006 (Post-Amalgamation)	\$18,159,292	\$ 102.80
2007 (Post-Amalgamation)	\$23,111,346	\$ 130.69
2008 (Post-Amalgamation)	\$22,532,124	\$ 127.27
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$28,468,655	\$ 185.51
Post-Amalgamation Period (1999-2008)	\$20,836,480	\$ 122.19
Percent Change between Pre- and Post-Amalgamation Periods	-26.81%	-34.13%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$19,084,675	\$ 117.39
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-32.96%	-36.72%

Spending related to general government capital was higher by an average of 119.76% (105.84% *per capita*) in the first three years following amalgamation. Spending continued to rise over the remainder of the post-amalgamation period with average spending 173.11% (144.57% *per capita*) higher than that of the pre-amalgamation period.

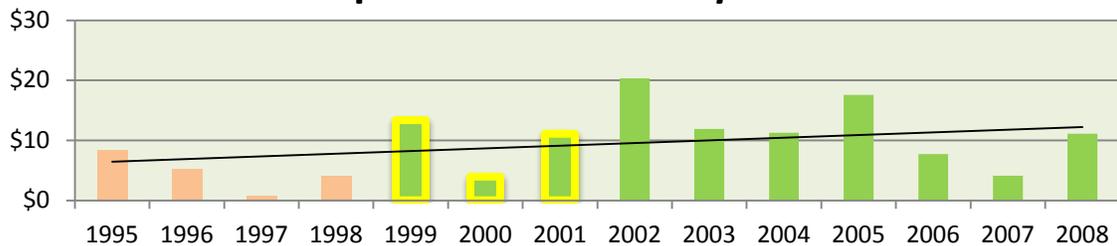
General government operating expenditures increased an average of 16.42% (10.59% *per capita*) in the first three years following amalgamation. When the post-amalgamation period is compared to the pre-amalgamation period spending was an average of 12.28% higher however the *per capita* increase was a more modest 1.76%.

Total general government expenditures were higher in all categories. Average spending rose by 19.31% (13.28% *per capita*) in the first three years following amalgamation then decreased to 16.78% (5.81% *per capita*) when viewed over the full post-amalgamation period.

## Essex County General Government Capital Expenditures: Total

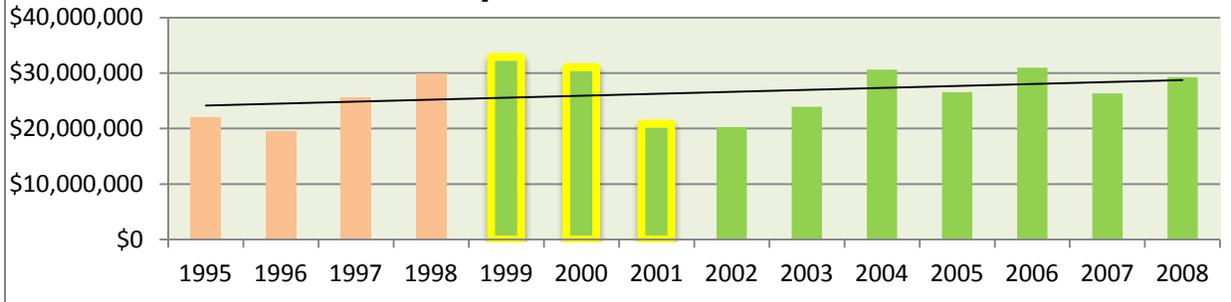


## Essex County General Government Capital Expenditures: *Per Capita*

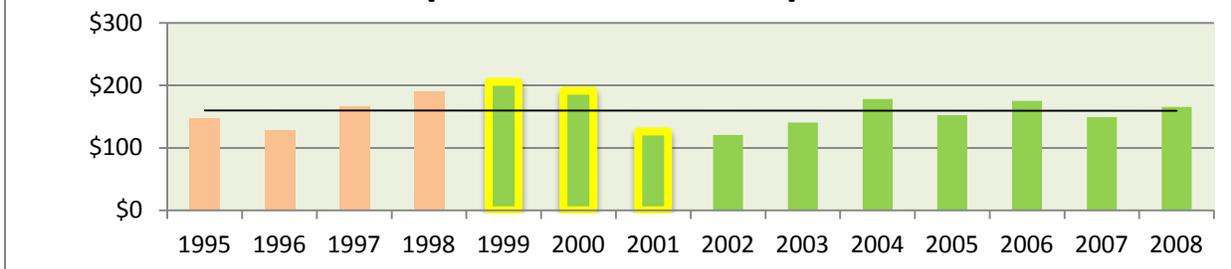


Year (Amalgamation Status)	General Government Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 1,252,485	\$ 8.41
1996 (Pre-Amalgamation)	\$ 790,760	\$ 5.19
1997 (Pre-Amalgamation)	\$ 113,655	\$ 0.73
1998 (Pre-Amalgamation)	\$ 641,730	\$ 4.05
1999 (Post-Amalgamation)	\$ 2,138,440	\$ 13.35
2000 (Post-Amalgamation)	\$ 639,639	\$ 3.94
2001 (Post-Amalgamation)	\$ 1,834,620	\$ 11.09
2002 (Post-Amalgamation)	\$ 3,409,881	\$ 20.33
2003 (Post-Amalgamation)	\$ 2,024,002	\$ 11.91
2004 (Post-Amalgamation)	\$ 1,939,826	\$ 11.27
2005 (Post-Amalgamation)	\$ 3,062,192	\$ 17.56
2006 (Post-Amalgamation)	\$ 1,363,517	\$ 7.72
2007 (Post-Amalgamation)	\$ 729,059	\$ 4.12
2008 (Post-Amalgamation)	\$ 1,967,332	\$ 11.11
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 699,658	\$ 4.60
Post-Amalgamation Period (1999-2008)	\$ 1,910,851	\$ 11.24
Percent Change between Pre- and Post-Amalgamation Periods	173.11%	144.57%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 1,537,566	\$ 9.46
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	119.76%	105.84%

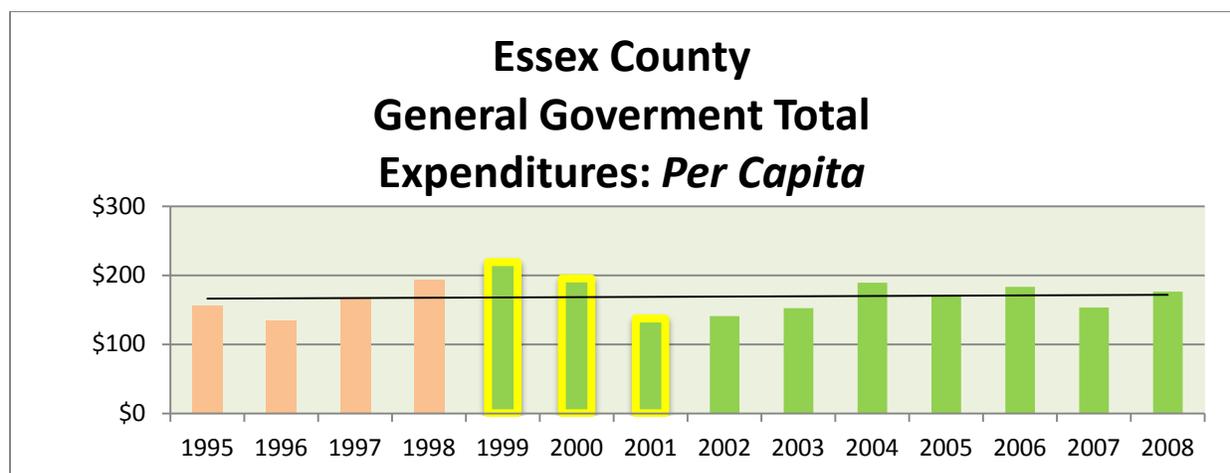
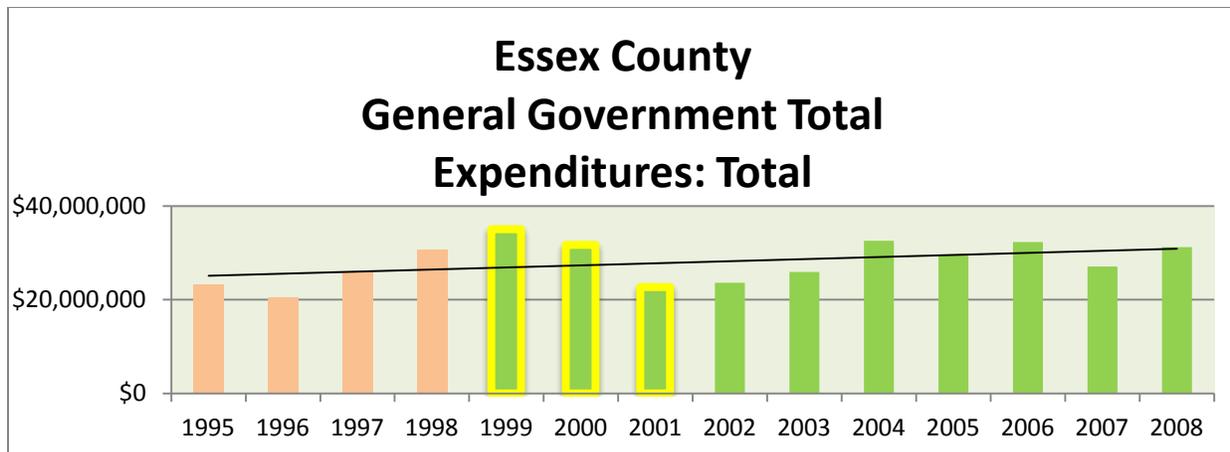
## Essex County General Government Operating Expenditures: Total



## Essex County General Government Operating Expenditures: *Per Capita*



Year (Amalgamation Status)	General Government Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 21,939,827	\$ 147.24
1996 (Pre-Amalgamation)	\$ 19,575,002	\$ 128.49
1997 (Pre-Amalgamation)	\$ 25,698,962	\$ 165.46
1998 (Pre-Amalgamation)	\$ 29,972,510	\$ 189.37
1999 (Post-Amalgamation)	\$ 32,916,764	\$ 205.56
2000 (Post-Amalgamation)	\$ 31,069,574	\$ 191.31
2001 (Post-Amalgamation)	\$ 20,870,540	\$ 126.11
2002 (Post-Amalgamation)	\$ 20,222,933	\$ 120.57
2003 (Post-Amalgamation)	\$ 23,905,554	\$ 140.65
2004 (Post-Amalgamation)	\$ 30,659,172	\$ 178.06
2005 (Post-Amalgamation)	\$ 26,547,842	\$ 152.21
2006 (Post-Amalgamation)	\$ 30,981,831	\$ 175.39
2007 (Post-Amalgamation)	\$ 26,351,640	\$ 149.01
2008 (Post-Amalgamation)	\$ 29,264,867	\$ 165.30
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 24,296,575	\$ 157.64
Post-Amalgamation Period (1999-2008)	\$ 27,279,072	\$ 160.42
Percent Change between Pre- and Post-Amalgamation Periods	12.28%	1.76%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 28,285,626	\$ 174.33
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	16.42%	10.59%

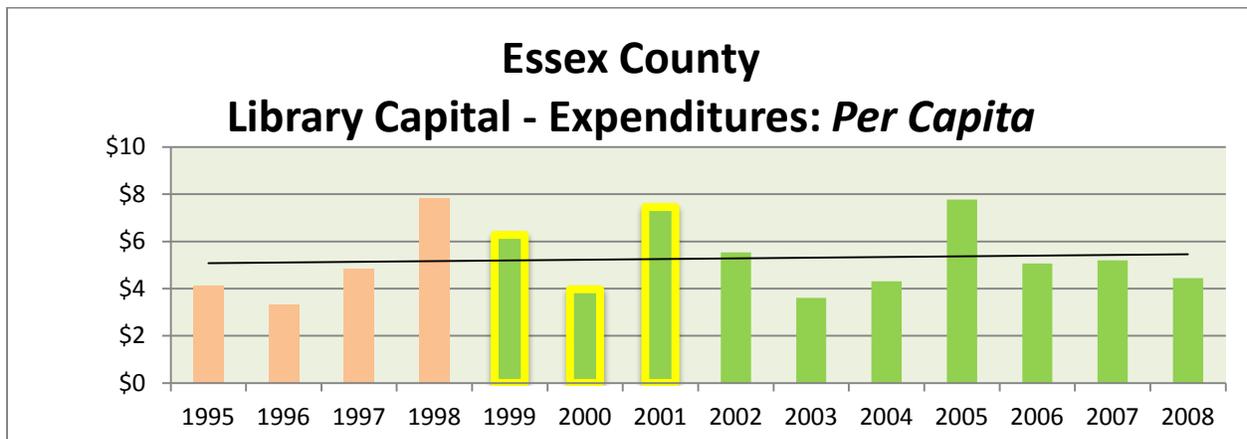
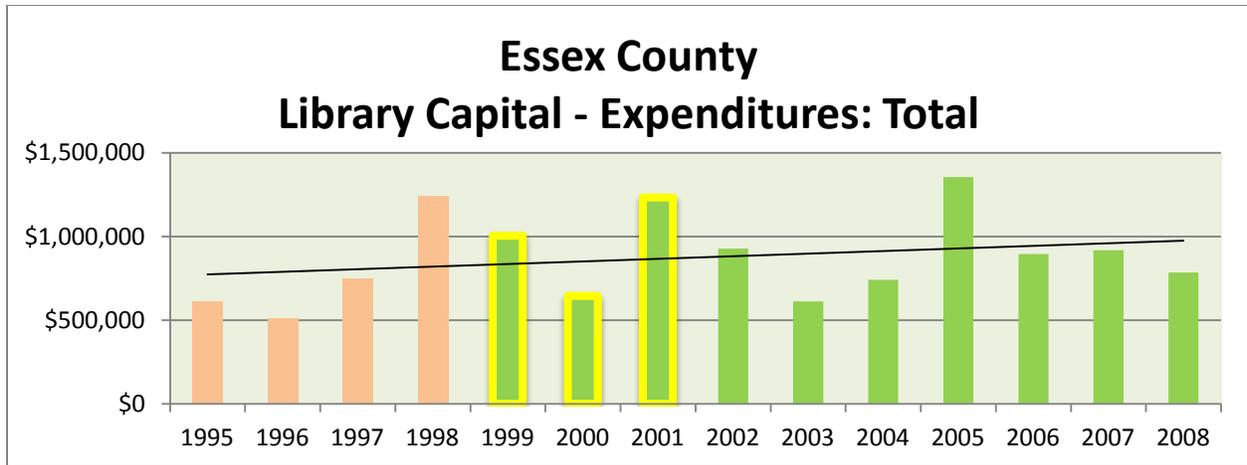


Year (Amalgamation Status)	General Government Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 23,192,312	\$ 155.64
1996 (Pre-Amalgamation)	\$ 20,365,762	\$ 133.68
1997 (Pre-Amalgamation)	\$ 25,812,617	\$ 166.20
1998 (Pre-Amalgamation)	\$ 30,614,240	\$ 193.42
1999 (Post-Amalgamation)	\$ 35,055,204	\$ 218.92
2000 (Post-Amalgamation)	\$ 31,709,213	\$ 195.25
2001 (Post-Amalgamation)	\$ 22,705,160	\$ 137.19
2002 (Post-Amalgamation)	\$ 23,632,814	\$ 140.90
2003 (Post-Amalgamation)	\$ 25,929,556	\$ 152.56
2004 (Post-Amalgamation)	\$ 32,598,998	\$ 189.33
2005 (Post-Amalgamation)	\$ 29,610,034	\$ 169.77
2006 (Post-Amalgamation)	\$ 32,345,348	\$ 183.11
2007 (Post-Amalgamation)	\$ 27,080,699	\$ 153.14
2008 (Post-Amalgamation)	\$ 31,232,199	\$ 176.42
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 24,996,233	\$ 162.23
Post-Amalgamation Period (1999-2008)	\$ 29,189,923	\$ 171.66
Percent Change between Pre- and Post-Amalgamation Periods	16.78%	5.81%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 29,823,192	\$ 183.79
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	19.31%	13.28%

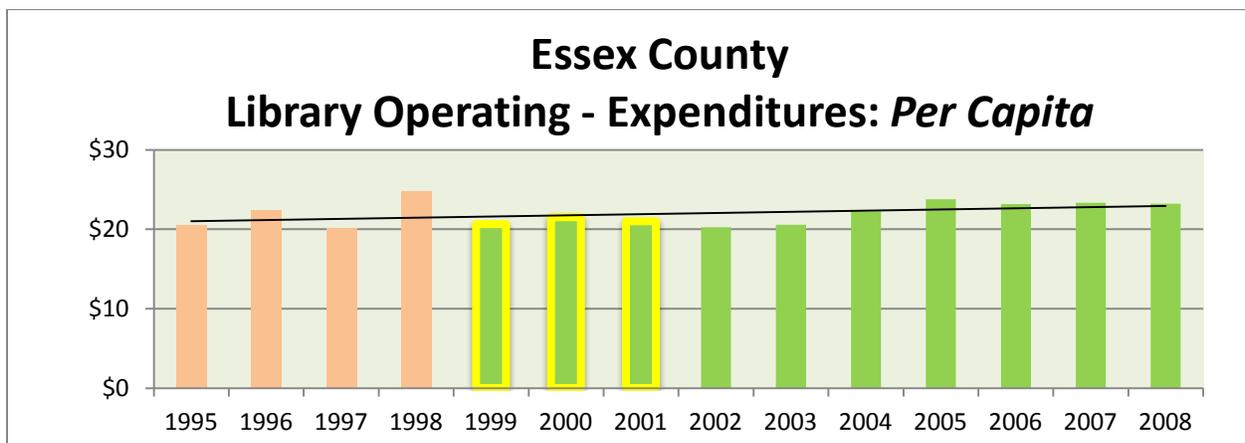
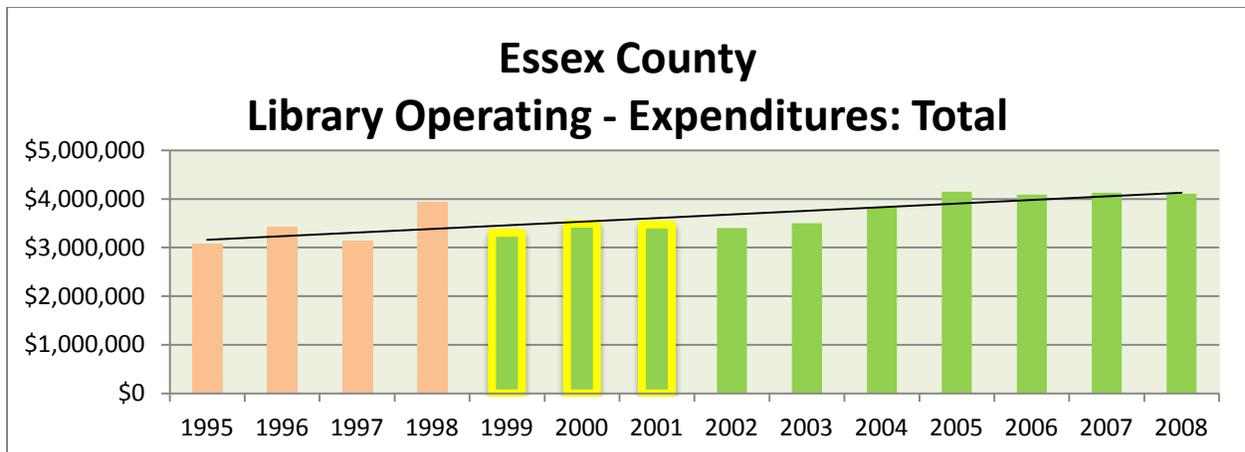
Expenditures related to library capital costs rose in the three year period following amalgamation by an average of 23.28% (17.06% *per capita*). Over the entire post-amalgamation period, spending was 16.98% higher (6.37% *per capita*) when compared to the pre-amalgamation average.

Expenditures related to library operating costs were lower when viewed on a *per capita* basis. In the first three years following amalgamation spending fell by 4.34% *per capita* while rising on a dollar basis by 1.12%. Over the entire post-amalgamation period, average *per capita* expenditures were .12% lower however rose by 10.68% on a dollar basis when compared to the pre-amalgamation period.

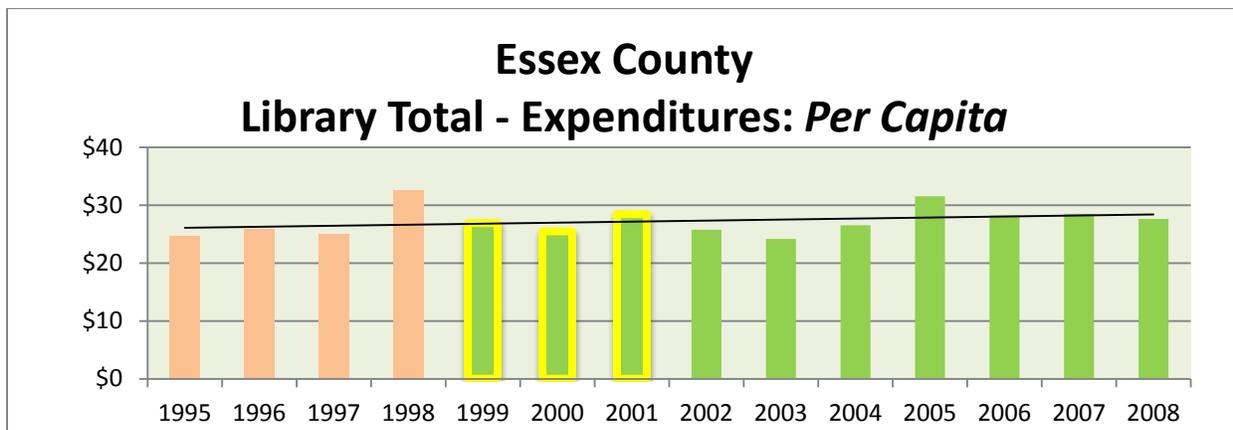
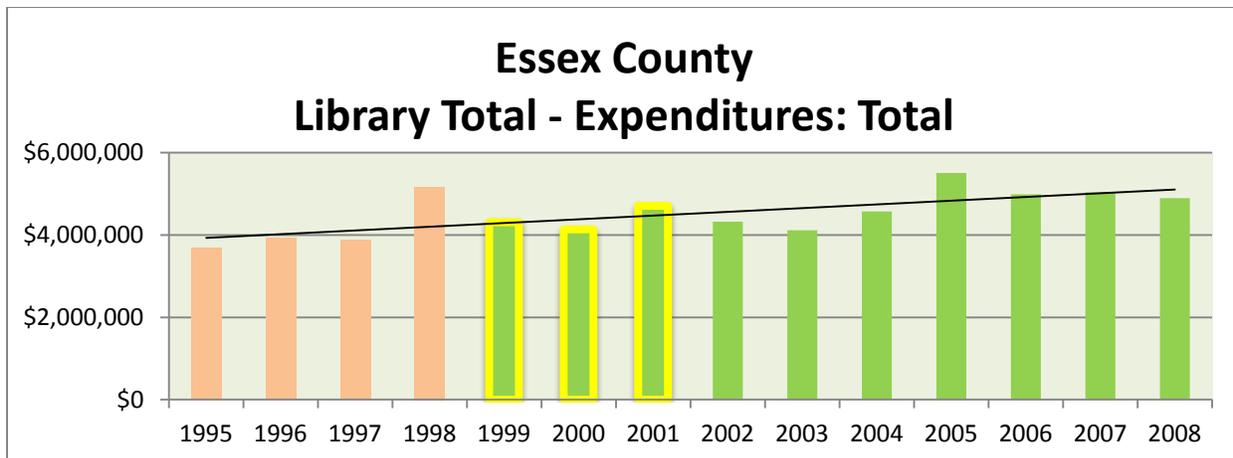
Average total library expenditures fell by .35% in the first three years following amalgamation however the actual spending was higher on a dollar basis for the same period by 5.26%. When average spending between the pre- and post-amalgamation periods is considered, spending rose by 11.86% however was much lower on a *per capita* basis at 1.09%.



Year (Amalgamation Status)	Library Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 615,533	\$ 4.13
1996 (Pre-Amalgamation)	\$ 509,208	\$ 3.34
1997 (Pre-Amalgamation)	\$ 751,654	\$ 4.84
1998 (Pre-Amalgamation)	\$ 1,242,395	\$ 7.85
1999 (Post-Amalgamation)	\$ 1,004,773	\$ 6.27
2000 (Post-Amalgamation)	\$ 645,092	\$ 3.97
2001 (Post-Amalgamation)	\$ 1,233,706	\$ 7.45
2002 (Post-Amalgamation)	\$ 927,513	\$ 5.53
2003 (Post-Amalgamation)	\$ 612,403	\$ 3.60
2004 (Post-Amalgamation)	\$ 741,902	\$ 4.31
2005 (Post-Amalgamation)	\$ 1,355,843	\$ 7.77
2006 (Post-Amalgamation)	\$ 894,974	\$ 5.07
2007 (Post-Amalgamation)	\$ 918,386	\$ 5.19
2008 (Post-Amalgamation)	\$ 785,988	\$ 4.44
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 779,698	\$ 5.04
Post-Amalgamation Period (1999-2008)	\$ 912,058	\$ 5.36
Percent Change between Pre- and Post-Amalgamation Periods	16.98%	6.37%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 961,190	\$ 5.90
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	23.28%	17.06%



Year (Amalgamation Status)	Library Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 3,068,663	\$ 20.59
1996 (Pre-Amalgamation)	\$ 3,422,401	\$ 22.46
1997 (Pre-Amalgamation)	\$ 3,128,067	\$ 20.14
1998 (Pre-Amalgamation)	\$ 3,925,637	\$ 24.80
1999 (Post-Amalgamation)	\$ 3,304,763	\$ 20.64
2000 (Post-Amalgamation)	\$ 3,492,287	\$ 21.50
2001 (Post-Amalgamation)	\$ 3,474,941	\$ 21.00
2002 (Post-Amalgamation)	\$ 3,399,226	\$ 20.27
2003 (Post-Amalgamation)	\$ 3,499,347	\$ 20.59
2004 (Post-Amalgamation)	\$ 3,831,242	\$ 22.25
2005 (Post-Amalgamation)	\$ 4,150,545	\$ 23.80
2006 (Post-Amalgamation)	\$ 4,092,007	\$ 23.17
2007 (Post-Amalgamation)	\$ 4,127,240	\$ 23.34
2008 (Post-Amalgamation)	\$ 4,107,141	\$ 23.20
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 3,386,192	\$ 22.00
Post-Amalgamation Period (1999-2008)	\$ 3,747,874	\$ 21.97
Percent Change between Pre- and Post-Amalgamation Periods	10.68%	-0.12%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 3,423,997	\$ 21.05
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	1.12%	-4.34%



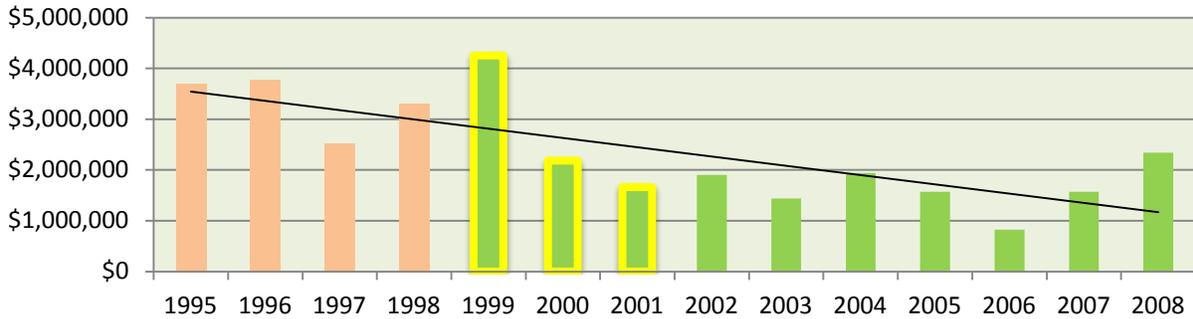
Year (Amalgamation Status)	Library Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$3,684,196	\$ 24.72
1996 (Pre-Amalgamation)	\$3,931,609	\$ 25.81
1997 (Pre-Amalgamation)	\$3,879,721	\$ 24.98
1998 (Pre-Amalgamation)	\$5,168,032	\$ 32.65
1999 (Post-Amalgamation)	\$4,309,536	\$ 26.91
2000 (Post-Amalgamation)	\$4,137,379	\$ 25.48
2001 (Post-Amalgamation)	\$4,708,647	\$ 28.45
2002 (Post-Amalgamation)	\$4,326,739	\$ 25.80
2003 (Post-Amalgamation)	\$4,111,750	\$ 24.19
2004 (Post-Amalgamation)	\$4,573,144	\$ 26.56
2005 (Post-Amalgamation)	\$5,506,388	\$ 31.57
2006 (Post-Amalgamation)	\$4,986,981	\$ 28.23
2007 (Post-Amalgamation)	\$5,045,626	\$ 28.53
2008 (Post-Amalgamation)	\$4,893,129	\$ 27.64
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$4,165,890	\$ 27.04
Post-Amalgamation Period (1999-2008)	\$4,659,932	\$ 27.34
Percent Change between Pre- and Post-Amalgamation Periods	11.86%	1.09%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$4,385,187	\$ 26.95
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	5.26%	-0.35%

Spending on planning capital decreased in all areas following amalgamation. In the first three years post-amalgamation expenditures were 18.87% (23.10% *per capita*) lower on average than the pre-amalgamation spending average. Spending continued to fall over the full post-amalgamation time frame and decreased an average of 40.83% (46.12% *per capita*) when compared to the average pre-amalgamation spending.

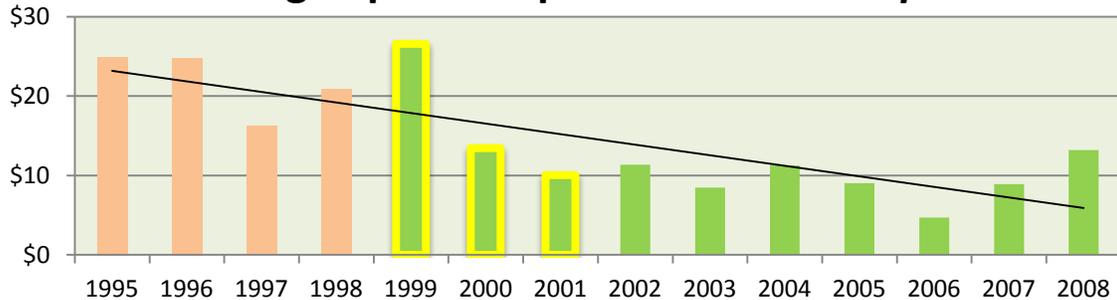
Planning operating expenditures fell in the first three years following amalgamation. On a dollar basis, spending was 1.77% lower while *per capita* spending over the same period was lower on average by 7.20% compared to pre-amalgamation spending. Average spending rose over the remainder of the post-amalgamation period ending higher at 25.68% (12.96% *per capita*).

Total average expenditures related to planning were 8.82% (13.76% *per capita*) lower in the first three years following amalgamation compared to spending in the pre-amalgamation period. Spending over the entire post-amalgamation period was lower by an average 1.74% (11.43% *per capita*) compared to the average pre-amalgamation period.

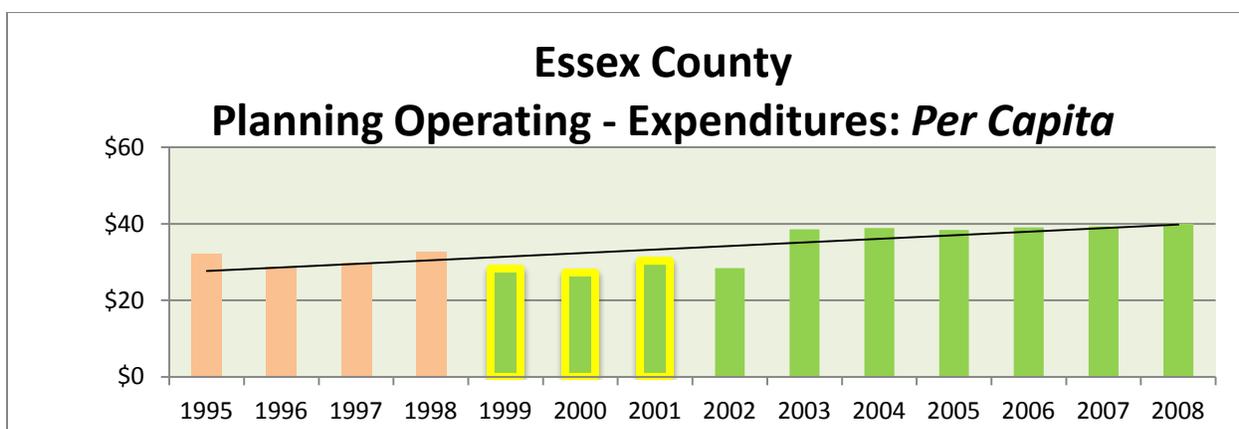
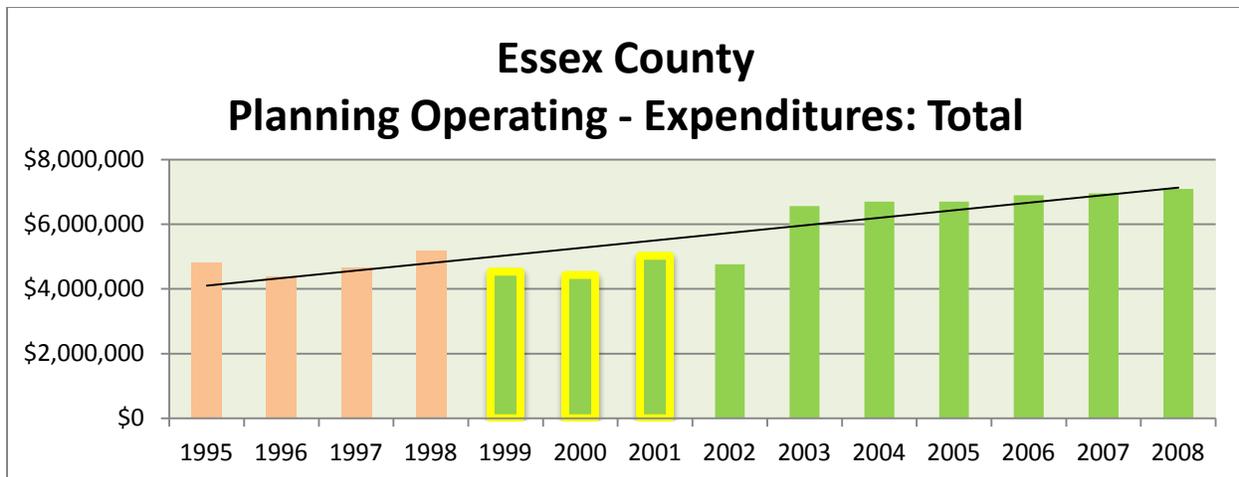
## Essex County Planning Capital - Expenditures: Total



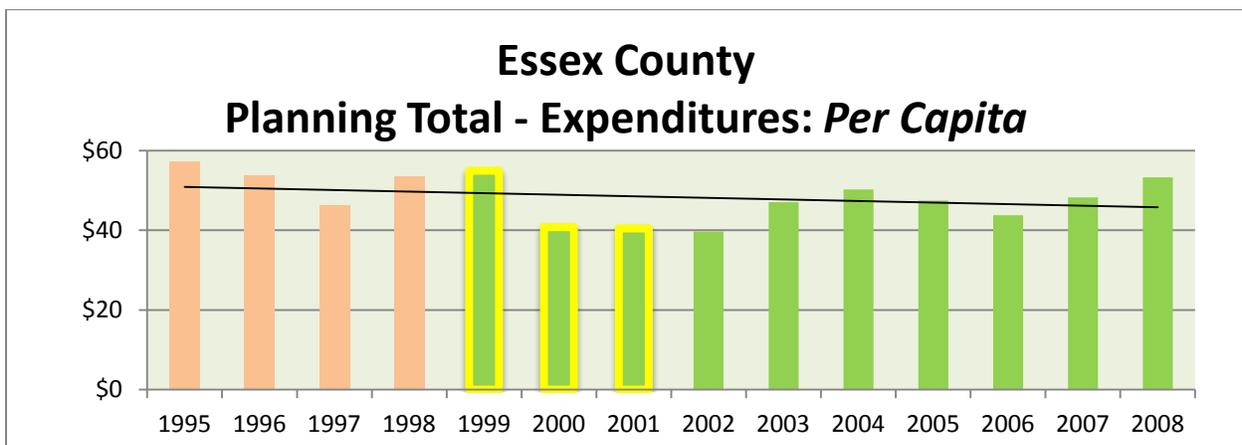
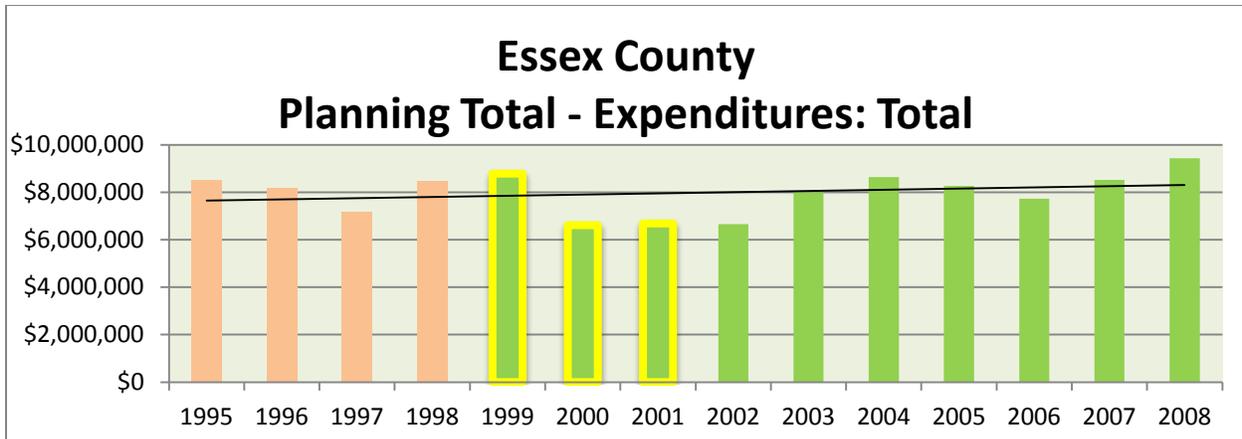
## Essex County Planning Capital - Expenditures: *Per Capita*



Year (Amalgamation Status)	Planning Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 3,707,412	\$ 24.88
1996 (Pre-Amalgamation)	\$ 3,783,848	\$ 24.84
1997 (Pre-Amalgamation)	\$ 2,523,614	\$ 16.25
1998 (Pre-Amalgamation)	\$ 3,302,977	\$ 20.87
1999 (Post-Amalgamation)	\$ 4,255,696	\$ 26.58
2000 (Post-Amalgamation)	\$ 2,184,592	\$ 13.45
2001 (Post-Amalgamation)	\$ 1,663,771	\$ 10.05
2002 (Post-Amalgamation)	\$ 1,903,315	\$ 11.35
2003 (Post-Amalgamation)	\$ 1,441,276	\$ 8.48
2004 (Post-Amalgamation)	\$ 1,938,925	\$ 11.26
2005 (Post-Amalgamation)	\$ 1,572,732	\$ 9.02
2006 (Post-Amalgamation)	\$ 827,641	\$ 4.69
2007 (Post-Amalgamation)	\$ 1,572,439	\$ 8.89
2008 (Post-Amalgamation)	\$ 2,338,850	\$ 13.21
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 3,329,463	\$ 21.71
Post-Amalgamation Period (1999-2008)	\$ 1,969,924	\$ 11.70
Percent Change between Pre- and Post-Amalgamation Periods	-40.83%	-46.12%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 2,701,353	\$ 16.69
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-18.87%	-23.10%



Year (Amalgamation Status)	Planning Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 4,801,581	\$ 32.22
1996 (Pre-Amalgamation)	\$ 4,375,850	\$ 28.72
1997 (Pre-Amalgamation)	\$ 4,652,568	\$ 29.96
1998 (Pre-Amalgamation)	\$ 5,160,239	\$ 32.60
1999 (Post-Amalgamation)	\$ 4,533,724	\$ 28.31
2000 (Post-Amalgamation)	\$ 4,431,416	\$ 27.29
2001 (Post-Amalgamation)	\$ 5,024,932	\$ 30.36
2002 (Post-Amalgamation)	\$ 4,760,264	\$ 28.38
2003 (Post-Amalgamation)	\$ 6,558,672	\$ 38.59
2004 (Post-Amalgamation)	\$ 6,703,057	\$ 38.93
2005 (Post-Amalgamation)	\$ 6,702,844	\$ 38.43
2006 (Post-Amalgamation)	\$ 6,900,623	\$ 39.07
2007 (Post-Amalgamation)	\$ 6,958,208	\$ 39.35
2008 (Post-Amalgamation)	\$ 7,095,264	\$ 40.08
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 4,747,560	\$ 30.88
Post-Amalgamation Period (1999-2008)	\$ 5,966,900	\$ 34.88
Percent Change between Pre- and Post-Amalgamation Periods	25.68%	12.96%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 4,663,357	\$ 28.65
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-1.77%	-7.20%

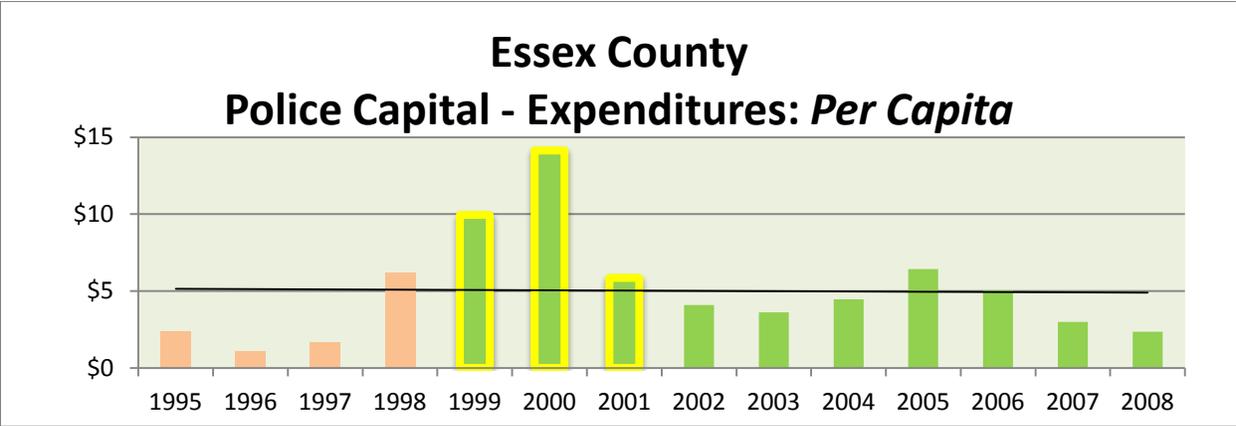
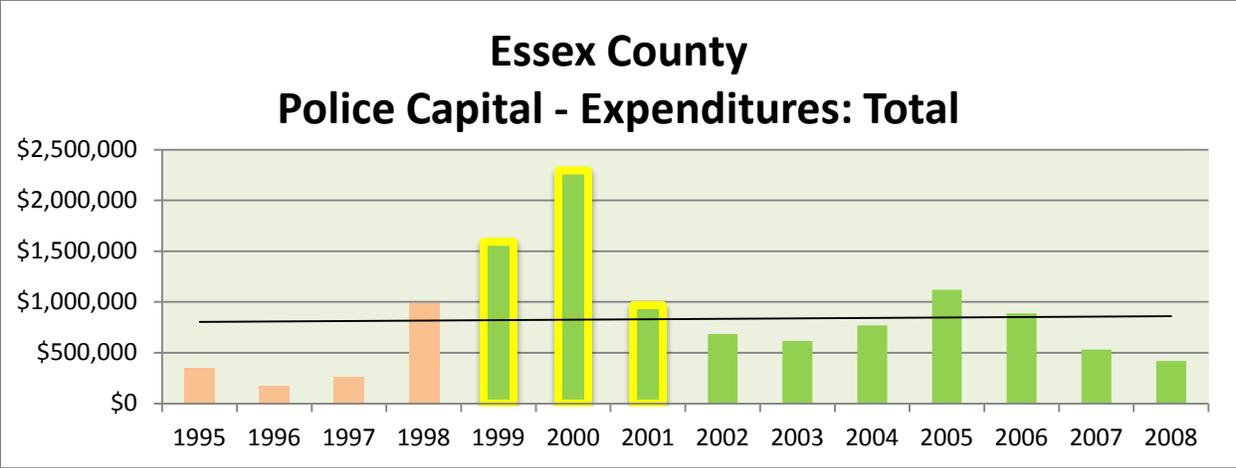


Year (Amalgamation Status)	Planning Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 8,508,993	\$ 57.10
1996 (Pre-Amalgamation)	\$ 8,159,698	\$ 53.56
1997 (Pre-Amalgamation)	\$ 7,176,182	\$ 46.20
1998 (Pre-Amalgamation)	\$ 8,463,216	\$ 53.47
1999 (Post-Amalgamation)	\$ 8,789,420	\$ 54.89
2000 (Post-Amalgamation)	\$ 6,616,008	\$ 40.74
2001 (Post-Amalgamation)	\$ 6,688,703	\$ 40.41
2002 (Post-Amalgamation)	\$ 6,663,579	\$ 39.73
2003 (Post-Amalgamation)	\$ 7,999,948	\$ 47.07
2004 (Post-Amalgamation)	\$ 8,641,982	\$ 50.19
2005 (Post-Amalgamation)	\$ 8,275,576	\$ 47.45
2006 (Post-Amalgamation)	\$ 7,728,264	\$ 43.75
2007 (Post-Amalgamation)	\$ 8,530,647	\$ 48.24
2008 (Post-Amalgamation)	\$ 9,434,114	\$ 53.29
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 8,077,022	\$ 52.58
Post-Amalgamation Period (1999-2008)	\$ 7,936,824	\$ 46.58
Percent Change between Pre- and Post-Amalgamation Periods	-1.74%	-11.43%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 7,364,710	\$ 45.35
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-8.82%	-13.76%

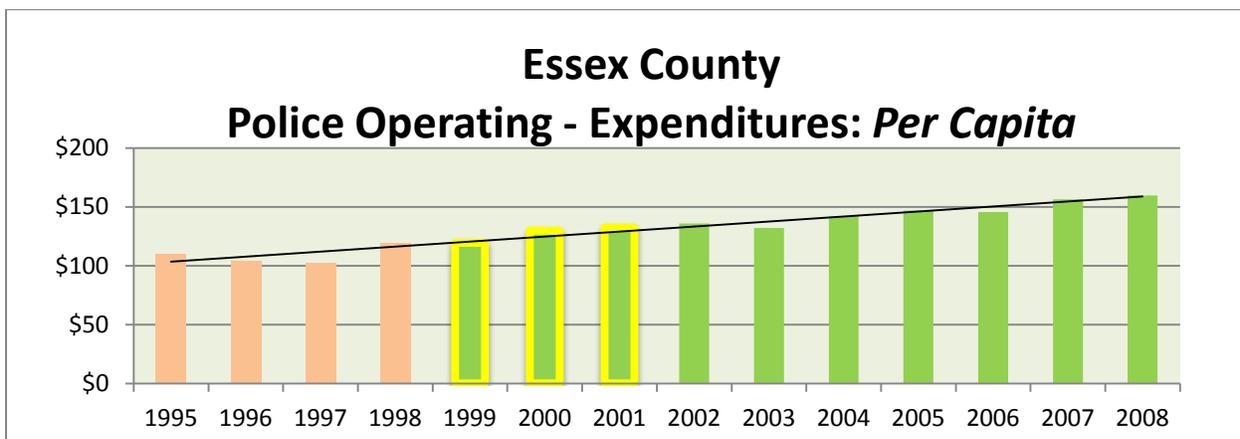
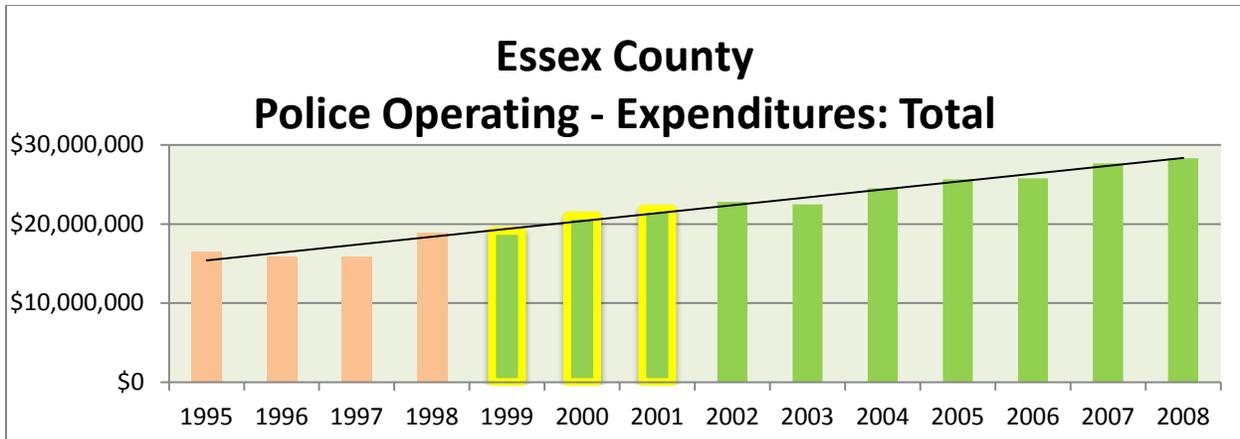
Spending related to police capital expenses were dramatically higher in the first three years following amalgamation with expenditures rising an average of 265.66% (250.05% *per capita*) compared to average pre-amalgamation spending. Average expenditures decreased over the remainder of the post-amalgamation period however they were still an average of 123.23% (106.71% *per capita*) higher than pre-amalgamation averages.

Average police operating expenditures were 23.62% (16.82% *per capita*) higher in the first three years following amalgamation compared to the pre-amalgamation time period. Over the entire post-amalgamation period, average spending rose by 42.84% (28.67% *per capita*) compared to the pre-amalgamation period.

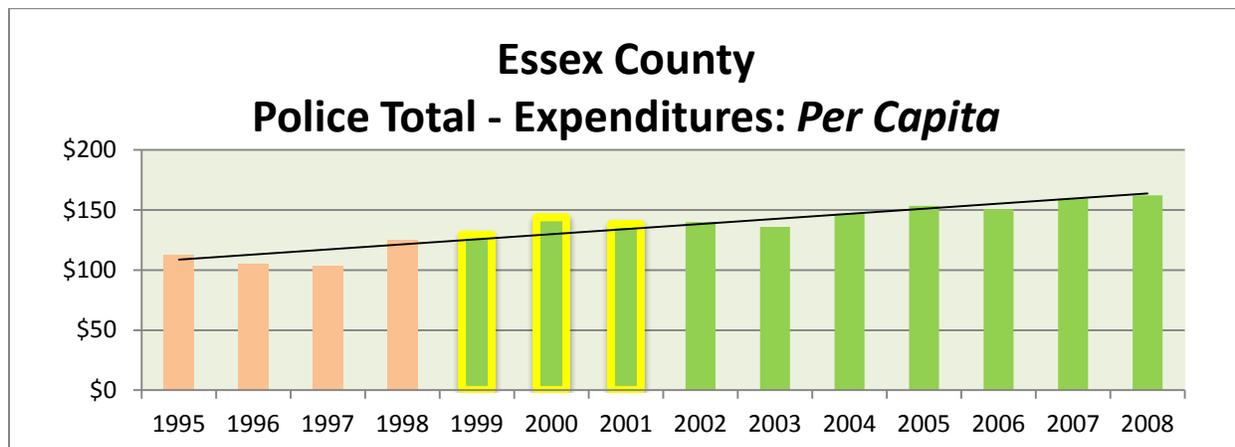
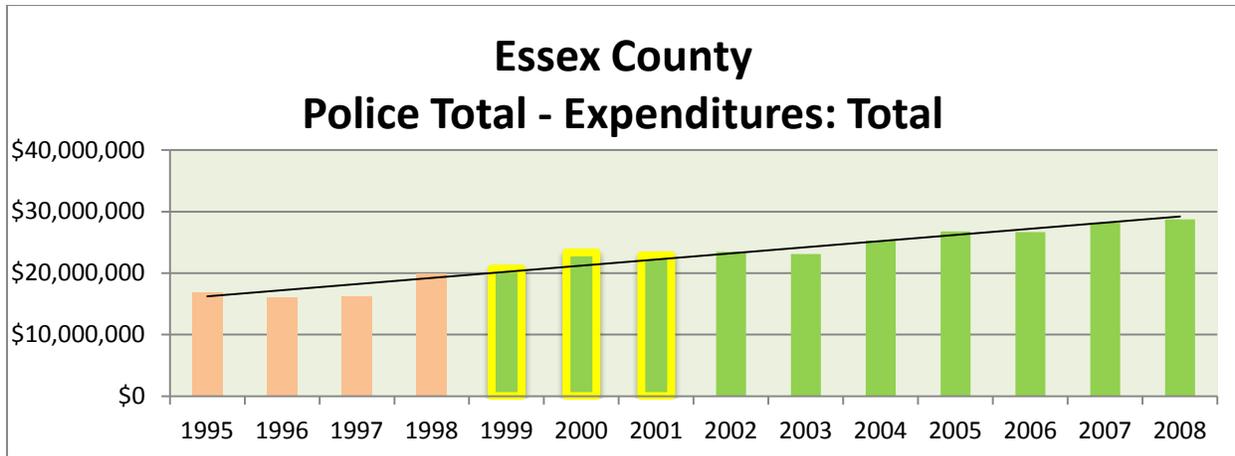
Total spending on police services was higher on average by 29.85% (22.77% *per capita*) when compared to pre-amalgamation spending. Over the entire post-amalgamation period, spending increase an average of 44.91% (30.66% *per capita*) compared to average pre-amalgamation spending.



Year (Amalgamation Status)	Police Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 353,030	\$ 2.37
1996 (Pre-Amalgamation)	\$ 170,043	\$ 1.12
1997 (Pre-Amalgamation)	\$ 263,002	\$ 1.69
1998 (Pre-Amalgamation)	\$ 984,953	\$ 6.22
1999 (Post-Amalgamation)	\$ 1,592,644	\$ 9.95
2000 (Post-Amalgamation)	\$ 2,295,590	\$ 14.14
2001 (Post-Amalgamation)	\$ 968,671	\$ 5.85
2002 (Post-Amalgamation)	\$ 685,458	\$ 4.09
2003 (Post-Amalgamation)	\$ 614,395	\$ 3.61
2004 (Post-Amalgamation)	\$ 768,749	\$ 4.46
2005 (Post-Amalgamation)	\$ 1,121,249	\$ 6.43
2006 (Post-Amalgamation)	\$ 889,508	\$ 5.04
2007 (Post-Amalgamation)	\$ 529,958	\$ 3.00
2008 (Post-Amalgamation)	\$ 417,648	\$ 2.36
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 442,757	\$ 2.85
Post-Amalgamation Period (1999-2008)	\$ 988,387	\$ 5.89
Percent Change between Pre- and Post-Amalgamation Periods	123.23%	106.71%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 1,618,968	\$ 9.98
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	265.66%	250.05%



Year (Amalgamation Status)	Police Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$16,448,359	\$ 110.38
1996 (Pre-Amalgamation)	\$15,871,194	\$ 104.17
1997 (Pre-Amalgamation)	\$15,864,403	\$ 102.14
1998 (Pre-Amalgamation)	\$18,831,587	\$ 118.98
1999 (Post-Amalgamation)	\$19,137,119	\$ 119.51
2000 (Post-Amalgamation)	\$21,075,916	\$ 129.78
2001 (Post-Amalgamation)	\$21,919,266	\$ 132.44
2002 (Post-Amalgamation)	\$22,796,414	\$ 135.91
2003 (Post-Amalgamation)	\$22,483,609	\$ 132.29
2004 (Post-Amalgamation)	\$24,508,547	\$ 142.34
2005 (Post-Amalgamation)	\$25,657,902	\$ 147.11
2006 (Post-Amalgamation)	\$25,755,173	\$ 145.80
2007 (Post-Amalgamation)	\$27,664,955	\$ 156.44
2008 (Post-Amalgamation)	\$28,309,354	\$ 159.91
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$16,753,886	\$ 108.92
Post-Amalgamation Period (1999-2008)	\$23,930,826	\$ 140.15
Percent Change between Pre- and Post-Amalgamation Periods	42.84%	28.67%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$20,710,767	\$ 127.24
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	23.62%	16.82%

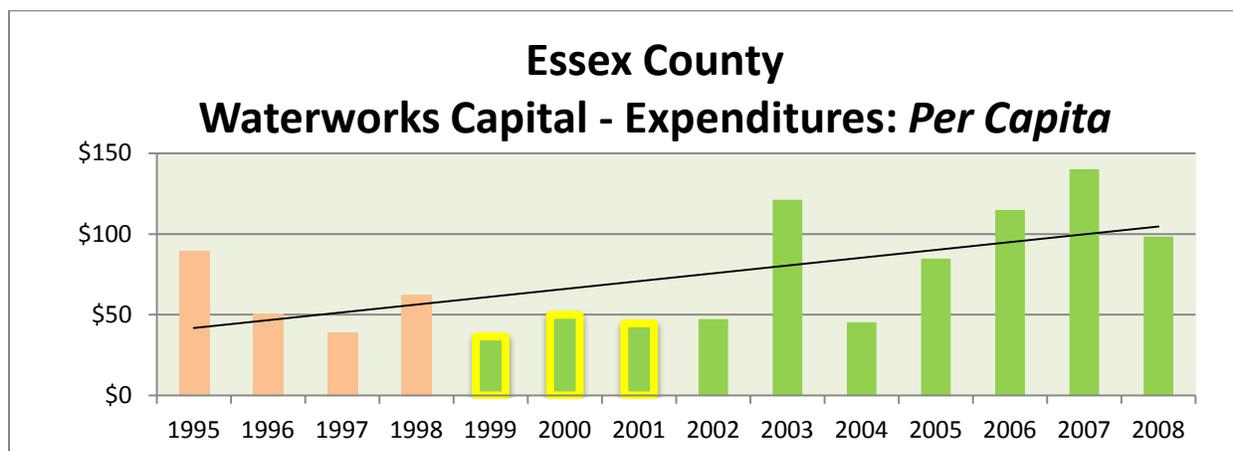
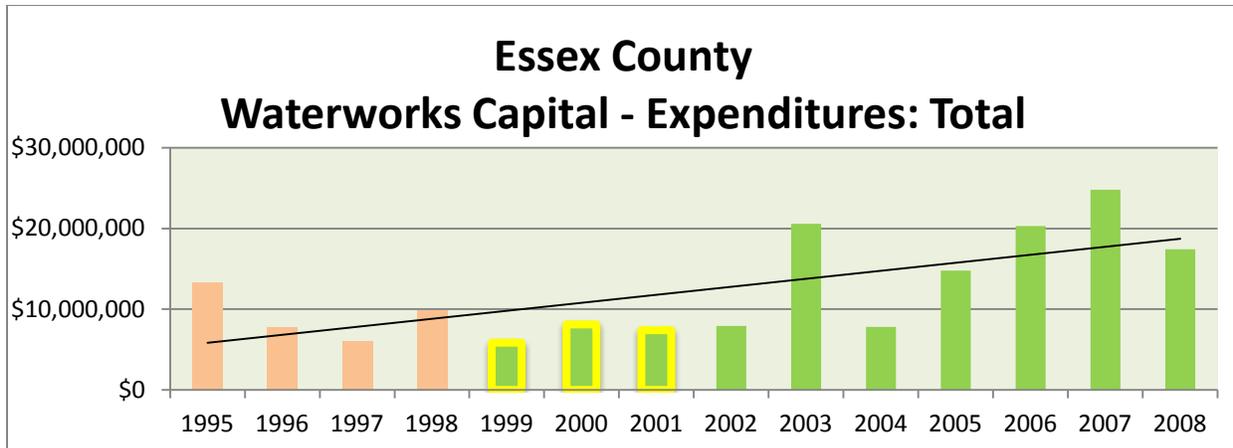


Year (Amalgamation Status)	Police Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$16,801,389	\$ 112.75
1996 (Pre-Amalgamation)	\$16,041,237	\$ 105.29
1997 (Pre-Amalgamation)	\$16,127,405	\$ 103.84
1998 (Pre-Amalgamation)	\$19,816,540	\$ 125.20
1999 (Post-Amalgamation)	\$20,729,763	\$ 129.46
2000 (Post-Amalgamation)	\$23,371,506	\$ 143.91
2001 (Post-Amalgamation)	\$22,887,937	\$ 138.29
2002 (Post-Amalgamation)	\$23,481,872	\$ 140.00
2003 (Post-Amalgamation)	\$23,098,004	\$ 135.90
2004 (Post-Amalgamation)	\$25,277,296	\$ 146.80
2005 (Post-Amalgamation)	\$26,779,151	\$ 153.54
2006 (Post-Amalgamation)	\$26,644,681	\$ 150.84
2007 (Post-Amalgamation)	\$28,194,913	\$ 159.44
2008 (Post-Amalgamation)	\$28,727,002	\$ 162.27
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$17,196,643	\$ 111.77
Post-Amalgamation Period (1999-2008)	\$24,919,213	\$ 146.04
Percent Change between Pre- and Post-Amalgamation Periods	44.91%	30.66%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$22,329,735	\$ 137.22
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	29.85%	22.77%

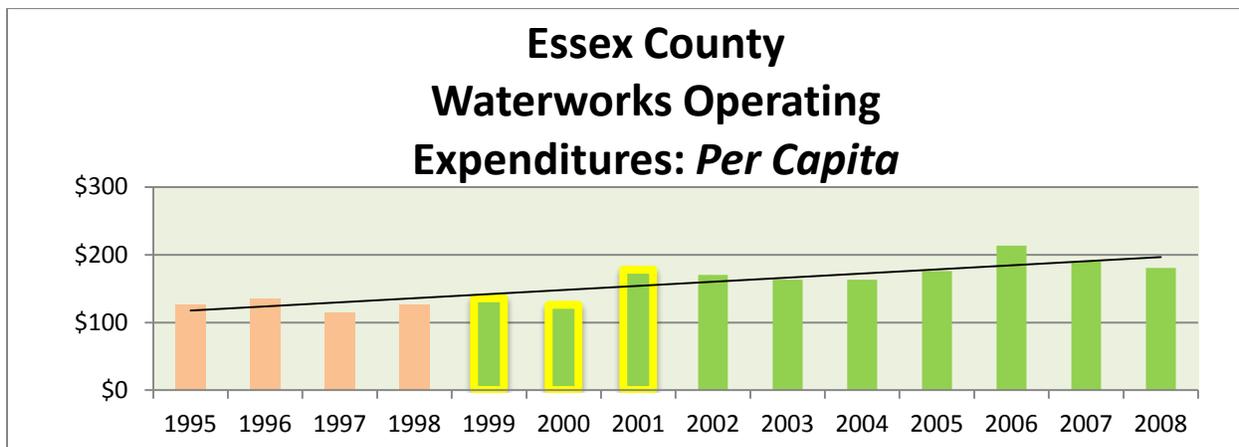
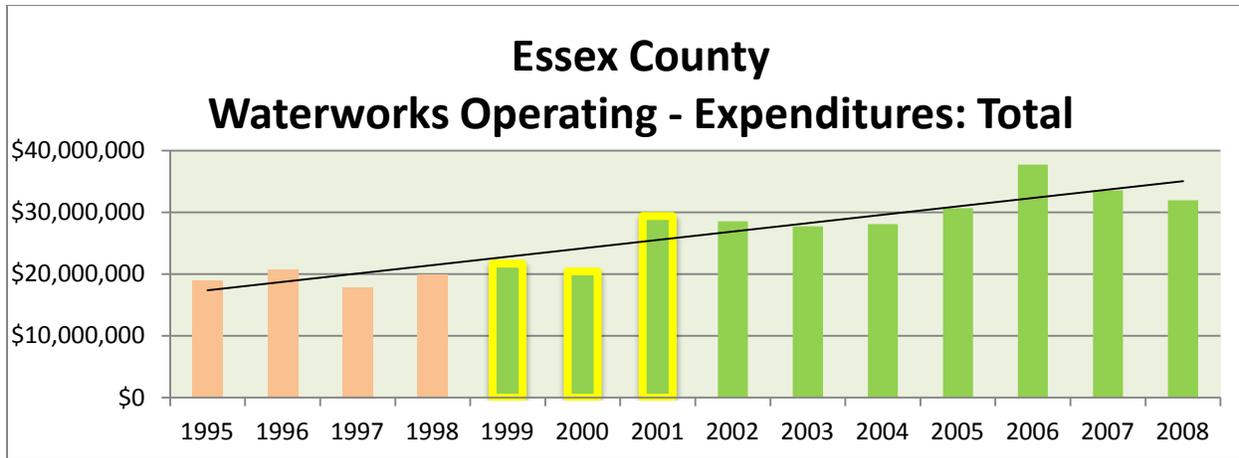
Waterworks capital expenditures were lower on average by 23.13% (27.71% *per capita*) in the first three years following amalgamation. Over the entire post-amalgamation period average spending was higher by 45.77% (29.52% *per capita*) compared to the pre-amalgamation spending average.

Waterworks operating expenditures were higher by an average of 23.28% (16.26% *per capita*) in the first three years following amalgamation. Over the entire post-amalgamation time period, spending rose by 49.81% (34.66% *per capita*) compared to the pre-amalgamation spending average.

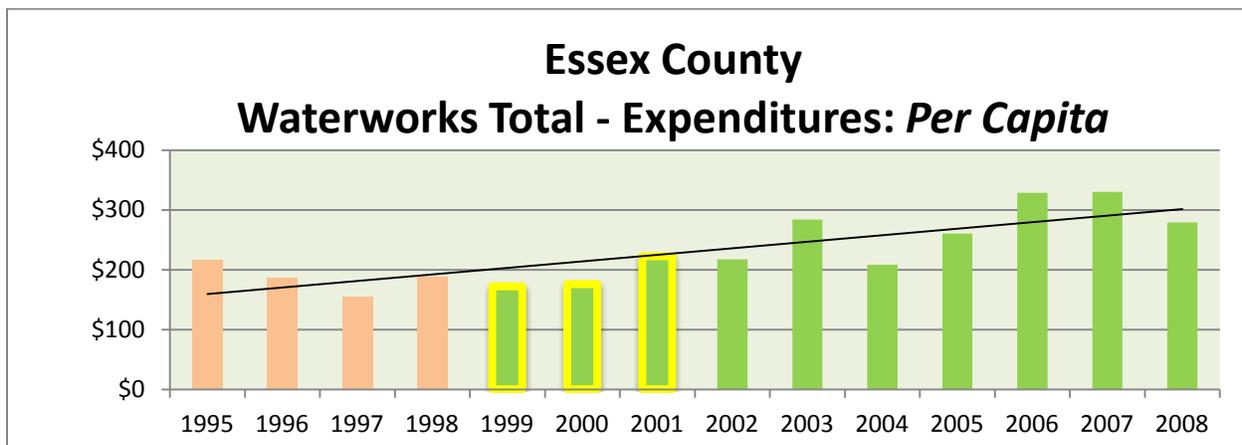
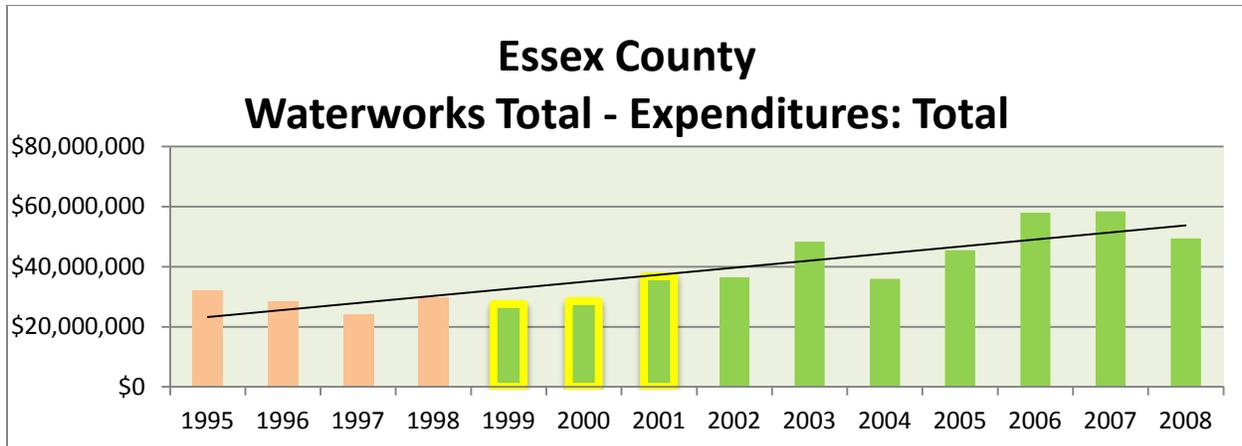
Total spending related to waterworks services in Essex County was 8.26% (2.00% *per capita*) higher on average in the first three years following amalgamation. Over the entire post-amalgamation time period, spending rose an average of 48.50% (32.99% *per capita*) compared to average pre-amalgamation spending.



Year (Amalgamation Status)	Waterworks Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$13,306,028	\$ 89.30
1996 (Pre-Amalgamation)	\$ 7,733,823	\$ 50.76
1997 (Pre-Amalgamation)	\$ 6,100,838	\$ 39.28
1998 (Pre-Amalgamation)	\$ 9,900,852	\$ 62.55
1999 (Post-Amalgamation)	\$ 5,848,049	\$ 36.52
2000 (Post-Amalgamation)	\$ 8,110,735	\$ 49.94
2001 (Post-Amalgamation)	\$ 7,396,327	\$ 44.69
2002 (Post-Amalgamation)	\$ 7,941,968	\$ 47.35
2003 (Post-Amalgamation)	\$20,589,265	\$ 121.14
2004 (Post-Amalgamation)	\$ 7,803,980	\$ 45.32
2005 (Post-Amalgamation)	\$14,775,461	\$ 84.71
2006 (Post-Amalgamation)	\$20,314,755	\$ 115.01
2007 (Post-Amalgamation)	\$24,798,270	\$ 140.23
2008 (Post-Amalgamation)	\$17,413,631	\$ 98.36
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 9,260,385	\$ 60.47
Post-Amalgamation Period (1999-2008)	\$13,499,244	\$ 78.33
Percent Change between Pre- and Post-Amalgamation Periods	45.77%	29.52%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 7,118,370	\$ 43.72
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-23.13%	-27.71%



Year (Amalgamation Status)	Waterworks Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$18,862,637	\$ 126.59
1996 (Pre-Amalgamation)	\$20,701,587	\$ 135.88
1997 (Pre-Amalgamation)	\$17,922,641	\$ 115.40
1998 (Pre-Amalgamation)	\$19,930,163	\$ 125.92
1999 (Post-Amalgamation)	\$21,710,034	\$ 135.58
2000 (Post-Amalgamation)	\$20,448,752	\$ 125.91
2001 (Post-Amalgamation)	\$29,423,214	\$ 177.78
2002 (Post-Amalgamation)	\$28,559,052	\$ 170.27
2003 (Post-Amalgamation)	\$27,715,465	\$ 163.07
2004 (Post-Amalgamation)	\$28,118,525	\$ 163.31
2005 (Post-Amalgamation)	\$30,683,058	\$ 175.92
2006 (Post-Amalgamation)	\$37,732,643	\$ 213.61
2007 (Post-Amalgamation)	\$33,583,669	\$ 189.91
2008 (Post-Amalgamation)	\$31,971,775	\$ 180.59
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$19,354,257	\$ 125.95
Post-Amalgamation Period (1999-2008)	\$28,994,619	\$ 169.60
Percent Change between Pre- and Post-Amalgamation Periods	49.81%	34.66%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$23,860,667	\$ 146.42
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	23.28%	16.26%

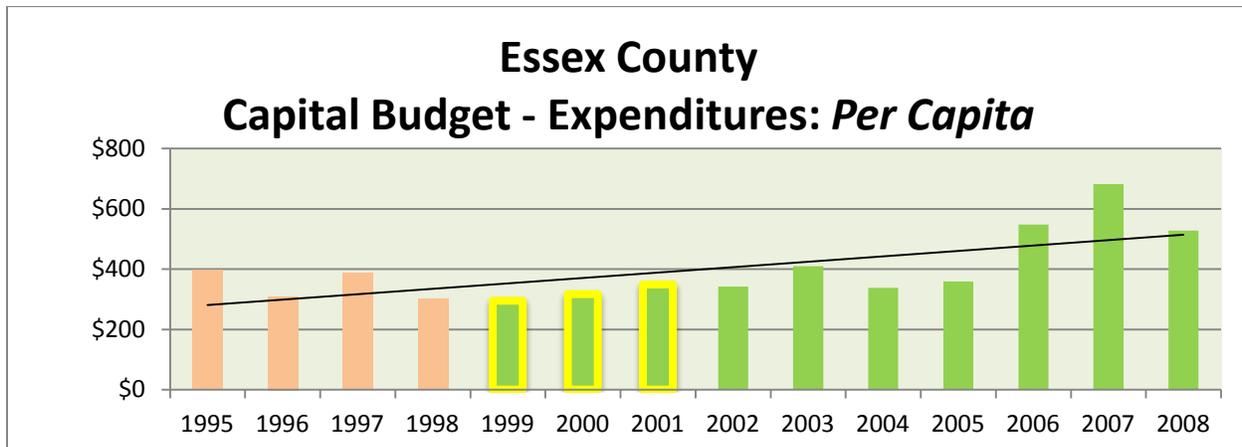
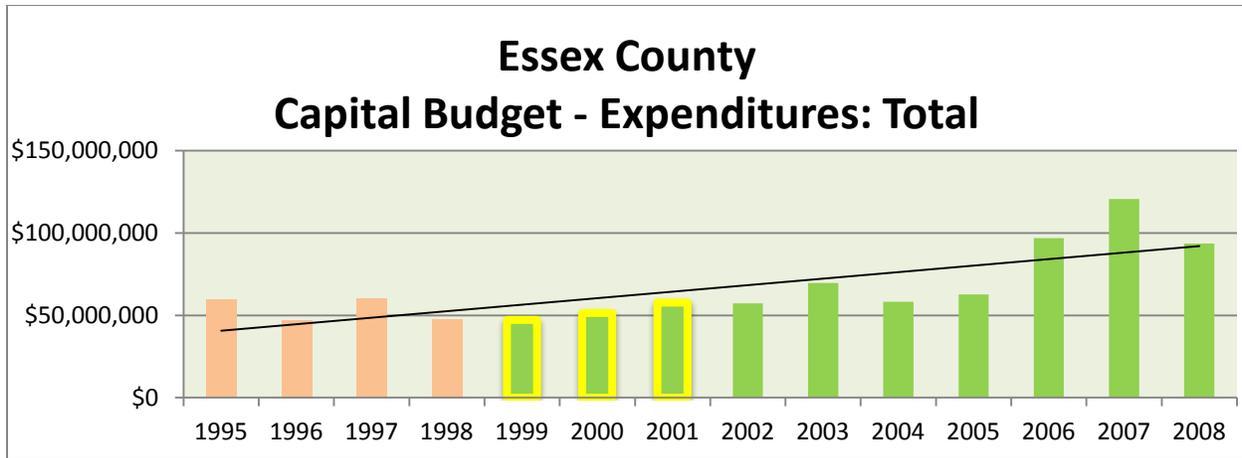


Year (Amalgamation Status)	Waterworks Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$32,168,665	\$ 215.88
1996 (Pre-Amalgamation)	\$28,435,410	\$ 186.64
1997 (Pre-Amalgamation)	\$24,023,479	\$ 154.68
1998 (Pre-Amalgamation)	\$29,831,015	\$ 188.48
1999 (Post-Amalgamation)	\$27,558,083	\$ 172.10
2000 (Post-Amalgamation)	\$28,559,487	\$ 175.86
2001 (Post-Amalgamation)	\$36,819,541	\$ 222.47
2002 (Post-Amalgamation)	\$36,501,020	\$ 217.62
2003 (Post-Amalgamation)	\$48,304,730	\$ 284.21
2004 (Post-Amalgamation)	\$35,922,505	\$ 208.63
2005 (Post-Amalgamation)	\$45,458,519	\$ 260.64
2006 (Post-Amalgamation)	\$58,047,398	\$ 328.62
2007 (Post-Amalgamation)	\$58,381,939	\$ 330.14
2008 (Post-Amalgamation)	\$49,385,406	\$ 278.96
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$28,614,642	\$ 186.42
Post-Amalgamation Period (1999-2008)	\$42,493,863	\$ 247.92
Percent Change between Pre- and Post-Amalgamation Periods	48.50%	32.99%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$30,979,037	\$ 190.14
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	8.26%	2.00%

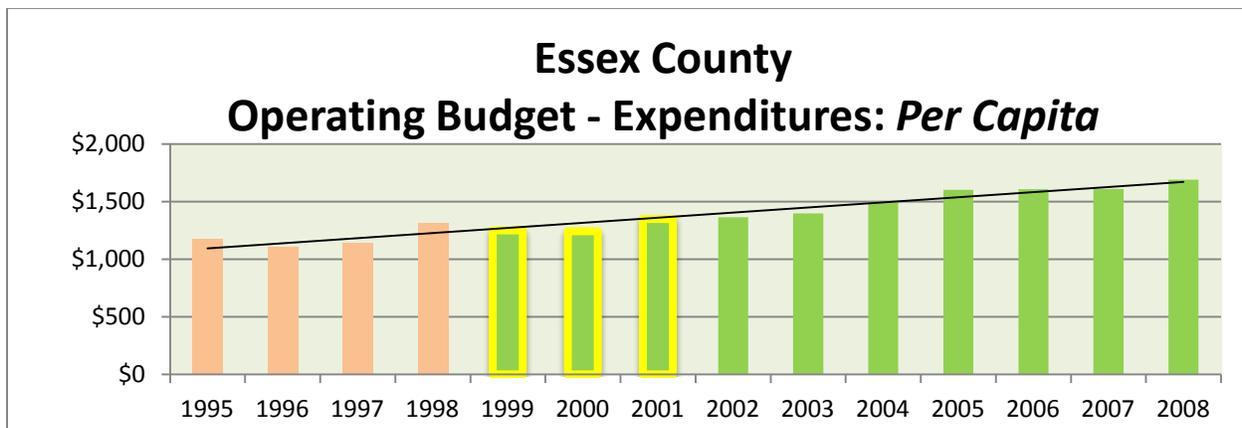
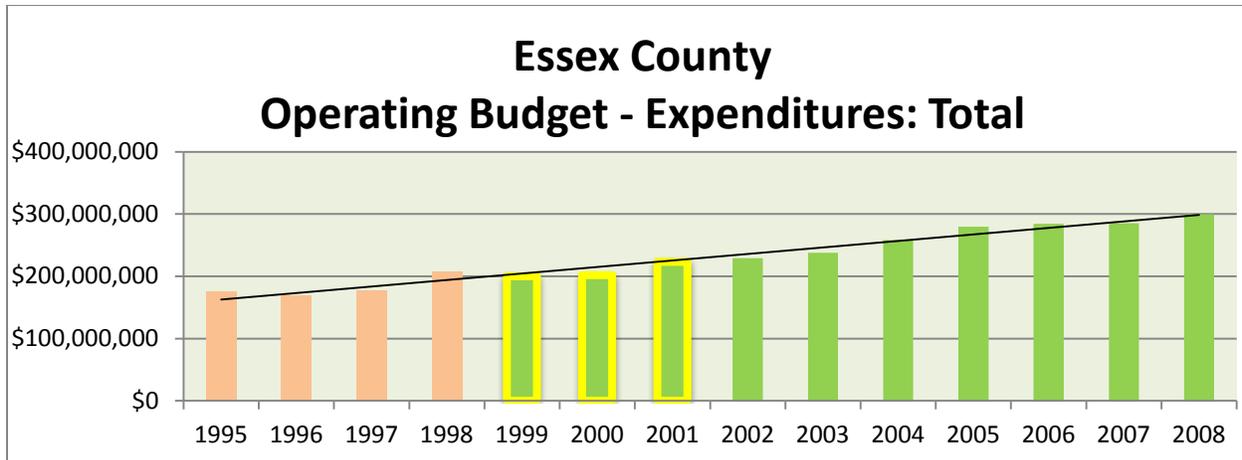
Capital budget expenditures fell in the first three years following amalgamation by an average of 2.64% (8.22% *per capita*) compared to average pre-amalgamation spending. Over the entire post-amalgamation period capital spending was 33.59% (19.49% *per capita*) higher.

Total operating budget expenditures increased by 14.23% (8.00% *per capita*) on average in the first three years following amalgamation. Over the entire post-amalgamation time period operating expenditures rose an average of 37.01% (23.37% *per capita*) compared to average pre-amalgamation spending.

Total spending by Essex County increased an average of 10.40% (4.31%) in the first three years following amalgamation compared to average pre-amalgamation spending. Spending between the pre- and post-amalgamation periods rose an average of 36.23% (22.49% *per capita*).

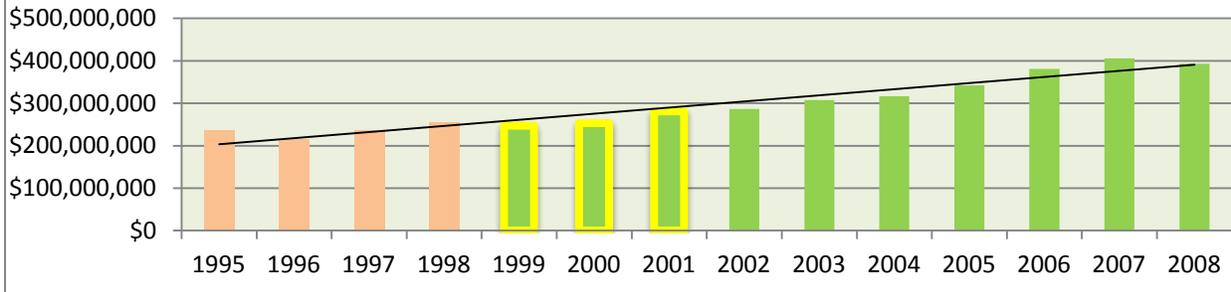


Year (Amalgamation Status)	Capital Budget Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 59,391,928	\$ 398.58
1996 (Pre-Amalgamation)	\$ 47,101,156	\$ 309.16
1997 (Pre-Amalgamation)	\$ 60,026,990	\$ 386.49
1998 (Pre-Amalgamation)	\$ 47,645,015	\$ 301.03
1999 (Post-Amalgamation)	\$ 47,215,694	\$ 294.86
2000 (Post-Amalgamation)	\$ 51,424,901	\$ 316.65
2001 (Post-Amalgamation)	\$ 57,742,611	\$ 348.90
2002 (Post-Amalgamation)	\$ 57,323,191	\$ 341.76
2003 (Post-Amalgamation)	\$ 69,660,483	\$ 409.87
2004 (Post-Amalgamation)	\$ 58,268,869	\$ 338.41
2005 (Post-Amalgamation)	\$ 62,652,024	\$ 359.21
2006 (Post-Amalgamation)	\$ 96,874,084	\$ 548.42
2007 (Post-Amalgamation)	\$ 120,566,630	\$ 681.78
2008 (Post-Amalgamation)	\$ 93,521,779	\$ 528.26
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 53,541,272	\$ 348.81
Post-Amalgamation Period (1999-2008)	\$ 71,525,027	\$ 416.81
Percent Change between Pre- and Post-Amalgamation Periods	33.59%	19.49%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 52,127,735	\$ 320.13
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-2.64%	-8.22%

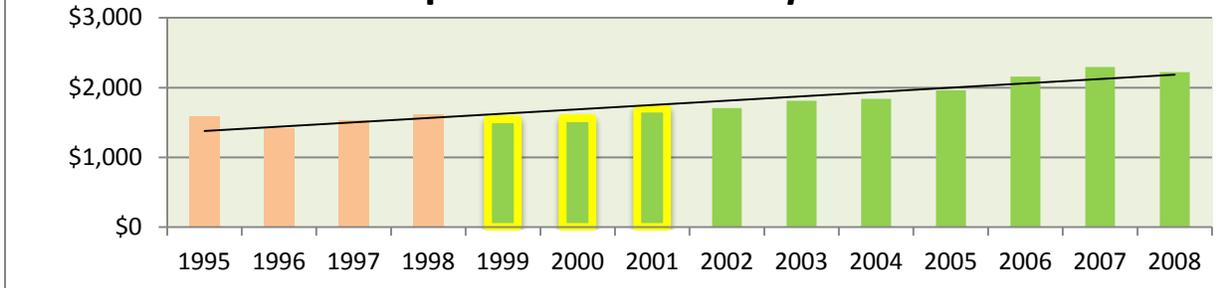


Year (Amalgamation Status)	Operating Budget	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 175,930,297	\$ 1,180.66
1996 (Pre-Amalgamation)	\$ 168,543,174	\$ 1,106.27
1997 (Pre-Amalgamation)	\$ 177,044,063	\$ 1,139.91
1998 (Pre-Amalgamation)	\$ 208,174,470	\$ 1,315.27
1999 (Post-Amalgamation)	\$ 200,083,114	\$ 1,249.50
2000 (Post-Amalgamation)	\$ 201,811,074	\$ 1,242.66
2001 (Post-Amalgamation)	\$ 223,237,371	\$ 1,348.86
2002 (Post-Amalgamation)	\$ 229,219,398	\$ 1,366.61
2003 (Post-Amalgamation)	\$ 237,765,125	\$ 1,398.96
2004 (Post-Amalgamation)	\$ 258,320,706	\$ 1,500.26
2005 (Post-Amalgamation)	\$ 279,691,108	\$ 1,603.60
2006 (Post-Amalgamation)	\$ 284,338,576	\$ 1,609.69
2007 (Post-Amalgamation)	\$ 285,183,638	\$ 1,612.66
2008 (Post-Amalgamation)	\$ 299,672,305	\$ 1,692.72
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 182,423,001	\$ 1,185.53
Post-Amalgamation Period (1999-2008)	\$ 249,932,242	\$ 1,462.55
Percent Change between Pre- and Post-Amalgamation Periods	37.01%	23.37%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 208,377,186	\$ 1,280.34
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	14.23%	8.00%

## Essex County Operating and Capital Budget Expenditures: Total



## Essex County Operating and Capital Budget Expenditures: *Per Capita*



Year (Amalgamation Status)	Operating and Capital Budget - Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 235,322,225	\$ 1,579.24
1996 (Pre-Amalgamation)	\$ 215,644,330	\$ 1,415.43
1997 (Pre-Amalgamation)	\$ 237,071,053	\$ 1,526.40
1998 (Pre-Amalgamation)	\$ 255,819,485	\$ 1,616.30
1999 (Post-Amalgamation)	\$ 247,298,808	\$ 1,544.36
2000 (Post-Amalgamation)	\$ 253,235,975	\$ 1,559.31
2001 (Post-Amalgamation)	\$ 280,979,982	\$ 1,697.75
2002 (Post-Amalgamation)	\$ 286,542,589	\$ 1,708.37
2003 (Post-Amalgamation)	\$ 307,425,608	\$ 1,808.82
2004 (Post-Amalgamation)	\$ 316,589,575	\$ 1,838.67
2005 (Post-Amalgamation)	\$ 342,343,132	\$ 1,962.82
2006 (Post-Amalgamation)	\$ 381,212,660	\$ 2,158.11
2007 (Post-Amalgamation)	\$ 405,750,268	\$ 2,294.45
2008 (Post-Amalgamation)	\$ 393,194,084	\$ 2,220.98
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 235,964,273	\$ 1,534.34
Post-Amalgamation Period (1999-2008)	\$ 321,457,268	\$ 1,879.36
Percent Change between Pre- and Post-Amalgamation Periods	36.23%	22.49%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 260,504,922	\$ 1,600.47
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	10.40%	4.31%

## Results – City of Windsor

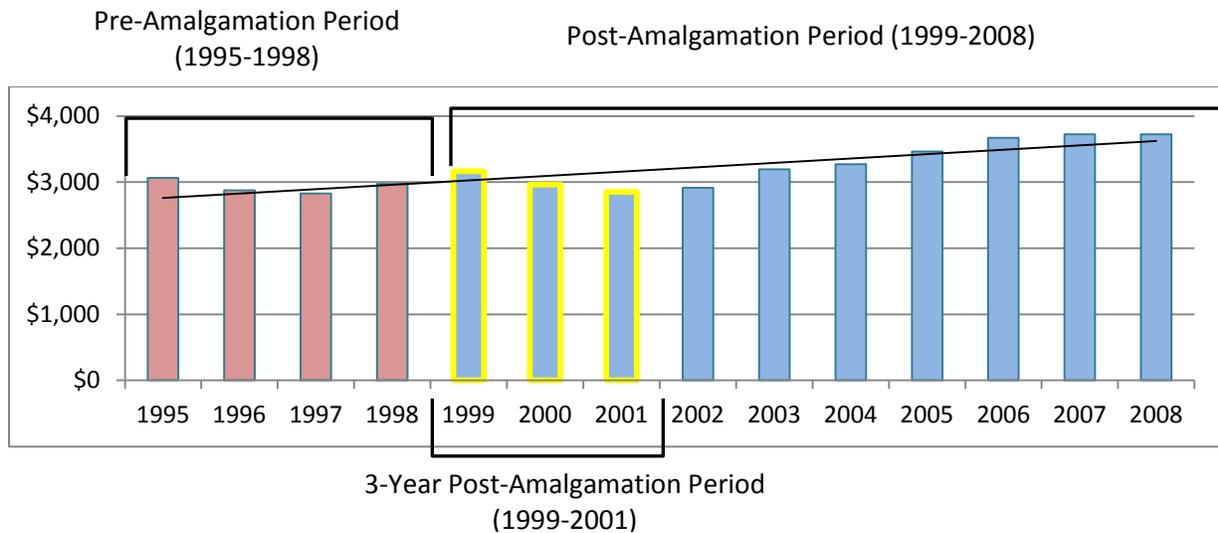
The quantitative analysis undertaken with respect to data from the City of Windsor is reported below. Each service considered is separated into operating, capital, and total expenditures (operating and capital expenditures combined). Operating, capital, and total expenditures are further analyzed as total dollar expenditures and per capita expenditures, the results of which are reported in two charts and a table. The charts and table have been colour coded so that corresponding data sets from the table can be matched to each chart. The City of Windsor did not undergo amalgamation during the period reviewed herein however the data is being used for comparison purposes with Essex County. Therefore, the amalgamation period is notionally set to match the Essex County amalgamation period with 1999 being the year of amalgamation.

Data related to the three-year post-amalgamation period is located immediately adjacent to the pre-amalgamation data and is the same colour as the remaining post-amalgamation data, however, each year has been outlined in a separate colour to make it immediately recognizable to the reader. In addition, the averages of data over time has been analyzed and included in each corresponding table. With respect to the data related to the City of Windsor, the following definitions apply:

- (1) Amalgamation notionally occurred in 1999;
- (2) The pre-amalgamation period is the time period from 1995-1998. This data is reflected in the corresponding charts and table in pink;
- (3) The post-amalgamation period is the time period from 1999-2008. This data is reflected in the corresponding charts and table in blue;

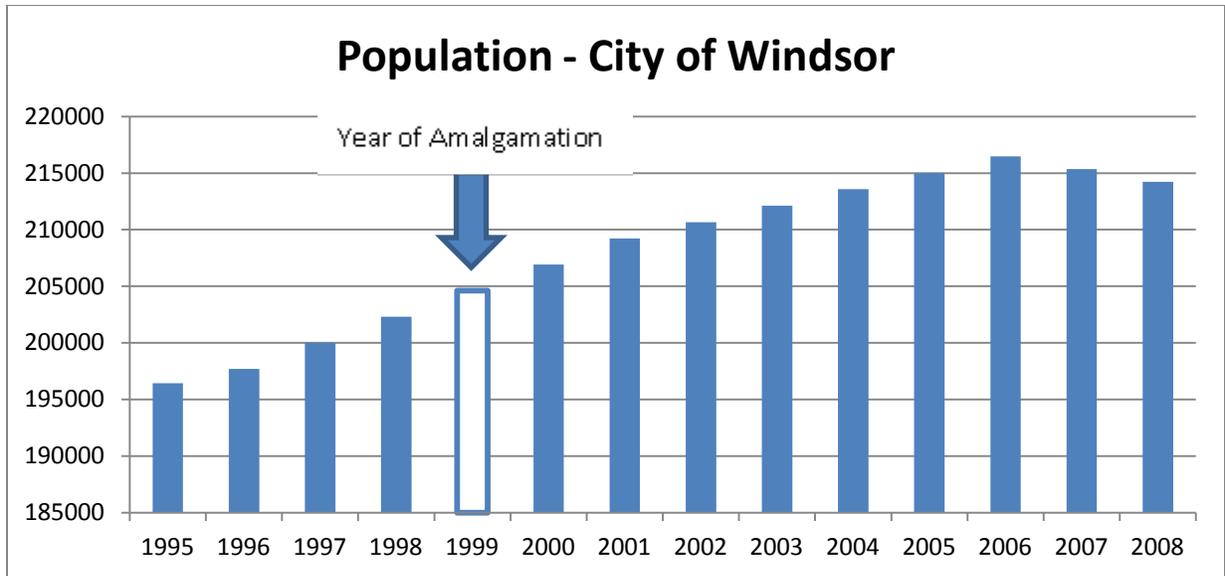
- (4) The 3-year post-amalgamation period is the time period from 1999-2001. This data is reflected in the corresponding charts and table in blue with a solid yellow border;
- (5) The 'Percent Change between the Pre- and Post-Amalgamation Periods' is the average change between the entire pre-amalgamation period and the entire post-amalgamation period; and,
- (6) The 'Percent Change between Pre- and Three-Year Post-Amalgamation Periods' is the average change between the entire pre-amalgamation period and the three-year period immediately following amalgamation (1999-2001).

**Sample Chart – City of Windsor**



**Sample Table - City of Windsor**

Year (Amalgamation Status)	Fire Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 34,940	\$ 0.18
1996 (Pre-Amalgamation)	\$ 715,999	\$ 3.62
1997 (Pre-Amalgamation)	\$ 846,721	\$ 4.23
1998 (Pre-Amalgamation)	\$ 272,979	\$ 1.35
1999 (Post-Amalgamation)	\$ 800,335	\$ 3.91
2000 (Post-Amalgamation)	\$ 505,754	\$ 2.44
2001 (Post-Amalgamation)	\$ 705,277	\$ 3.37
2002 (Post-Amalgamation)	\$ -	\$ -
2003 (Post-Amalgamation)	\$ 1,039,615	\$ 4.90
2004 (Post-Amalgamation)	\$ 1,046,390	\$ 4.90
2005 (Post-Amalgamation)	\$ 592,029	\$ 2.75
2006 (Post-Amalgamation)	\$ 977,410	\$ 4.52
2007 (Post-Amalgamation)	\$ 1,002,625	\$ 4.66
2008 (Post-Amalgamation)	\$ 8,573,016	\$ 40.02
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 467,660	\$ 2.35
Post-Amalgamation Period (1999-2008)	\$ 1,524,245	\$ 7.15
Percent Change between Pre- and Post-Amalgamation Periods	225.93%	204.68%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 670,455	\$ 3.24
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	43.36%	38.23%



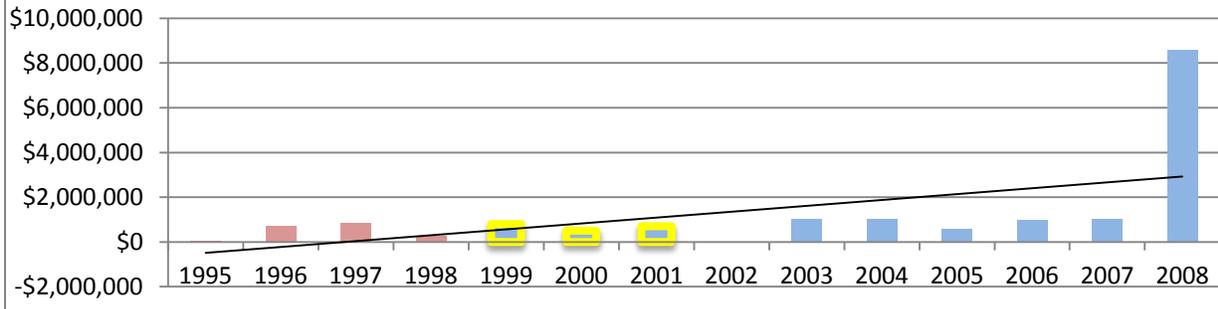
Year	Amalgamation Status	Population
1995	Pre-Amalgamation	196,442
1996	Pre-Amalgamation	197,694
1997	Pre-Amalgamation	199,999
1998	Pre-Amalgamation	202,304
1999*	Post-Amalgamation	204,608
2000	Post-Amalgamation	206,913
2001	Post-Amalgamation	209,218
2002	Post-Amalgamation	210,669
2003	Post-Amalgamation	212,120
2004	Post-Amalgamation	213,571
2005	Post-Amalgamation	215,022
2006	Post-Amalgamation	216,473
2007	Post-Amalgamation	215,357
2008	Post-Amalgamation	214,240
<b>Average Population</b>		<b>208,188</b>
<b>Population - Percent Change (1995-2008)</b>		<b>9.06%</b>
* Year of Amalgamation in Essex County		

Fire capital expenditures increased an average of 43.36% (38.23% *per capita*) in the first three years following amalgamation. Fire capital spending was up considerably in the post-amalgamation period rising an average of 225.93% (204.68% *per capita*) compared to average pre-amalgamation spending. The majority of this increase came in 2008 from a significantly large expenditure that was more than eight times larger than the expenditures in any of the remaining years.

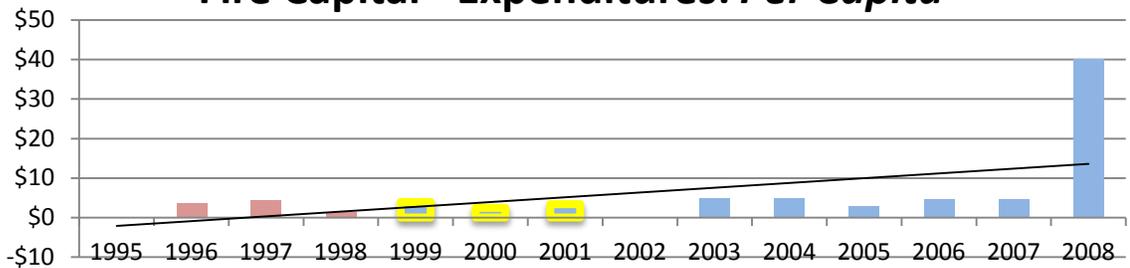
Fire operating expenditures decreased on average by 11.49% (7.29% *per capita*) in the three year period following amalgamation. Over the entire post-amalgamation period fire operating expenses increased on average by 23.18% (15.68% *per capita*) compared to the average pre-amalgamation spending levels.

Total expenditures related to delivery of fire services increased an average of 12.07% (7.86% *per capita*) in the three years immediately following amalgamation. Compared to the average pre-amalgamation spending levels, expenditures increased by 26.92% (19.16% *per capita*) over the full post-amalgamation period.

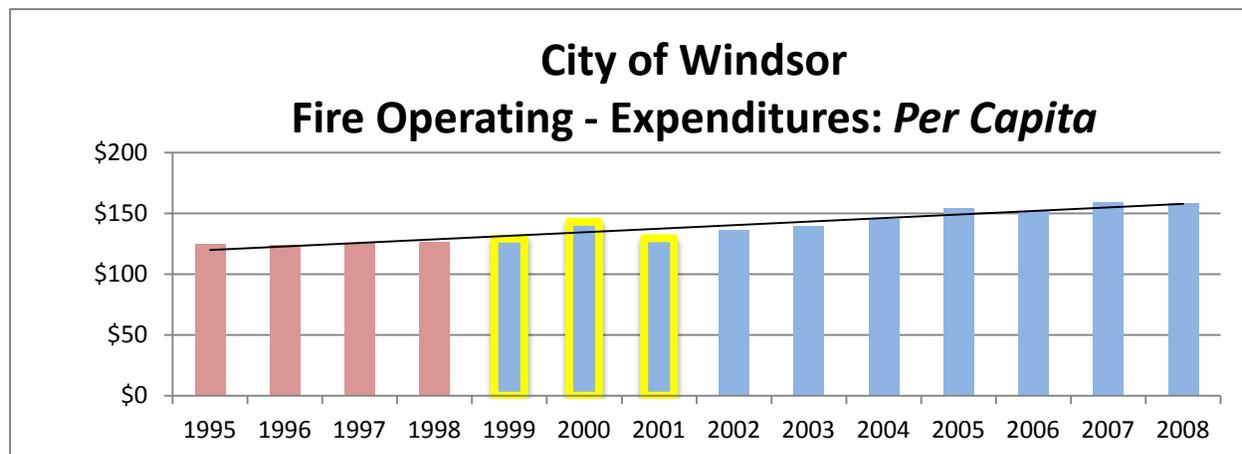
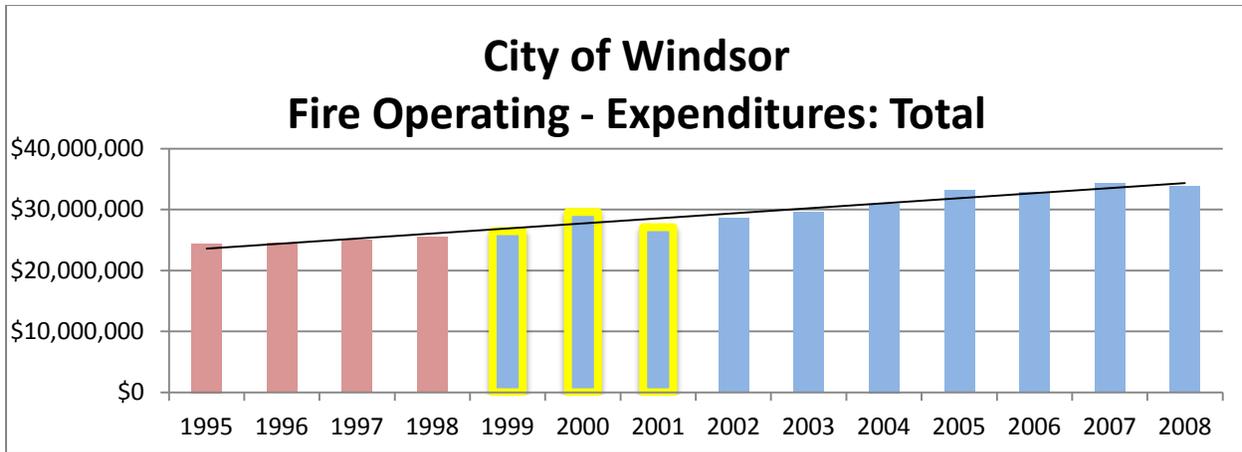
### City of Windsor Fire Capital - Expenditures: Total



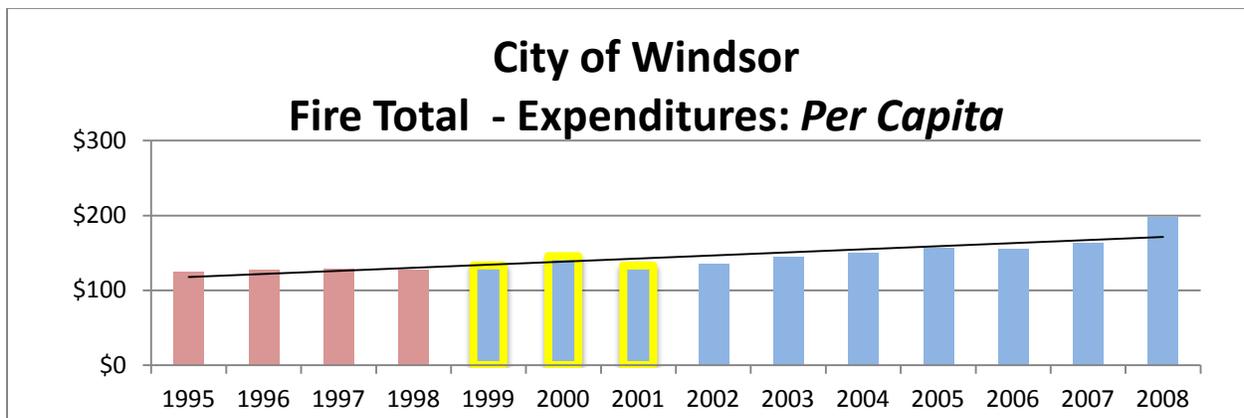
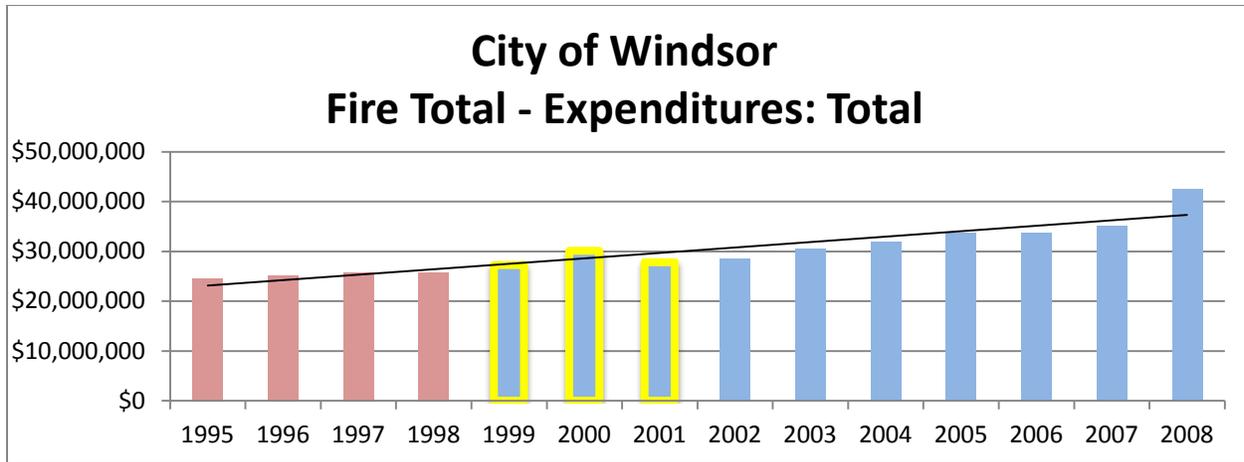
### City of Windsor Fire Capital - Expenditures: *Per Capita*



Year (Amalgamation Status)	Fire Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 34,940	\$ 0.18
1996 (Pre-Amalgamation)	\$ 715,999	\$ 3.62
1997 (Pre-Amalgamation)	\$ 846,721	\$ 4.23
1998 (Pre-Amalgamation)	\$ 272,979	\$ 1.35
1999 (Post-Amalgamation)	\$ 800,335	\$ 3.91
2000 (Post-Amalgamation)	\$ 505,754	\$ 2.44
2001 (Post-Amalgamation)	\$ 705,277	\$ 3.37
2002 (Post-Amalgamation)	\$ -	\$ -
2003 (Post-Amalgamation)	\$ 1,039,615	\$ 4.90
2004 (Post-Amalgamation)	\$ 1,046,390	\$ 4.90
2005 (Post-Amalgamation)	\$ 592,029	\$ 2.75
2006 (Post-Amalgamation)	\$ 977,410	\$ 4.52
2007 (Post-Amalgamation)	\$ 1,002,625	\$ 4.66
2008 (Post-Amalgamation)	\$ 8,573,016	\$ 40.02
Average	Total	Per Capita
Pre-Amalgamation Period (1995-1998)	\$ 467,660	\$ 2.35
Post-Amalgamation Period (1999-2008)	\$ 1,524,245	\$ 7.15
Percent Change between Pre- and Post-Amalgamation Periods	225.93%	204.68%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 670,455	\$ 3.24
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	43.36%	38.23%



Year (Amalgamation Status)	Fire Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$24,439,112	\$ 124.41
1996 (Pre-Amalgamation)	\$24,531,279	\$ 124.09
1997 (Pre-Amalgamation)	\$25,007,191	\$ 125.04
1998 (Pre-Amalgamation)	\$25,498,980	\$ 126.04
1999 (Post-Amalgamation)	\$26,456,445	\$ 129.30
2000 (Post-Amalgamation)	\$29,610,416	\$ 143.11
2001 (Post-Amalgamation)	\$27,109,643	\$ 129.58
2002 (Post-Amalgamation)	\$28,615,293	\$ 135.83
2003 (Post-Amalgamation)	\$29,603,933	\$ 139.56
2004 (Post-Amalgamation)	\$30,930,839	\$ 144.83
2005 (Post-Amalgamation)	\$33,107,339	\$ 153.97
2006 (Post-Amalgamation)	\$32,792,525	\$ 151.49
2007 (Post-Amalgamation)	\$34,227,789	\$ 158.94
2008 (Post-Amalgamation)	\$33,889,370	\$ 158.18
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$24,869,141	\$ 124.89
Post-Amalgamation Period (1999-2008)	\$30,634,359	\$ 144.48
Percent Change between Pre- and Post-Amalgamation Periods	23.18%	15.68%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$27,725,501	\$ 133.99
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	11.49%	7.29%



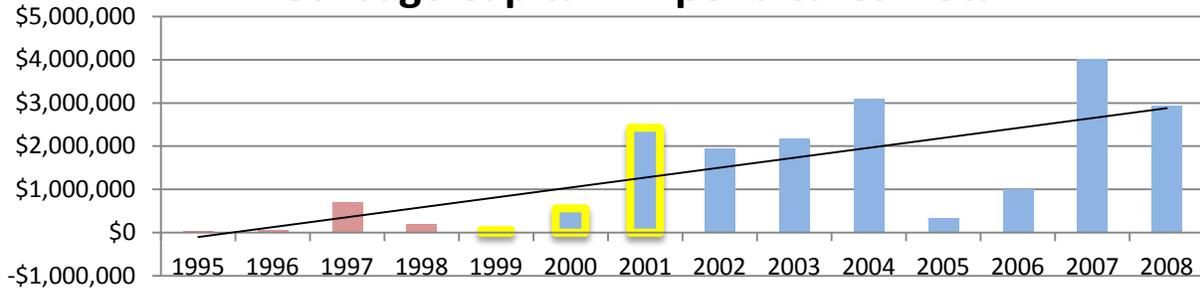
Year (Amalgamation Status)	Fire Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$24,474,052	\$ 124.59
1996 (Pre-Amalgamation)	\$25,247,278	\$ 127.71
1997 (Pre-Amalgamation)	\$25,853,912	\$ 129.27
1998 (Pre-Amalgamation)	\$25,771,959	\$ 127.39
1999 (Post-Amalgamation)	\$27,256,780	\$ 133.21
2000 (Post-Amalgamation)	\$30,116,170	\$ 145.55
2001 (Post-Amalgamation)	\$27,814,920	\$ 132.95
2002 (Post-Amalgamation)	\$28,615,293	\$ 135.83
2003 (Post-Amalgamation)	\$30,643,548	\$ 144.46
2004 (Post-Amalgamation)	\$31,977,229	\$ 149.73
2005 (Post-Amalgamation)	\$33,699,368	\$ 156.73
2006 (Post-Amalgamation)	\$33,769,935	\$ 156.00
2007 (Post-Amalgamation)	\$35,230,414	\$ 163.59
2008 (Post-Amalgamation)	\$42,462,386	\$ 198.20
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$25,336,800	\$ 127.24
Post-Amalgamation Period (1999-2008)	\$32,158,604	\$ 151.62
Percent Change between Pre- and Post-Amalgamation Periods	26.92%	19.16%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$28,395,957	\$ 137.24
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	12.07%	7.86%

Spending related to garbage capital expenses increased an average of 321.56% (304.42% *per capita*) in the three year period following amalgamation. Spending continued to rise considerably over the remainder of the post-amalgamation period with average total spending increases of 666.92% (621.09% *per capita*) compared to average pre-amalgamation spending levels.

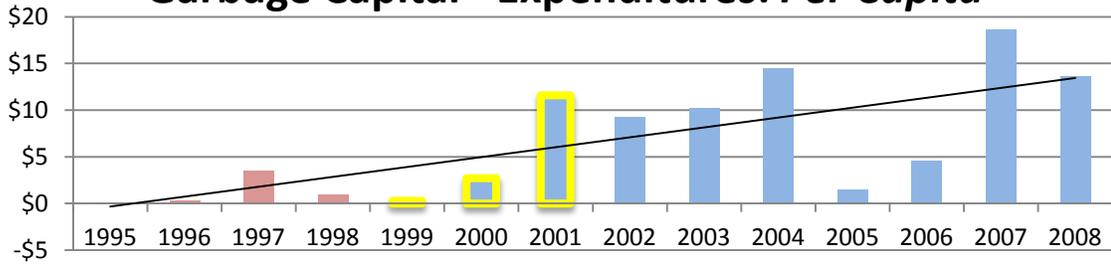
Garbage operating expenditures indicate a significantly different level of spending compared to garbage capital expenditures. In the first three years following amalgamation average spending rose by 2.61% however fell on a *per capita* basis by 1.29%. Over the full post-amalgamation period, average spending increased by 21.75% (14.19% *per capita*) compared to the average spending in the pre-amalgamation period.

Total expenditures related to garbage service delivery increased by 8.32% (4.15% *per capita*) compared to the average pre-amalgamation levels. The full post-amalgamation differences were up by 33.29% (24.99% *per capita*) on average compared to the pre-amalgamation levels.

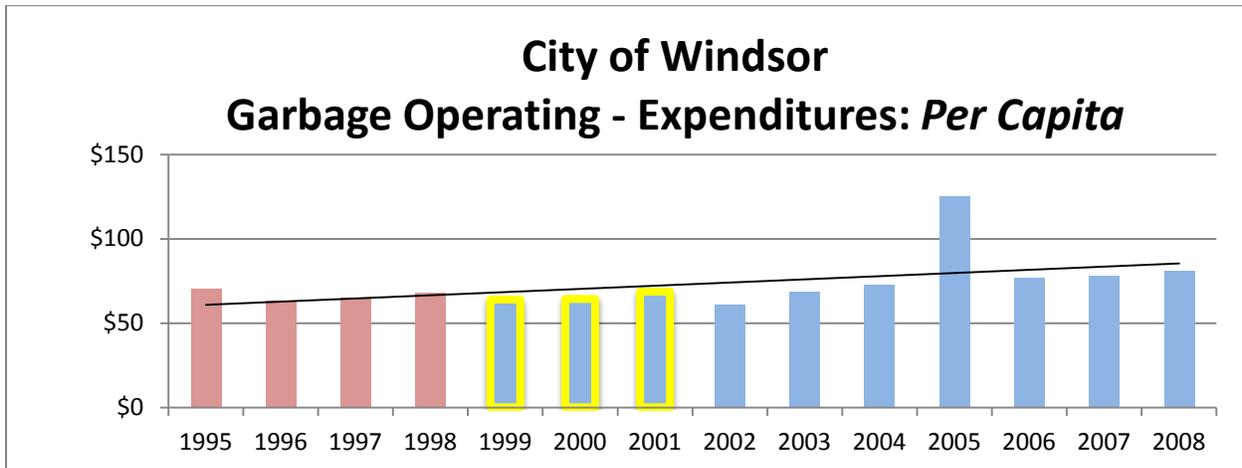
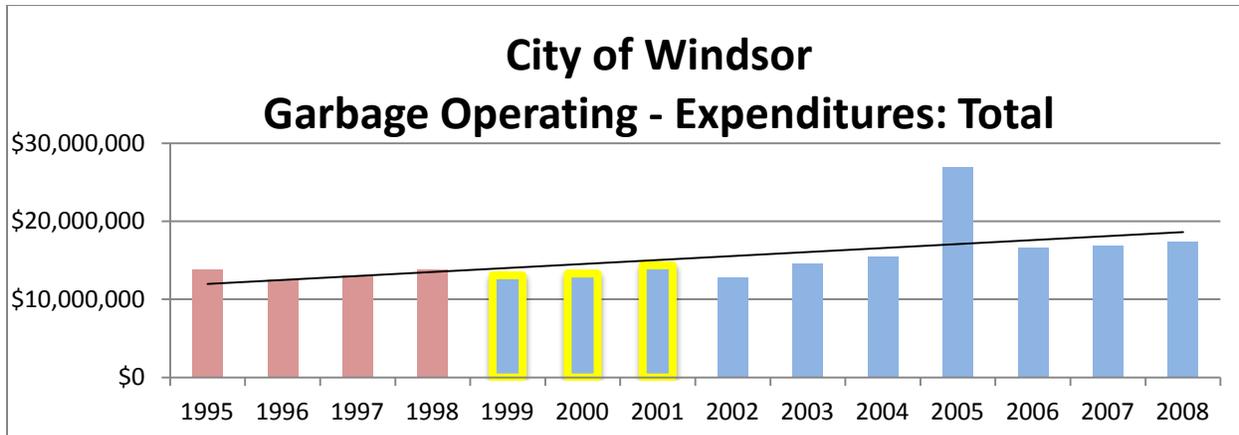
### City of Windsor Garbage Capital - Expenditures: Total



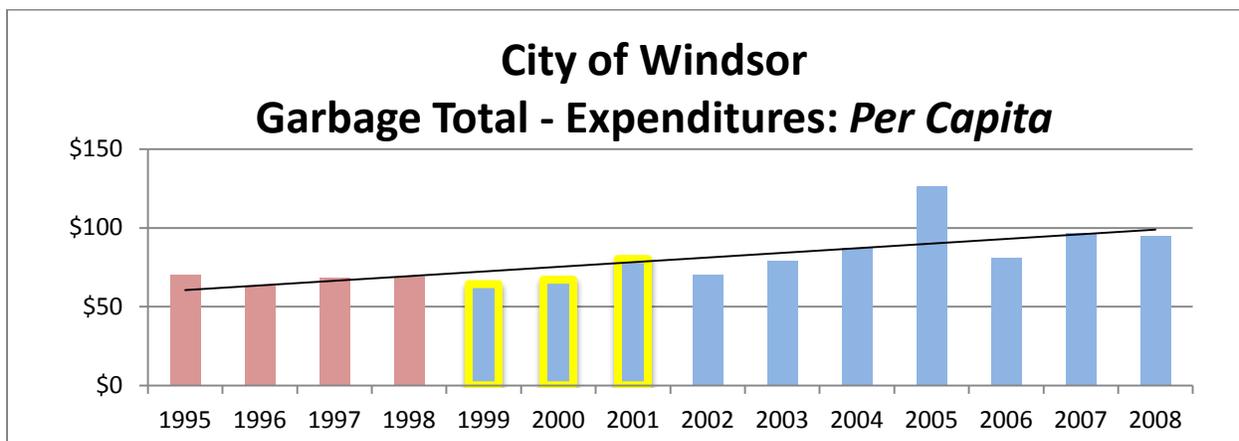
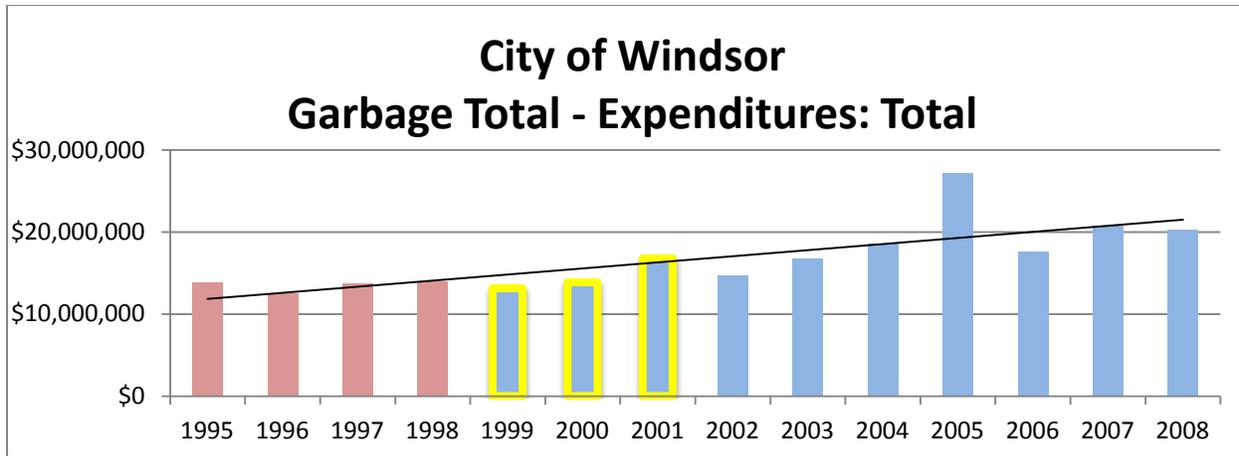
### City of Windsor Garbage Capital - Expenditures: *Per Capita*



Year (Amalgamation Status)	Garbage Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 22,994	\$ 0.12
1996 (Pre-Amalgamation)	\$ 60,067	\$ 0.30
1997 (Pre-Amalgamation)	\$ 692,238	\$ 3.46
1998 (Pre-Amalgamation)	\$ 189,228	\$ 0.94
1999 (Post-Amalgamation)	\$ 60,605	\$ 0.30
2000 (Post-Amalgamation)	\$ 562,318	\$ 2.72
2001 (Post-Amalgamation)	\$ 2,426,593	\$ 11.60
2002 (Post-Amalgamation)	\$ 1,947,800	\$ 9.25
2003 (Post-Amalgamation)	\$ 2,159,223	\$ 10.18
2004 (Post-Amalgamation)	\$ 3,089,117	\$ 14.46
2005 (Post-Amalgamation)	\$ 324,822	\$ 1.51
2006 (Post-Amalgamation)	\$ 992,447	\$ 4.58
2007 (Post-Amalgamation)	\$ 4,007,380	\$ 18.61
2008 (Post-Amalgamation)	\$ 2,922,515	\$ 13.64
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 241,132	\$ 1.20
Post-Amalgamation Period (1999-2008)	\$ 1,849,282	\$ 8.68
Percent Change between Pre- and Post-Amalgamation Periods	666.92%	621.09%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 1,016,505	\$ 4.87
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	321.56%	304.42%



Year (Amalgamation Status)	Garbage Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 13,756,673	\$ 70.03
1996 (Pre-Amalgamation)	\$ 12,483,467	\$ 63.15
1997 (Pre-Amalgamation)	\$ 12,969,186	\$ 64.85
1998 (Pre-Amalgamation)	\$ 13,743,541	\$ 67.94
1999 (Post-Amalgamation)	\$ 13,082,857	\$ 63.94
2000 (Post-Amalgamation)	\$ 13,307,309	\$ 64.31
2001 (Post-Amalgamation)	\$ 14,360,901	\$ 68.64
2002 (Post-Amalgamation)	\$ 12,777,127	\$ 60.65
2003 (Post-Amalgamation)	\$ 14,564,715	\$ 68.66
2004 (Post-Amalgamation)	\$ 15,483,627	\$ 72.50
2005 (Post-Amalgamation)	\$ 26,871,051	\$ 124.97
2006 (Post-Amalgamation)	\$ 16,594,160	\$ 76.66
2007 (Post-Amalgamation)	\$ 16,781,327	\$ 77.92
2008 (Post-Amalgamation)	\$ 17,354,491	\$ 81.00
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 13,238,217	\$ 66.49
Post-Amalgamation Period (1999-2008)	\$ 16,117,757	\$ 75.93
Percent Change between Pre- and Post-Amalgamation Periods	21.75%	14.19%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 13,583,689	\$ 65.63
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	2.61%	-1.29%



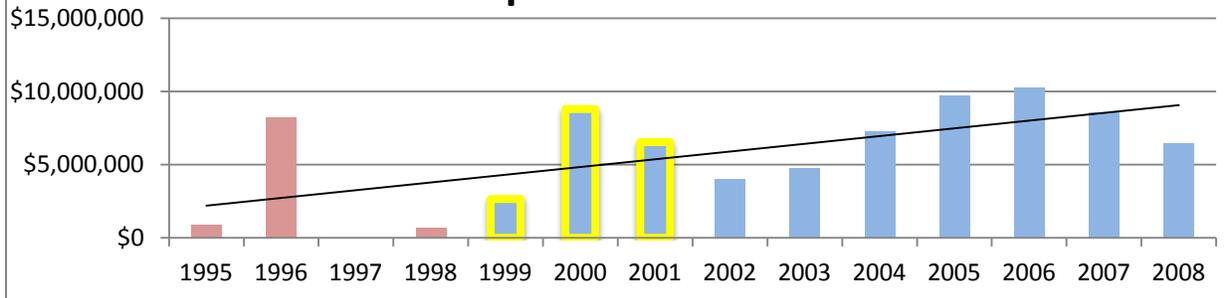
Year (Amalgamation Status)	Garbage Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 13,779,667	\$ 70.15
1996 (Pre-Amalgamation)	\$ 12,543,534	\$ 63.45
1997 (Pre-Amalgamation)	\$ 13,661,424	\$ 68.31
1998 (Pre-Amalgamation)	\$ 13,932,769	\$ 68.87
1999 (Post-Amalgamation)	\$ 13,143,462	\$ 64.24
2000 (Post-Amalgamation)	\$ 13,869,627	\$ 67.03
2001 (Post-Amalgamation)	\$ 16,787,494	\$ 80.24
2002 (Post-Amalgamation)	\$ 14,724,927	\$ 69.90
2003 (Post-Amalgamation)	\$ 16,723,938	\$ 78.84
2004 (Post-Amalgamation)	\$ 18,572,744	\$ 86.96
2005 (Post-Amalgamation)	\$ 27,195,873	\$ 126.48
2006 (Post-Amalgamation)	\$ 17,586,607	\$ 81.24
2007 (Post-Amalgamation)	\$ 20,788,707	\$ 96.53
2008 (Post-Amalgamation)	\$ 20,277,006	\$ 94.65
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 13,479,349	\$ 67.69
Post-Amalgamation Period (1999-2008)	\$ 17,967,039	\$ 84.61
Percent Change between Pre- and Post-Amalgamation Periods	33.29%	24.99%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 14,600,194	\$ 70.50
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	8.32%	4.15%

General government capital expenditures were higher on average by 143.53% (132.37% *per capita*) compared to the pre-amalgamation period. When spending is reviewed over the full post-amalgamation period expenditures were higher by 180.175 (160.84% *per capita*) compared to the average pre-amalgamation spending levels.

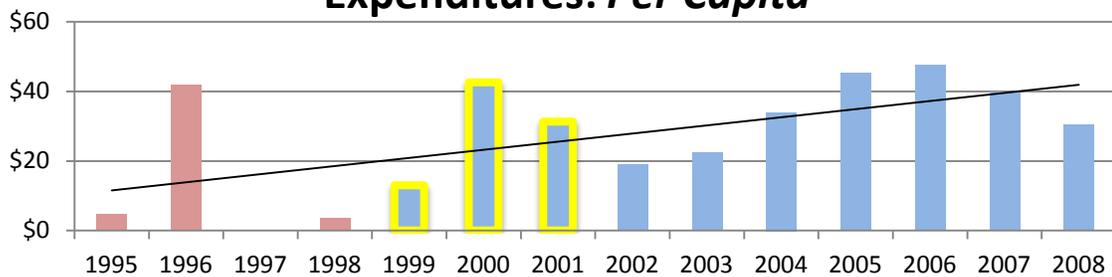
Expenditures related to general government operating costs increased an average of 73.17% (66.14% *per capita*) in the first three years following amalgamation. Over the full post-amalgamation period spending was 63.69% (53.55% *per capita*) higher on average compared to the average pre-amalgamation sending levels.

Total expenditures related to general government expenses increased by 77.18% (69.93% *per capita*) in the first three years following amalgamation compared to average pre-amalgamation spending levels. Over the full post-amalgamation time period, spending rose an average of 70.32% (59.69% *per capita*) compared to the average pre-amalgamation levels.

### City of Windsor General Government Capital Expenditures: Total

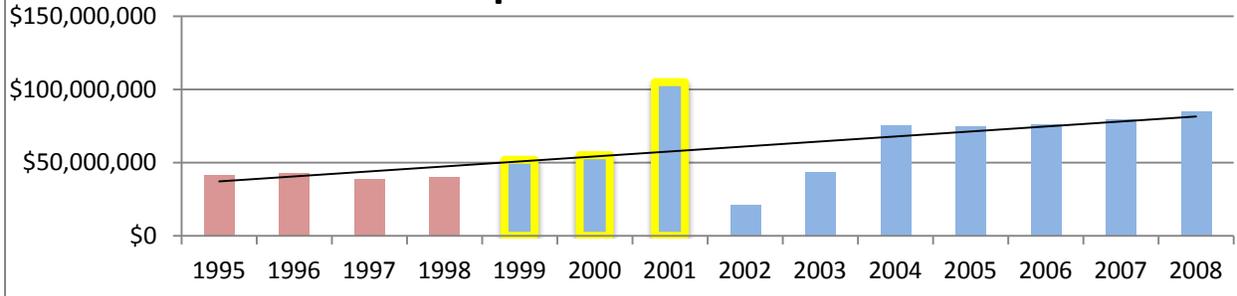


### City of Windsor General Government Capital Expenditures: *Per Capita*

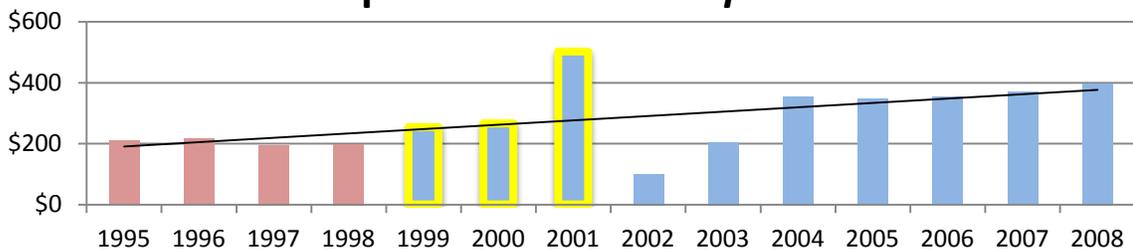


Year (Amalgamation Status)	General Government Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 895,184	\$ 4.56
1996 (Pre-Amalgamation)	\$ 8,275,269	\$ 41.86
1997 (Pre-Amalgamation)	\$ -	\$ -
1998 (Pre-Amalgamation)	\$ 688,180	\$ 3.40
1999 (Post-Amalgamation)	\$ 2,656,317	\$ 12.98
2000 (Post-Amalgamation)	\$ 8,806,304	\$ 42.56
2001 (Post-Amalgamation)	\$ 6,543,822	\$ 31.28
2002 (Post-Amalgamation)	\$ 4,002,281	\$ 19.00
2003 (Post-Amalgamation)	\$ 4,740,327	\$ 22.35
2004 (Post-Amalgamation)	\$ 7,259,303	\$ 33.99
2005 (Post-Amalgamation)	\$ 9,727,873	\$ 45.24
2006 (Post-Amalgamation)	\$ 10,282,196	\$ 47.50
2007 (Post-Amalgamation)	\$ 8,545,119	\$ 39.68
2008 (Post-Amalgamation)	\$ 6,489,766	\$ 30.29
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 2,464,658	\$ 12.45
Post-Amalgamation Period (1999-2008)	\$ 6,905,331	\$ 32.49
Percent Change between Pre- and Post-Amalgamation Periods	180.17%	160.84%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 6,002,148	\$ 28.94
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	143.53%	132.37%

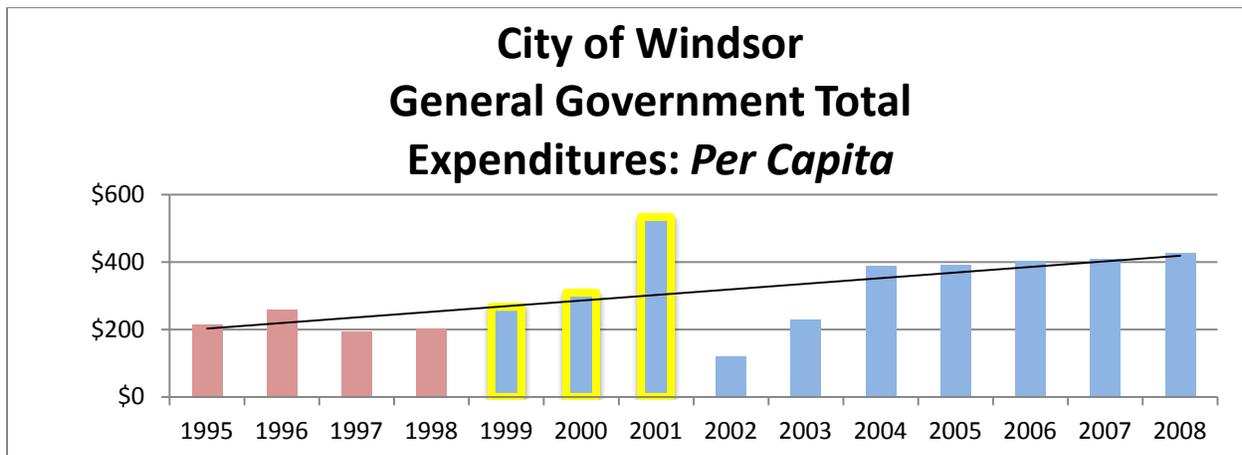
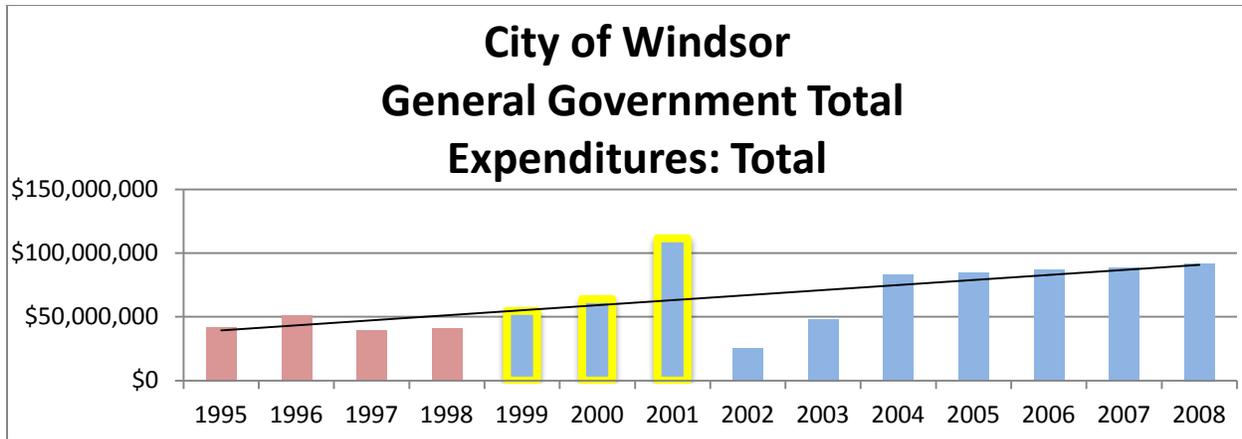
### City of Windsor General Government Operating Expenditures: Total



### City of Windsor General Government Operating Expenditures: *Per Capita*



Year (Amalgamation Status)	General Government Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 41,271,478	\$ 210.09
1996 (Pre-Amalgamation)	\$ 42,819,548	\$ 216.60
1997 (Pre-Amalgamation)	\$ 39,018,645	\$ 195.09
1998 (Pre-Amalgamation)	\$ 40,291,027	\$ 199.16
1999 (Post-Amalgamation)	\$ 52,010,760	\$ 254.20
2000 (Post-Amalgamation)	\$ 55,135,659	\$ 266.47
2001 (Post-Amalgamation)	\$ 105,080,269	\$ 502.25
2002 (Post-Amalgamation)	\$ 21,064,362	\$ 99.99
2003 (Post-Amalgamation)	\$ 43,667,878	\$ 205.86
2004 (Post-Amalgamation)	\$ 75,682,200	\$ 354.37
2005 (Post-Amalgamation)	\$ 74,540,451	\$ 346.66
2006 (Post-Amalgamation)	\$ 76,541,394	\$ 353.58
2007 (Post-Amalgamation)	\$ 79,758,149	\$ 370.35
2008 (Post-Amalgamation)	\$ 85,204,303	\$ 397.70
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 40,850,175	\$ 205.24
Post-Amalgamation Period (1999-2008)	\$ 66,868,543	\$ 315.14
Percent Change between Pre- and Post-Amalgamation Periods	63.69%	53.55%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 70,742,229	\$ 340.97
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	73.17%	66.14%

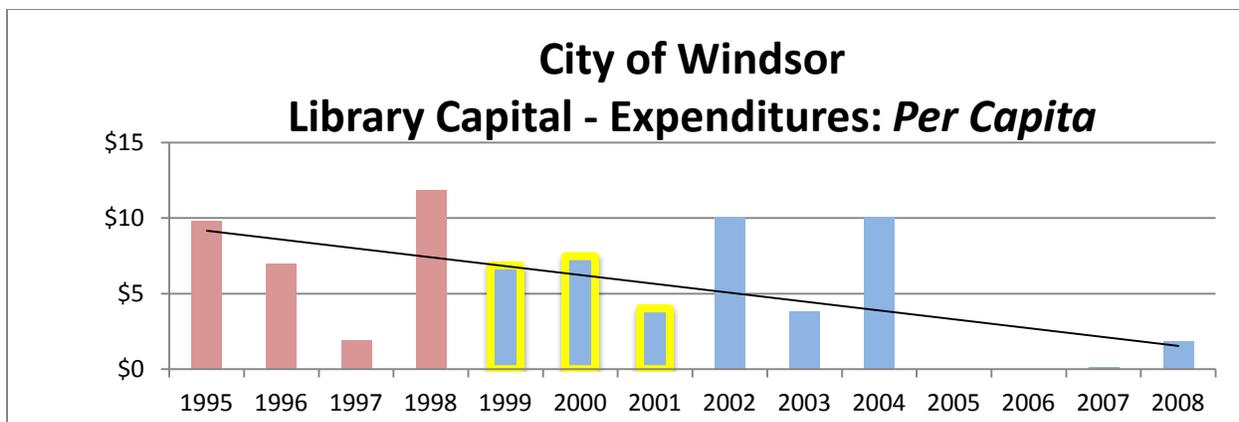
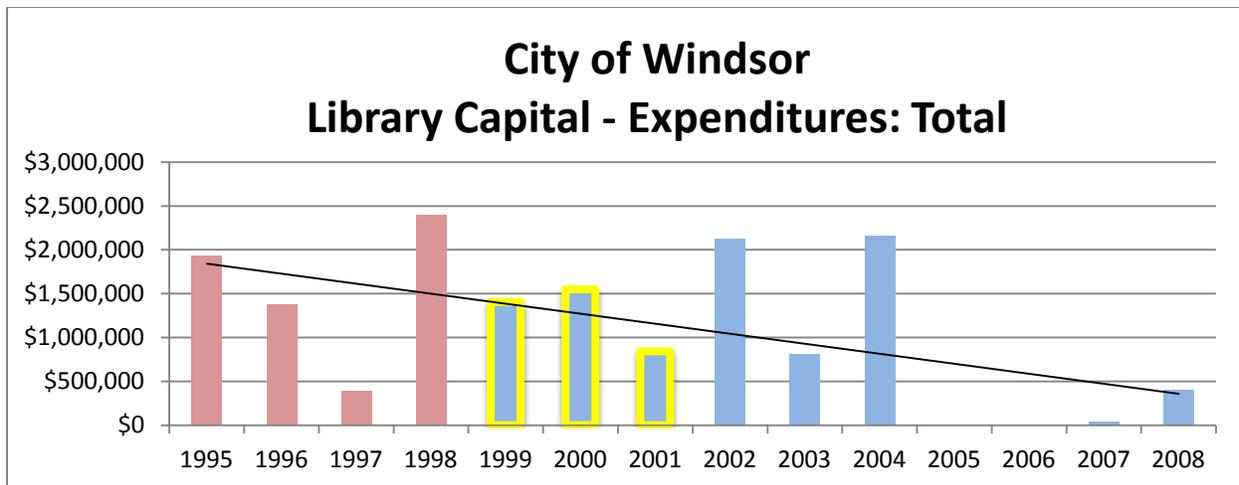


Year (Amalgamation Status)	General Government Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 42,166,662	\$ 214.65
1996 (Pre-Amalgamation)	\$ 51,094,817	\$ 258.45
1997 (Pre-Amalgamation)	\$ 39,018,645	\$ 195.09
1998 (Pre-Amalgamation)	\$ 40,979,207	\$ 202.56
1999 (Post-Amalgamation)	\$ 54,667,077	\$ 267.18
2000 (Post-Amalgamation)	\$ 63,941,963	\$ 309.03
2001 (Post-Amalgamation)	\$ 111,624,091	\$ 533.53
2002 (Post-Amalgamation)	\$ 25,066,643	\$ 118.99
2003 (Post-Amalgamation)	\$ 48,408,205	\$ 228.21
2004 (Post-Amalgamation)	\$ 82,941,503	\$ 388.36
2005 (Post-Amalgamation)	\$ 84,268,324	\$ 391.91
2006 (Post-Amalgamation)	\$ 86,823,590	\$ 401.08
2007 (Post-Amalgamation)	\$ 88,303,268	\$ 410.03
2008 (Post-Amalgamation)	\$ 91,694,069	\$ 428.00
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 43,314,833	\$ 217.69
Post-Amalgamation Period (1999-2008)	\$ 73,773,873	\$ 347.63
Percent Change between Pre- and Post-Amalgamation Periods	70.32%	59.69%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 76,744,377	\$ 369.91
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	77.18%	69.93%

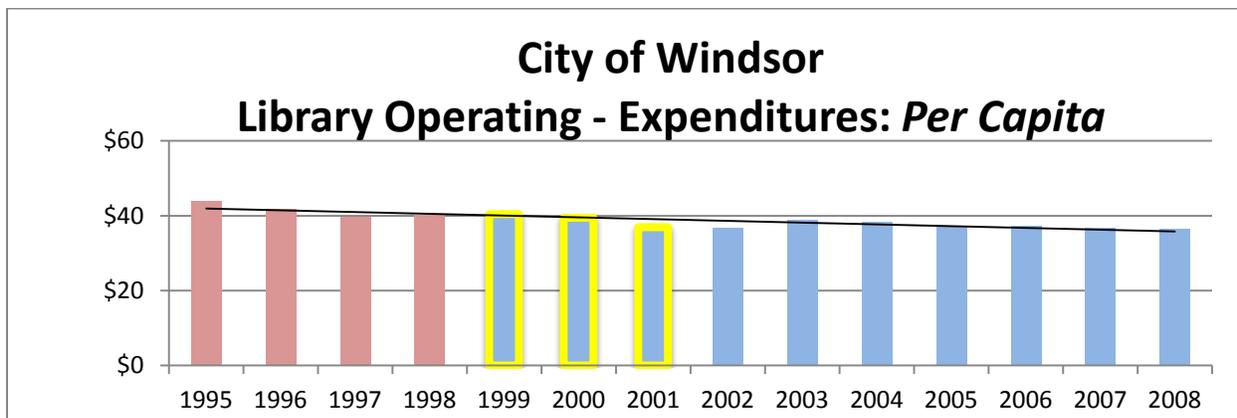
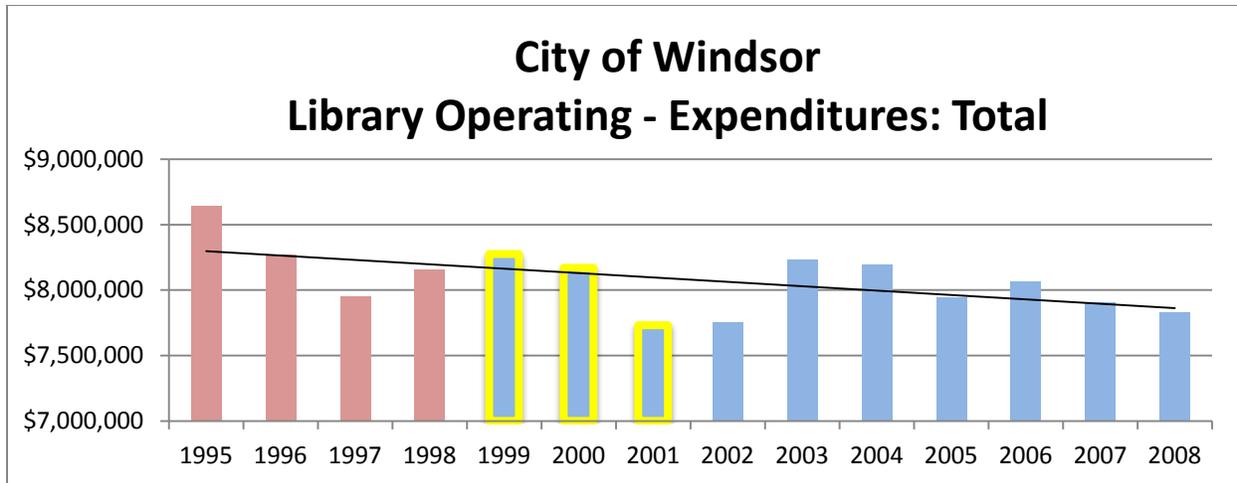
Expenditures related to library capital spending decreased an average of 16.79% (19.75% *per capita*) in the first three years post-amalgamation. Spending between the full pre- and post-amalgamation time period were lower on average by 38.70% (41.82% *per capita*).

Library operating expenses were lower by an average of 2.36% (6.04% *per capita*) in the first three years following amalgamation. Spending over the entire post-amalgamation period was lower on average by 2.96% (8.78% *per capita*) compared to the average pre-amalgamation spending level.

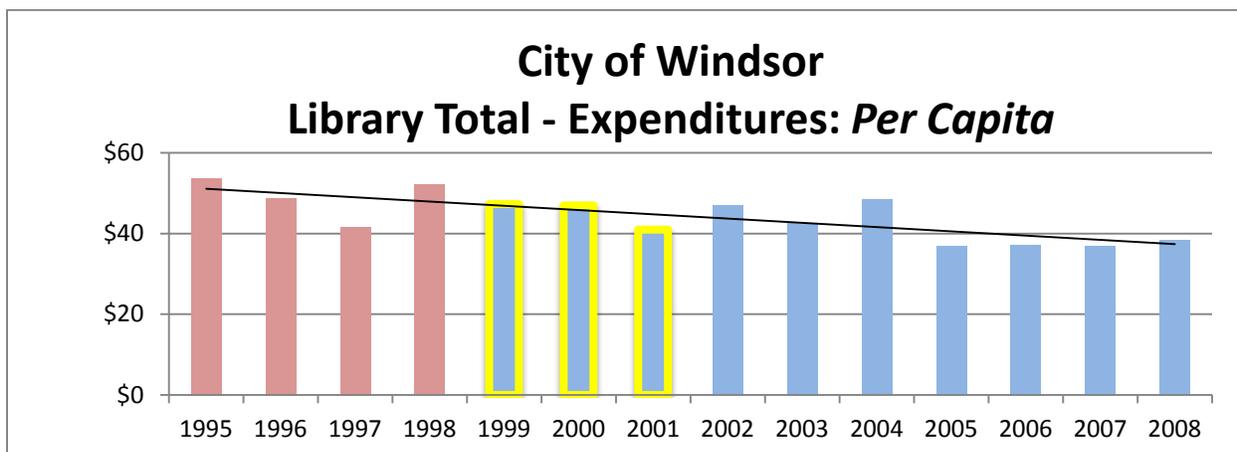
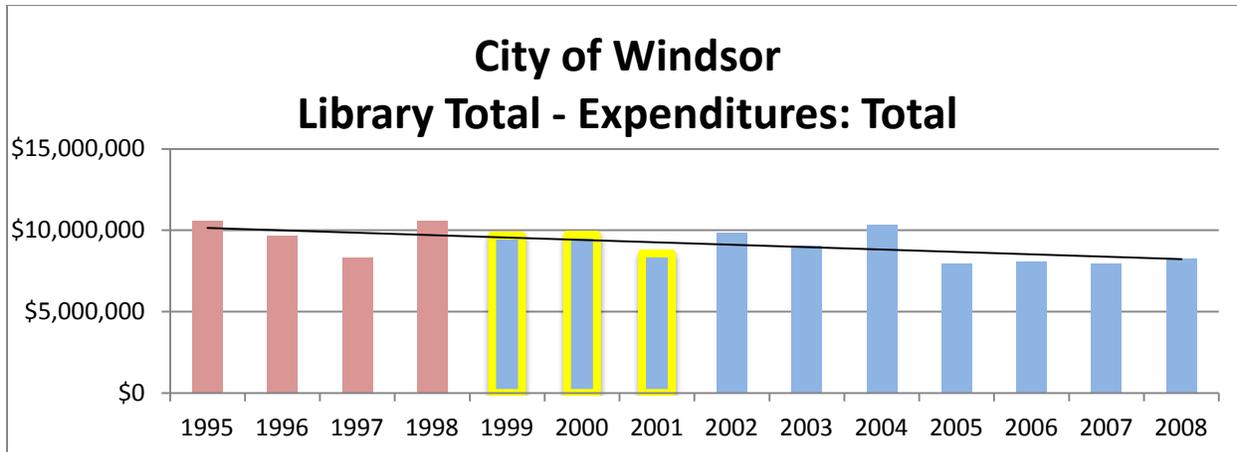
Total spending on library services was lower by an average of 4.60% (8.17% *per capita*) in the first three years following amalgamation. Over the entire post-amalgamation period, spending was lower by an average of 8.52% (13.91% *per capita*) compared to the pre-amalgamation spending levels.



Year (Amalgamation Status)	Library Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 1,924,206	\$ 9.80
1996 (Pre-Amalgamation)	\$ 1,378,879	\$ 6.97
1997 (Pre-Amalgamation)	\$ 386,753	\$ 1.93
1998 (Pre-Amalgamation)	\$ 2,393,826	\$ 11.83
1999 (Post-Amalgamation)	\$ 1,405,731	\$ 6.87
2000 (Post-Amalgamation)	\$ 1,548,776	\$ 7.49
2001 (Post-Amalgamation)	\$ 841,972	\$ 4.02
2002 (Post-Amalgamation)	\$ 2,124,045	\$ 10.08
2003 (Post-Amalgamation)	\$ 810,204	\$ 3.82
2004 (Post-Amalgamation)	\$ 2,155,201	\$ 10.09
2005 (Post-Amalgamation)	\$ -	\$ -
2006 (Post-Amalgamation)	\$ -	\$ -
2007 (Post-Amalgamation)	\$ 36,984	\$ 0.17
2008 (Post-Amalgamation)	\$ 400,942	\$ 1.87
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 1,520,916	\$ 7.63
Post-Amalgamation Period (1999-2008)	\$ 932,386	\$ 4.44
Percent Change between Pre- and Post-Amalgamation Periods	-38.70%	-41.82%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 1,265,493	\$ 6.13
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-16.79%	-19.75%



Year (Amalgamation Status)	Library Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 8,640,073	\$ 43.98
1996 (Pre-Amalgamation)	\$ 8,270,771	\$ 41.84
1997 (Pre-Amalgamation)	\$ 7,949,782	\$ 39.75
1998 (Pre-Amalgamation)	\$ 8,154,462	\$ 40.31
1999 (Post-Amalgamation)	\$ 8,275,904	\$ 40.45
2000 (Post-Amalgamation)	\$ 8,170,079	\$ 39.49
2001 (Post-Amalgamation)	\$ 7,731,638	\$ 36.95
2002 (Post-Amalgamation)	\$ 7,753,481	\$ 36.80
2003 (Post-Amalgamation)	\$ 8,231,635	\$ 38.81
2004 (Post-Amalgamation)	\$ 8,190,531	\$ 38.35
2005 (Post-Amalgamation)	\$ 7,940,603	\$ 36.93
2006 (Post-Amalgamation)	\$ 8,063,778	\$ 37.25
2007 (Post-Amalgamation)	\$ 7,909,219	\$ 36.73
2008 (Post-Amalgamation)	\$ 7,828,127	\$ 36.54
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 8,253,772	\$ 41.47
Post-Amalgamation Period (1999-2008)	\$ 8,009,500	\$ 37.83
Percent Change between Pre- and Post-Amalgamation Periods	-2.96%	-8.78%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 8,059,207	\$ 38.96
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-2.36%	-6.04%

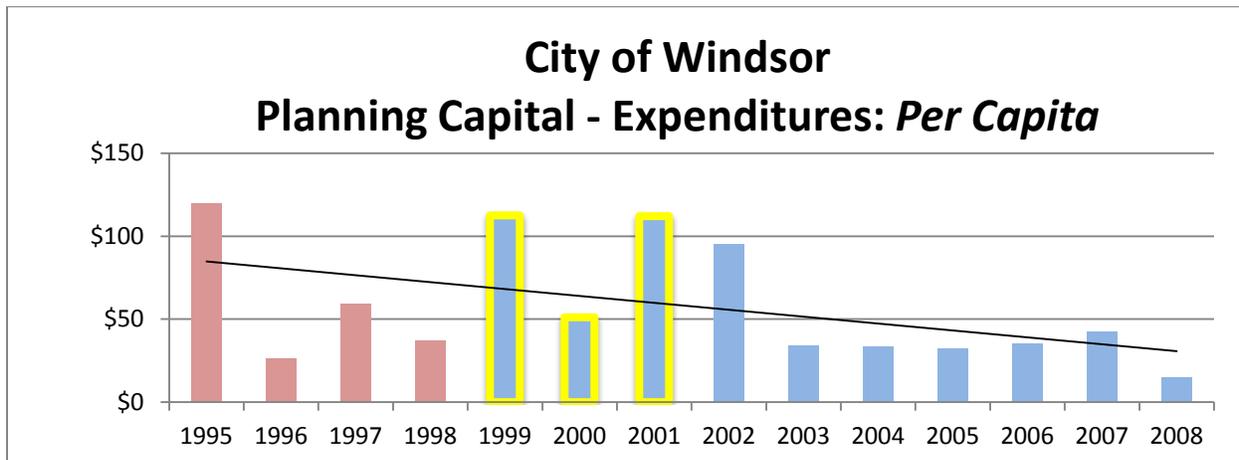
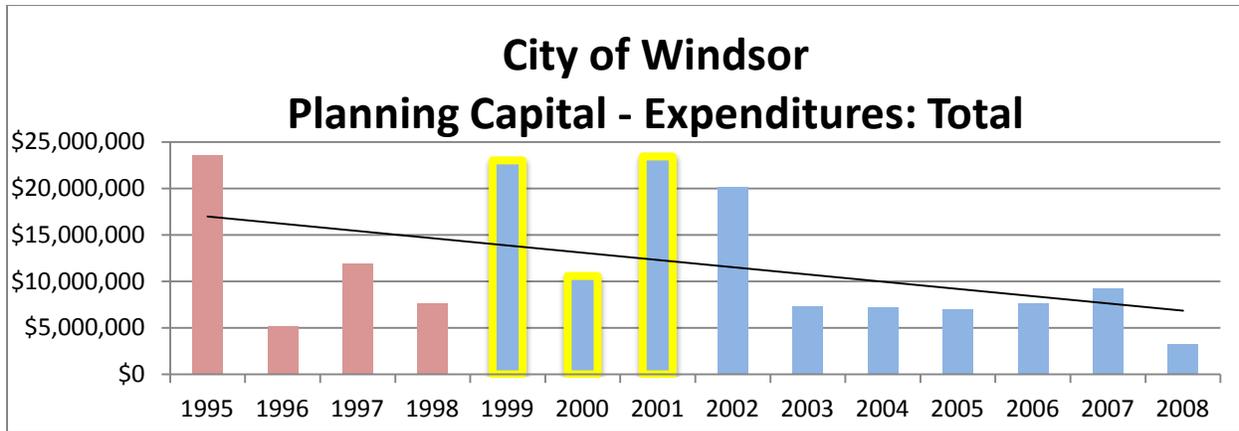


Year (Amalgamation Status)	Library Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 10,564,279	\$ 53.78
1996 (Pre-Amalgamation)	\$ 9,649,650	\$ 48.81
1997 (Pre-Amalgamation)	\$ 8,336,535	\$ 41.68
1998 (Pre-Amalgamation)	\$ 10,548,288	\$ 52.14
1999 (Post-Amalgamation)	\$ 9,681,635	\$ 47.32
2000 (Post-Amalgamation)	\$ 9,718,855	\$ 46.97
2001 (Post-Amalgamation)	\$ 8,573,610	\$ 40.98
2002 (Post-Amalgamation)	\$ 9,877,526	\$ 46.89
2003 (Post-Amalgamation)	\$ 9,041,839	\$ 42.63
2004 (Post-Amalgamation)	\$ 10,345,732	\$ 48.44
2005 (Post-Amalgamation)	\$ 7,940,603	\$ 36.93
2006 (Post-Amalgamation)	\$ 8,063,778	\$ 37.25
2007 (Post-Amalgamation)	\$ 7,946,203	\$ 36.90
2008 (Post-Amalgamation)	\$ 8,229,069	\$ 38.41
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 9,774,688	\$ 49.10
Post-Amalgamation Period (1999-2008)	\$ 8,941,885	\$ 42.27
Percent Change between Pre- and Post-Amalgamation Periods	-8.52%	-13.91%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 9,324,700	\$ 45.09
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-4.60%	-8.17%

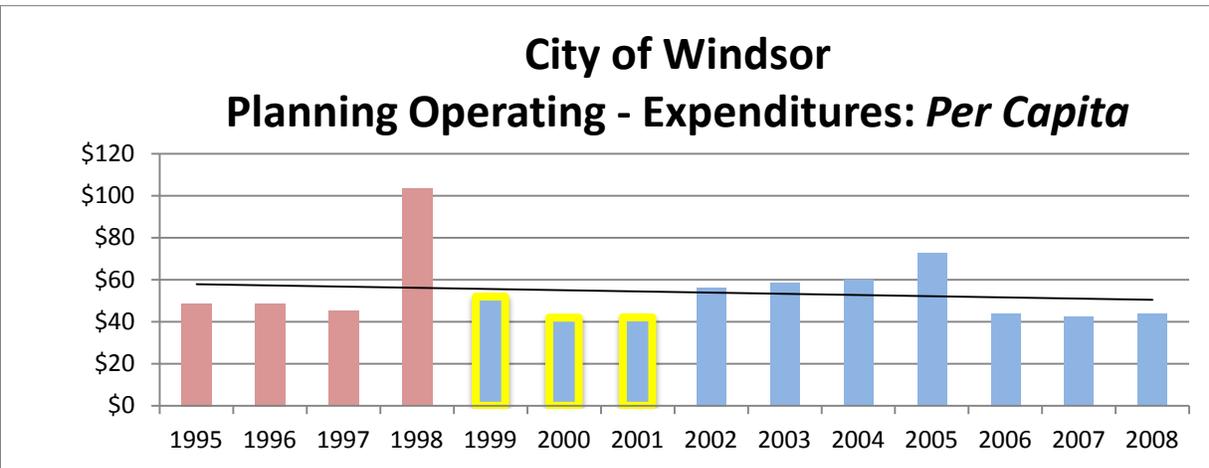
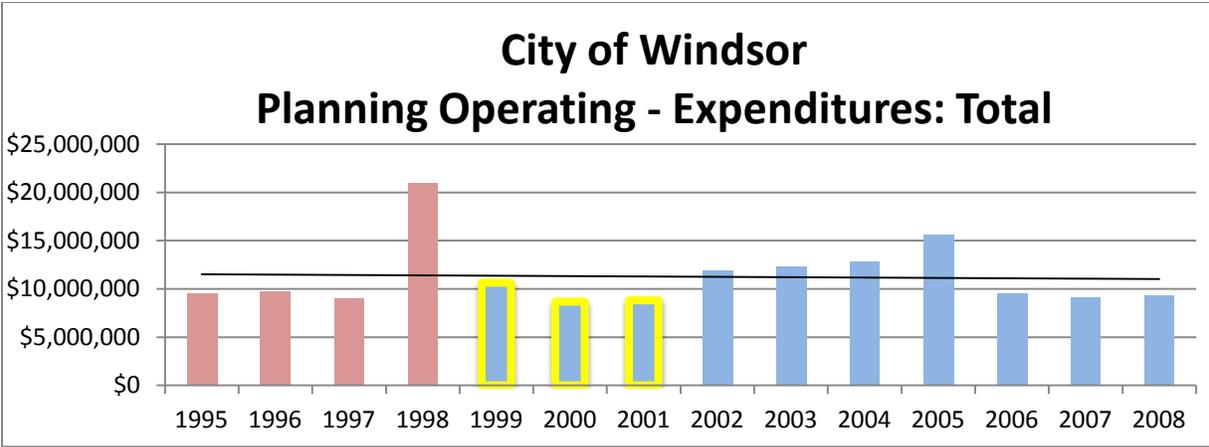
Planning capital expenditures were higher in the three year period immediately following amalgamation by 57.84% (51.31% *per capita*) on average compared to pre-amalgamation spending levels. Spending was dramatically lower when viewed over the entire post-amalgamation period where expenditures decreased by 1.50% (7.04% *per capita*) compared to pre-amalgamation levels.

Planning operating expenditures were lower in all areas under consideration. In the three year period following amalgamation spending decreased on average by 23.69% (26.25% *per capita*) compared to the pre-amalgamation spending level. Over the full post-amalgamation level spending was down by 11.54% (16.61% *per capita*).

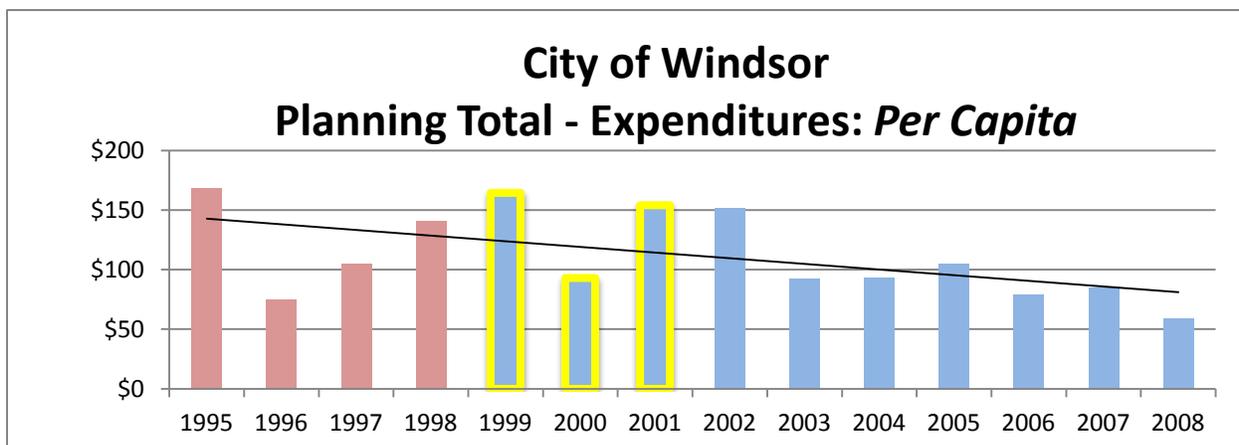
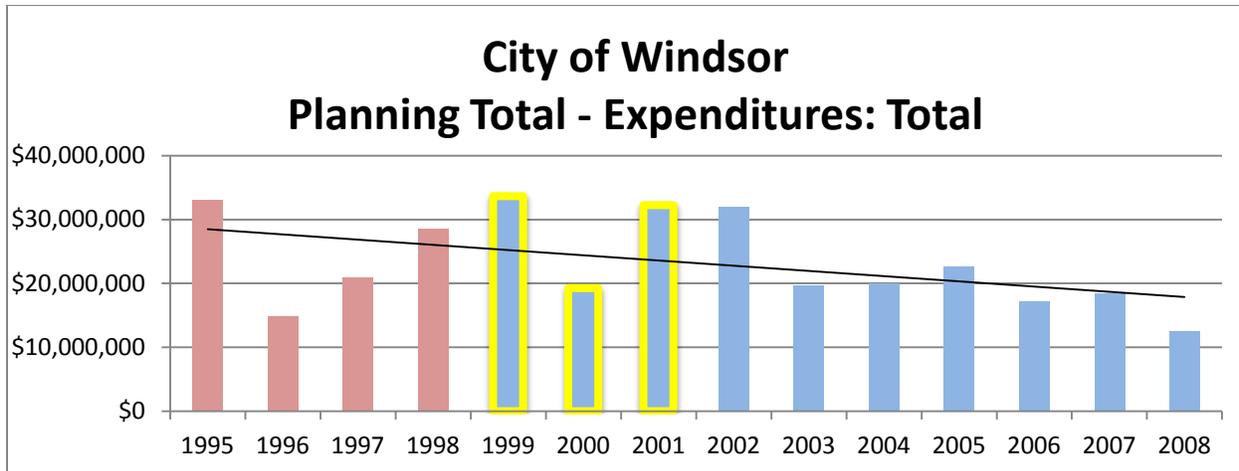
Total planning expenditures were higher in the first three years following amalgamation by 16.68% (12.29% *per capita*). When viewed over the full post-amalgamation period, average spending was lower by 6.57% (11.85% *per capita*) compared to the pre-amalgamation spending level.



Year (Amalgamation Status)	Planning Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 23,533,715	\$ 119.80
1996 (Pre-Amalgamation)	\$ 5,225,858	\$ 26.43
1997 (Pre-Amalgamation)	\$ 11,850,315	\$ 59.25
1998 (Pre-Amalgamation)	\$ 7,585,339	\$ 37.49
1999 (Post-Amalgamation)	\$ 23,023,137	\$ 112.52
2000 (Post-Amalgamation)	\$ 10,584,741	\$ 51.16
2001 (Post-Amalgamation)	\$ 23,446,286	\$ 112.07
2002 (Post-Amalgamation)	\$ 20,137,773	\$ 95.59
2003 (Post-Amalgamation)	\$ 7,255,249	\$ 34.20
2004 (Post-Amalgamation)	\$ 7,205,509	\$ 33.74
2005 (Post-Amalgamation)	\$ 6,977,622	\$ 32.45
2006 (Post-Amalgamation)	\$ 7,635,756	\$ 35.27
2007 (Post-Amalgamation)	\$ 9,198,438	\$ 42.71
2008 (Post-Amalgamation)	\$ 3,211,654	\$ 14.99
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 12,048,807	\$ 60.75
Post-Amalgamation Period (1999-2008)	\$ 11,867,617	\$ 56.47
Percent Change between Pre- and Post-Amalgamation Periods	-1.50%	-7.04%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 19,018,055	\$ 91.91
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	57.84%	51.31%



Year (Amalgamation Status)	Planning Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 9,544,201	\$ 48.59
1996 (Pre-Amalgamation)	\$ 9,655,667	\$ 48.84
1997 (Pre-Amalgamation)	\$ 9,038,104	\$ 45.19
1998 (Pre-Amalgamation)	\$ 20,905,550	\$ 103.34
1999 (Post-Amalgamation)	\$ 10,638,362	\$ 51.99
2000 (Post-Amalgamation)	\$ 8,678,197	\$ 41.94
2001 (Post-Amalgamation)	\$ 8,809,346	\$ 42.11
2002 (Post-Amalgamation)	\$ 11,839,376	\$ 56.20
2003 (Post-Amalgamation)	\$ 12,356,184	\$ 58.25
2004 (Post-Amalgamation)	\$ 12,773,697	\$ 59.81
2005 (Post-Amalgamation)	\$ 15,598,930	\$ 72.55
2006 (Post-Amalgamation)	\$ 9,516,724	\$ 43.96
2007 (Post-Amalgamation)	\$ 9,112,537	\$ 42.31
2008 (Post-Amalgamation)	\$ 9,354,038	\$ 43.66
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 12,285,881	\$ 61.49
Post-Amalgamation Period (1999-2008)	\$ 10,867,739	\$ 51.28
Percent Change between Pre- and Post-Amalgamation Periods	-11.54%	-16.61%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 9,375,302	\$ 45.35
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-23.69%	-26.25%

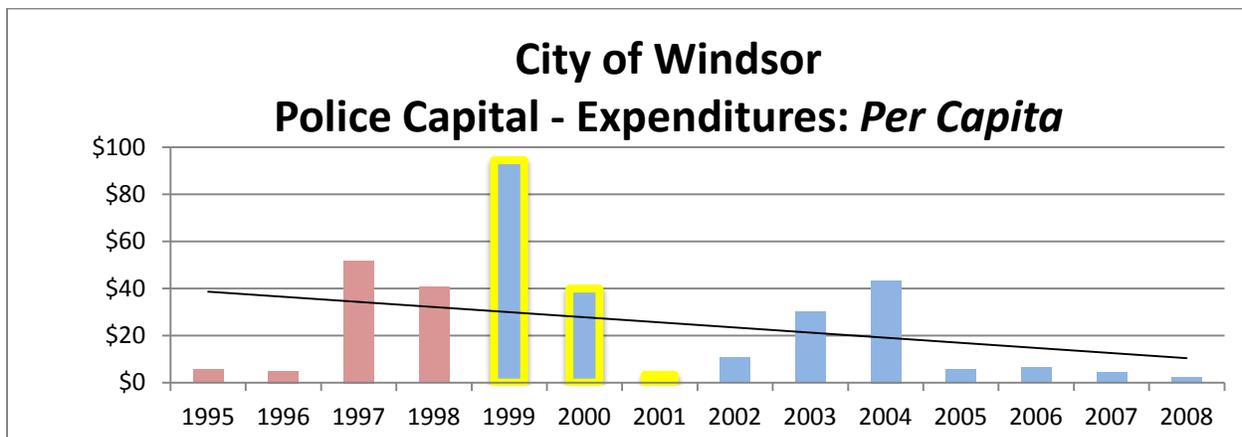
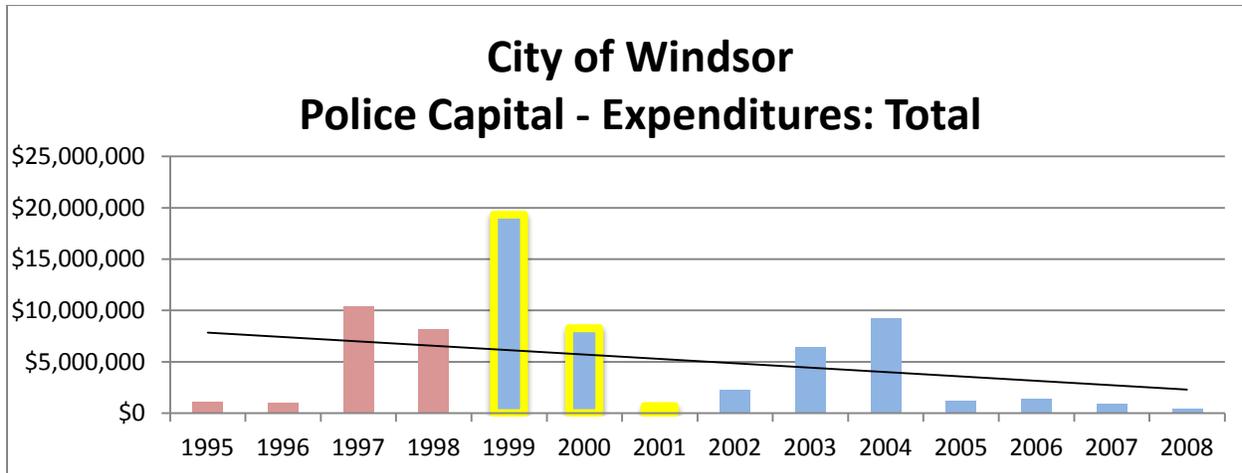


Year (Amalgamation Status)	Planning Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$33,077,916	\$ 168.39
1996 (Pre-Amalgamation)	\$14,881,525	\$ 75.28
1997 (Pre-Amalgamation)	\$20,888,419	\$ 104.44
1998 (Pre-Amalgamation)	\$28,490,889	\$ 140.83
1999 (Post-Amalgamation)	\$33,661,499	\$ 164.52
2000 (Post-Amalgamation)	\$19,262,938	\$ 93.10
2001 (Post-Amalgamation)	\$32,255,632	\$ 154.17
2002 (Post-Amalgamation)	\$31,977,149	\$ 151.79
2003 (Post-Amalgamation)	\$19,611,433	\$ 92.45
2004 (Post-Amalgamation)	\$19,979,206	\$ 93.55
2005 (Post-Amalgamation)	\$22,576,552	\$ 105.00
2006 (Post-Amalgamation)	\$17,152,480	\$ 79.24
2007 (Post-Amalgamation)	\$18,310,975	\$ 85.03
2008 (Post-Amalgamation)	\$12,565,692	\$ 58.65
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$24,334,687	\$ 122.23
Post-Amalgamation Period (1999-2008)	\$22,735,356	\$ 107.75
Percent Change between Pre- and Post-Amalgamation Periods	-6.57%	-11.85%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$28,393,356	\$ 137.26
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	16.68%	12.29%

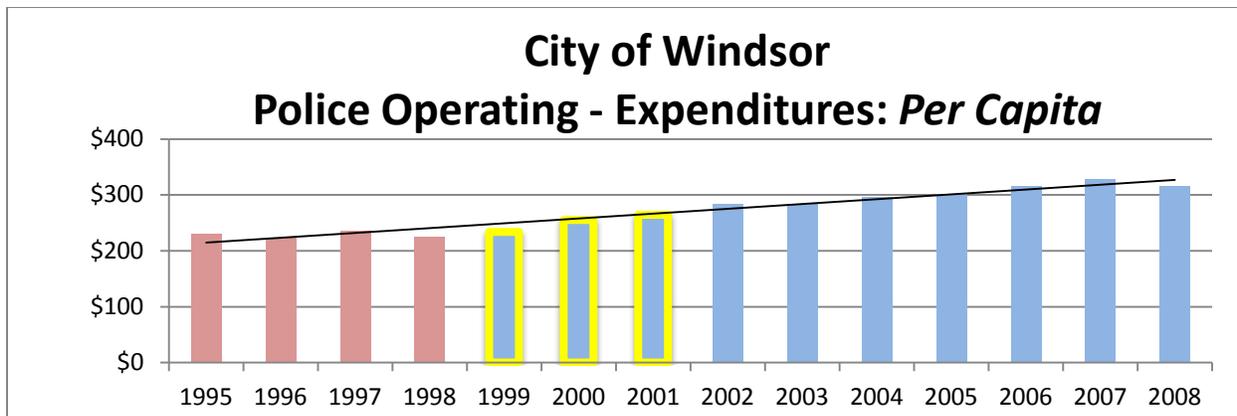
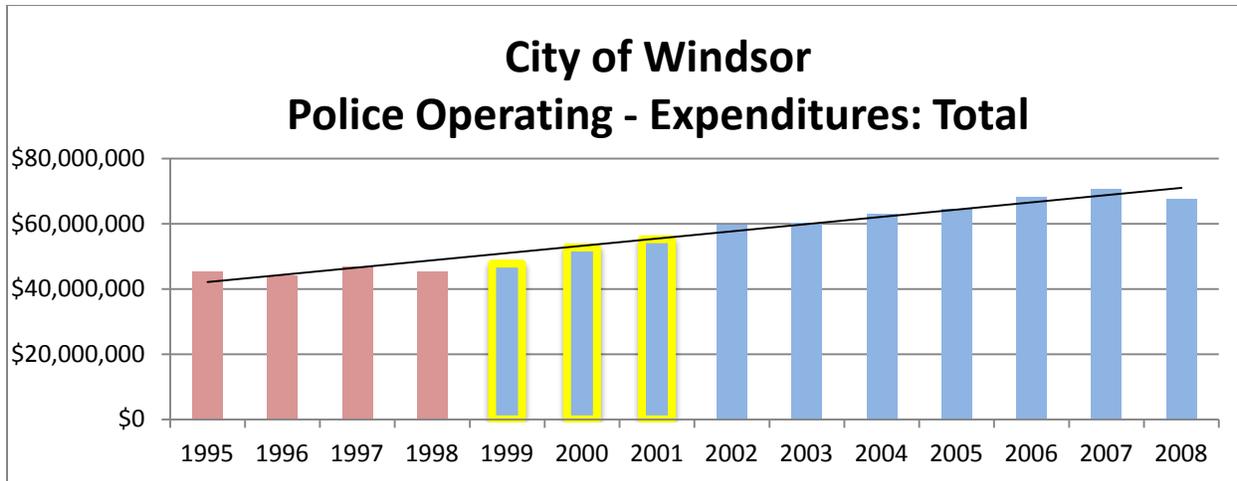
Police capital expenditures were higher in the first three years following amalgamation by an average of 82.30% (78.05% *per capita*) compared to average pre-amalgamation spending levels. Over the full post-amalgamation period, capital expenditures were actually lower by 2.97% (6.75% *per capita*) compared to pre-amalgamation spending levels.

Police operating expenditures were higher in the first three years following amalgamation by an average of 14.29% (9.93% *per capita*) while overall spending through the full post-amalgamation period was higher on average by 34.21% (25.95% *per capita*) compared to the average pre-amalgamation spending levels.

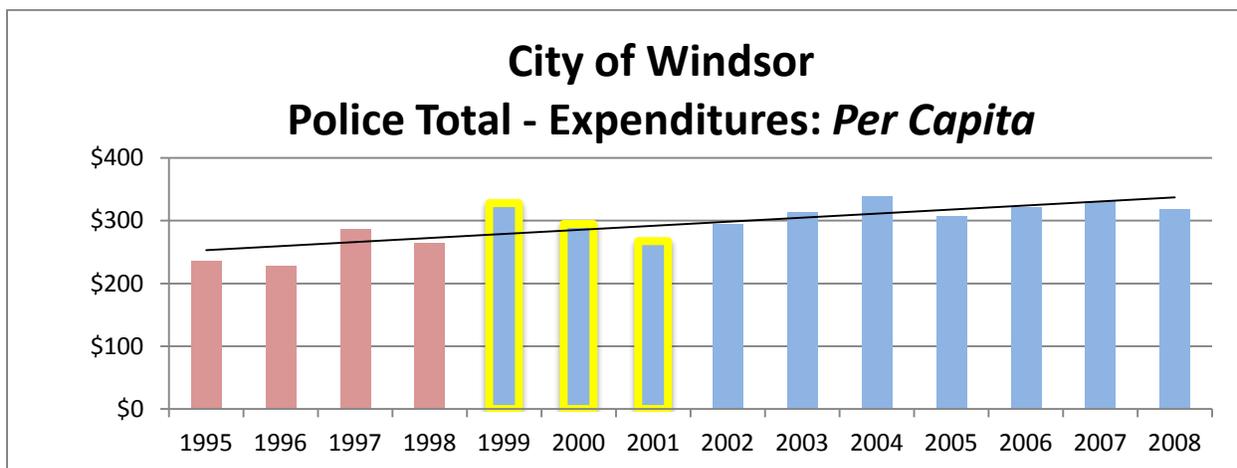
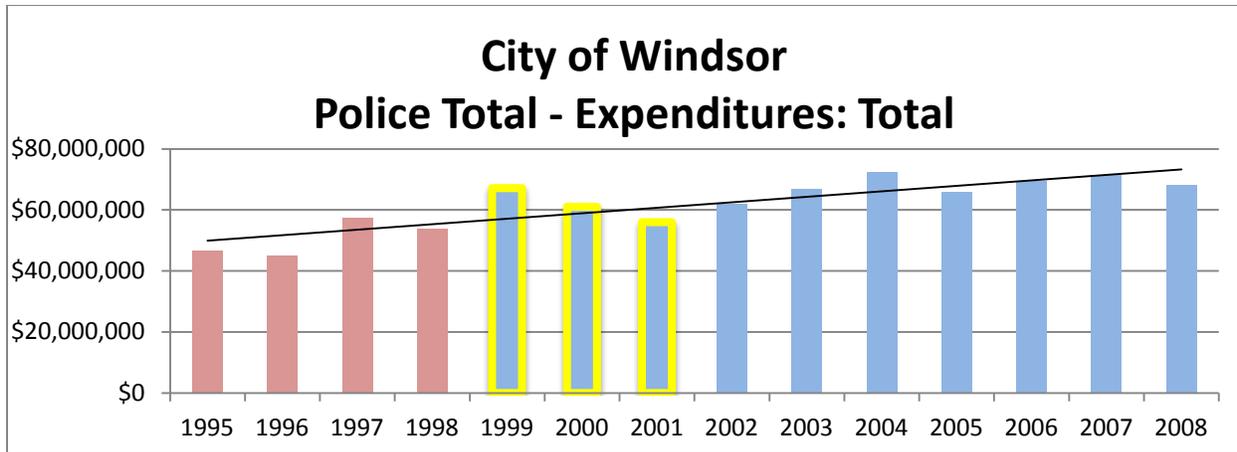
Total police expenditures were higher in the first three years following amalgamation by an average of 21.24% (16.84% *per capita*) compared to average pre-amalgamation spending. Over the full post-amalgamation period, spending was higher by an average of 30.42% (22.63% *per capita*) compared to the average pre-amalgamation spending levels.



Year (Amalgamation Status)	Police Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 1,111,277	\$ 5.66
1996 (Pre-Amalgamation)	\$ 995,248	\$ 5.03
1997 (Pre-Amalgamation)	\$ 10,385,958	\$ 51.93
1998 (Pre-Amalgamation)	\$ 8,194,557	\$ 40.51
1999 (Post-Amalgamation)	\$ 19,330,648	\$ 94.48
2000 (Post-Amalgamation)	\$ 8,267,654	\$ 39.96
2001 (Post-Amalgamation)	\$ 686,482	\$ 3.28
2002 (Post-Amalgamation)	\$ 2,273,134	\$ 10.79
2003 (Post-Amalgamation)	\$ 6,373,245	\$ 30.05
2004 (Post-Amalgamation)	\$ 9,269,762	\$ 43.40
2005 (Post-Amalgamation)	\$ 1,225,060	\$ 5.70
2006 (Post-Amalgamation)	\$ 1,391,299	\$ 6.43
2007 (Post-Amalgamation)	\$ 917,825	\$ 4.26
2008 (Post-Amalgamation)	\$ 447,143	\$ 2.09
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 5,171,760	\$ 25.78
Post-Amalgamation Period (1999-2008)	\$ 5,018,225	\$ 24.04
Percent Change between Pre- and Post-Amalgamation Periods	-2.97%	-6.75%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 9,428,261	\$ 45.90
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	82.30%	78.05%



Year (Amalgamation Status)	Police Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$45,367,446	\$ 230.95
1996 (Pre-Amalgamation)	\$44,069,273	\$ 222.92
1997 (Pre-Amalgamation)	\$46,932,538	\$ 234.66
1998 (Pre-Amalgamation)	\$45,481,276	\$ 224.82
1999 (Post-Amalgamation)	\$47,814,415	\$ 233.69
2000 (Post-Amalgamation)	\$52,768,222	\$ 255.03
2001 (Post-Amalgamation)	\$55,300,315	\$ 264.32
2002 (Post-Amalgamation)	\$59,772,987	\$ 283.73
2003 (Post-Amalgamation)	\$60,312,364	\$ 284.33
2004 (Post-Amalgamation)	\$63,061,483	\$ 295.27
2005 (Post-Amalgamation)	\$64,708,274	\$ 300.94
2006 (Post-Amalgamation)	\$68,142,168	\$ 314.78
2007 (Post-Amalgamation)	\$70,519,495	\$ 327.45
2008 (Post-Amalgamation)	\$67,767,354	\$ 316.32
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$45,462,633	\$ 228.34
Post-Amalgamation Period (1999-2008)	\$61,016,708	\$ 287.59
Percent Change between Pre- and Post-Amalgamation Periods	34.21%	25.95%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$51,960,984	\$ 251.01
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	14.29%	9.93%

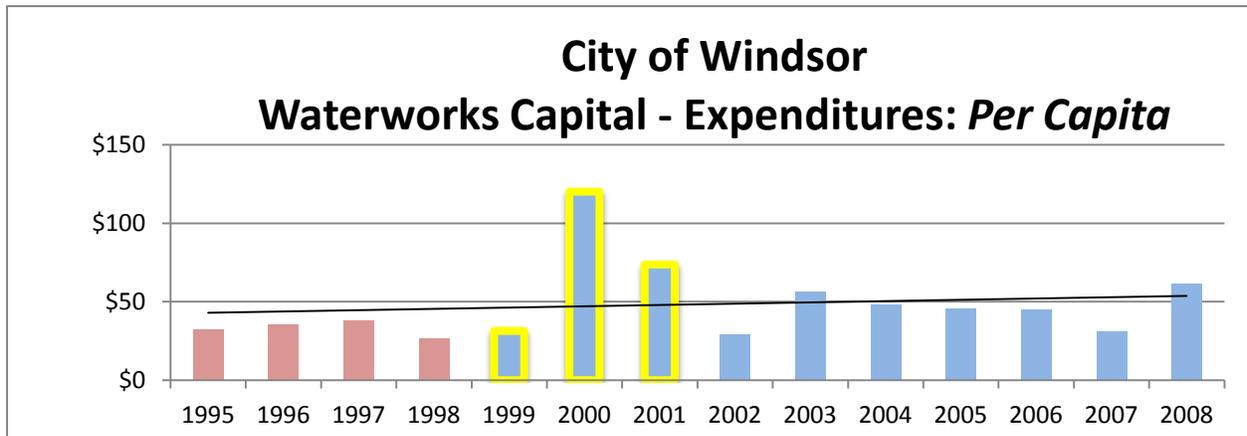
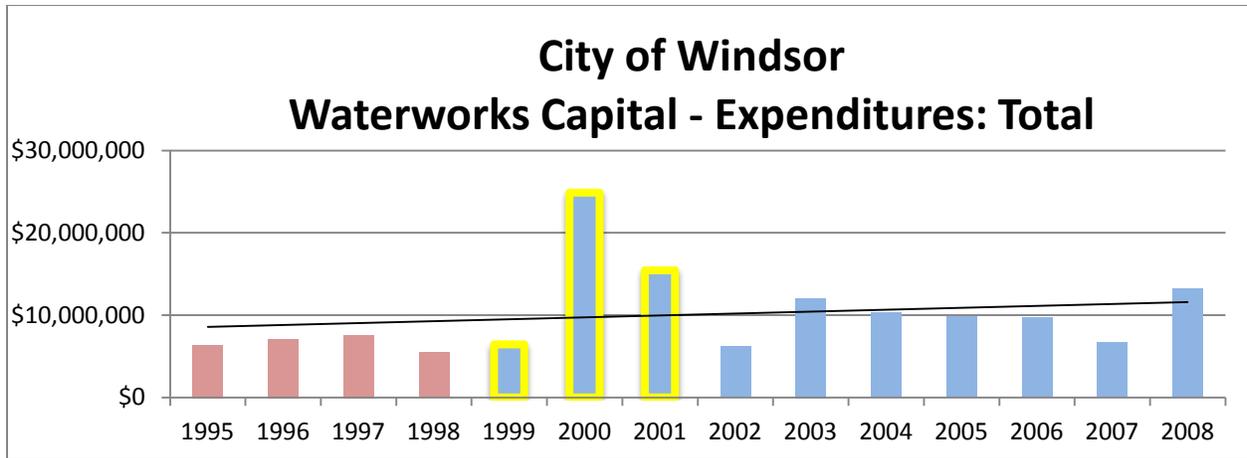


Year (Amalgamation Status)	Police Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$46,478,723	\$ 236.60
1996 (Pre-Amalgamation)	\$45,064,521	\$ 227.95
1997 (Pre-Amalgamation)	\$57,318,496	\$ 286.59
1998 (Pre-Amalgamation)	\$53,675,833	\$ 265.32
1999 (Post-Amalgamation)	\$67,145,063	\$ 328.16
2000 (Post-Amalgamation)	\$61,035,876	\$ 294.98
2001 (Post-Amalgamation)	\$55,986,797	\$ 267.60
2002 (Post-Amalgamation)	\$62,046,121	\$ 294.52
2003 (Post-Amalgamation)	\$66,685,609	\$ 314.38
2004 (Post-Amalgamation)	\$72,331,245	\$ 338.68
2005 (Post-Amalgamation)	\$65,933,334	\$ 306.64
2006 (Post-Amalgamation)	\$69,533,467	\$ 321.21
2007 (Post-Amalgamation)	\$71,437,320	\$ 331.72
2008 (Post-Amalgamation)	\$68,214,497	\$ 318.40
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$50,634,393	\$ 254.12
Post-Amalgamation Period (1999-2008)	\$66,034,933	\$ 311.63
Percent Change between Pre- and Post-Amalgamation Periods	30.42%	22.63%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$61,389,245	\$ 296.92
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	21.24%	16.84%

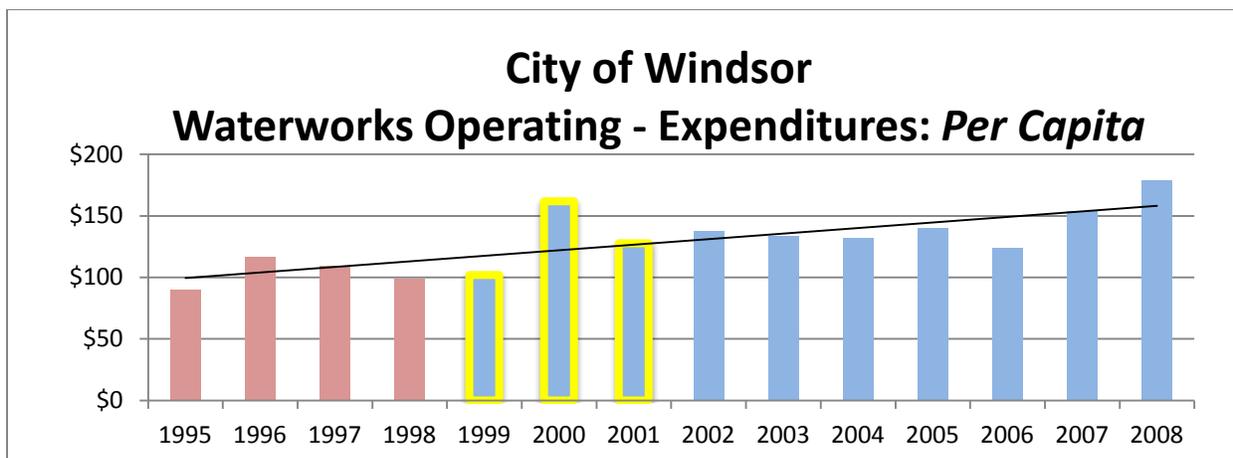
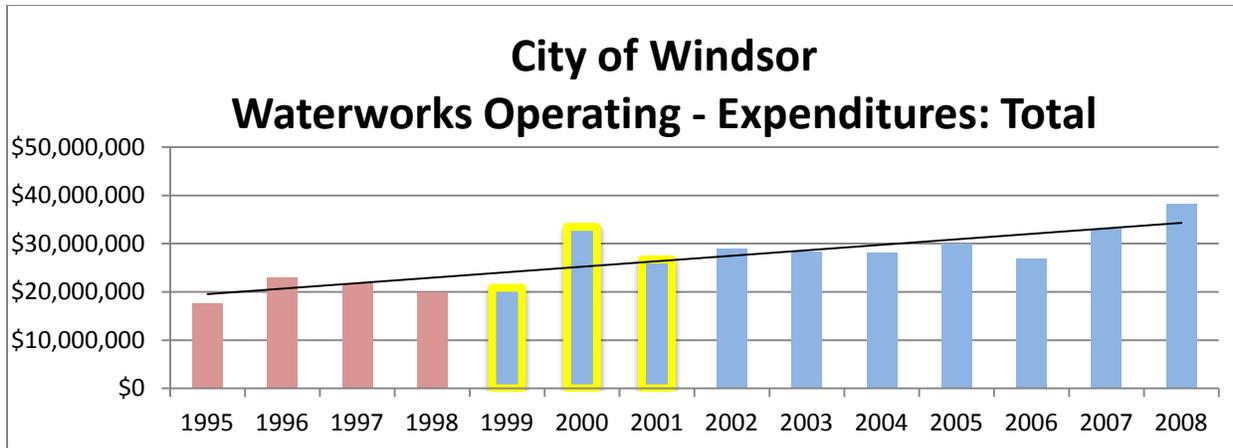
Waterworks capital spending increased by 135.53% (126.03% *per capita*) in the first three years following amalgamation compared to average pre-amalgamation spending. Over the full post-amalgamation time period, spending increased at a lower rate of 73.38% (63.33% *per capita*).

Waterworks operating expenditures were higher in the first three years after amalgamation by an average of 31.33% (26.29% *per capita*) compared to average pre-amalgamation levels. Over the full post-amalgamation time period spending increased by 43.12% (34.44% *per capita*).

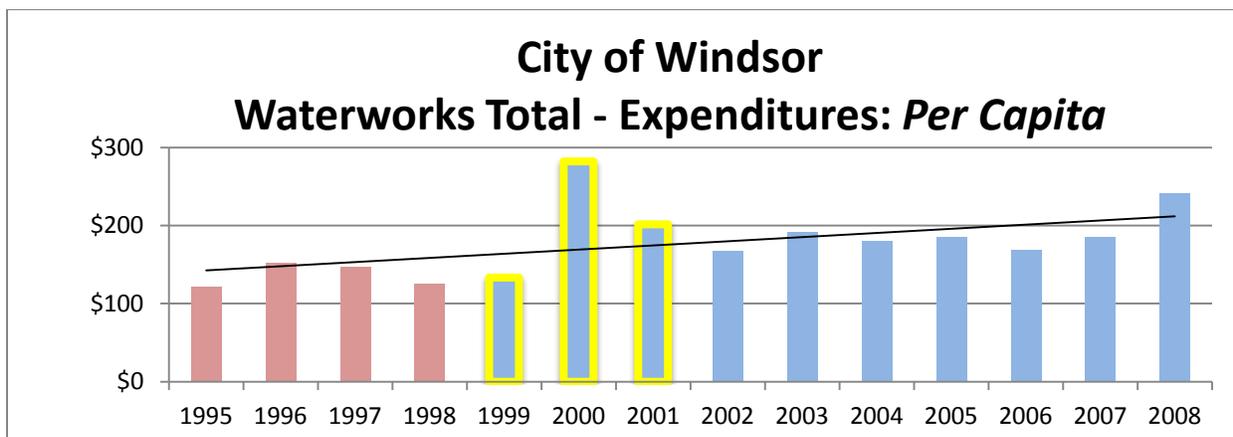
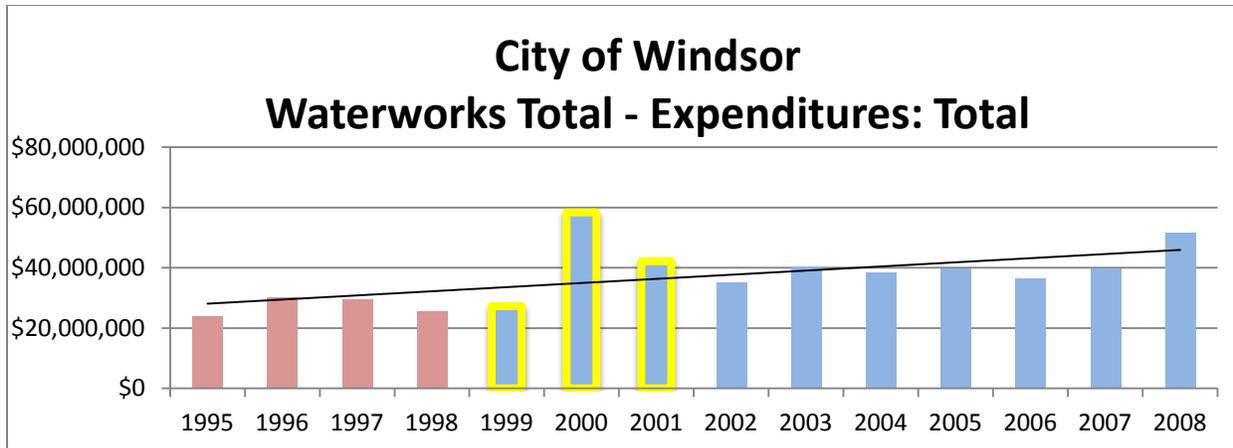
When viewed together, total waterworks expenditures were higher on average by 50.49% (41.47% *per capita*) between the full pre- and post-amalgamation periods. In the first three years following amalgamation spending was higher by 56.69% (50.58% *per capita*) compared to average pre-amalgamation spending.



Year (Amalgamation Status)	Waterworks Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 6,353,933	\$ 32.35
1996 (Pre-Amalgamation)	\$ 7,103,329	\$ 35.93
1997 (Pre-Amalgamation)	\$ 7,584,526	\$ 37.92
1998 (Pre-Amalgamation)	\$ 5,436,464	\$ 26.87
1999 (Post-Amalgamation)	\$ 6,444,240	\$ 31.50
2000 (Post-Amalgamation)	\$24,885,664	\$ 120.27
2001 (Post-Amalgamation)	\$15,443,710	\$ 73.82
2002 (Post-Amalgamation)	\$ 6,185,079	\$ 29.36
2003 (Post-Amalgamation)	\$12,048,112	\$ 56.80
2004 (Post-Amalgamation)	\$10,319,020	\$ 48.32
2005 (Post-Amalgamation)	\$ 9,818,102	\$ 45.66
2006 (Post-Amalgamation)	\$ 9,699,716	\$ 44.81
2007 (Post-Amalgamation)	\$ 6,713,607	\$ 31.17
2008 (Post-Amalgamation)	\$13,212,042	\$ 61.67
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 6,619,563	\$ 33.27
Post-Amalgamation Period (1999-2008)	\$11,476,929	\$ 54.34
Percent Change between Pre- and Post-Amalgamation Periods	73.38%	63.33%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$15,591,205	\$ 75.19
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	135.53%	126.03%



Year (Amalgamation Status)	Waterworks Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$17,597,846	\$ 89.58
1996 (Pre-Amalgamation)	\$23,028,967	\$ 116.49
1997 (Pre-Amalgamation)	\$21,732,991	\$ 108.67
1998 (Pre-Amalgamation)	\$19,956,018	\$ 98.64
1999 (Post-Amalgamation)	\$20,858,234	\$ 101.94
2000 (Post-Amalgamation)	\$33,491,061	\$ 161.86
2001 (Post-Amalgamation)	\$26,728,503	\$ 127.75
2002 (Post-Amalgamation)	\$28,962,254	\$ 137.48
2003 (Post-Amalgamation)	\$28,346,910	\$ 133.64
2004 (Post-Amalgamation)	\$28,075,926	\$ 131.46
2005 (Post-Amalgamation)	\$29,992,749	\$ 139.49
2006 (Post-Amalgamation)	\$26,769,631	\$ 123.66
2007 (Post-Amalgamation)	\$33,040,548	\$ 153.42
2008 (Post-Amalgamation)	\$38,269,990	\$ 178.63
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$20,578,956	\$ 103.35
Post-Amalgamation Period (1999-2008)	\$29,453,581	\$ 138.93
Percent Change between Pre- and Post-Amalgamation Periods	43.12%	34.44%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$27,025,933	\$ 130.52
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	31.33%	26.29%

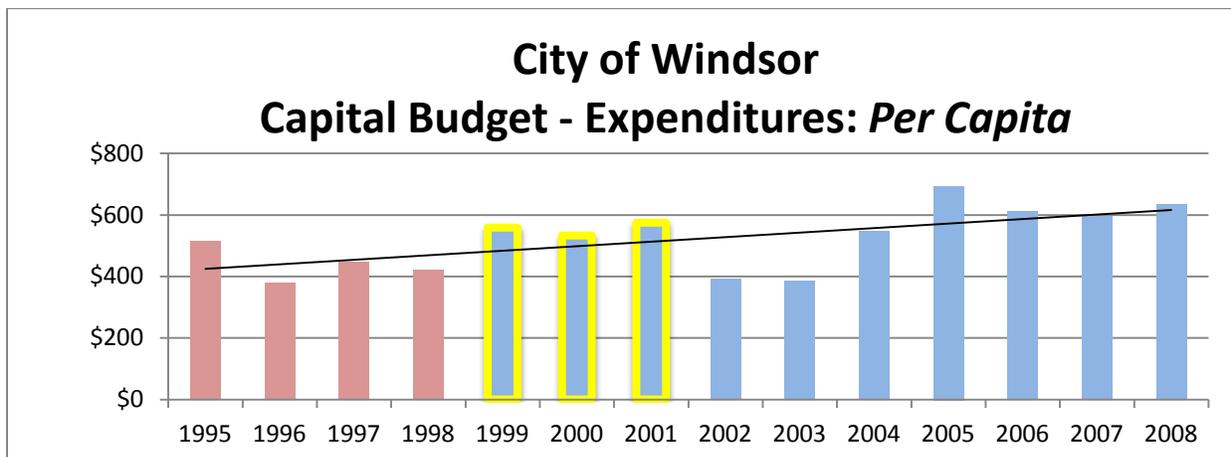
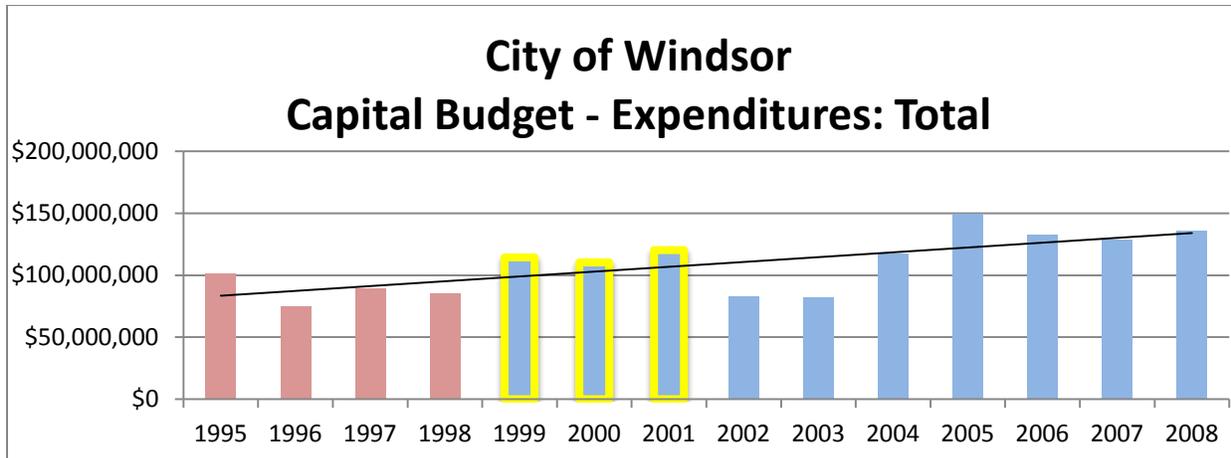


Year (Amalgamation Status)	Waterworks Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$23,951,779	\$ 121.93
1996 (Pre-Amalgamation)	\$30,132,296	\$ 152.42
1997 (Pre-Amalgamation)	\$29,317,517	\$ 146.59
1998 (Pre-Amalgamation)	\$25,392,482	\$ 125.52
1999 (Post-Amalgamation)	\$27,302,474	\$ 133.44
2000 (Post-Amalgamation)	\$58,376,725	\$ 282.13
2001 (Post-Amalgamation)	\$42,172,213	\$ 201.57
2002 (Post-Amalgamation)	\$35,147,333	\$ 166.84
2003 (Post-Amalgamation)	\$40,395,022	\$ 190.43
2004 (Post-Amalgamation)	\$38,394,946	\$ 179.78
2005 (Post-Amalgamation)	\$39,810,851	\$ 185.15
2006 (Post-Amalgamation)	\$36,469,347	\$ 168.47
2007 (Post-Amalgamation)	\$39,754,155	\$ 184.60
2008 (Post-Amalgamation)	\$51,482,032	\$ 240.30
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$27,198,519	\$ 136.61
Post-Amalgamation Period (1999-2008)	\$40,930,510	\$ 193.27
Percent Change between Pre- and Post-Amalgamation Periods	50.49%	41.47%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$42,617,137	\$ 205.71
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	56.69%	50.58%

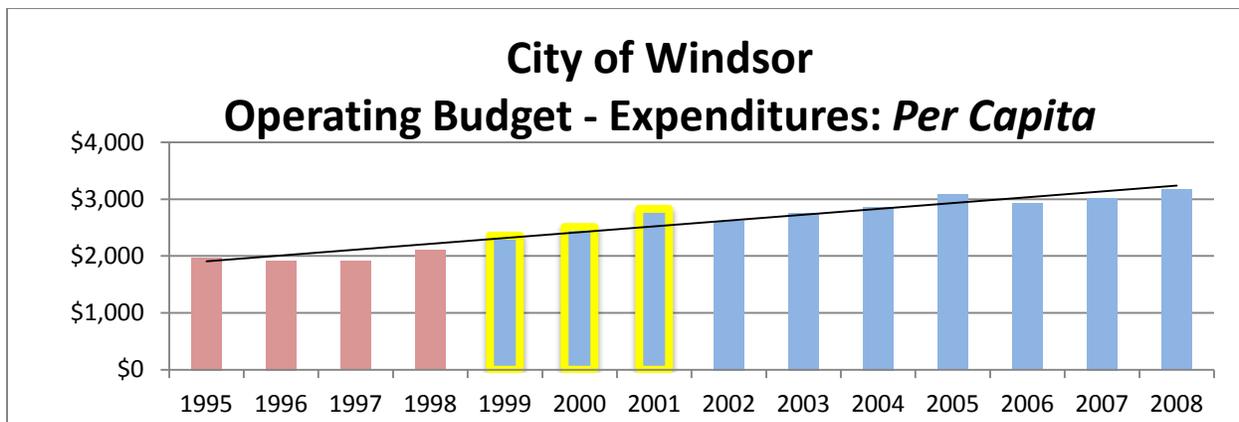
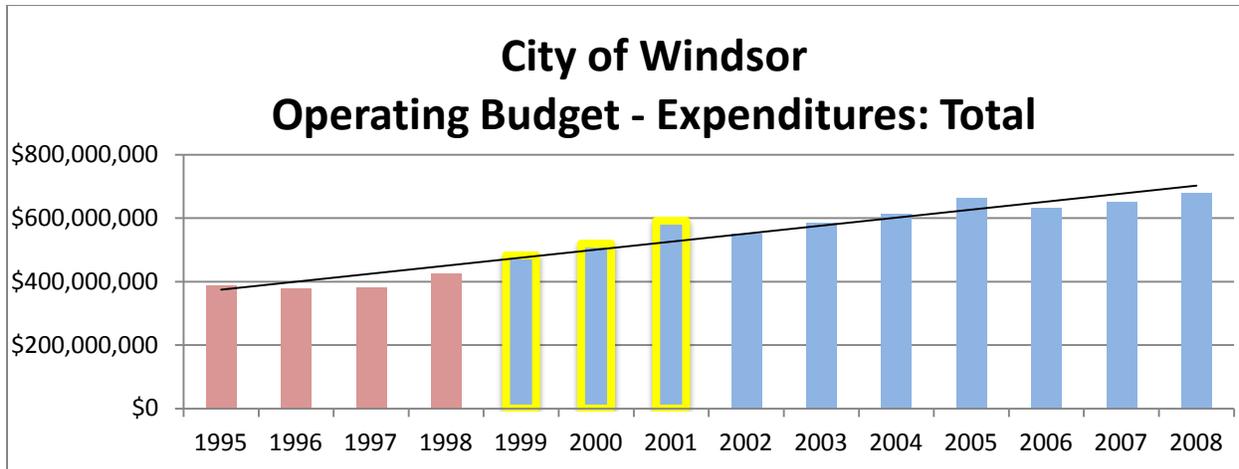
Total capital budget spending was higher on average by 31.36% (26.34% *per capita*) in the first three years following amalgamation compared to average pre-amalgamation spending. Over the full post-amalgamation period, spending increased on average by 33.91% (25.69% *per capita*) compared to pre-amalgamation spending levels.

Total operating budget expenditures increased following amalgamation. In the first three years post-amalgamation spending rose on average by 34.99% (29.85% *per capita*) compared to pre-amalgamation levels. Over the full post-amalgamation time period, spending was higher on average by 51.52% (42.28% *per capita*) compared to average pre-amalgamation levels.

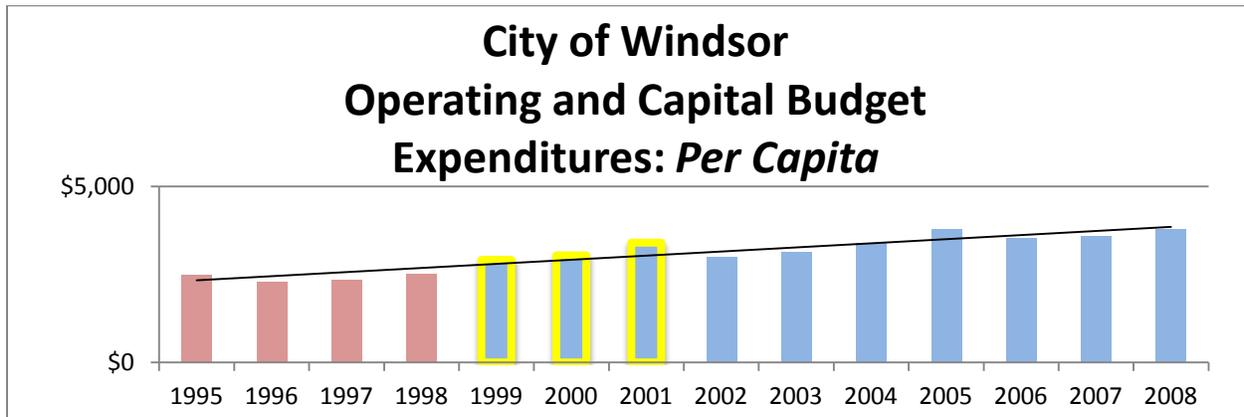
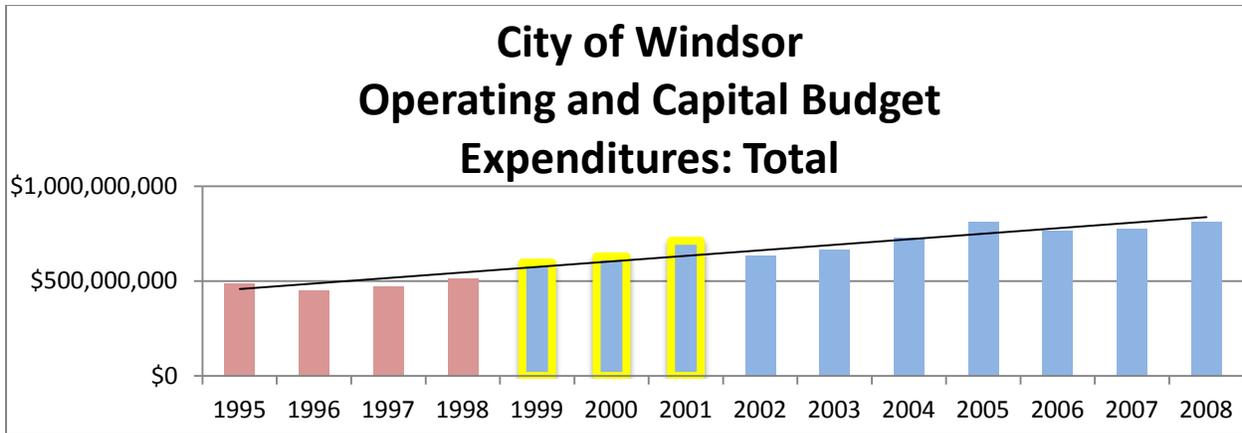
Total budget expenditures in the City of Windsor were higher in the three year period following amalgamation by an average of 34.33% (29.21% *per capita*) compared to pre-amalgamation levels. Over the full post-amalgamation time frame, spending was higher on average by 48.31% (39.26% *per capita*).



Year (Amalgamation Status)	Capital Budget Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 100,826,783	\$ 513.26
1996 (Pre-Amalgamation)	\$ 74,866,465	\$ 378.70
1997 (Pre-Amalgamation)	\$ 89,114,151	\$ 445.57
1998 (Pre-Amalgamation)	\$ 85,260,370	\$ 421.45
1999 (Post-Amalgamation)	\$ 114,335,220	\$ 558.80
2000 (Post-Amalgamation)	\$ 110,315,111	\$ 533.15
2001 (Post-Amalgamation)	\$ 120,243,869	\$ 574.73
2002 (Post-Amalgamation)	\$ 82,411,288	\$ 391.19
2003 (Post-Amalgamation)	\$ 81,893,562	\$ 386.07
2004 (Post-Amalgamation)	\$ 117,042,965	\$ 548.03
2005 (Post-Amalgamation)	\$ 149,066,456	\$ 693.26
2006 (Post-Amalgamation)	\$ 132,530,331	\$ 612.23
2007 (Post-Amalgamation)	\$ 128,448,740	\$ 596.45
2008 (Post-Amalgamation)	\$ 135,687,517	\$ 633.34
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 87,516,942	\$ 439.75
Post-Amalgamation Period (1999-2008)	\$ 117,197,506	\$ 552.72
Percent Change between Pre- and Post-Amalgamation Periods	33.91%	25.69%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 114,964,733	\$ 555.56
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	31.36%	26.34%



Year (Amalgamation Status)	Operating Budget	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 387,644,601	\$ 1,973.33
1996 (Pre-Amalgamation)	\$ 378,751,539	\$ 1,915.85
1997 (Pre-Amalgamation)	\$ 381,637,042	\$ 1,908.19
1998 (Pre-Amalgamation)	\$ 426,425,568	\$ 2,107.85
1999 (Post-Amalgamation)	\$ 482,624,252	\$ 2,358.78
2000 (Post-Amalgamation)	\$ 519,368,516	\$ 2,510.08
2001 (Post-Amalgamation)	\$ 591,993,338	\$ 2,829.55
2002 (Post-Amalgamation)	\$ 551,082,089	\$ 2,615.87
2003 (Post-Amalgamation)	\$ 584,296,920	\$ 2,754.56
2004 (Post-Amalgamation)	\$ 611,926,376	\$ 2,865.21
2005 (Post-Amalgamation)	\$ 663,309,826	\$ 3,084.85
2006 (Post-Amalgamation)	\$ 631,319,518	\$ 2,916.39
2007 (Post-Amalgamation)	\$ 649,915,836	\$ 3,017.85
2008 (Post-Amalgamation)	\$ 678,046,420	\$ 3,164.89
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 393,614,688	\$ 1,976.30
Post-Amalgamation Period (1999-2008)	\$ 596,388,309	\$ 2,811.80
Percent Change between Pre- and Post-Amalgamation Periods	51.52%	42.28%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 531,328,702	\$ 2,566.14
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	34.99%	29.85%



Year (Amalgamation Status)	Operating and Capital Budget - Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 488,471,384	\$ 2,486.59
1996 (Pre-Amalgamation)	\$ 453,618,004	\$ 2,294.55
1997 (Pre-Amalgamation)	\$ 470,751,193	\$ 2,353.77
1998 (Pre-Amalgamation)	\$ 511,685,938	\$ 2,529.29
1999 (Post-Amalgamation)	\$ 596,959,472	\$ 2,917.58
2000 (Post-Amalgamation)	\$ 629,683,627	\$ 3,043.23
2001 (Post-Amalgamation)	\$ 712,237,207	\$ 3,404.28
2002 (Post-Amalgamation)	\$ 633,493,377	\$ 3,007.06
2003 (Post-Amalgamation)	\$ 666,190,482	\$ 3,140.63
2004 (Post-Amalgamation)	\$ 728,969,341	\$ 3,413.24
2005 (Post-Amalgamation)	\$ 812,376,282	\$ 3,778.11
2006 (Post-Amalgamation)	\$ 763,849,849	\$ 3,528.61
2007 (Post-Amalgamation)	\$ 778,364,576	\$ 3,614.30
2008 (Post-Amalgamation)	\$ 813,733,937	\$ 3,798.24
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 481,131,630	\$ 2,416.05
Post-Amalgamation Period (1999-2008)	\$ 713,585,815	\$ 3,364.53
Percent Change between Pre- and Post-Amalgamation Periods	48.31%	39.26%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 646,293,435	\$ 3,121.70
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	34.33%	29.21%

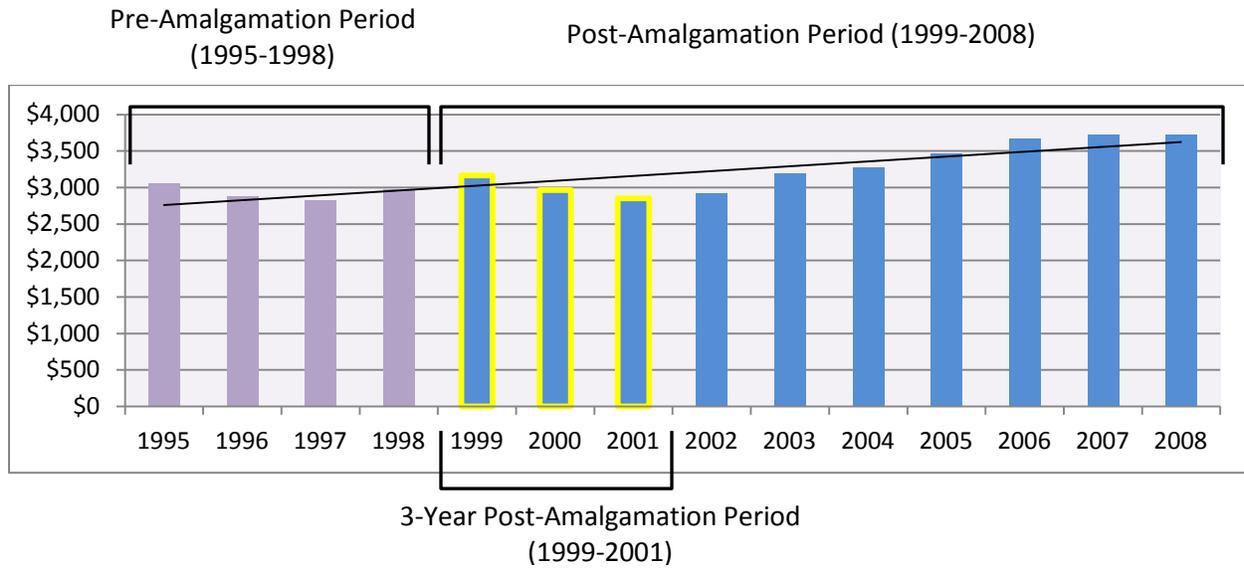
## Results - Windsor-Essex

The quantitative analysis undertaken with respect to data from Windsor-Essex is reported below. Each service considered is separated into operating, capital, and total expenditures (operating and capital expenditures combined). Operating, capital, and total expenditures are further analyzed as total dollar expenditures and per capita expenditures, the results of which are reported in two charts and a table. The charts and table have been colour coded so that corresponding data sets from the table can be matched to each chart. Data related to the three-year post-amalgamation period is located immediately adjacent to the pre-amalgamation data and is the same colour as the remaining post-amalgamation data, however, each year has been outlined in a separate colour to make it immediately recognizable to the reader. In addition, the averages of data over time has been analyzed and included in each corresponding table. With respect to the data related to Windsor-Essex, the following definitions apply:

- (1) Amalgamation in the County of Essex occurred in 1999 however the City of Windsor did not undergo amalgamation;
- (2) The pre-amalgamation period is the time period from 1995-1998. This data is reflected in the corresponding charts and table in purple;
- (3) The post-amalgamation period is the time period from 1999-2008. This data is reflected in the corresponding charts and table in blue;
- (4) The 3-year post-amalgamation period is the time period from 1999-2001. This data is reflected in the corresponding charts and table in blue with a solid yellow border.
- (5) The 'Percent Change between the Pre- and Post-Amalgamation Periods' is the average change between the entire pre-amalgamation period and the entire post-amalgamation period; and,

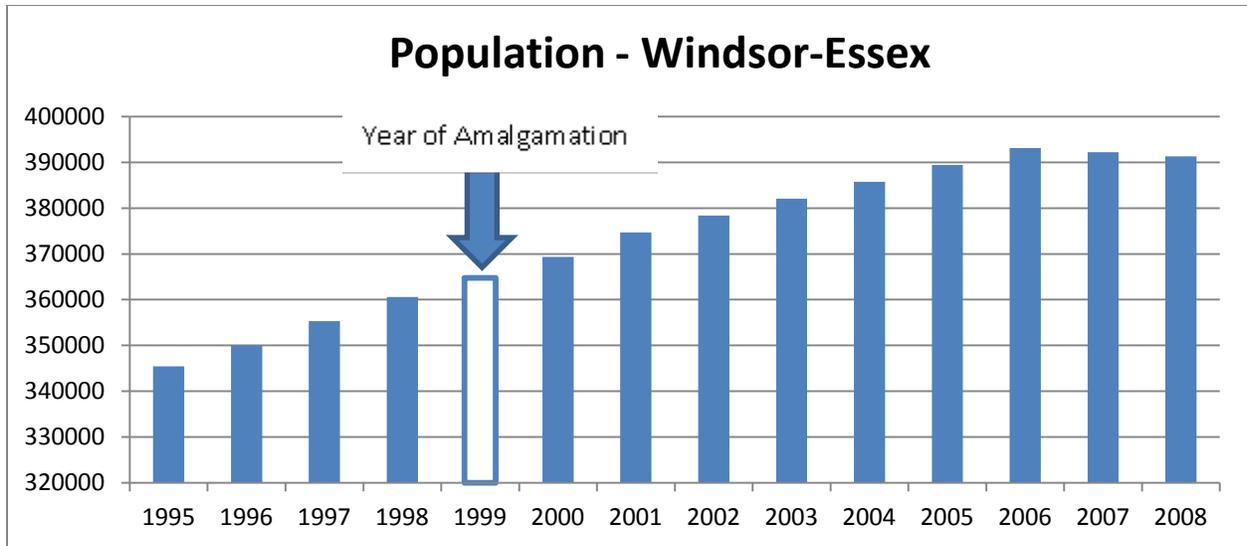
(6) The 'Percent Change between Pre- and Three-Year Post-Amalgamation Periods' is the average change between the entire pre-amalgamation period and the three-year period immediately following amalgamation (1999-2001).

**Sample Chart - Windsor-Essex**



**Sample Table - Windsor-Essex**

Year (Amalgamation Status)	Fire Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 1,828,567	\$ 5.29
1996 (Pre-Amalgamation)	\$ 1,626,700	\$ 4.65
1997 (Pre-Amalgamation)	\$ 1,618,083	\$ 4.55
1998 (Pre-Amalgamation)	\$ 808,460	\$ 2.24
1999 (Post-Amalgamation)	\$ 1,551,229	\$ 4.25
2000 (Post-Amalgamation)	\$ 1,607,282	\$ 4.35
2001 (Post-Amalgamation)	\$ 3,333,726	\$ 8.90
2002 (Post-Amalgamation)	\$ 2,875,271	\$ 7.60
2003 (Post-Amalgamation)	\$ 2,623,950	\$ 6.87
2004 (Post-Amalgamation)	\$ 1,958,097	\$ 5.08
2005 (Post-Amalgamation)	\$ 1,559,531	\$ 4.00
2006 (Post-Amalgamation)	\$ 3,005,982	\$ 7.65
2007 (Post-Amalgamation)	\$ 1,617,018	\$ 4.12
2008 (Post-Amalgamation)	\$ 11,256,902	\$ 28.77
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 1,470,453	\$ 4.18
Post-Amalgamation Period (1999-2008)	\$ 3,138,899	\$ 8.16
Percent Change between Pre- and Post-Amalgamation Periods	113.46%	94.99%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 2,164,079	\$ 5.83
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	47.17%	39.43%

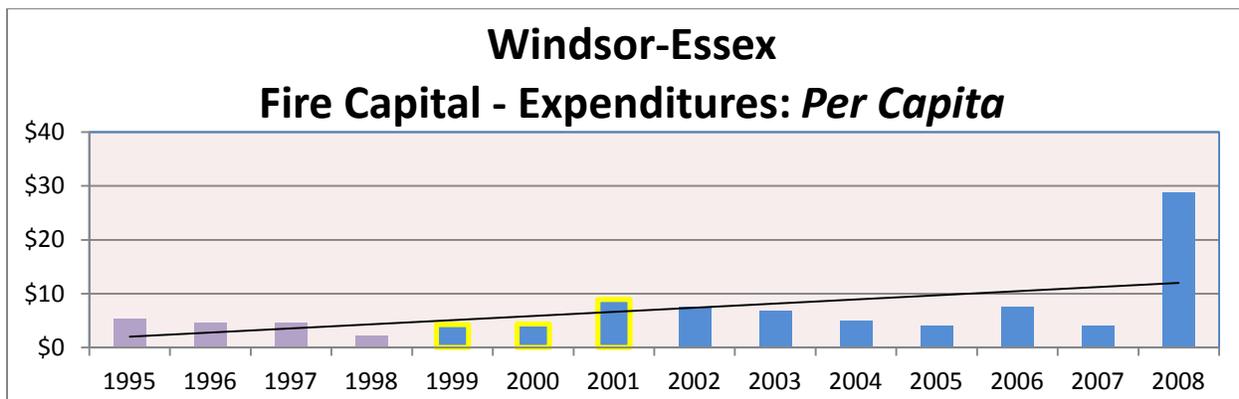
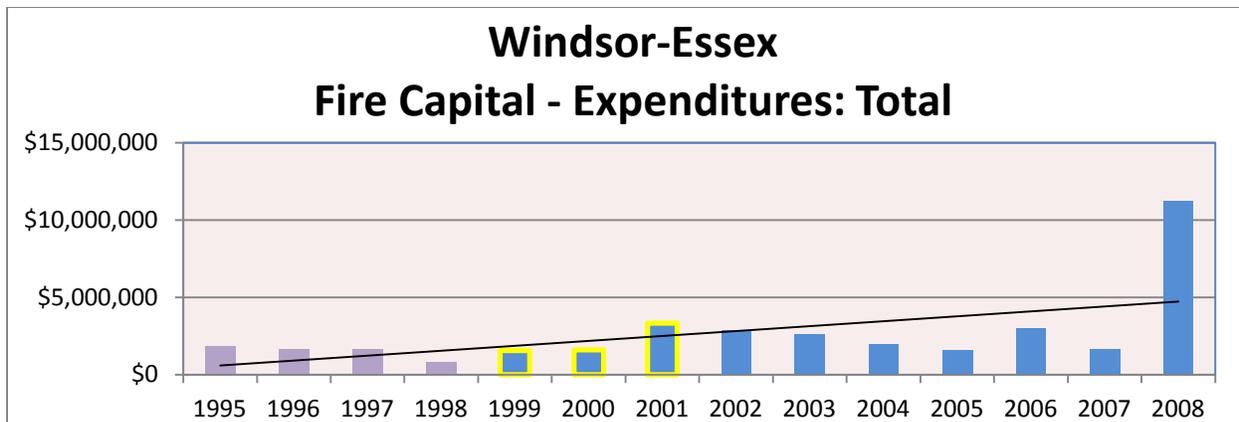


Year	Amalgamation Status	Population
1995	Pre-Amalgamation	345,452
1996	Pre-Amalgamation	350,046
1997	Pre-Amalgamation	355,313
1998	Pre-Amalgamation	360,579
1999*	Post-Amalgamation	364,738
2000	Post-Amalgamation	369,316
2001	Post-Amalgamation	374,719
2002	Post-Amalgamation	378,398
2003	Post-Amalgamation	382,079
2004	Post-Amalgamation	385,755
2005	Post-Amalgamation	389,436
2006	Post-Amalgamation	393,115
2007	Post-Amalgamation	392,197
2008	Post-Amalgamation	391,276
<b>Average Population</b>		<b>373,744</b>
<b>Population - Percent Change (1995-2008)</b>		<b>13.26%</b>
* Year of Amalgamation in Essex County		

Fire capital expenditures were higher by an average of 47.17% (39.43% *per capita*) in the first three years following amalgamation. Over the full post-amalgamation period spending rose by 113.46% (94.99% *per capita*) compared to average pre-amalgamation spending.

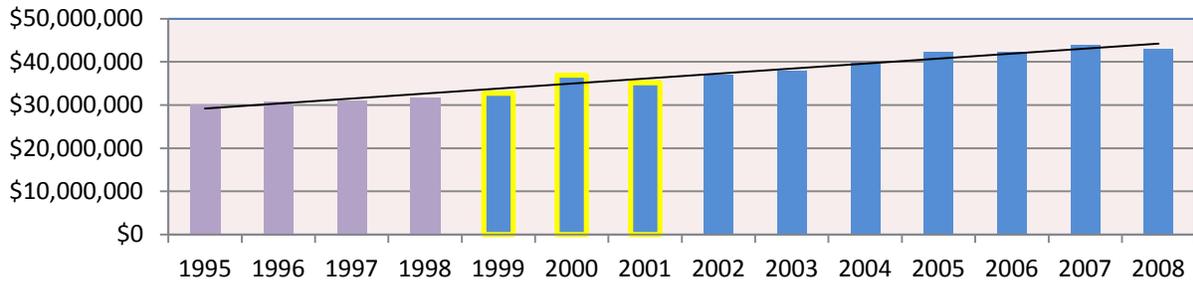
Fire operating expenditures increased by an average of 13.31% (8.16%) in the first three years following amalgamation as compared to average pre-amalgamation spending. Over the full post-amalgamation period, spending rose by an average of 26.57% (16.70% *per capita*).

Total fire expenditures were higher by an average of 14.85% (9.59% *per capita*) in the first three years after amalgamation. Compared to pre-amalgamation average spending, costs increased by 30.52% (20.27% *per capita*) over the full post-amalgamation period.

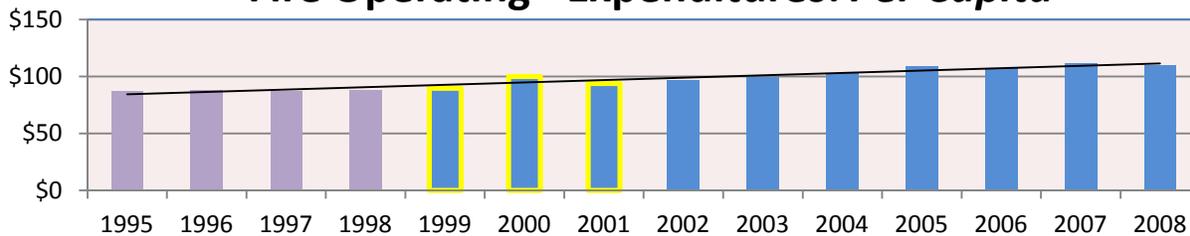


Year (Amalgamation Status)	Fire Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 1,828,567	\$ 5.29
1996 (Pre-Amalgamation)	\$ 1,626,700	\$ 4.65
1997 (Pre-Amalgamation)	\$ 1,618,083	\$ 4.55
1998 (Pre-Amalgamation)	\$ 808,460	\$ 2.24
1999 (Post-Amalgamation)	\$ 1,551,229	\$ 4.25
2000 (Post-Amalgamation)	\$ 1,607,282	\$ 4.35
2001 (Post-Amalgamation)	\$ 3,333,726	\$ 8.90
2002 (Post-Amalgamation)	\$ 2,875,271	\$ 7.60
2003 (Post-Amalgamation)	\$ 2,623,950	\$ 6.87
2004 (Post-Amalgamation)	\$ 1,958,097	\$ 5.08
2005 (Post-Amalgamation)	\$ 1,559,531	\$ 4.00
2006 (Post-Amalgamation)	\$ 3,005,982	\$ 7.65
2007 (Post-Amalgamation)	\$ 1,617,018	\$ 4.12
2008 (Post-Amalgamation)	\$ 11,256,902	\$ 28.77
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 1,470,453	\$ 4.18
Post-Amalgamation Period (1999-2008)	\$ 3,138,899	\$ 8.16
Percent Change between Pre- and Post-Amalgamation Periods	113.46%	94.99%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 2,164,079	\$ 5.83
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	47.17%	39.43%

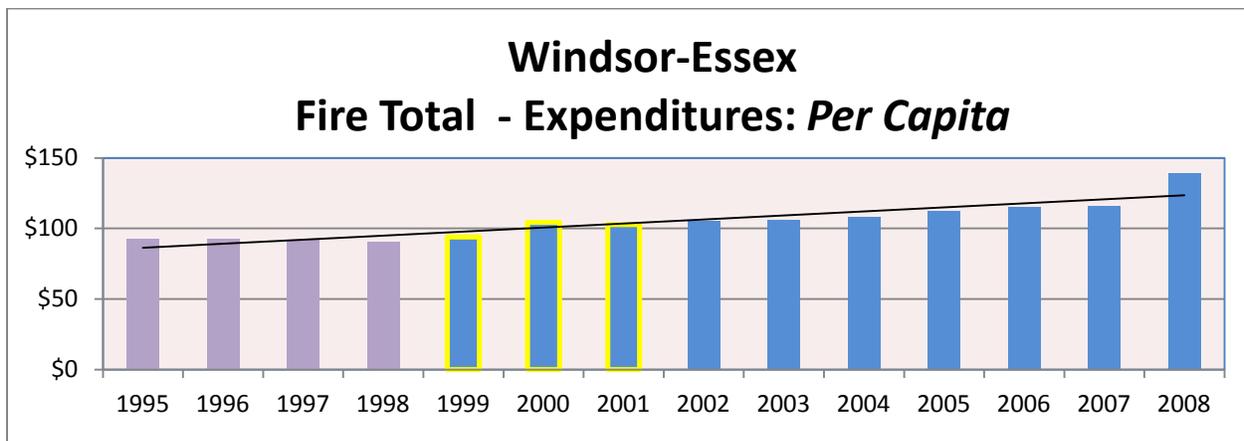
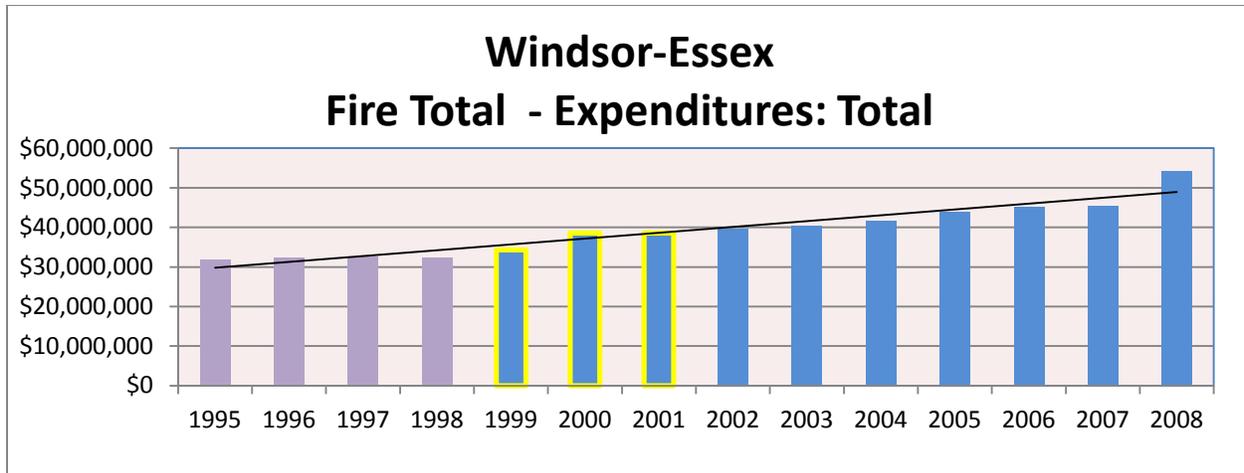
## Windsor-Essex Fire Operating - Expenditures: Total



## Windsor-Essex Fire Operating - Expenditures: *Per Capita*



Year (Amalgamation Status)	Fire Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$30,164,630	\$ 87.32
1996 (Pre-Amalgamation)	\$30,674,565	\$ 87.63
1997 (Pre-Amalgamation)	\$30,922,929	\$ 87.03
1998 (Pre-Amalgamation)	\$31,679,185	\$ 87.86
1999 (Post-Amalgamation)	\$32,747,297	\$ 89.78
2000 (Post-Amalgamation)	\$36,963,245	\$ 100.09
2001 (Post-Amalgamation)	\$35,194,747	\$ 93.92
2002 (Post-Amalgamation)	\$36,828,033	\$ 97.33
2003 (Post-Amalgamation)	\$37,866,189	\$ 99.11
2004 (Post-Amalgamation)	\$39,751,803	\$ 103.05
2005 (Post-Amalgamation)	\$42,258,430	\$ 108.51
2006 (Post-Amalgamation)	\$42,136,296	\$ 107.19
2007 (Post-Amalgamation)	\$43,777,274	\$ 111.62
2008 (Post-Amalgamation)	\$43,062,927	\$ 110.06
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$30,860,327	\$ 87.46
Post-Amalgamation Period (1999-2008)	\$39,058,624	\$ 102.06
Percent Change between Pre- and Post-Amalgamation Periods	26.57%	16.70%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$34,968,430	\$ 94.60
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	13.31%	8.16%

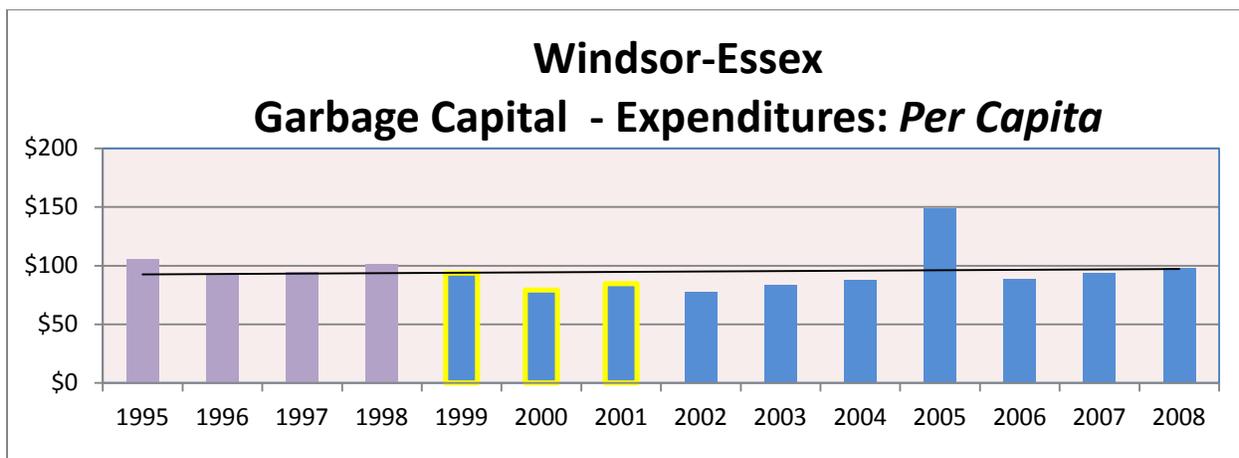
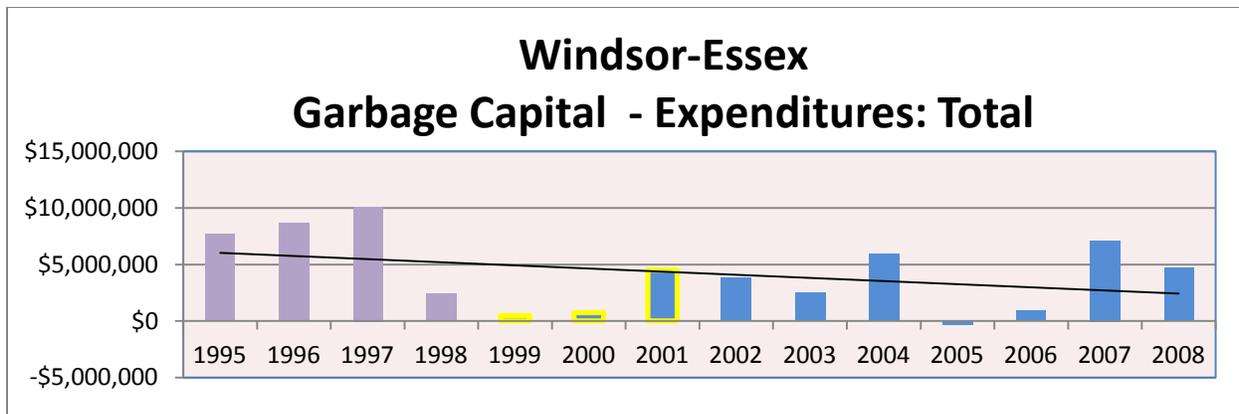


Year (Amalgamation Status)	Fire Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$31,993,197	\$ 92.61
1996 (Pre-Amalgamation)	\$32,301,265	\$ 92.28
1997 (Pre-Amalgamation)	\$32,541,012	\$ 91.58
1998 (Pre-Amalgamation)	\$32,487,645	\$ 90.10
1999 (Post-Amalgamation)	\$34,298,526	\$ 94.04
2000 (Post-Amalgamation)	\$38,570,527	\$ 104.44
2001 (Post-Amalgamation)	\$38,528,473	\$ 102.82
2002 (Post-Amalgamation)	\$39,703,304	\$ 104.92
2003 (Post-Amalgamation)	\$40,490,139	\$ 105.97
2004 (Post-Amalgamation)	\$41,709,900	\$ 108.13
2005 (Post-Amalgamation)	\$43,817,961	\$ 112.52
2006 (Post-Amalgamation)	\$45,142,278	\$ 114.83
2007 (Post-Amalgamation)	\$45,394,292	\$ 115.74
2008 (Post-Amalgamation)	\$54,319,829	\$ 138.83
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$32,330,780	\$ 91.64
Post-Amalgamation Period (1999-2008)	\$42,197,523	\$ 110.22
Percent Change between Pre- and Post-Amalgamation Periods	30.52%	20.27%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$37,132,509	\$ 100.43
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	14.85%	9.59%

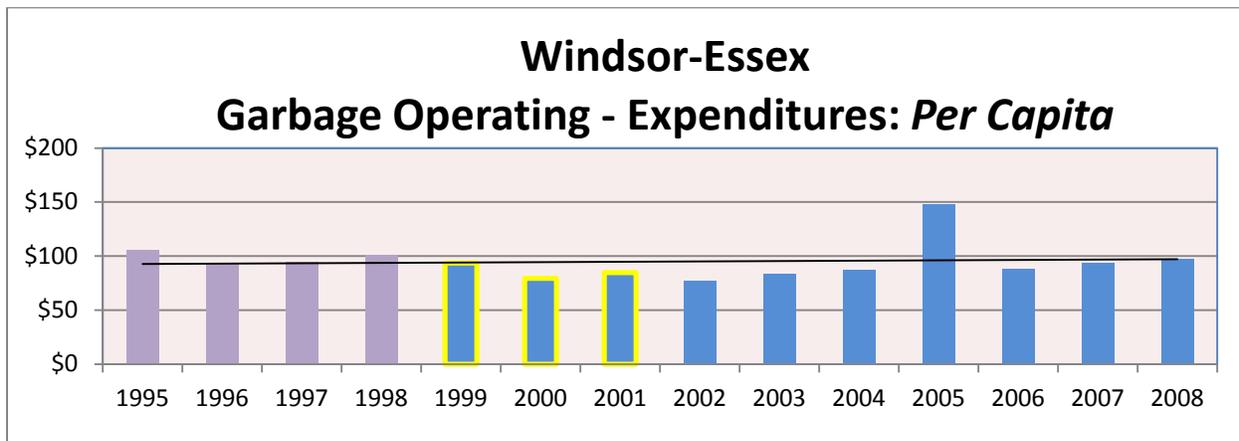
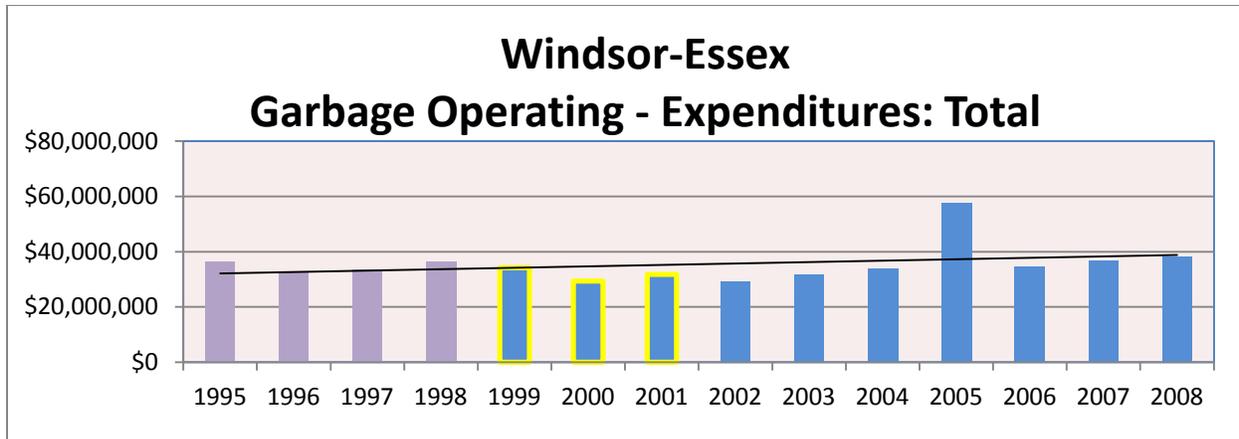
Spending on garbage capital expenses decreased in the first three years following amalgamation by an average of 73.48% (75.01% *per capita*) compared to average pre-amalgamation spending. Over the full post-amalgamation period, spending continued to remain lower by an average of 57.84% (61.47% *per capita*).

Garbage operating expenditures were lower in the first three years following amalgamation. Average spending fell by 8.53% (12.65% *per capita*) when compared to average pre-amalgamation spending. Over the entire post-amalgamation period spending rose by 2.96% however *per capita* spending was an lower by an average of 5.12%.

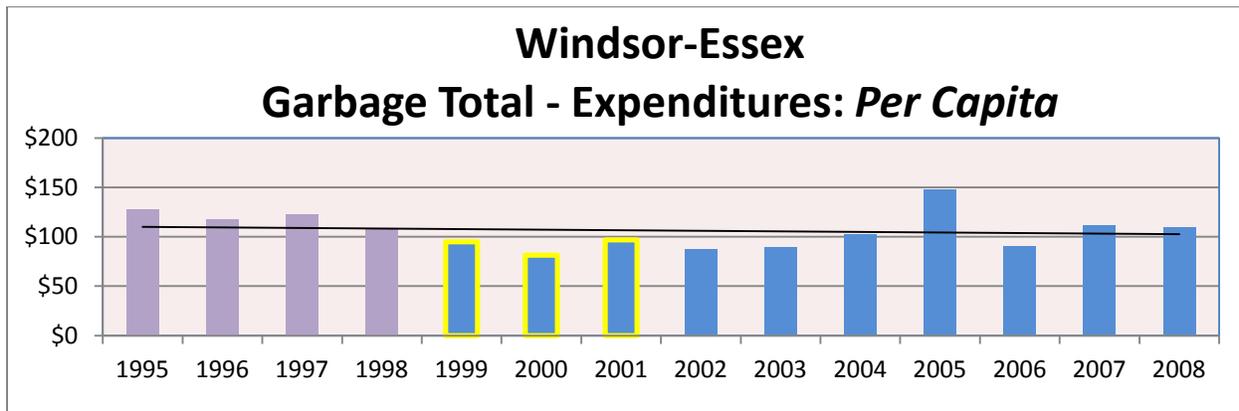
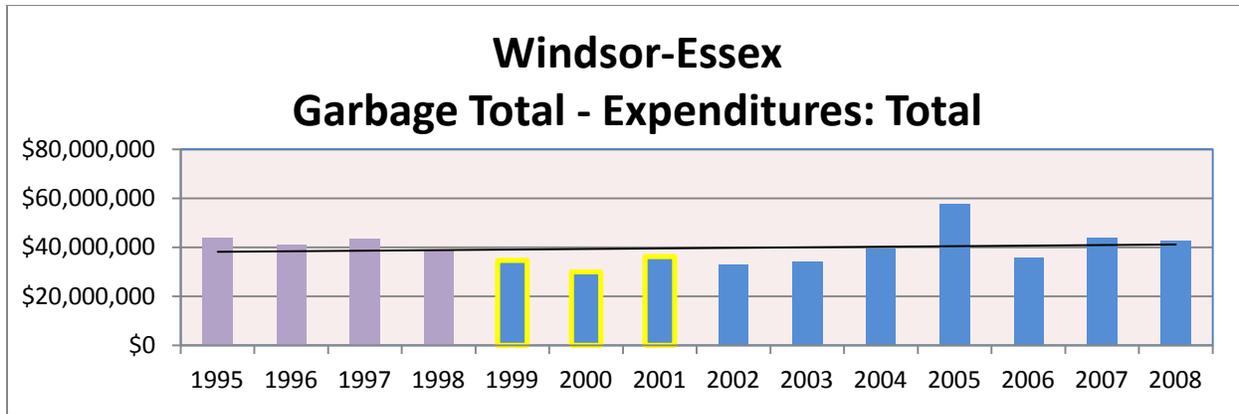
Total garbage expenditures fell across the board. In the first three years after amalgamation spending fell by an average of 19.70% (23.41% *per capita*) when compared to average pre-amalgamation spending. Over the full post-amalgamation period spending was lower by an average of 7.50% (14.84% *per capita*) compared to the pre-amalgamation period.



Year (Amalgamation Status)	Garbage Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 7,665,061	\$ 22.19
1996 (Pre-Amalgamation)	\$ 8,675,372	\$ 24.78
1997 (Pre-Amalgamation)	\$ 10,117,731	\$ 28.48
1998 (Pre-Amalgamation)	\$ 2,404,674	\$ 6.67
1999 (Post-Amalgamation)	\$ 478,699	\$ 1.31
2000 (Post-Amalgamation)	\$ 758,204	\$ 2.05
2001 (Post-Amalgamation)	\$ 4,504,982	\$ 12.02
2002 (Post-Amalgamation)	\$ 3,799,120	\$ 10.04
2003 (Post-Amalgamation)	\$ 2,499,714	\$ 6.54
2004 (Post-Amalgamation)	\$ 5,922,994	\$ 15.35
2005 (Post-Amalgamation)	-\$ 317,053	-\$ 0.81
2006 (Post-Amalgamation)	\$ 924,454	\$ 2.35
2007 (Post-Amalgamation)	\$ 7,133,569	\$ 18.19
2008 (Post-Amalgamation)	\$ 4,717,232	\$ 12.06
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 7,215,710	\$ 20.53
Post-Amalgamation Period (1999-2008)	\$ 3,042,192	\$ 7.91
Percent Change between Pre- and Post-Amalgamation Periods	-57.84%	-61.47%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 1,913,962	\$ 5.13
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-73.48%	-75.01%



Year (Amalgamation Status)	Garbage Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$36,437,464	\$ 105.48
1996 (Pre-Amalgamation)	\$32,533,634	\$ 92.94
1997 (Pre-Amalgamation)	\$33,491,332	\$ 94.26
1998 (Pre-Amalgamation)	\$36,466,744	\$ 101.13
1999 (Post-Amalgamation)	\$34,185,092	\$ 93.73
2000 (Post-Amalgamation)	\$29,329,825	\$ 79.42
2001 (Post-Amalgamation)	\$31,797,805	\$ 84.86
2002 (Post-Amalgamation)	\$29,275,720	\$ 77.37
2003 (Post-Amalgamation)	\$31,816,464	\$ 83.27
2004 (Post-Amalgamation)	\$33,691,568	\$ 87.34
2005 (Post-Amalgamation)	\$57,836,969	\$ 148.51
2006 (Post-Amalgamation)	\$34,821,445	\$ 88.58
2007 (Post-Amalgamation)	\$36,766,484	\$ 93.74
2008 (Post-Amalgamation)	\$38,091,898	\$ 97.35
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$34,732,294	\$ 98.45
Post-Amalgamation Period (1999-2008)	\$35,761,327	\$ 93.42
Percent Change between Pre- and Post-Amalgamation Periods	2.96%	-5.12%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$31,770,907	\$ 86.00
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-8.53%	-12.65%



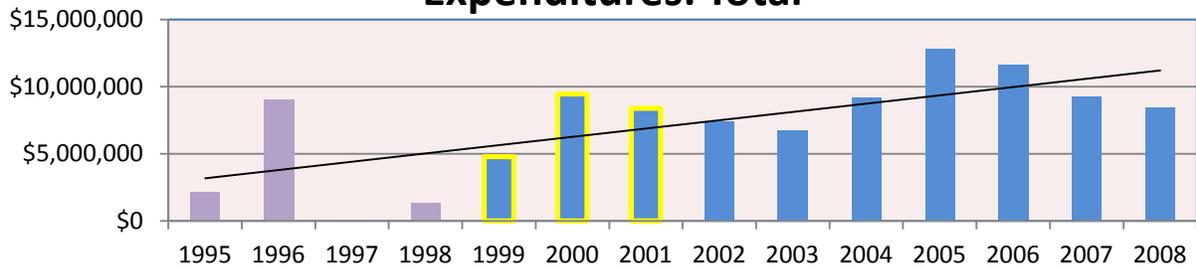
Year (Amalgamation Status)	Garbage Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$44,102,525	\$ 127.67
1996 (Pre-Amalgamation)	\$41,209,006	\$ 117.72
1997 (Pre-Amalgamation)	\$43,609,063	\$ 122.73
1998 (Pre-Amalgamation)	\$38,871,418	\$ 107.80
1999 (Post-Amalgamation)	\$34,663,791	\$ 95.04
2000 (Post-Amalgamation)	\$30,088,029	\$ 81.47
2001 (Post-Amalgamation)	\$36,302,787	\$ 96.88
2002 (Post-Amalgamation)	\$33,074,840	\$ 87.41
2003 (Post-Amalgamation)	\$34,316,178	\$ 89.81
2004 (Post-Amalgamation)	\$39,614,562	\$ 102.69
2005 (Post-Amalgamation)	\$57,519,916	\$ 147.70
2006 (Post-Amalgamation)	\$35,745,899	\$ 90.93
2007 (Post-Amalgamation)	\$43,900,053	\$ 111.93
2008 (Post-Amalgamation)	\$42,809,130	\$ 109.41
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$41,948,003	\$ 118.98
Post-Amalgamation Period (1999-2008)	\$38,803,519	\$ 101.33
Percent Change between Pre- and Post-Amalgamation Periods	-7.50%	-14.84%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$33,684,869	\$ 91.13
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-19.70%	-23.41%

Spending on general government capital costs was higher in the first three years after amalgamation by 138.27% (125.45% *per capita*). Over the full post-amalgamation period average spending rose by 178.61% (154.62% *per capita*) compared to average spending in the pre-amalgamation time period.

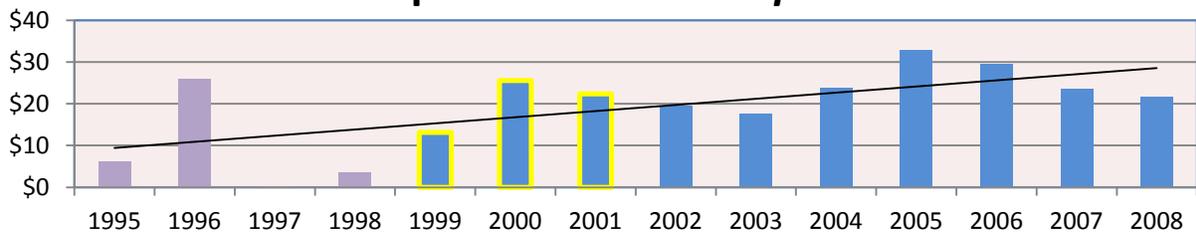
General government operating expenditures were higher on average following amalgamation. In the first three years after amalgamation spending increased by 52.01% (44.92% *per capita*) compared to average pre-amalgamation spending levels. Over the entire post-amalgamation period spending increased an average of 44.52% (33.30% *per capita*) when compared to average pre-amalgamation spending.

Total general government expenditures were higher in the first three years following amalgamation by 56% (48.68% *per capita*) when compared to average pre-amalgamation spending. Over the full post-amalgamation period, spending rose by an average of 50.73% (38.96% *per capita*).

## Windsor-Essex General Government Capital Expenditures: Total

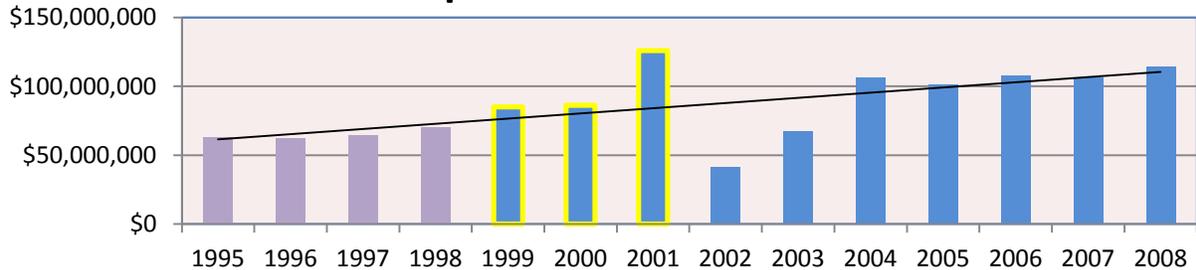


## Windsor-Essex General Government Capital Expenditures: *Per Capita*

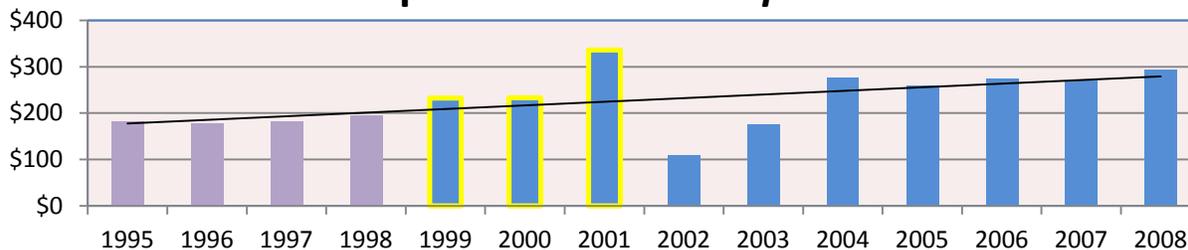


Year (Amalgamation Status)	General Government Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 2,147,669	\$ 6.22
1996 (Pre-Amalgamation)	\$ 9,066,029	\$ 25.90
1997 (Pre-Amalgamation)	\$ 113,655	\$ 0.32
1998 (Pre-Amalgamation)	\$ 1,329,910	\$ 3.69
1999 (Post-Amalgamation)	\$ 4,794,757	\$ 13.15
2000 (Post-Amalgamation)	\$ 9,445,943	\$ 25.58
2001 (Post-Amalgamation)	\$ 8,378,442	\$ 22.36
2002 (Post-Amalgamation)	\$ 7,412,162	\$ 19.59
2003 (Post-Amalgamation)	\$ 6,764,329	\$ 17.70
2004 (Post-Amalgamation)	\$ 9,199,129	\$ 23.85
2005 (Post-Amalgamation)	\$ 12,790,065	\$ 32.84
2006 (Post-Amalgamation)	\$ 11,645,713	\$ 29.62
2007 (Post-Amalgamation)	\$ 9,274,178	\$ 23.65
2008 (Post-Amalgamation)	\$ 8,457,098	\$ 21.61
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 3,164,316	\$ 9.03
Post-Amalgamation Period (1999-2008)	\$ 8,816,182	\$ 22.99
Percent Change between Pre- and Post-Amalgamation Periods	178.61%	154.62%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 7,539,714	\$ 20.36
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	138.27%	125.45%

## Windsor-Essex General Government Operating Expenditures: Total

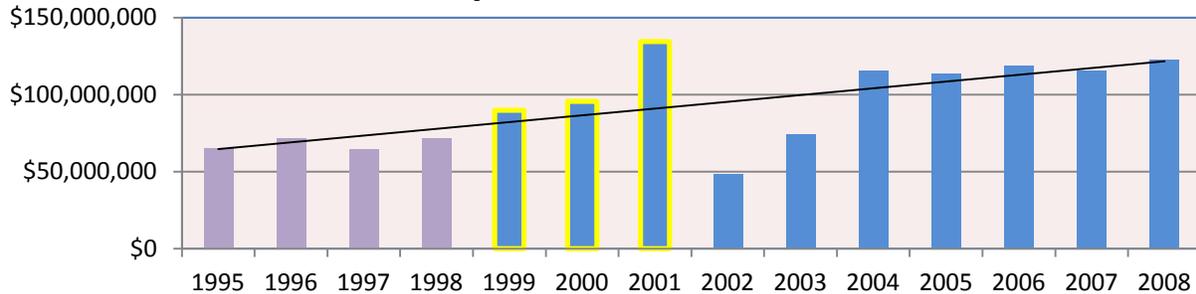


## Windsor-Essex General Government Operating Expenditures: *Per Capita*

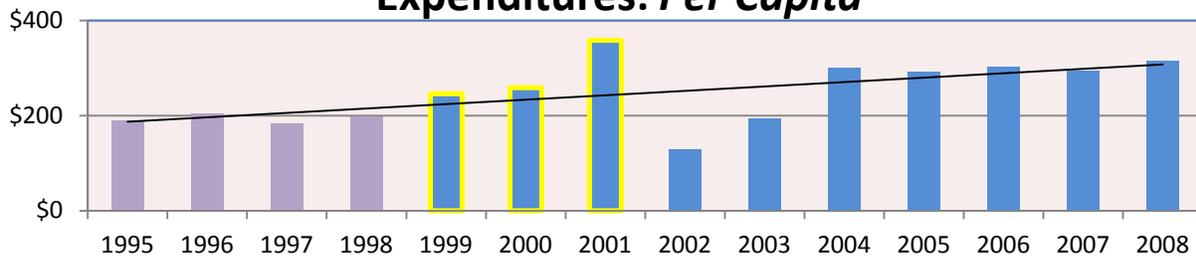


Year (Amalgamation Status)	General Government Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 63,211,305	\$ 182.98
1996 (Pre-Amalgamation)	\$ 62,394,550	\$ 178.25
1997 (Pre-Amalgamation)	\$ 64,717,607	\$ 182.14
1998 (Pre-Amalgamation)	\$ 70,263,537	\$ 194.86
1999 (Post-Amalgamation)	\$ 84,927,524	\$ 232.85
2000 (Post-Amalgamation)	\$ 86,205,233	\$ 233.42
2001 (Post-Amalgamation)	\$ 125,950,809	\$ 336.12
2002 (Post-Amalgamation)	\$ 41,287,295	\$ 109.11
2003 (Post-Amalgamation)	\$ 67,573,432	\$ 176.86
2004 (Post-Amalgamation)	\$ 106,341,372	\$ 275.67
2005 (Post-Amalgamation)	\$ 101,088,293	\$ 259.58
2006 (Post-Amalgamation)	\$ 107,523,225	\$ 273.52
2007 (Post-Amalgamation)	\$ 106,109,789	\$ 270.55
2008 (Post-Amalgamation)	\$ 114,469,170	\$ 292.55
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 65,146,750	\$ 184.56
Post-Amalgamation Period (1999-2008)	\$ 94,147,614	\$ 246.02
Percent Change between Pre- and Post-Amalgamation Periods	44.52%	33.30%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 99,027,855	\$ 267.46
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	52.01%	44.92%

## Windsor-Essex General Government Total Expenditures: Total



## Windsor-Essex General Government Total Expenditures: *Per Capita*

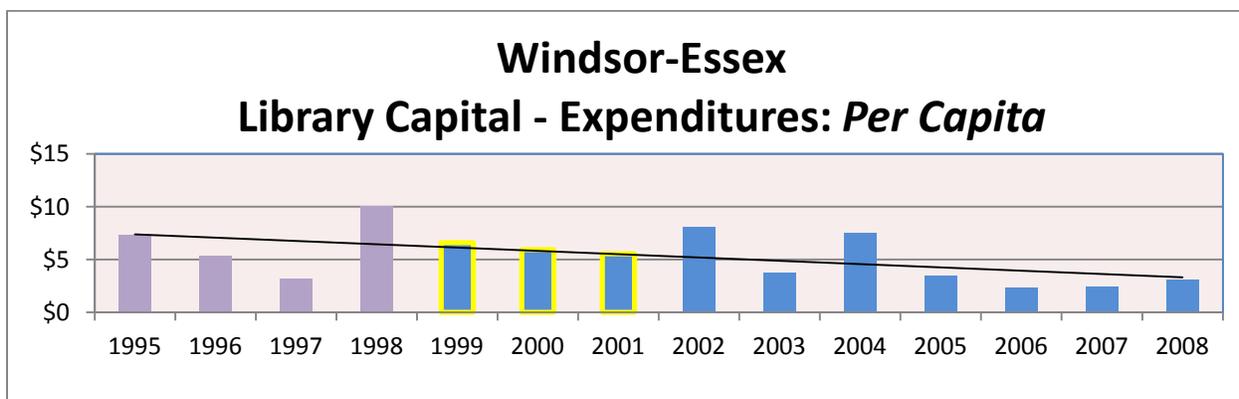
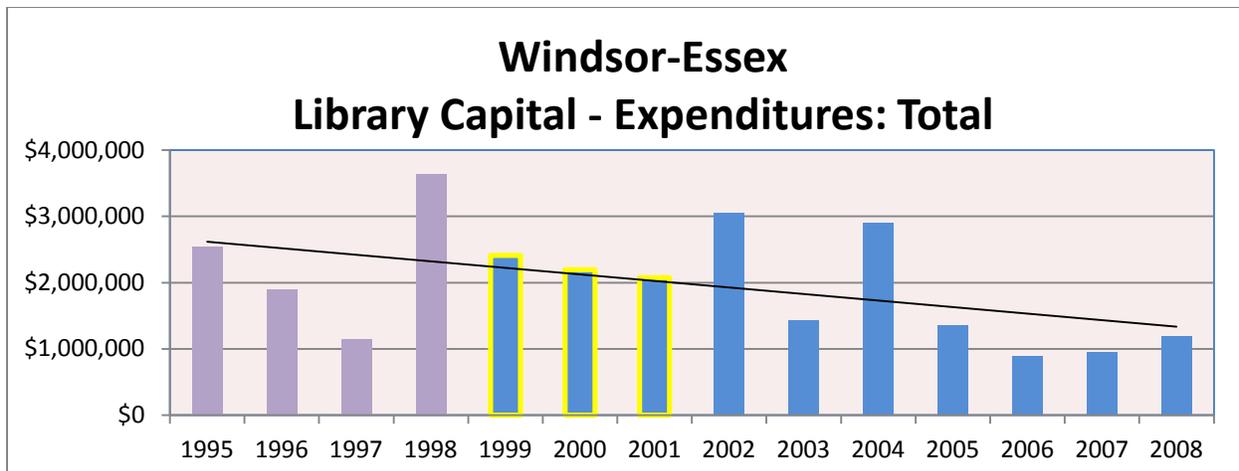


Year (Amalgamation Status)	General Government Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 65,358,974	\$ 189.20
1996 (Pre-Amalgamation)	\$ 71,460,579	\$ 204.15
1997 (Pre-Amalgamation)	\$ 64,831,262	\$ 182.46
1998 (Pre-Amalgamation)	\$ 71,593,447	\$ 198.55
1999 (Post-Amalgamation)	\$ 89,722,281	\$ 245.99
2000 (Post-Amalgamation)	\$ 95,651,176	\$ 259.00
2001 (Post-Amalgamation)	\$ 134,329,251	\$ 358.48
2002 (Post-Amalgamation)	\$ 48,699,457	\$ 128.70
2003 (Post-Amalgamation)	\$ 74,337,761	\$ 194.56
2004 (Post-Amalgamation)	\$ 115,540,501	\$ 299.52
2005 (Post-Amalgamation)	\$ 113,878,358	\$ 292.42
2006 (Post-Amalgamation)	\$ 119,168,938	\$ 303.14
2007 (Post-Amalgamation)	\$ 115,383,967	\$ 294.20
2008 (Post-Amalgamation)	\$ 122,926,268	\$ 314.17
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 68,311,066	\$ 193.59
Post-Amalgamation Period (1999-2008)	\$ 102,963,796	\$ 269.02
Percent Change between Pre- and Post-Amalgamation Periods	50.73%	38.96%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 106,567,569	\$ 287.82
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	56.00%	48.68%

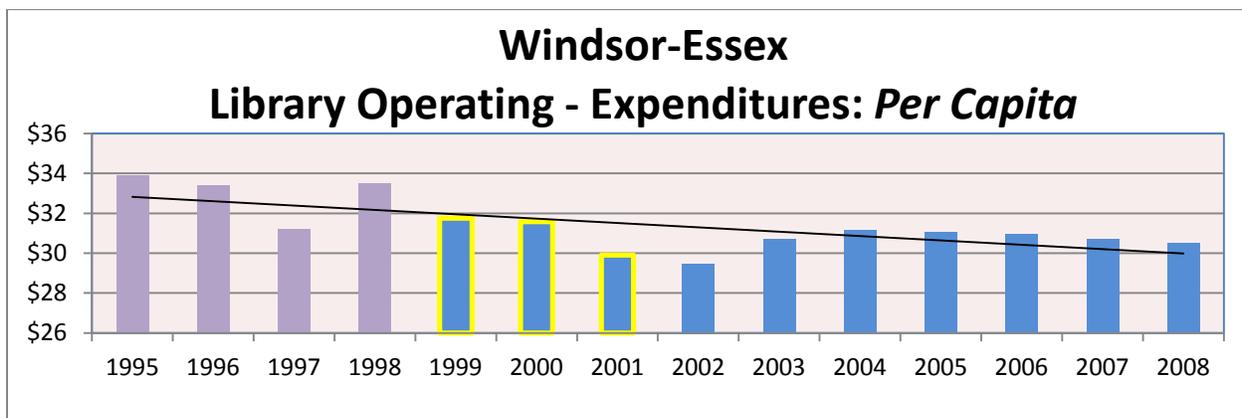
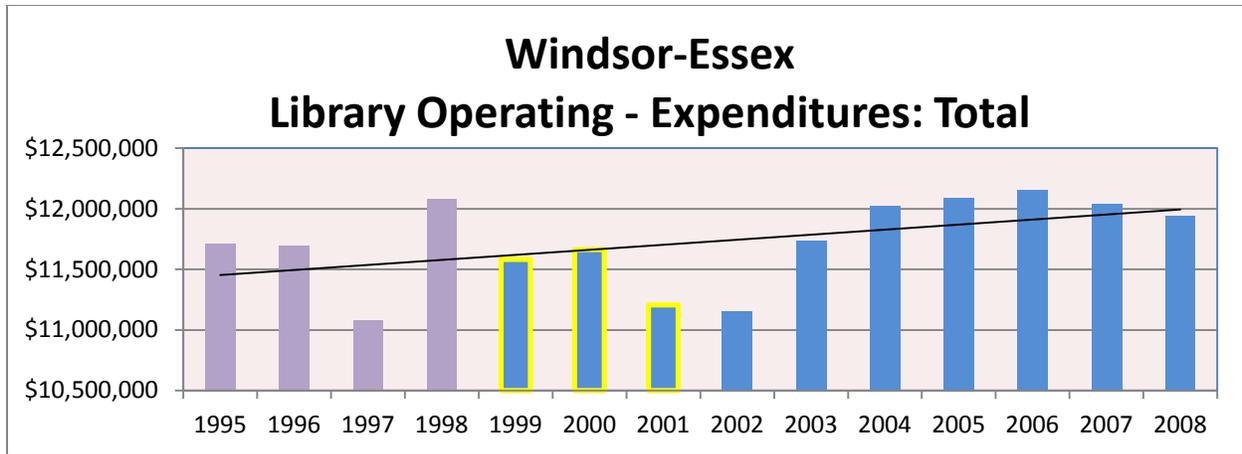
Library capital expenditures were lower following amalgamation. In the first three years post-amalgamation spending decreased an average of 3.21% (7.36% *per capita*) compared to average pre-amalgamation spending. Expenditures decreased over the entire post-amalgamation period falling by 19.83% (25.31% *per capita*) when compared to average pre-amalgamation spending.

Spending on library operating costs fell in the first three years following amalgamation by an average of 1.35% (5.81% *per capita*) compared to average pre-amalgamation spending. Over the full post-amalgamation period, spending was higher by an average of 1.01% however the *per capita* amount decreased by 6.73%.

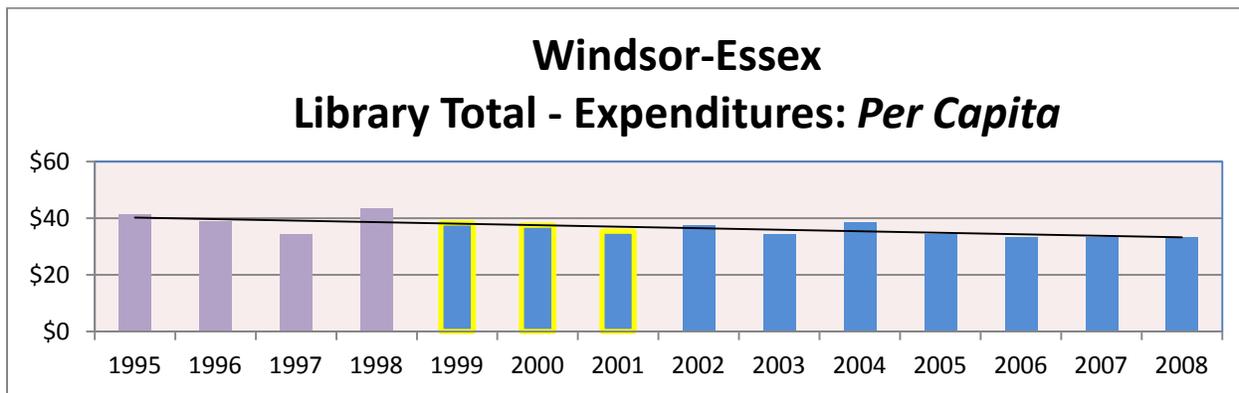
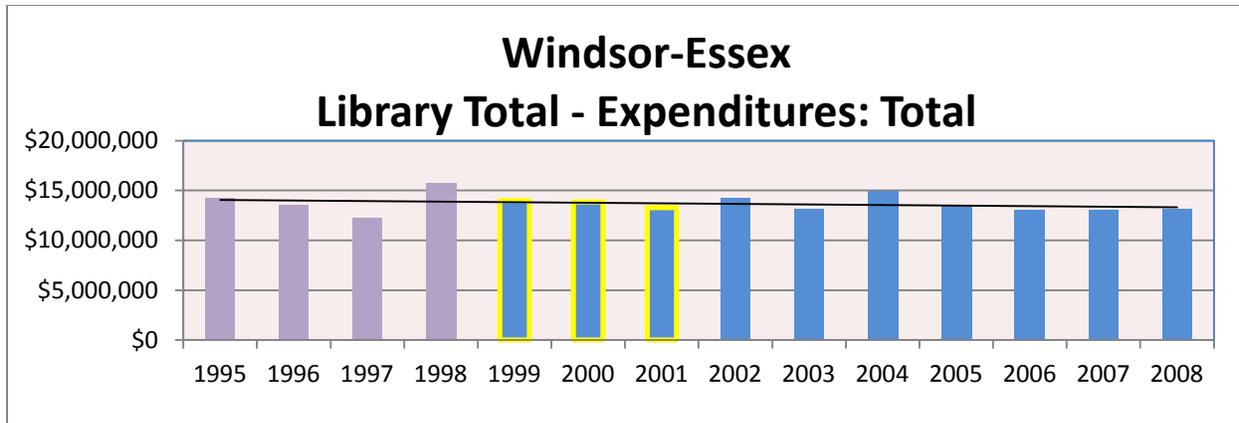
Total library expenditures were lower following amalgamation. In the first three years post-amalgamation spending was lower on average by 1.65% (6.06% *per capita*) compared to average pre-amalgamation spending. Over the full post-amalgamation period, spending was lower by 2.43% (9.79% *per capita*).



Year (Amalgamation Status)	Library Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$2,539,739	\$ 7.35
1996 (Pre-Amalgamation)	\$1,888,087	\$ 5.39
1997 (Pre-Amalgamation)	\$1,138,407	\$ 3.20
1998 (Pre-Amalgamation)	\$3,636,221	\$ 10.08
1999 (Post-Amalgamation)	\$2,410,504	\$ 6.61
2000 (Post-Amalgamation)	\$2,193,868	\$ 5.94
2001 (Post-Amalgamation)	\$2,075,678	\$ 5.54
2002 (Post-Amalgamation)	\$3,051,558	\$ 8.06
2003 (Post-Amalgamation)	\$1,422,607	\$ 3.72
2004 (Post-Amalgamation)	\$2,897,103	\$ 7.51
2005 (Post-Amalgamation)	\$1,355,843	\$ 3.48
2006 (Post-Amalgamation)	\$ 894,974	\$ 2.28
2007 (Post-Amalgamation)	\$ 955,370	\$ 2.44
2008 (Post-Amalgamation)	\$1,186,930	\$ 3.03
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$2,300,614	\$ 6.51
Post-Amalgamation Period (1999-2008)	\$1,844,444	\$ 4.86
Percent Change between Pre- and Post-Amalgamation Periods	-19.83%	-25.31%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$2,226,683	\$ 6.03
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-3.21%	-7.36%



Year (Amalgamation Status)	Library Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$11,708,736	\$ 33.89
1996 (Pre-Amalgamation)	\$11,693,172	\$ 33.40
1997 (Pre-Amalgamation)	\$11,077,849	\$ 31.18
1998 (Pre-Amalgamation)	\$12,080,099	\$ 33.50
1999 (Post-Amalgamation)	\$11,580,667	\$ 31.75
2000 (Post-Amalgamation)	\$11,662,366	\$ 31.58
2001 (Post-Amalgamation)	\$11,206,579	\$ 29.91
2002 (Post-Amalgamation)	\$11,152,707	\$ 29.47
2003 (Post-Amalgamation)	\$11,730,982	\$ 30.70
2004 (Post-Amalgamation)	\$12,021,773	\$ 31.16
2005 (Post-Amalgamation)	\$12,091,148	\$ 31.05
2006 (Post-Amalgamation)	\$12,155,785	\$ 30.92
2007 (Post-Amalgamation)	\$12,036,459	\$ 30.69
2008 (Post-Amalgamation)	\$11,935,268	\$ 30.50
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$11,639,964	\$ 32.99
Post-Amalgamation Period (1999-2008)	\$11,757,373	\$ 30.77
Percent Change between Pre- and Post-Amalgamation Periods	1.01%	-6.73%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$11,483,204	\$ 31.08
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-1.35%	-5.81%

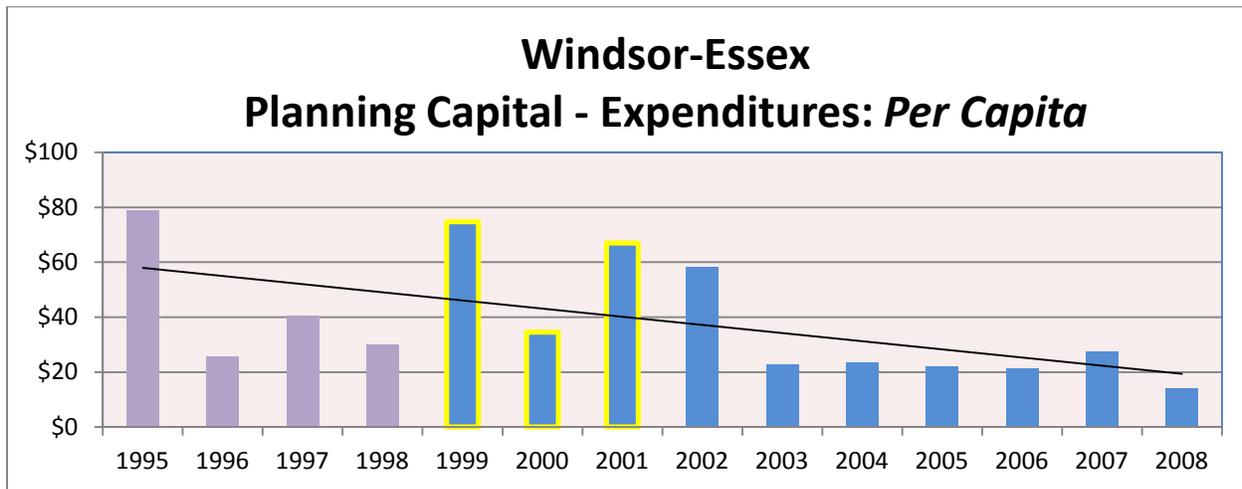
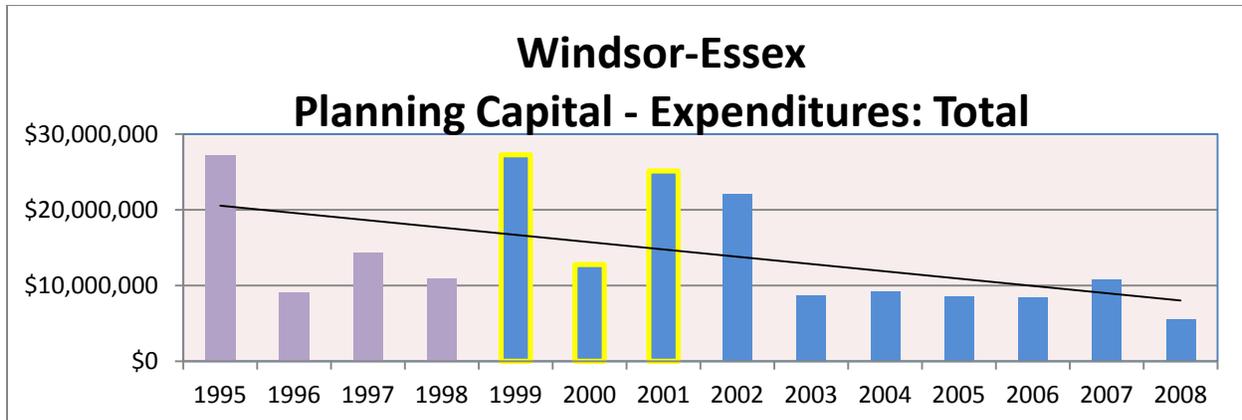


Year (Amalgamation Status)	Library Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 14,248,475	\$ 41.25
1996 (Pre-Amalgamation)	\$ 13,581,259	\$ 38.80
1997 (Pre-Amalgamation)	\$ 12,216,256	\$ 34.38
1998 (Pre-Amalgamation)	\$ 15,716,320	\$ 43.59
1999 (Post-Amalgamation)	\$ 13,991,171	\$ 38.36
2000 (Post-Amalgamation)	\$ 13,856,234	\$ 37.52
2001 (Post-Amalgamation)	\$ 13,282,257	\$ 35.45
2002 (Post-Amalgamation)	\$ 14,204,265	\$ 37.54
2003 (Post-Amalgamation)	\$ 13,153,589	\$ 34.43
2004 (Post-Amalgamation)	\$ 14,918,876	\$ 38.67
2005 (Post-Amalgamation)	\$ 13,446,991	\$ 34.53
2006 (Post-Amalgamation)	\$ 13,050,759	\$ 33.20
2007 (Post-Amalgamation)	\$ 12,991,829	\$ 33.13
2008 (Post-Amalgamation)	\$ 13,122,198	\$ 33.54
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 13,940,578	\$ 39.50
Post-Amalgamation Period (1999-2008)	\$ 13,601,817	\$ 35.64
Percent Change between Pre- and Post-Amalgamation Periods	-2.43%	-9.79%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 13,709,887	\$ 37.11
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-1.65%	-6.06%

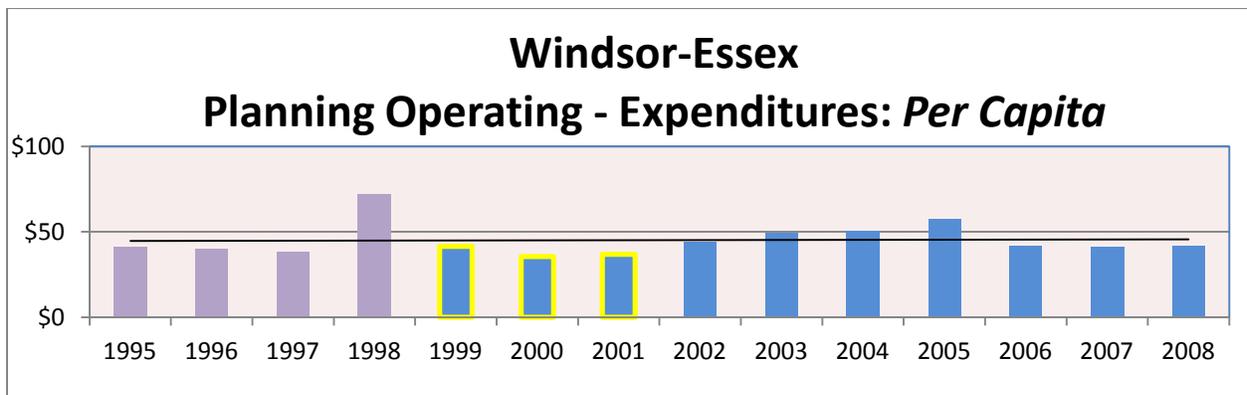
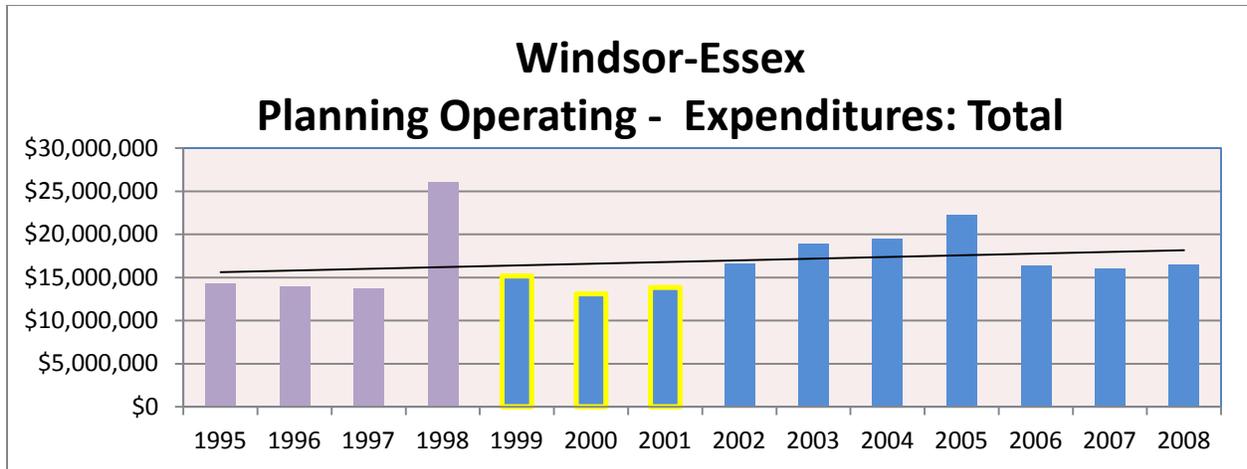
Planning capital expenditures were higher in the first three years following amalgamation by an average of 41.23% (34.19% *per capita*) compared to average pre-amalgamation spending. Expenditures decreased over the full post-amalgamation period by an average of 10.02% (16.41% *per capita*) compared to pre-amalgamation levels.

Spending on planning operating expenses was lower on average following amalgamation. In the three year period immediately following amalgamation, spending decreased by 17.58% (21.00% *per capita*) compared to average pre-amalgamation spending. Over the full post-amalgamation period, spending decreased by 1.17% (8.56% *per capita*) compared to average pre-amalgamation spending.

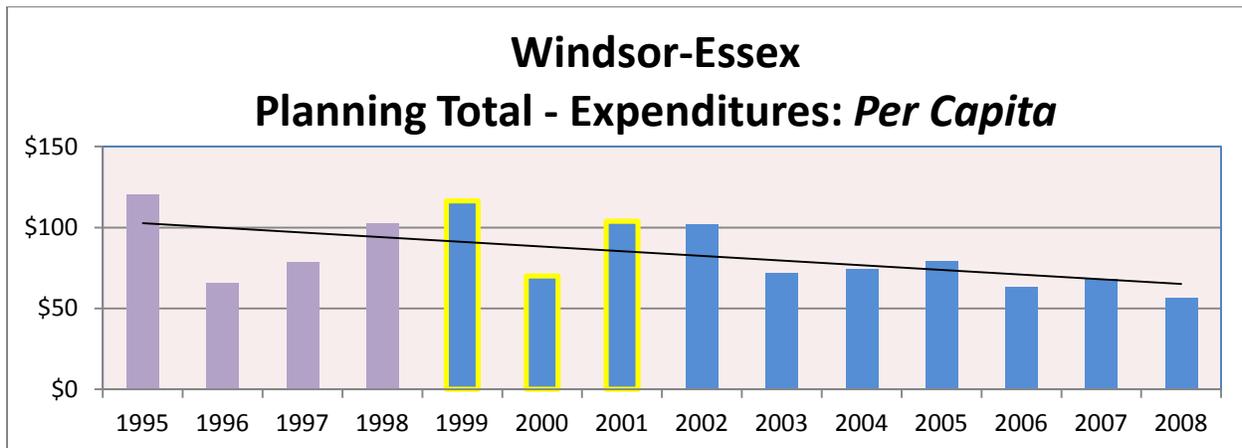
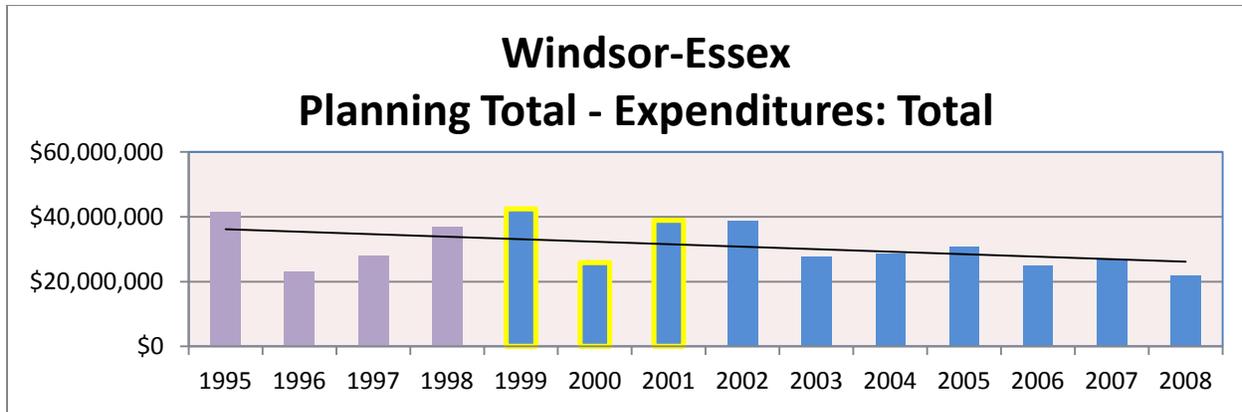
Total planning expenditures were higher immediately following amalgamation where average spending increased by 10.32% (5.31% *per capita*) compared to average pre-amalgamation spending. Over the full post-amalgamation period, average spending decreased by 5.37% (12.30% *per capita*) compared to average pre-amalgamation spending.



Year (Amalgamation Status)	Planning Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$27,241,127	\$ 78.86
1996 (Pre-Amalgamation)	\$ 9,009,706	\$ 25.74
1997 (Pre-Amalgamation)	\$14,373,929	\$ 40.45
1998 (Pre-Amalgamation)	\$10,888,316	\$ 30.20
1999 (Post-Amalgamation)	\$27,278,833	\$ 74.79
2000 (Post-Amalgamation)	\$12,769,333	\$ 34.58
2001 (Post-Amalgamation)	\$25,110,057	\$ 67.01
2002 (Post-Amalgamation)	\$22,041,088	\$ 58.25
2003 (Post-Amalgamation)	\$ 8,696,525	\$ 22.76
2004 (Post-Amalgamation)	\$ 9,144,434	\$ 23.71
2005 (Post-Amalgamation)	\$ 8,550,354	\$ 21.96
2006 (Post-Amalgamation)	\$ 8,463,397	\$ 21.53
2007 (Post-Amalgamation)	\$10,770,877	\$ 27.46
2008 (Post-Amalgamation)	\$ 5,550,504	\$ 14.19
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$15,378,270	\$ 43.81
Post-Amalgamation Period (1999-2008)	\$13,837,540	\$ 36.62
Percent Change between Pre- and Post-Amalgamation Periods	-10.02%	-16.41%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$21,719,408	\$ 58.79
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	41.23%	34.19%



Year (Amalgamation Status)	Planning Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 14,345,782	\$ 41.53
1996 (Pre-Amalgamation)	\$ 14,031,517	\$ 40.08
1997 (Pre-Amalgamation)	\$ 13,690,672	\$ 38.53
1998 (Pre-Amalgamation)	\$ 26,065,789	\$ 72.29
1999 (Post-Amalgamation)	\$ 15,172,086	\$ 41.60
2000 (Post-Amalgamation)	\$ 13,109,613	\$ 35.50
2001 (Post-Amalgamation)	\$ 13,834,278	\$ 36.92
2002 (Post-Amalgamation)	\$ 16,599,640	\$ 43.87
2003 (Post-Amalgamation)	\$ 18,914,856	\$ 49.51
2004 (Post-Amalgamation)	\$ 19,476,754	\$ 50.49
2005 (Post-Amalgamation)	\$ 22,301,774	\$ 57.27
2006 (Post-Amalgamation)	\$ 16,417,347	\$ 41.76
2007 (Post-Amalgamation)	\$ 16,070,745	\$ 40.98
2008 (Post-Amalgamation)	\$ 16,449,302	\$ 42.04
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 17,033,440	\$ 48.11
Post-Amalgamation Period (1999-2008)	\$ 16,834,640	\$ 43.99
Percent Change between Pre- and Post-Amalgamation Periods	-1.17%	-8.56%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 14,038,659	\$ 38.00
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-17.58%	-21.00%



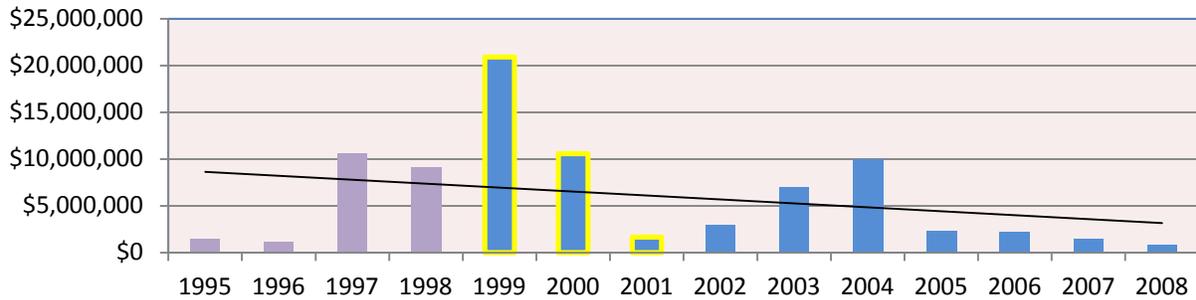
Year (Amalgamation Status)	Planning Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$41,586,909	\$ 120.38
1996 (Pre-Amalgamation)	\$23,041,223	\$ 65.82
1997 (Pre-Amalgamation)	\$28,064,601	\$ 78.99
1998 (Pre-Amalgamation)	\$36,954,105	\$ 102.49
1999 (Post-Amalgamation)	\$42,450,919	\$ 116.39
2000 (Post-Amalgamation)	\$25,878,946	\$ 70.07
2001 (Post-Amalgamation)	\$38,944,335	\$ 103.93
2002 (Post-Amalgamation)	\$38,640,728	\$ 102.12
2003 (Post-Amalgamation)	\$27,611,381	\$ 72.27
2004 (Post-Amalgamation)	\$28,621,188	\$ 74.20
2005 (Post-Amalgamation)	\$30,852,128	\$ 79.22
2006 (Post-Amalgamation)	\$24,880,744	\$ 63.29
2007 (Post-Amalgamation)	\$26,841,622	\$ 68.44
2008 (Post-Amalgamation)	\$21,999,806	\$ 56.23
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$32,411,710	\$ 91.92
Post-Amalgamation Period (1999-2008)	\$30,672,180	\$ 80.61
Percent Change between Pre- and Post-Amalgamation Periods	-5.37%	-12.30%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$35,758,067	\$ 96.80
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	10.32%	5.31%

Spending related to police capital expenses increased in the first three years following amalgamation by 96.76% (91.30% *per capita*) compared to average pre-amalgamation spending. Over the full post-amalgamation period, spending was higher by an average of 6.98% (1.75% *per capita*).

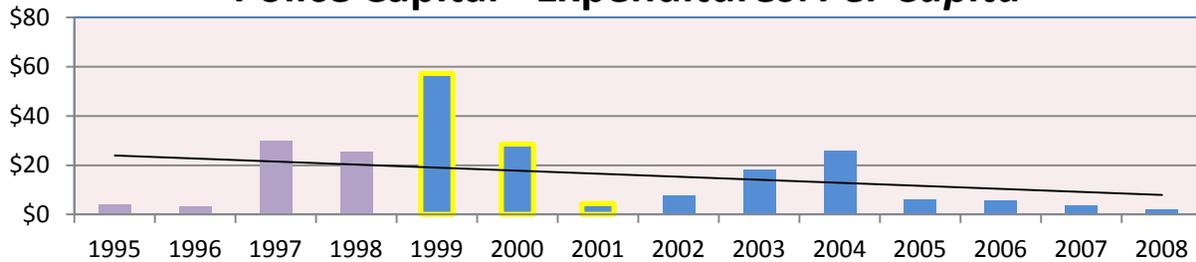
Police operating expenditures were higher in the region following amalgamation. In the first three years following amalgamation, spending rose by an average 16.80% (11.46% *per capita*) compared to average pre-amalgamation spending. Over the full post-amalgamation period, spending increased by 36.54% (25.81% *per capita*) compared to average pre-amalgamation spending levels.

Total police expenditures were higher following amalgamation. In the first three years after amalgamation, spending rose by 23.42% (18.01% *per capita*) compared to average pre-amalgamation spending. Over the full post-amalgamation period, spending was higher by an average of 34.09% (23.84% *per capita*) as compared to average pre-amalgamation spending levels.

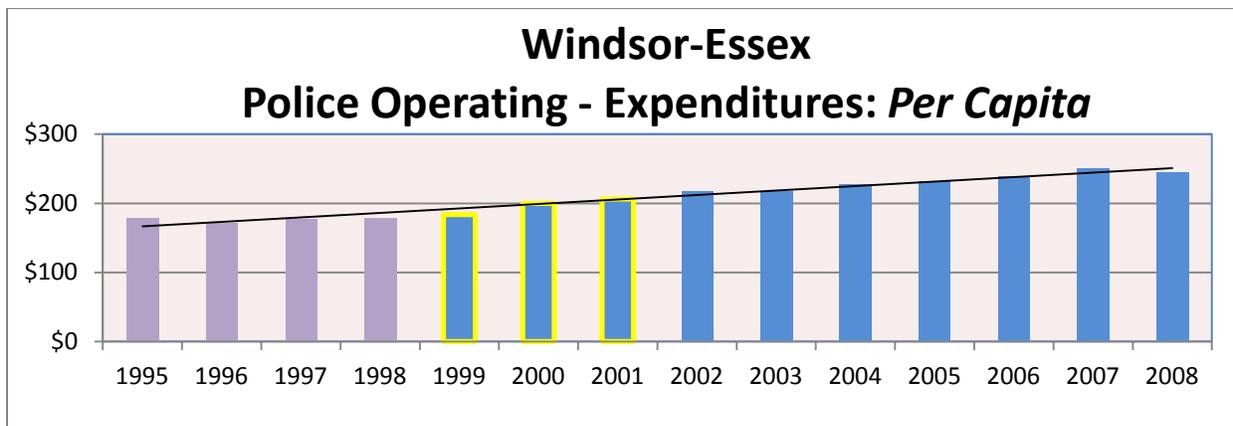
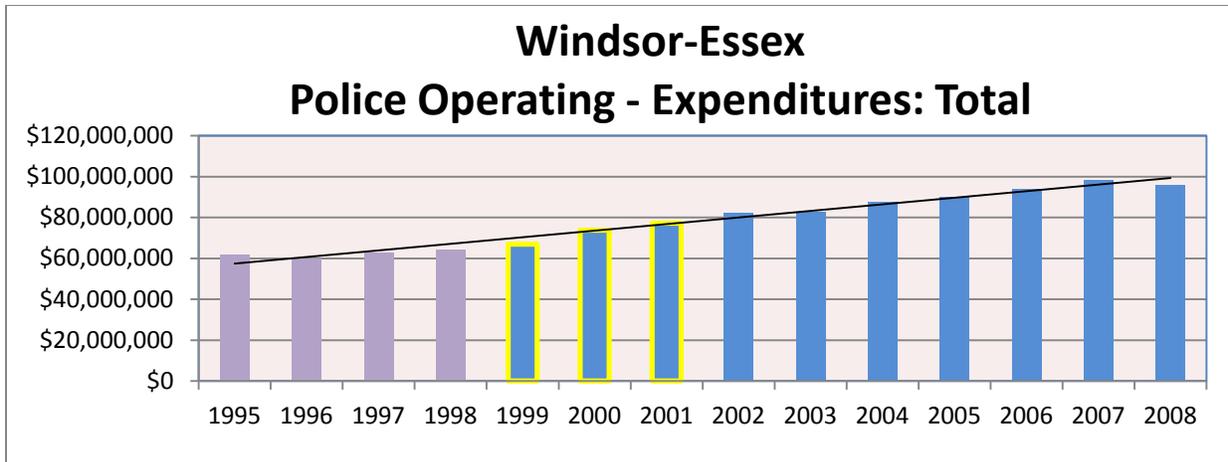
## Windsor-Essex Police Capital - Expenditures: Total



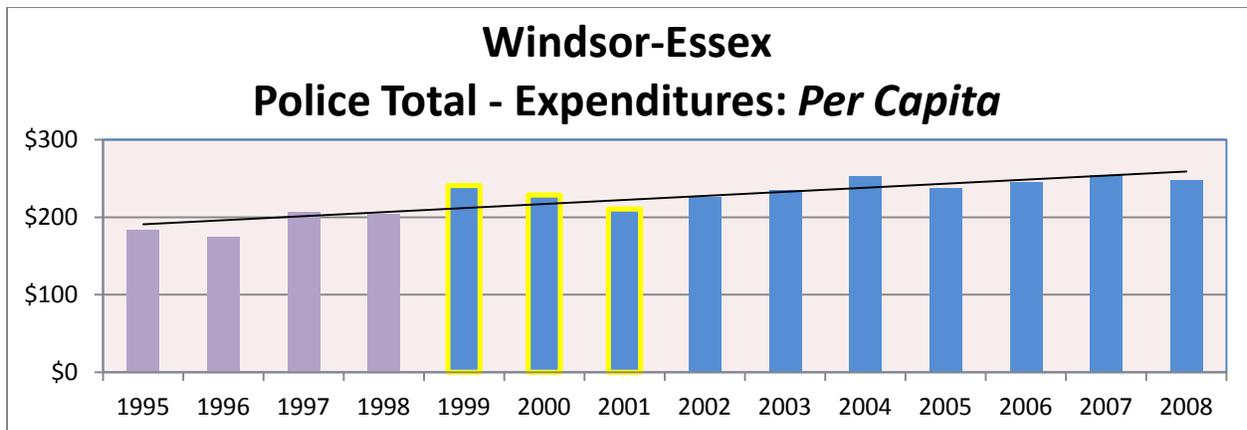
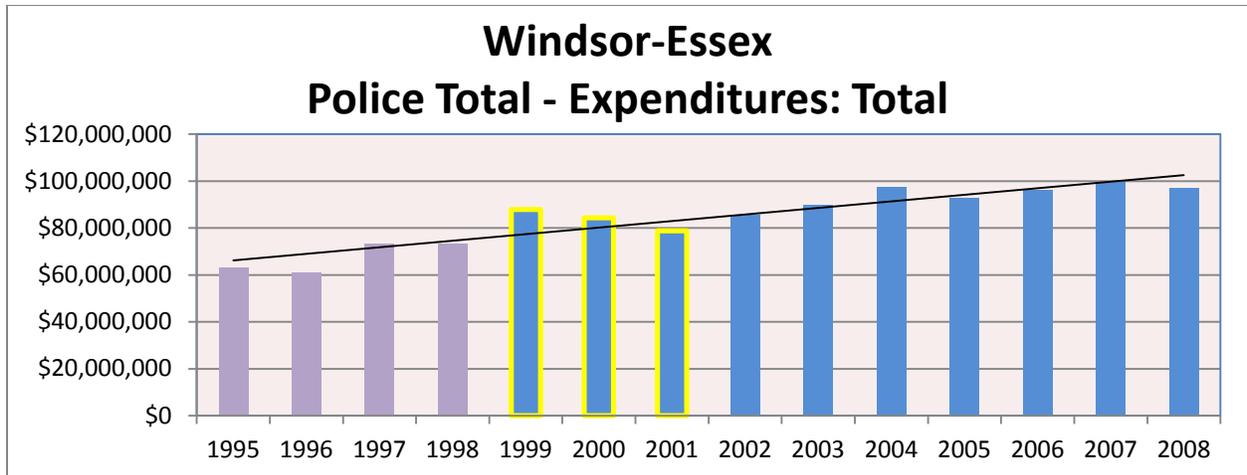
## Windsor-Essex Police Capital - Expenditures: *Per Capita*



Year (Amalgamation Status)	Police Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 1,464,307	\$ 4.24
1996 (Pre-Amalgamation)	\$ 1,165,291	\$ 3.33
1997 (Pre-Amalgamation)	\$10,648,960	\$ 29.97
1998 (Pre-Amalgamation)	\$ 9,179,510	\$ 25.46
1999 (Post-Amalgamation)	\$20,923,292	\$ 57.37
2000 (Post-Amalgamation)	\$10,563,244	\$ 28.60
2001 (Post-Amalgamation)	\$ 1,655,153	\$ 4.42
2002 (Post-Amalgamation)	\$ 2,958,592	\$ 7.82
2003 (Post-Amalgamation)	\$ 6,987,640	\$ 18.29
2004 (Post-Amalgamation)	\$10,038,511	\$ 26.02
2005 (Post-Amalgamation)	\$ 2,346,309	\$ 6.02
2006 (Post-Amalgamation)	\$ 2,280,807	\$ 5.80
2007 (Post-Amalgamation)	\$ 1,447,783	\$ 3.69
2008 (Post-Amalgamation)	\$ 864,791	\$ 2.21
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 5,614,517	\$ 15.75
Post-Amalgamation Period (1999-2008)	\$ 6,006,612	\$ 16.02
Percent Change between Pre- and Post-Amalgamation Periods	6.98%	1.75%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$11,047,230	\$ 30.13
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	96.76%	91.30%



Year (Amalgamation Status)	Police Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$61,815,805	\$ 178.94
1996 (Pre-Amalgamation)	\$59,940,467	\$ 171.24
1997 (Pre-Amalgamation)	\$62,796,941	\$ 176.74
1998 (Pre-Amalgamation)	\$64,312,863	\$ 178.36
1999 (Post-Amalgamation)	\$66,951,534	\$ 183.56
2000 (Post-Amalgamation)	\$73,844,138	\$ 199.95
2001 (Post-Amalgamation)	\$77,219,581	\$ 206.07
2002 (Post-Amalgamation)	\$82,569,401	\$ 218.21
2003 (Post-Amalgamation)	\$82,795,973	\$ 216.70
2004 (Post-Amalgamation)	\$87,570,030	\$ 227.01
2005 (Post-Amalgamation)	\$90,366,176	\$ 232.04
2006 (Post-Amalgamation)	\$93,897,341	\$ 238.85
2007 (Post-Amalgamation)	\$98,184,450	\$ 250.34
2008 (Post-Amalgamation)	\$96,076,708	\$ 245.55
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$62,216,519	\$ 176.32
Post-Amalgamation Period (1999-2008)	\$84,947,533	\$ 221.83
Percent Change between Pre- and Post-Amalgamation Periods	36.54%	25.81%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$72,671,751	\$ 196.53
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	16.80%	11.46%

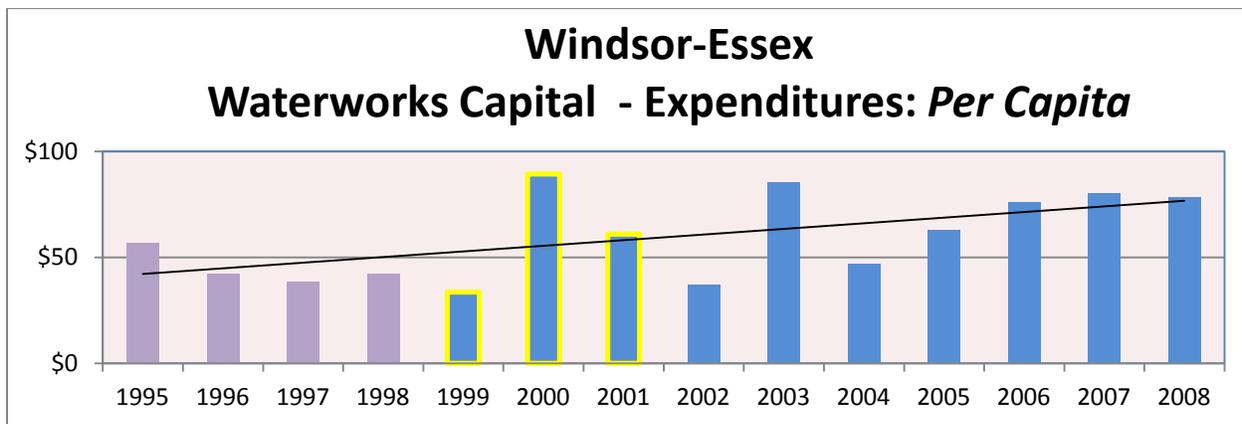
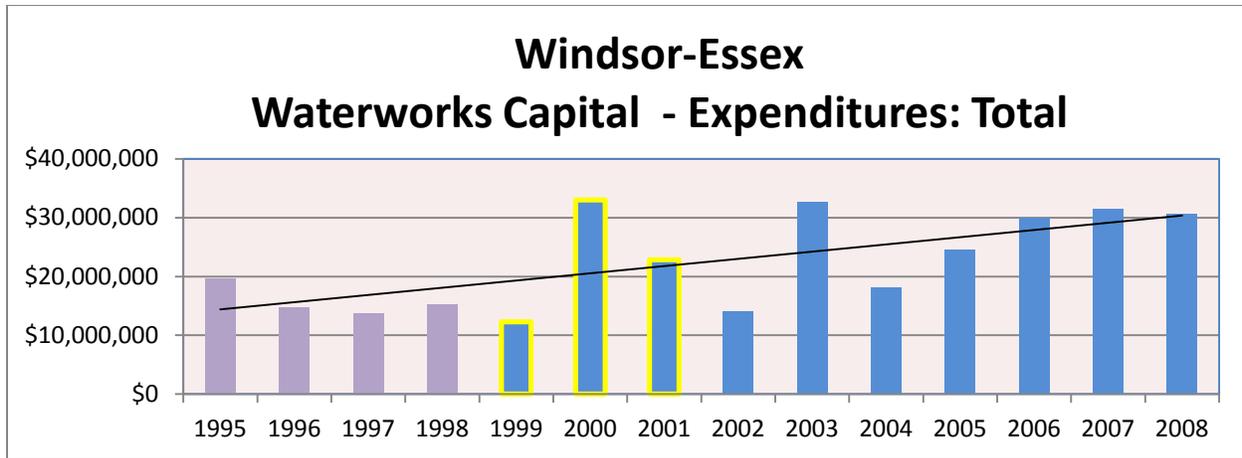


Year (Amalgamation Status)	Police Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$63,280,112	\$ 183.18
1996 (Pre-Amalgamation)	\$61,105,758	\$ 174.56
1997 (Pre-Amalgamation)	\$73,445,901	\$ 206.71
1998 (Pre-Amalgamation)	\$73,492,373	\$ 203.82
1999 (Post-Amalgamation)	\$87,874,826	\$ 240.93
2000 (Post-Amalgamation)	\$84,407,382	\$ 228.55
2001 (Post-Amalgamation)	\$78,874,734	\$ 210.49
2002 (Post-Amalgamation)	\$85,527,993	\$ 226.03
2003 (Post-Amalgamation)	\$89,783,613	\$ 234.99
2004 (Post-Amalgamation)	\$97,608,541	\$ 253.03
2005 (Post-Amalgamation)	\$92,712,485	\$ 238.07
2006 (Post-Amalgamation)	\$96,178,148	\$ 244.66
2007 (Post-Amalgamation)	\$99,632,233	\$ 254.04
2008 (Post-Amalgamation)	\$96,941,499	\$ 247.76
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$67,831,036	\$ 192.07
Post-Amalgamation Period (1999-2008)	\$90,954,145	\$ 237.85
Percent Change between Pre- and Post-Amalgamation Periods	34.09%	23.84%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$83,718,981	\$ 226.66
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	23.42%	18.01%

Expenditures allocated to waterworks capital costs increased following amalgamation. In the first three years after amalgamation spending was up by 43.01% (36.03% *per capita*) compared to average pre-amalgamation spending levels. Over the full post-amalgamation period, spending increased by an average of 57.28% (44.58% *per capita*) compared to pre-amalgamation spending.

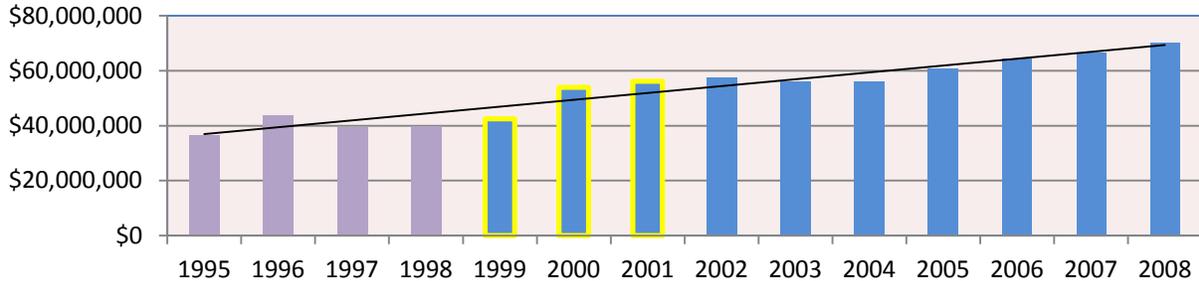
Waterworks operating expenditures were higher following amalgamation. In the first three years after amalgamation spending rose by an average of 27.43% (21.53% *per capita*) compared to average pre-amalgamation spending levels. Over the full post-amalgamation time frame, expenditures were up by an average of 46.36% (34.86% *per capita*).

Total expenditures directed to waterworks rose following amalgamation. In the three year period following amalgamation, spending rose by an average of 31.86% (25.66% *per capita*). Over the full post-amalgamation period, spending was higher on average by 49.47% (37.63% *per capita*) compared to average pre-amalgamation spending levels.

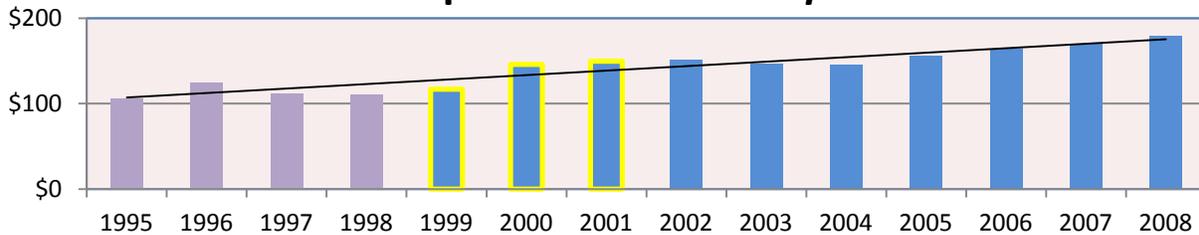


Year (Amalgamation Status)	Waterworks Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 19,659,961	\$ 56.91
1996 (Pre-Amalgamation)	\$ 14,837,152	\$ 42.39
1997 (Pre-Amalgamation)	\$ 13,685,364	\$ 38.52
1998 (Pre-Amalgamation)	\$ 15,337,316	\$ 42.54
1999 (Post-Amalgamation)	\$ 12,292,289	\$ 33.70
2000 (Post-Amalgamation)	\$ 32,996,399	\$ 89.34
2001 (Post-Amalgamation)	\$ 22,840,037	\$ 60.95
2002 (Post-Amalgamation)	\$ 14,127,047	\$ 37.33
2003 (Post-Amalgamation)	\$ 32,637,377	\$ 85.42
2004 (Post-Amalgamation)	\$ 18,123,000	\$ 46.98
2005 (Post-Amalgamation)	\$ 24,593,563	\$ 63.15
2006 (Post-Amalgamation)	\$ 30,014,471	\$ 76.35
2007 (Post-Amalgamation)	\$ 31,511,877	\$ 80.35
2008 (Post-Amalgamation)	\$ 30,625,673	\$ 78.27
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 15,879,948	\$ 45.09
Post-Amalgamation Period (1999-2008)	\$ 24,976,173	\$ 65.19
Percent Change between Pre- and Post-Amalgamation Periods	57.28%	44.58%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 22,709,575	\$ 61.33
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	43.01%	36.03%

### Windsor-Essex Waterworks Operating Expenditures: Total

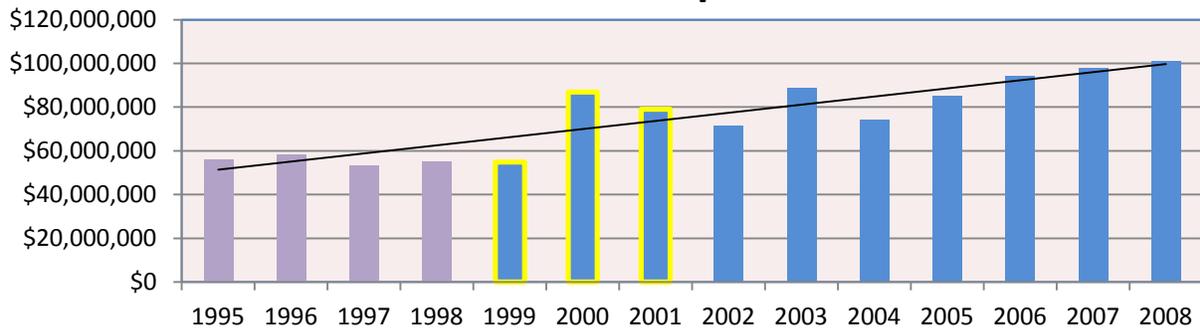


### Windsor-Essex Waterworks Operating Expenditures: Per Capita

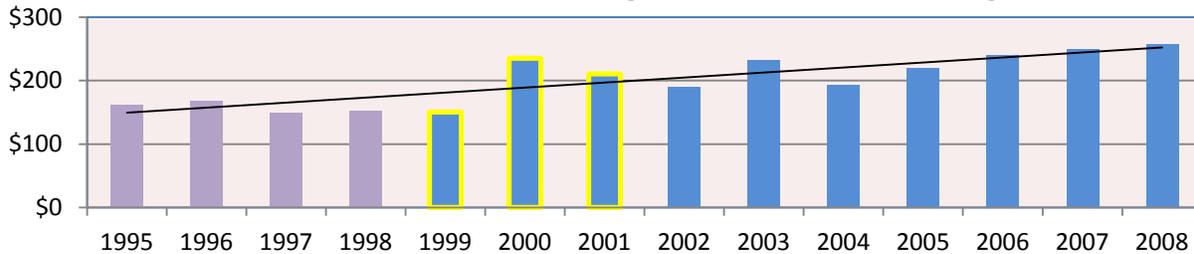


Year (Amalgamation Status)	Waterworks Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$36,460,483	\$ 105.54
1996 (Pre-Amalgamation)	\$43,730,554	\$ 124.93
1997 (Pre-Amalgamation)	\$39,655,632	\$ 111.61
1998 (Pre-Amalgamation)	\$39,886,181	\$ 110.62
1999 (Post-Amalgamation)	\$42,568,268	\$ 116.71
2000 (Post-Amalgamation)	\$53,939,813	\$ 146.05
2001 (Post-Amalgamation)	\$56,151,717	\$ 149.85
2002 (Post-Amalgamation)	\$57,521,306	\$ 152.01
2003 (Post-Amalgamation)	\$56,062,375	\$ 146.73
2004 (Post-Amalgamation)	\$56,194,451	\$ 145.67
2005 (Post-Amalgamation)	\$60,675,807	\$ 155.80
2006 (Post-Amalgamation)	\$64,502,274	\$ 164.08
2007 (Post-Amalgamation)	\$66,624,217	\$ 169.87
2008 (Post-Amalgamation)	\$70,241,765	\$ 179.52
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$39,933,213	\$ 113.17
Post-Amalgamation Period (1999-2008)	\$58,448,199	\$ 152.63
Percent Change between Pre- and Post-Amalgamation Periods	46.36%	34.86%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$50,886,599	\$ 137.54
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	27.43%	21.53%

## Windsor-Essex Waterworks Total - Expenditures: Total



## Windsor-Essex Waterworks Total - Expenditures: Per Capita

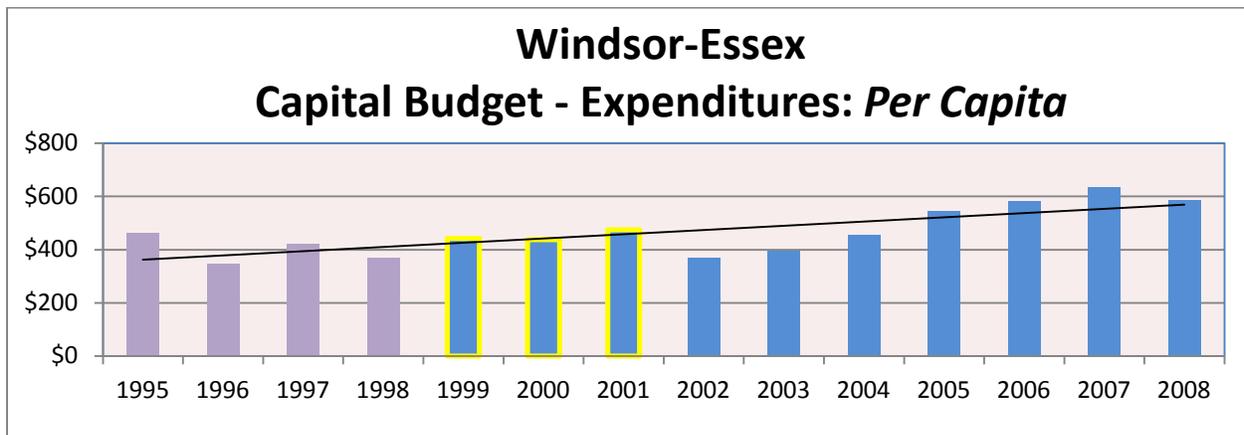
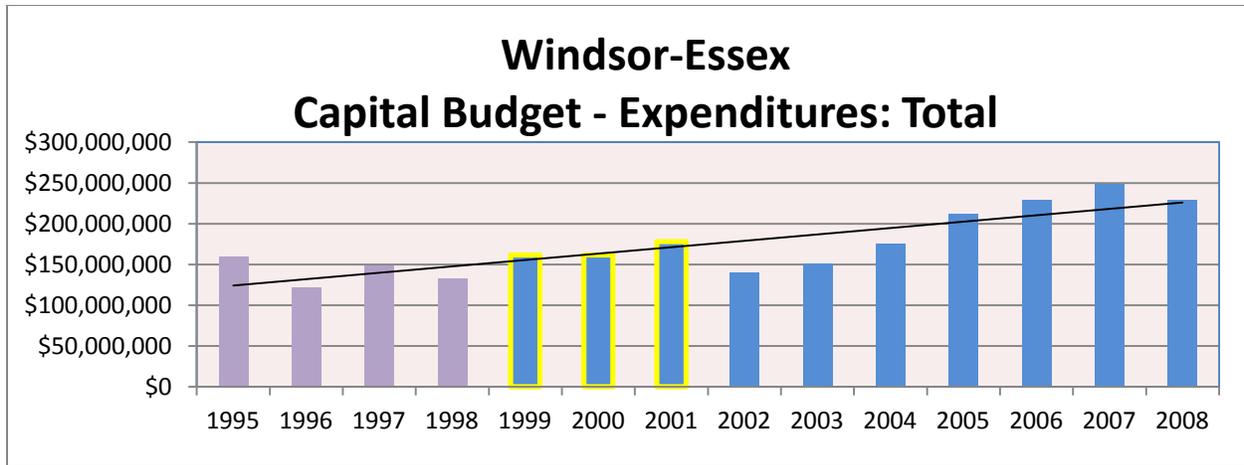


Year (Amalgamation Status)	Waterworks Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 56,120,444	\$ 162.46
1996 (Pre-Amalgamation)	\$ 58,567,706	\$ 167.31
1997 (Pre-Amalgamation)	\$ 53,340,996	\$ 150.12
1998 (Pre-Amalgamation)	\$ 55,223,497	\$ 153.15
1999 (Post-Amalgamation)	\$ 54,860,557	\$ 150.41
2000 (Post-Amalgamation)	\$ 86,936,212	\$ 235.40
2001 (Post-Amalgamation)	\$ 78,991,754	\$ 210.80
2002 (Post-Amalgamation)	\$ 71,648,353	\$ 189.35
2003 (Post-Amalgamation)	\$ 88,699,752	\$ 232.15
2004 (Post-Amalgamation)	\$ 74,317,451	\$ 192.65
2005 (Post-Amalgamation)	\$ 85,269,370	\$ 218.96
2006 (Post-Amalgamation)	\$ 94,516,745	\$ 240.43
2007 (Post-Amalgamation)	\$ 98,136,094	\$ 250.22
2008 (Post-Amalgamation)	\$ 100,867,438	\$ 257.79
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 55,813,161	\$ 158.26
Post-Amalgamation Period (1999-2008)	\$ 83,424,373	\$ 217.82
Percent Change between Pre- and Post-Amalgamation Periods	49.47%	37.63%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 73,596,174	\$ 198.87
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	31.86%	25.66%

Total capital budget expenditures increased following amalgamation. In the three year period immediately following amalgamation, spending increased by 18.46% (12.95% *per capita*). Over the full post-amalgamation period, spending increased on average by 33.79% (23.06% *per capita*) compared to average pre-amalgamation spending levels.

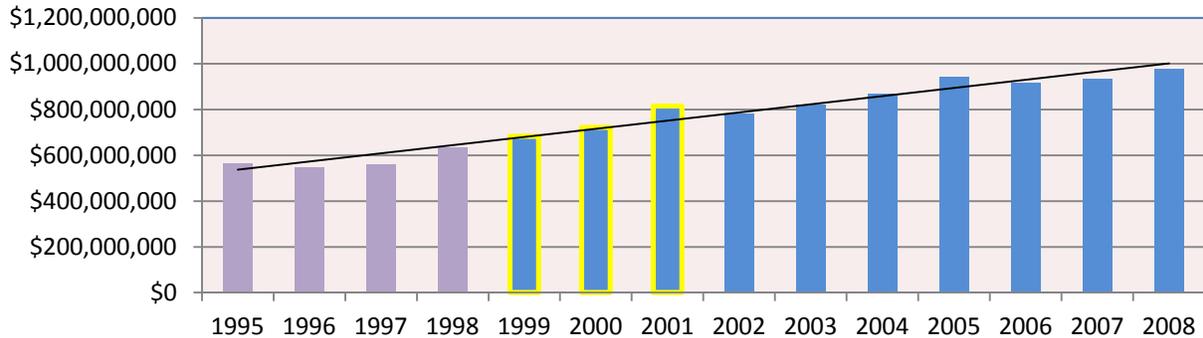
Total operating budget expenditures were higher following amalgamation. In the first three years following amalgamation, spending increased by 28.41% (22.57% *per capita*). Over the full post-amalgamation period spending was higher by 46.92% (35.45% *per capita*) compared to average pre-amalgamation spending levels.

Total budget expenditures in the region were higher on average by 26.45% (20.67% *per capita*) in the first three years following amalgamation compared to average pre-amalgamation spending. Over the full post-amalgamation period spending increased by 44.34% (33.01% *per capita*) compared to average pre-amalgamation spending levels.

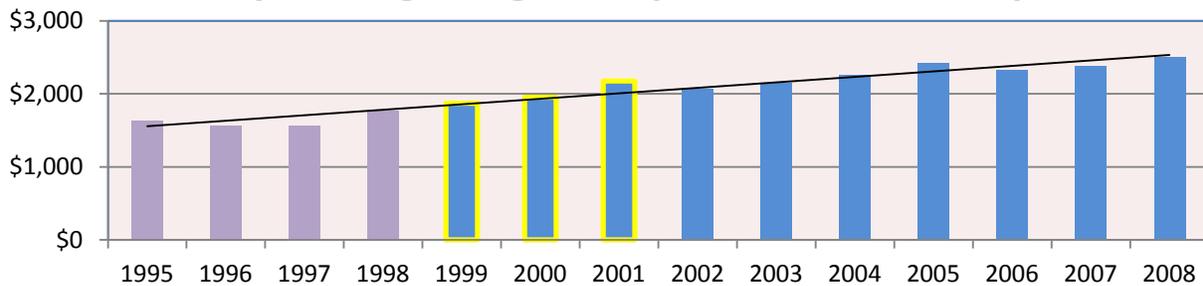


Year (Amalgamation Status)	Capital Budget Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 160,218,711	\$ 463.79
1996 (Pre-Amalgamation)	\$ 121,967,621	\$ 348.43
1997 (Pre-Amalgamation)	\$ 149,141,141	\$ 419.75
1998 (Pre-Amalgamation)	\$ 132,905,385	\$ 368.59
1999 (Post-Amalgamation)	\$ 161,550,914	\$ 442.92
2000 (Post-Amalgamation)	\$ 161,740,012	\$ 437.94
2001 (Post-Amalgamation)	\$ 177,986,480	\$ 474.99
2002 (Post-Amalgamation)	\$ 139,734,479	\$ 369.28
2003 (Post-Amalgamation)	\$ 151,554,045	\$ 396.66
2004 (Post-Amalgamation)	\$ 175,311,834	\$ 454.46
2005 (Post-Amalgamation)	\$ 211,718,480	\$ 543.65
2006 (Post-Amalgamation)	\$ 229,404,415	\$ 583.56
2007 (Post-Amalgamation)	\$ 249,015,370	\$ 634.92
2008 (Post-Amalgamation)	\$ 229,209,296	\$ 585.80
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 141,058,215	\$ 400.14
Post-Amalgamation Period (1999-2008)	\$ 188,722,533	\$ 492.42
Percent Change between Pre- and Post-Amalgamation Periods	33.79%	23.06%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 167,092,469	\$ 451.95
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	18.46%	12.95%

## Windsor-Essex Operating Budget - Expenditures: Total

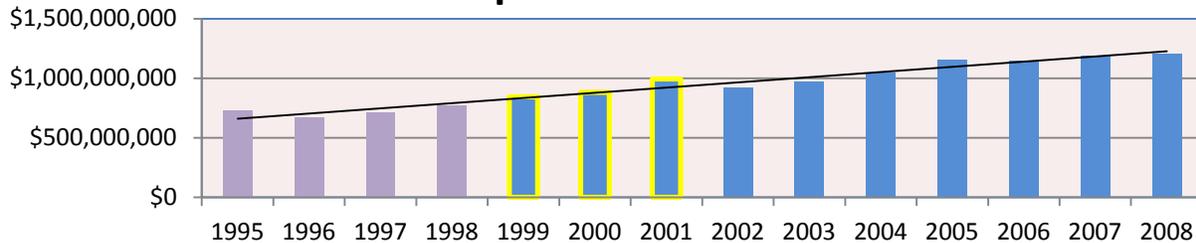


## Windsor-Essex Operating Budget - Expenditures: *Per Capita*

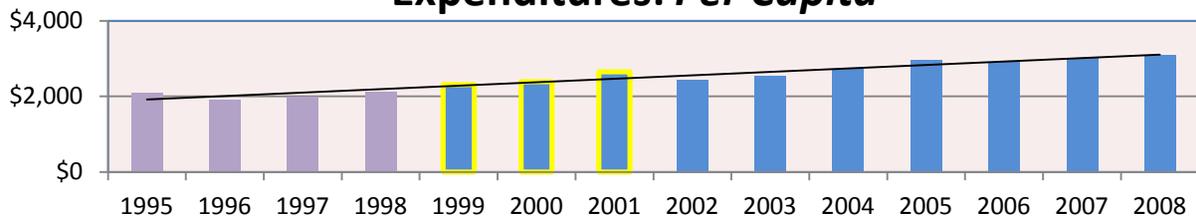


Year (Amalgamation Status)	Operating Budget	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 563,574,898	\$ 1,631.41
1996 (Pre-Amalgamation)	\$ 547,294,713	\$ 1,563.49
1997 (Pre-Amalgamation)	\$ 558,681,105	\$ 1,572.36
1998 (Pre-Amalgamation)	\$ 634,600,038	\$ 1,759.95
1999 (Post-Amalgamation)	\$ 682,707,366	\$ 1,871.77
2000 (Post-Amalgamation)	\$ 721,179,590	\$ 1,952.74
2001 (Post-Amalgamation)	\$ 815,230,709	\$ 2,175.58
2002 (Post-Amalgamation)	\$ 780,301,487	\$ 2,062.12
2003 (Post-Amalgamation)	\$ 822,062,045	\$ 2,151.55
2004 (Post-Amalgamation)	\$ 870,247,082	\$ 2,255.96
2005 (Post-Amalgamation)	\$ 943,000,934	\$ 2,421.45
2006 (Post-Amalgamation)	\$ 915,658,094	\$ 2,329.24
2007 (Post-Amalgamation)	\$ 935,099,474	\$ 2,384.26
2008 (Post-Amalgamation)	\$ 977,718,725	\$ 2,498.80
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 576,037,689	\$ 1,631.80
Post-Amalgamation Period (1999-2008)	\$ 846,320,551	\$ 2,210.35
Percent Change between Pre- and Post-Amalgamation Periods	46.92%	35.45%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 739,705,888	\$ 2,000.03
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	28.41%	22.57%

## Windsor-Essex Operating & Capital Budget Expenditures: Total



## Windsor-Essex Operating and Capital Budget Expenditures: *Per Capita*



Year (Amalgamation Status)	Operating and Capital Budget - Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 723,793,609	\$ 2,095.21
1996 (Pre-Amalgamation)	\$ 669,262,334	\$ 1,911.93
1997 (Pre-Amalgamation)	\$ 707,822,246	\$ 1,992.11
1998 (Pre-Amalgamation)	\$ 767,505,423	\$ 2,128.54
1999 (Post-Amalgamation)	\$ 844,258,280	\$ 2,314.70
2000 (Post-Amalgamation)	\$ 882,919,602	\$ 2,390.69
2001 (Post-Amalgamation)	\$ 993,217,189	\$ 2,650.57
2002 (Post-Amalgamation)	\$ 920,035,966	\$ 2,431.40
2003 (Post-Amalgamation)	\$ 973,616,090	\$ 2,548.21
2004 (Post-Amalgamation)	\$ 1,045,558,916	\$ 2,710.42
2005 (Post-Amalgamation)	\$ 1,154,719,414	\$ 2,965.11
2006 (Post-Amalgamation)	\$ 1,145,062,509	\$ 2,912.79
2007 (Post-Amalgamation)	\$ 1,184,114,844	\$ 3,019.18
2008 (Post-Amalgamation)	\$ 1,206,928,021	\$ 3,084.60
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-1998)	\$ 717,095,903	\$ 2,031.94
Post-Amalgamation Period (1999-2008)	\$ 1,035,043,083	\$ 2,702.77
Percent Change between Pre- and Post-Amalgamation Periods	44.34%	33.01%
Three-Year Period Immediately Following Amalgamation (1999-2001)	\$ 906,798,357	\$ 2,451.98
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	26.45%	20.67%

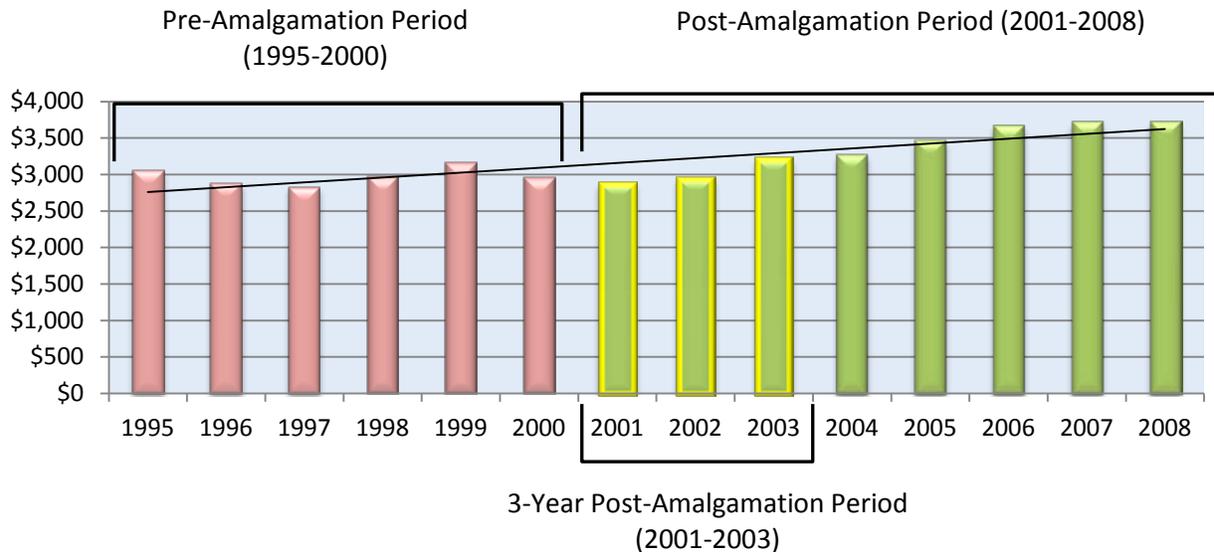
## Results – City of Ottawa

The quantitative analysis undertaken with respect to data from the City of Ottawa is reported below. Each service considered is separated into operating, capital, and total expenditures (operating and capital expenditures combined). Operating, capital, and total expenditures are further analyzed as total dollar expenditures and per capita expenditures, the results of which are reported in two charts and a table. The charts and table have been colour coded so that corresponding data sets from the table can be matched to each chart. Data related to the three-year post-amalgamation period is located immediately adjacent to the pre-amalgamation data and is the same colour as the remaining post-amalgamation data, however, each year has been outlined in a separate colour to make it immediately recognizable to the reader. In addition, the averages of data over time has been analyzed and included in each corresponding table. With respect to the data related to the City of Ottawa, the following definitions apply:

- (1) Amalgamation occurred in 2001;
- (2) The pre-amalgamation period is the time period from 1995-2000. This data is reflected in the corresponding charts and table in red;
- (3) The post-amalgamation period is the time period from 2001-2008. This data is reflected in the corresponding charts and table in blue;
- (4) The 3-year post-amalgamation period is the time period from 2001-2003. This data is reflected in the corresponding charts and table in blue with a solid blue border;
- (5) The 'Percent Change between the Pre- and Post-Amalgamation Periods' is the average change between the entire pre-amalgamation period and the entire post-amalgamation period; and,

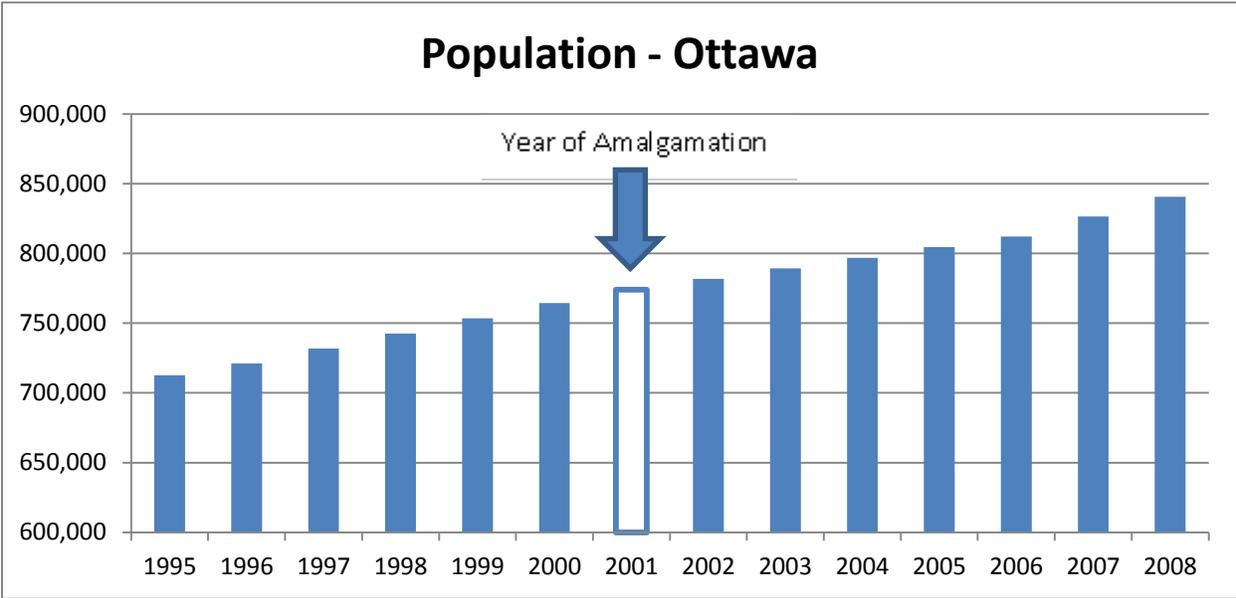
(6) The 'Percent Change between Pre- and Three-Year Post-Amalgamation Periods' is the average change between the entire pre-amalgamation period and the three-year period immediately following amalgamation (2001-2003).

**Sample Chart – City of Ottawa**



**Sample Table - City of Ottawa**

Year (Amalgamation Status)	Fire Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 3,395,031	\$ 4.76
1996 (Pre-Amalgamation)	\$ 5,160,483	\$ 7.16
1997 (Pre-Amalgamation)	\$ 4,208,030	\$ 5.75
1998 (Pre-Amalgamation)	\$ 3,072,424	\$ 4.14
1999 (Pre-Amalgamation)	\$ 5,196,507	\$ 6.90
2000 (Pre-Amalgamation)	\$ 4,628,465	\$ 6.05
2001 (Post-Amalgamation)	\$ 4,537,597	\$ 5.86
2002 (Post-Amalgamation)	\$ 11,667,038	\$ 14.93
2003 (Post-Amalgamation)	\$ 11,516,962	\$ 14.59
2004 (Post-Amalgamation)	\$ 4,407,064	\$ 5.53
2005 (Post-Amalgamation)	\$ 6,538,010	\$ 8.13
2006 (Post-Amalgamation)	\$ 6,102,937	\$ 7.51
2007 (Post-Amalgamation)	\$ 6,058,633	\$ 7.33
2008 (Post-Amalgamation)	\$ 8,450,858	\$ 10.05
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-2000)	\$ 4,276,823	\$ 5.79
Post-Amalgamation Period (2001-2008)	\$ 7,409,887	\$ 9.24
Percent Change between Pre- and Post-Amalgamation Periods	73.26%	59.52%
Three-Year Period Immediately Following Amalgamation (2001-2003)	\$ 9,240,532	\$ 12
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	116.06%	103.55%

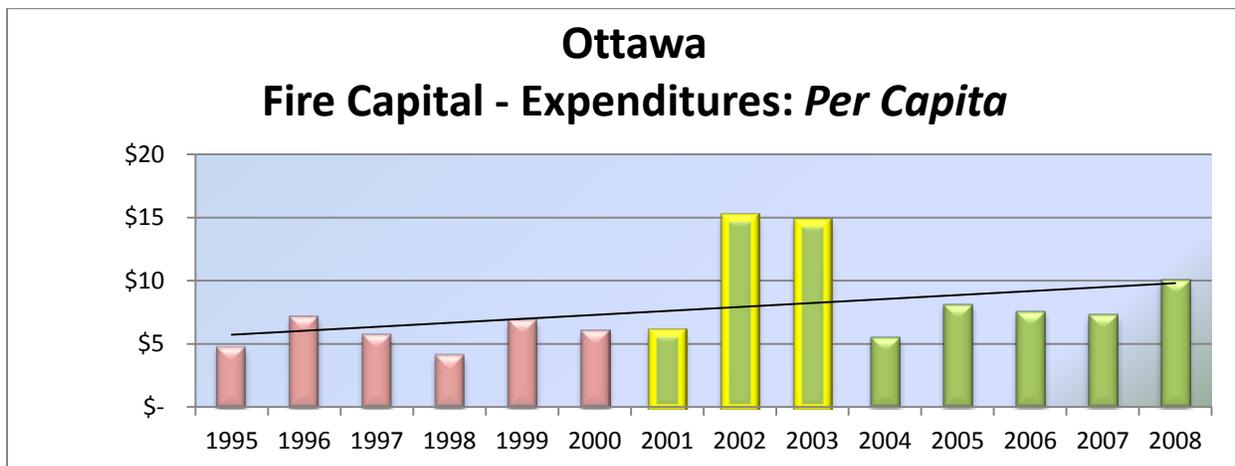
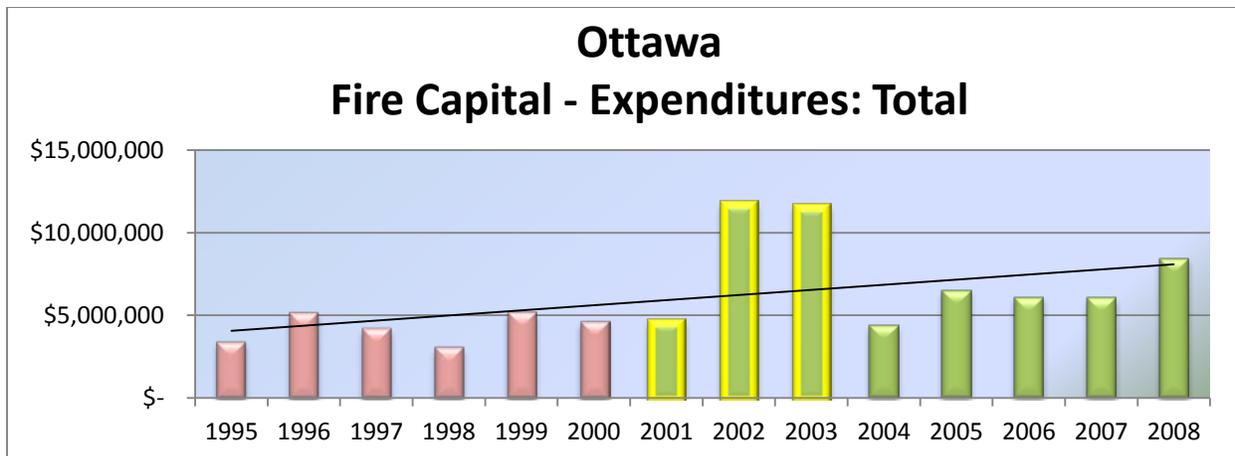


Year	Amalgamation Status	Population
1995	Pre-Amalgamation	712,538
1996	Pre-Amalgamation	721,136
1997	Pre-Amalgamation	731,722
1998	Pre-Amalgamation	742,464
1999	Pre-Amalgamation	753,364
2000	Pre-Amalgamation	764,424
2001*	Post-Amalgamation	774,072
2002	Post-Amalgamation	781,683
2003	Post-Amalgamation	789,295
2004	Post-Amalgamation	796,906
2005	Post-Amalgamation	804,518
2006	Post-Amalgamation	812,129
2007	Post-Amalgamation	826,381
2008	Post-Amalgamation	840,634
<b>Average Population</b>		<b>775,090</b>
<b>Population - Percent Change (1995-2008)</b>		<b>17.98%</b>
* Year of Amalgamation		

Fire capital expenditures were higher following amalgamation compared to average pre-amalgamation spending. In the first three years following amalgamation average spending increased by 116.06% (103.55% *per capita*). Over the total post-amalgamation period average spending was higher by 73.26% (59.52% *per capita*) compared to average pre-amalgamation levels.

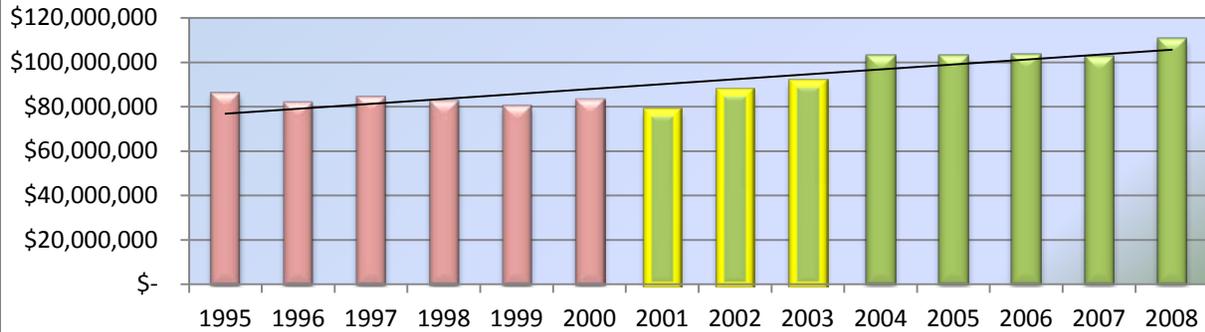
Average spending on fire operating costs was lower *per capita* in the first three years following amalgamation by 4.31% (increased by 1.55% on a dollar basis) compared to average pre-amalgamation spending. Over the full post-amalgamation period, average spending was higher by 16.77% (6.94% *per capita*).

Total fire expenditures increased in the first three years following amalgamation by an average of 7.14% (.95% *per capita*) compared to pre-amalgamation spending. Over the full post-amalgamation period, average spending was higher by 19.53% (9.50% *per capita*).

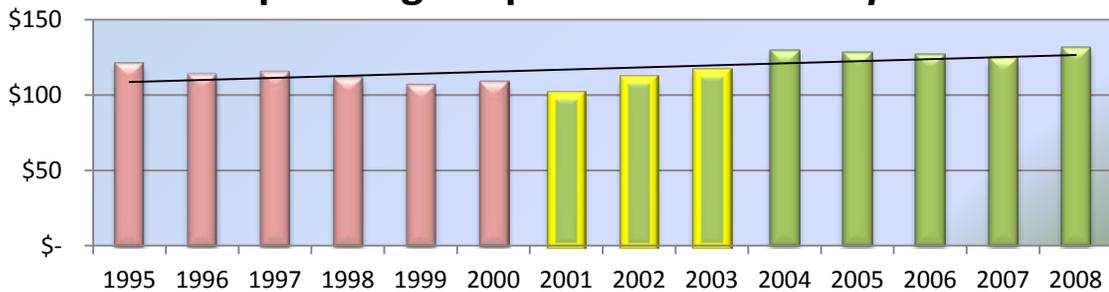


Year (Amalgamation Status)	Fire Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 3,395,031	\$ 4.76
1996 (Pre-Amalgamation)	\$ 5,160,483	\$ 7.16
1997 (Pre-Amalgamation)	\$ 4,208,030	\$ 5.75
1998 (Pre-Amalgamation)	\$ 3,072,424	\$ 4.14
1999 (Pre-Amalgamation)	\$ 5,196,507	\$ 6.90
2000 (Pre-Amalgamation)	\$ 4,628,465	\$ 6.05
2001 (Post-Amalgamation)	\$ 4,537,597	\$ 5.86
2002 (Post-Amalgamation)	\$ 11,667,038	\$ 14.93
2003 (Post-Amalgamation)	\$ 11,516,962	\$ 14.59
2004 (Post-Amalgamation)	\$ 4,407,064	\$ 5.53
2005 (Post-Amalgamation)	\$ 6,538,010	\$ 8.13
2006 (Post-Amalgamation)	\$ 6,102,937	\$ 7.51
2007 (Post-Amalgamation)	\$ 6,058,633	\$ 7.33
2008 (Post-Amalgamation)	\$ 8,450,858	\$ 10.05
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-2000)	\$ 4,276,823	\$ 5.79
Post-Amalgamation Period (2001-2008)	\$ 7,409,887	\$ 9.24
Percent Change between Pre- and Post-Amalgamation Periods	73.26%	59.52%
Three-Year Period Immediately Following Amalgamation (2001-2003)	\$ 9,240,532	\$ 12
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	116.06%	103.55%

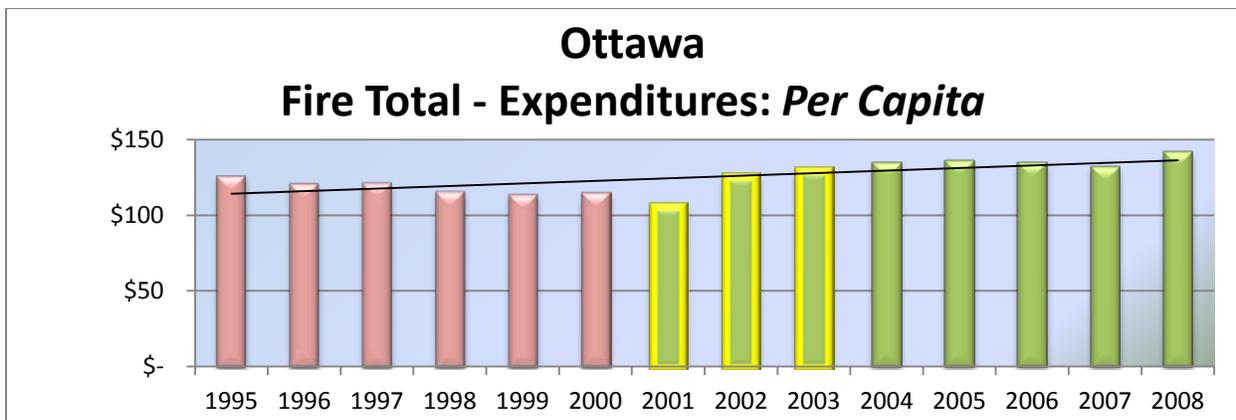
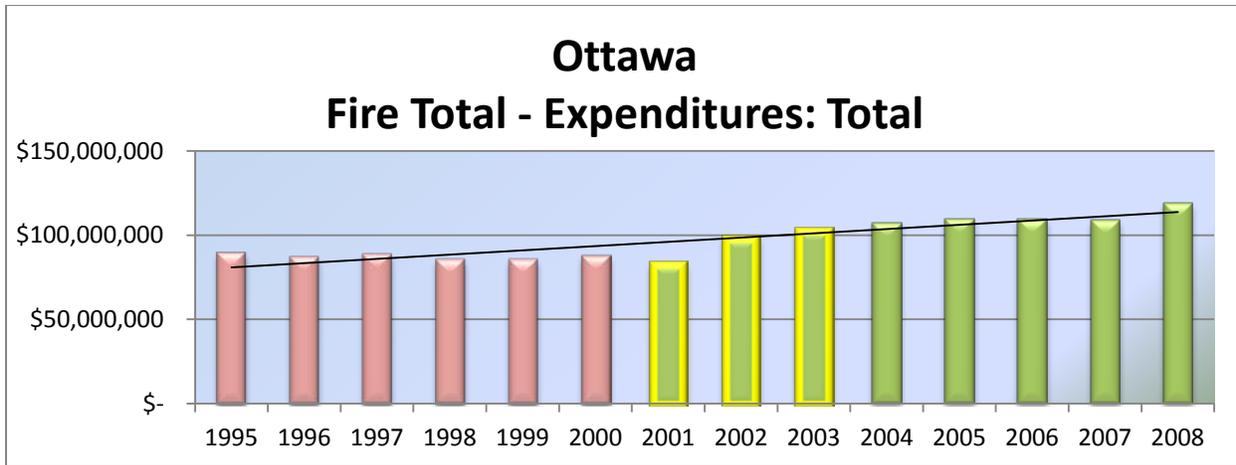
## Ottawa Fire Operating - Expenditures: Total



## Ottawa Fire Operating - Expenditures: *Per Capita*



Year (Amalgamation Status)	Fire Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 86,379,317	\$ 121.23
1996 (Pre-Amalgamation)	\$ 82,052,178	\$ 113.78
1997 (Pre-Amalgamation)	\$ 84,564,085	\$ 115.57
1998 (Pre-Amalgamation)	\$ 82,798,753	\$ 111.52
1999 (Pre-Amalgamation)	\$ 80,603,847	\$ 106.99
2000 (Pre-Amalgamation)	\$ 83,290,908	\$ 108.96
2001 (Post-Amalgamation)	\$ 77,133,347	\$ 99.65
2002 (Post-Amalgamation)	\$ 86,094,931	\$ 110.14
2003 (Post-Amalgamation)	\$ 90,478,147	\$ 114.63
2004 (Post-Amalgamation)	\$ 103,273,664	\$ 129.59
2005 (Post-Amalgamation)	\$ 103,375,497	\$ 128.49
2006 (Post-Amalgamation)	\$ 103,666,191	\$ 127.65
2007 (Post-Amalgamation)	\$ 103,159,244	\$ 124.83
2008 (Post-Amalgamation)	\$ 110,801,423	\$ 131.81
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-2000)	\$ 83,281,515	\$ 113.01
Post-Amalgamation Period (2001-2008)	\$ 97,247,806	\$ 120.85
Percent Change between Pre- and Post-Amalgamation Periods	16.77%	6.94%
Three-Year Period Immediately Following Amalgamation (2001-2003)	\$ 84,568,808	\$ 108
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	1.55%	-4.31%



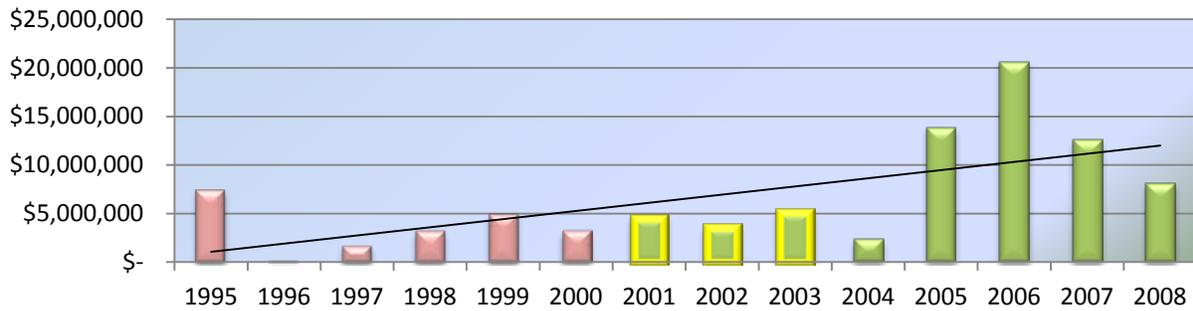
Year (Amalgamation Status)	Fire Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 89,774,348	\$ 125.99
1996 (Pre-Amalgamation)	\$ 87,212,661	\$ 120.94
1997 (Pre-Amalgamation)	\$ 88,772,115	\$ 121.32
1998 (Pre-Amalgamation)	\$ 85,871,177	\$ 115.66
1999 (Pre-Amalgamation)	\$ 85,800,354	\$ 113.89
2000 (Pre-Amalgamation)	\$ 87,919,373	\$ 115.01
2001 (Post-Amalgamation)	\$ 81,670,944	\$ 105.51
2002 (Post-Amalgamation)	\$ 97,761,969	\$ 125.07
2003 (Post-Amalgamation)	\$ 101,995,109	\$ 129.22
2004 (Post-Amalgamation)	\$ 107,680,728	\$ 135.12
2005 (Post-Amalgamation)	\$ 109,913,507	\$ 136.62
2006 (Post-Amalgamation)	\$ 109,769,128	\$ 135.16
2007 (Post-Amalgamation)	\$ 109,217,877	\$ 132.16
2008 (Post-Amalgamation)	\$ 119,252,281	\$ 141.86
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-2000)	\$ 87,558,338	\$ 118.80
Post-Amalgamation Period (2001-2008)	\$ 104,657,693	\$ 130.09
Percent Change between Pre- and Post-Amalgamation Periods	19.53%	9.50%
Three-Year Period Immediately Following Amalgamation (2001-2003)	\$ 93,809,341	\$ 120
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	7.14%	0.95%

Expenditures related to garbage capital expenditures increased following amalgamation. Average spending in the first three years following amalgamation was higher by 26.78% (19.35% *per capita*) compared to average pre-amalgamation spending. Over the full post-amalgamation period spending was higher on average by 157.11% (133.69% *per capita*) compared to average pre-amalgamation spending.

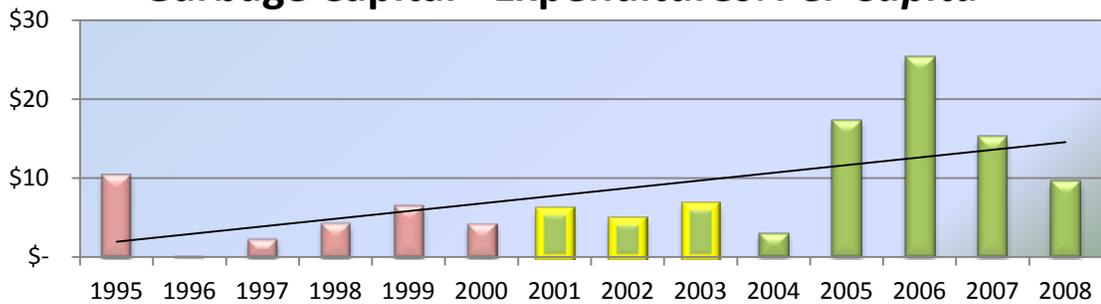
Garbage operating expenses were mostly lower following amalgamation. In the first three years following amalgamation, spending decreased by 10.77% (15.83% *per capita*) when compared to average pre-amalgamation spending. Over the full post-amalgamation period, average spending increased by .67% on a dollar basis but was lower on a *per capita* basis by 7.77% compared to pre-amalgamation spending levels.

Total expenditures related to garbage services fell in the first three years following amalgamation but were higher over the full post-amalgamation period. Average spending in the first three years post-amalgamation fell by 7.90% (13.14% *per capita*) compared to average pre-amalgamation spending. Over the full post-amalgamation period spending was higher by 12.64% or 3.07% *per capita*.

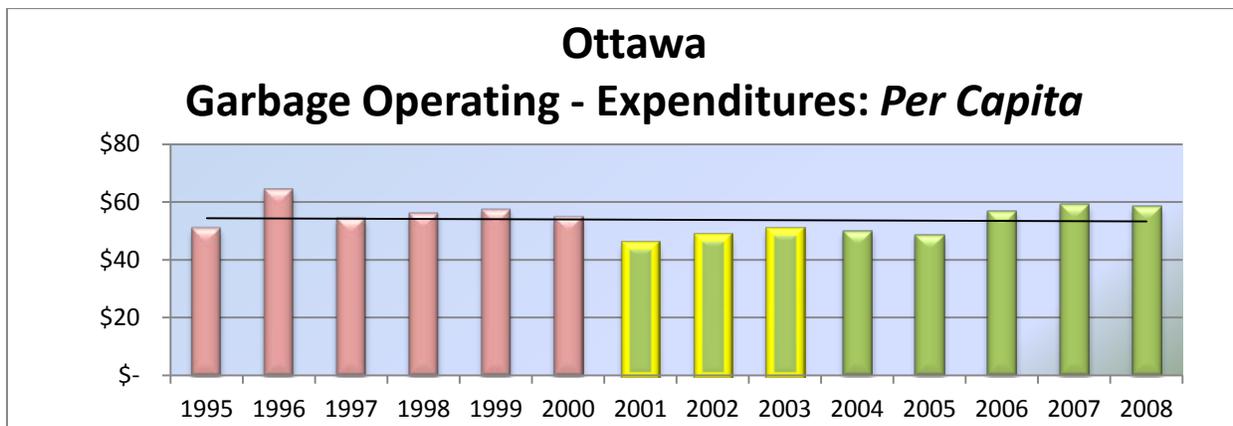
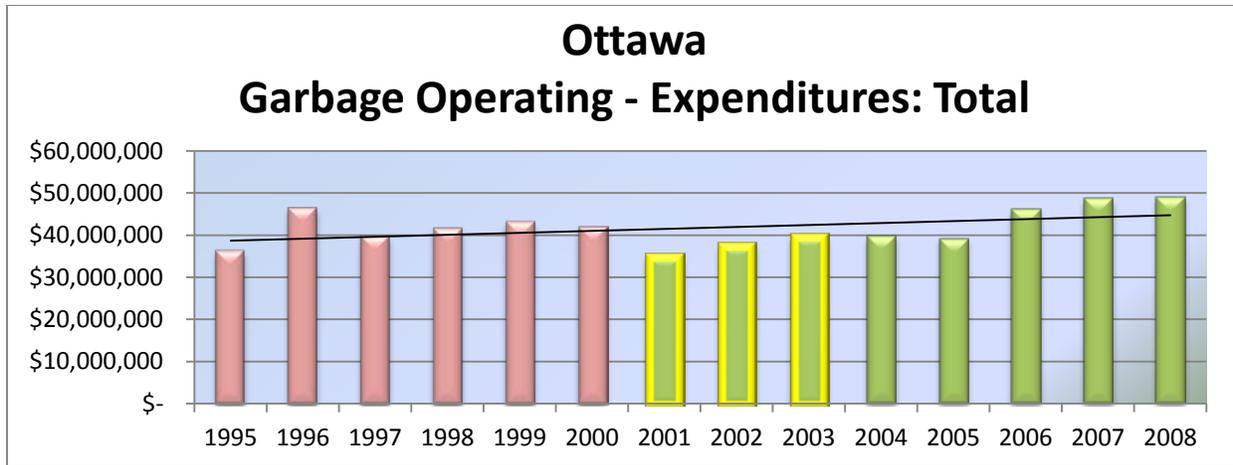
## Ottawa Garbage Capital - Expenditures: Total



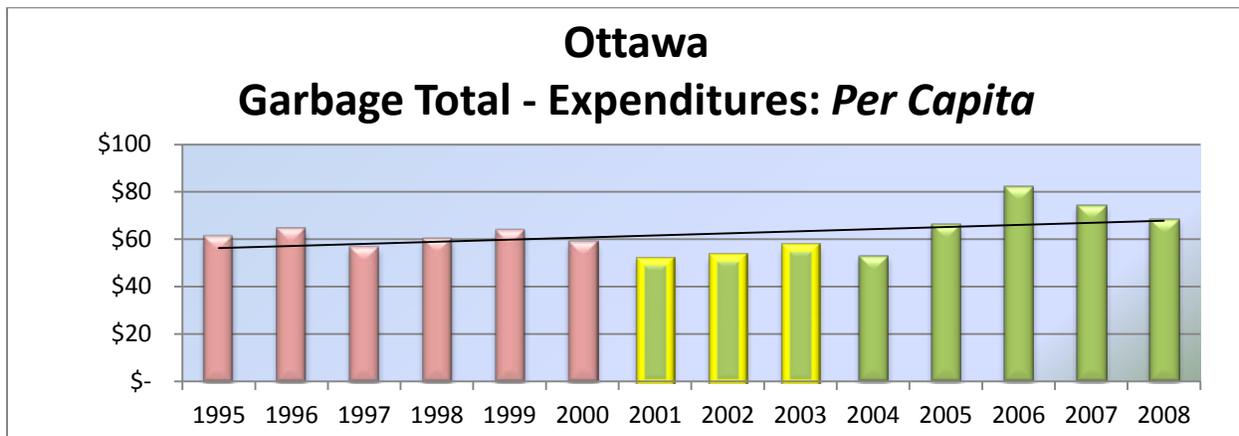
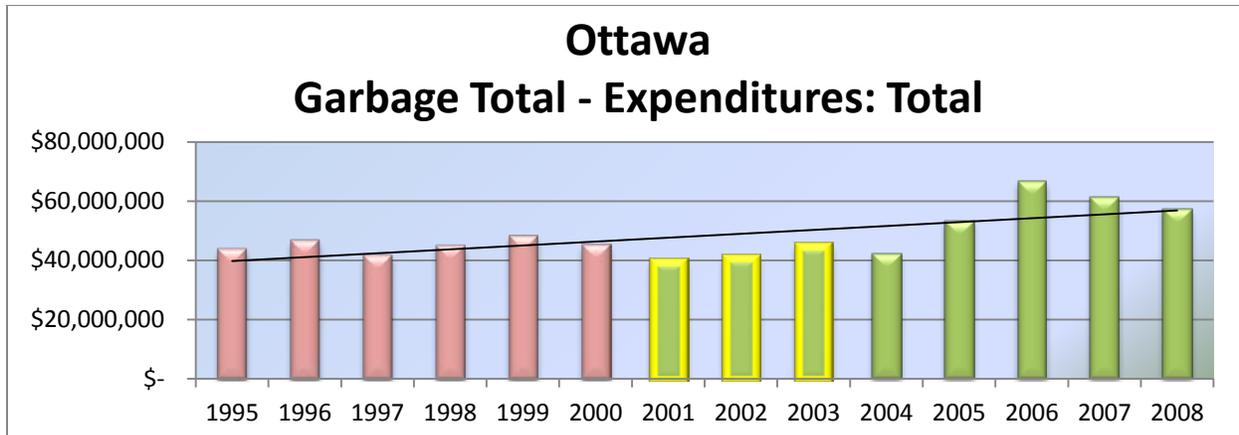
## Ottawa Garbage Capital - Expenditures: *Per Capita*



Year (Amalgamation Status)	Garbage Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 7,379,869	\$ 10.36
1996 (Pre-Amalgamation)	\$ 190,682	\$ 0.26
1997 (Pre-Amalgamation)	\$ 1,714,868	\$ 2.34
1998 (Pre-Amalgamation)	\$ 3,216,531	\$ 4.33
1999 (Pre-Amalgamation)	\$ 4,915,245	\$ 6.52
2000 (Pre-Amalgamation)	\$ 3,241,709	\$ 4.24
2001 (Post-Amalgamation)	\$ 4,482,843	\$ 5.79
2002 (Post-Amalgamation)	\$ 3,543,977	\$ 4.53
2003 (Post-Amalgamation)	\$ 5,068,510	\$ 6.42
2004 (Post-Amalgamation)	\$ 2,392,332	\$ 3.00
2005 (Post-Amalgamation)	\$13,924,931	\$ 17.31
2006 (Post-Amalgamation)	\$20,643,929	\$ 25.42
2007 (Post-Amalgamation)	\$12,653,336	\$ 15.31
2008 (Post-Amalgamation)	\$ 8,112,872	\$ 9.65
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-2000)	\$ 3,443,151	\$ 4.68
Post-Amalgamation Period (2001-2008)	\$ 8,852,841	\$ 10.93
Percent Change between Pre- and Post-Amalgamation Periods	157.11%	133.69%
Three-Year Period Immediately Following Amalgamation (2001-2003)	\$ 4,365,110	\$ 6
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	26.78%	19.35%



Year (Amalgamation Status)	Garbage Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$36,335,637	\$ 50.99
1996 (Pre-Amalgamation)	\$46,457,973	\$ 64.42
1997 (Pre-Amalgamation)	\$39,831,244	\$ 54.43
1998 (Pre-Amalgamation)	\$41,615,816	\$ 56.05
1999 (Pre-Amalgamation)	\$43,244,570	\$ 57.40
2000 (Pre-Amalgamation)	\$41,932,002	\$ 54.85
2001 (Post-Amalgamation)	\$34,717,383	\$ 44.85
2002 (Post-Amalgamation)	\$37,169,843	\$ 47.55
2003 (Post-Amalgamation)	\$39,391,225	\$ 49.91
2004 (Post-Amalgamation)	\$39,909,500	\$ 50.08
2005 (Post-Amalgamation)	\$39,278,386	\$ 48.82
2006 (Post-Amalgamation)	\$46,188,545	\$ 56.87
2007 (Post-Amalgamation)	\$48,874,790	\$ 59.14
2008 (Post-Amalgamation)	\$49,268,656	\$ 58.61
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-2000)	\$41,569,540	\$ 56.36
Post-Amalgamation Period (2001-2008)	\$41,849,791	\$ 51.98
Percent Change between Pre- and Post-Amalgamation Periods	0.67%	-7.77%
Three-Year Period Immediately Following Amalgamation (2001-2003)	\$37,092,817	\$ 47
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-10.77%	-15.83%



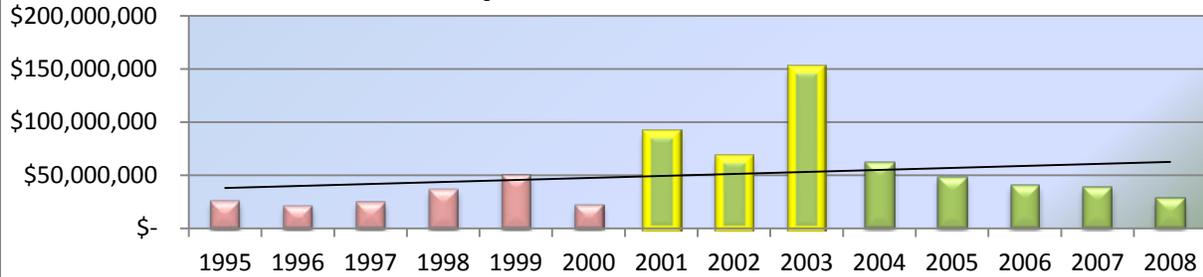
Year (Amalgamation Status)	Garbage Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$43,715,506	\$ 61.35
1996 (Pre-Amalgamation)	\$46,648,655	\$ 64.69
1997 (Pre-Amalgamation)	\$41,546,112	\$ 56.78
1998 (Pre-Amalgamation)	\$44,832,347	\$ 60.38
1999 (Pre-Amalgamation)	\$48,159,815	\$ 63.93
2000 (Pre-Amalgamation)	\$45,173,711	\$ 59.10
2001 (Post-Amalgamation)	\$39,200,226	\$ 50.64
2002 (Post-Amalgamation)	\$40,713,820	\$ 52.08
2003 (Post-Amalgamation)	\$44,459,735	\$ 56.33
2004 (Post-Amalgamation)	\$42,301,832	\$ 53.08
2005 (Post-Amalgamation)	\$53,203,317	\$ 66.13
2006 (Post-Amalgamation)	\$66,832,474	\$ 82.29
2007 (Post-Amalgamation)	\$61,528,126	\$ 74.45
2008 (Post-Amalgamation)	\$57,381,528	\$ 68.26
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-2000)	\$45,012,691	\$ 61.04
Post-Amalgamation Period (2001-2008)	\$50,702,632	\$ 62.91
Percent Change between Pre- and Post-Amalgamation Periods	12.64%	3.07%
Three-Year Period Immediately Following Amalgamation (2001-2003)	\$41,457,927	\$ 53
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-7.90%	-13.14%

Capital expenditures related to general government expenses was significantly higher in the three year period following amalgamation compared to the spending over the full post-amalgamation period. In the first three years after amalgamation, average spending was higher by 231.39% (212.92% *per capita*) compared to average pre-amalgamation spending. Over the full post-amalgamation period, average spending was higher by 114.18% (99.21% *per capita*) compared to pre-amalgamation spending.

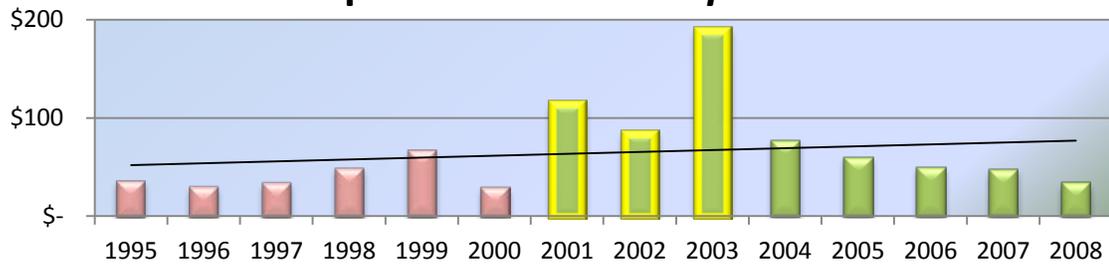
General government operating expenses trended higher in the three years following amalgamation. Expenditures during this period averaged 21.17% higher (14.55% *per capita*). Over the full post-amalgamation period, average spending was generally lower. On a dollar basis spending was up a mere .22% however *per capita* spending over this period decreased 7.52% compared to average pre-amalgamation spending levels.

Total expenditures related to general government services increased in the first three years following amalgamation by 52.25% (43.84% *per capita*) when compared with average pre-amalgamation spending. Over the full post-amalgamation period, spending was higher on average by 17.07% (8.24% *per capita*) when compared to average pre-spending levels.

## Ottawa General Government Capital Expenditures: Total

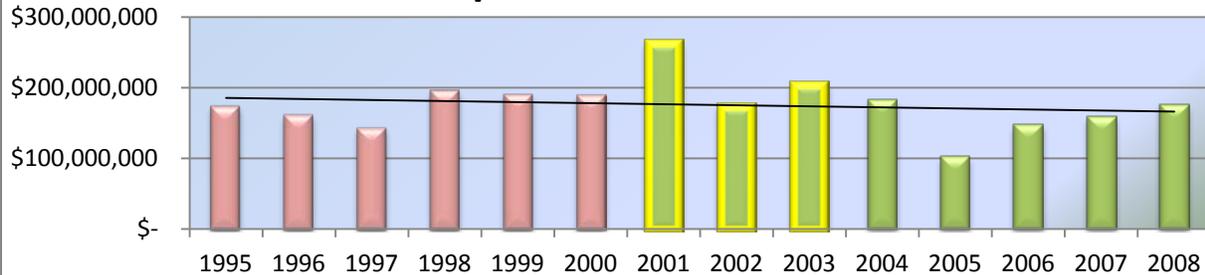


## Ottawa General Government Capital Expenditures: *Per Capita*

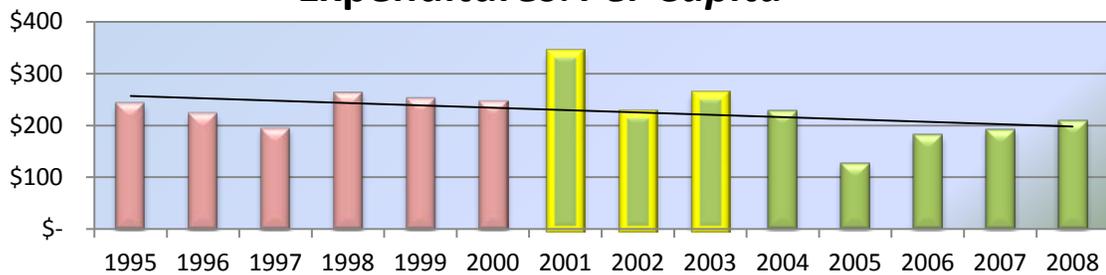


Year (Amalgamation Status)	General Government Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 25,957,643	\$ 36.43
1996 (Pre-Amalgamation)	\$ 22,011,772	\$ 30.52
1997 (Pre-Amalgamation)	\$ 25,204,390	\$ 34.45
1998 (Pre-Amalgamation)	\$ 36,488,254	\$ 49.14
1999 (Pre-Amalgamation)	\$ 50,121,967	\$ 66.53
2000 (Pre-Amalgamation)	\$ 22,867,075	\$ 29.91
2001 (Post-Amalgamation)	\$ 88,117,974	\$ 113.84
2002 (Post-Amalgamation)	\$ 65,364,412	\$ 83.62
2003 (Post-Amalgamation)	\$ 149,165,380	\$ 188.99
2004 (Post-Amalgamation)	\$ 62,091,729	\$ 77.92
2005 (Post-Amalgamation)	\$ 48,520,358	\$ 60.31
2006 (Post-Amalgamation)	\$ 40,485,503	\$ 49.85
2007 (Post-Amalgamation)	\$ 39,249,018	\$ 47.50
2008 (Post-Amalgamation)	\$ 28,605,994	\$ 34.03
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-2000)	\$ 30,441,850	\$ 41.16
Post-Amalgamation Period (2001-2008)	\$ 65,200,046	\$ 82.01
Percent Change between Pre- and Post-Amalgamation Periods	114.18%	99.21%
Three-Year Period Immediately Following Amalgamation (2001-2003)	\$ 100,882,589	\$ 128.81
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	231.39%	212.92%

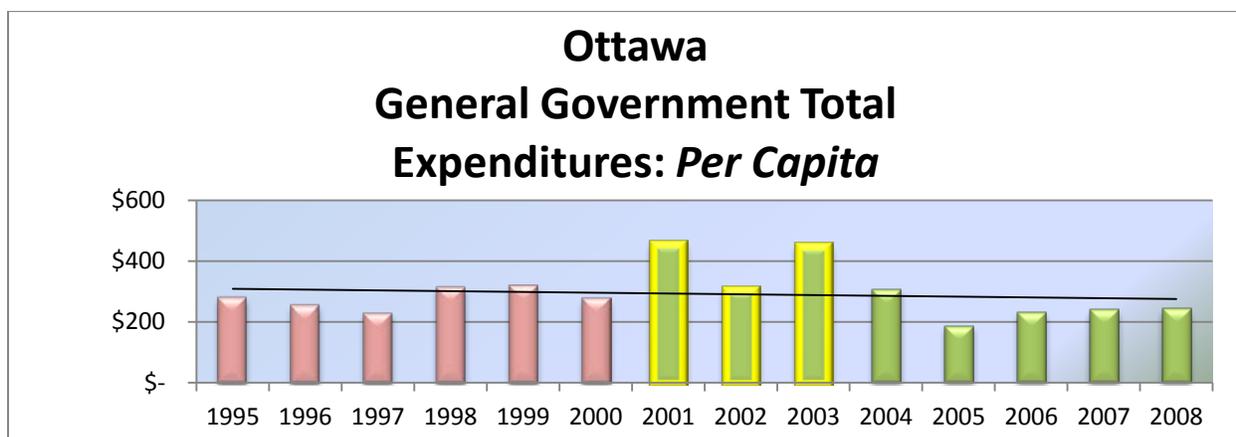
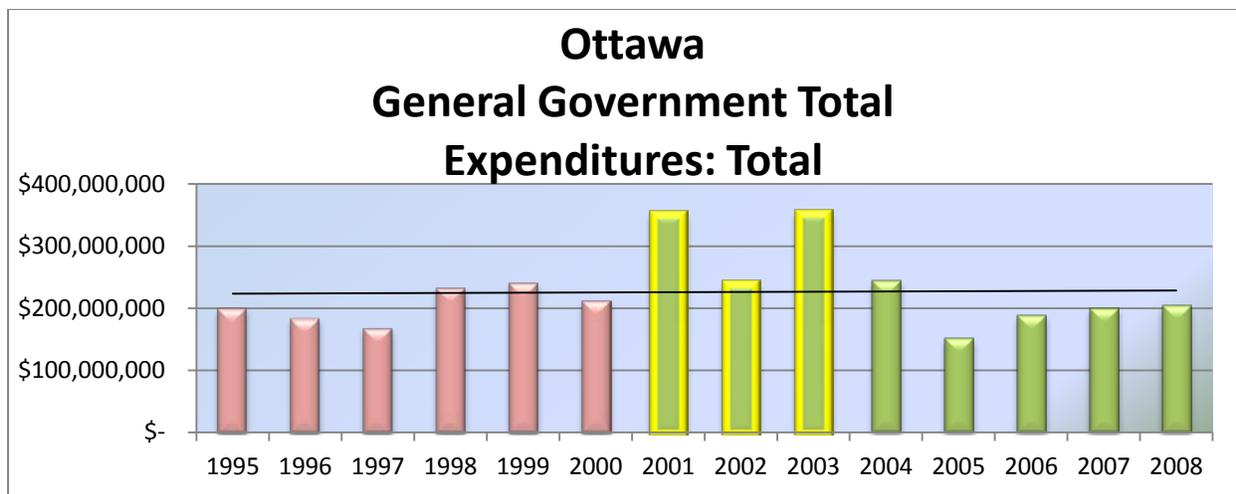
## Ottawa General Government Operating Expenditures: Total



## Ottawa General Government Operating Expenditures: *Per Capita*



Year (Amalgamation Status)	General Government Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 173,570,534	\$ 243.59
1996 (Pre-Amalgamation)	\$ 161,294,249	\$ 223.67
1997 (Pre-Amalgamation)	\$ 142,897,562	\$ 195.29
1998 (Pre-Amalgamation)	\$ 195,696,026	\$ 263.58
1999 (Pre-Amalgamation)	\$ 190,235,992	\$ 252.52
2000 (Pre-Amalgamation)	\$ 189,002,732	\$ 247.25
2001 (Post-Amalgamation)	\$ 262,295,537	\$ 338.85
2002 (Post-Amalgamation)	\$ 172,454,242	\$ 220.62
2003 (Post-Amalgamation)	\$ 203,006,765	\$ 257.20
2004 (Post-Amalgamation)	\$ 182,884,919	\$ 229.49
2005 (Post-Amalgamation)	\$ 102,923,721	\$ 127.93
2006 (Post-Amalgamation)	\$ 147,251,981	\$ 181.32
2007 (Post-Amalgamation)	\$ 159,753,189	\$ 193.32
2008 (Post-Amalgamation)	\$ 176,112,953	\$ 209.50
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-2000)	\$ 175,449,516	\$ 237.65
Post-Amalgamation Period (2001-2008)	\$ 175,835,413	\$ 219.78
Percent Change between Pre- and Post-Amalgamation Periods	0.22%	-7.52%
Three-Year Period Immediately Following Amalgamation (2001-2003)	\$ 212,585,515	\$ 272.22
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	21.17%	14.55%

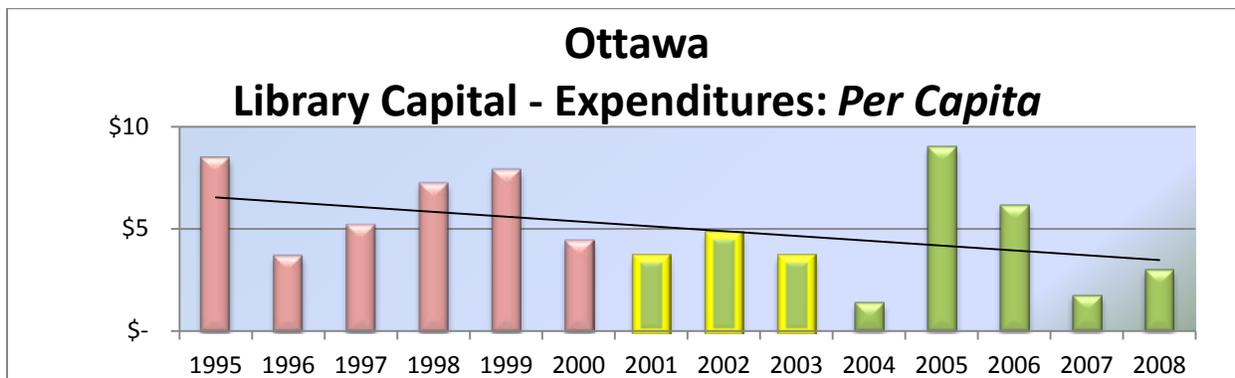
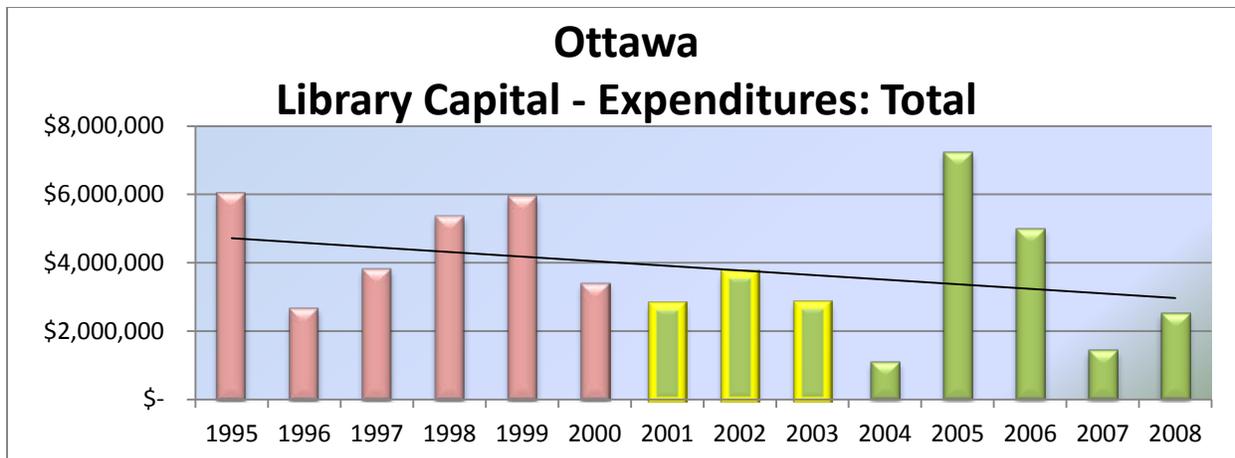


Year (Amalgamation Status)	General Government Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 199,528,177	\$ 280.02
1996 (Pre-Amalgamation)	\$ 183,306,021	\$ 254.19
1997 (Pre-Amalgamation)	\$ 168,101,952	\$ 229.73
1998 (Pre-Amalgamation)	\$ 232,184,280	\$ 312.72
1999 (Pre-Amalgamation)	\$ 240,357,959	\$ 319.05
2000 (Pre-Amalgamation)	\$ 211,869,807	\$ 277.16
2001 (Post-Amalgamation)	\$ 350,413,511	\$ 452.69
2002 (Post-Amalgamation)	\$ 237,818,654	\$ 304.24
2003 (Post-Amalgamation)	\$ 352,172,145	\$ 446.19
2004 (Post-Amalgamation)	\$ 244,976,648	\$ 307.41
2005 (Post-Amalgamation)	\$ 151,444,079	\$ 188.24
2006 (Post-Amalgamation)	\$ 187,737,484	\$ 231.17
2007 (Post-Amalgamation)	\$ 199,002,207	\$ 240.81
2008 (Post-Amalgamation)	\$ 204,718,947	\$ 243.53
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-2000)	\$ 205,891,366	\$ 278.81
Post-Amalgamation Period (2001-2008)	\$ 241,035,459	\$ 301.78
Percent Change between Pre- and Post-Amalgamation Periods	17.07%	8.24%
Three-Year Period Immediately Following Amalgamation (2001-2003)	\$ 313,468,103	\$ 401.04
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	52.25%	43.84%

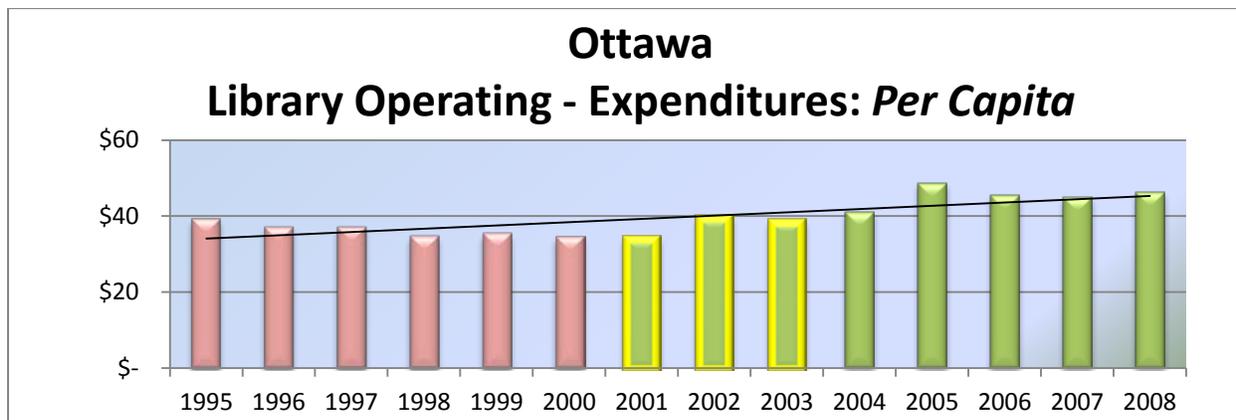
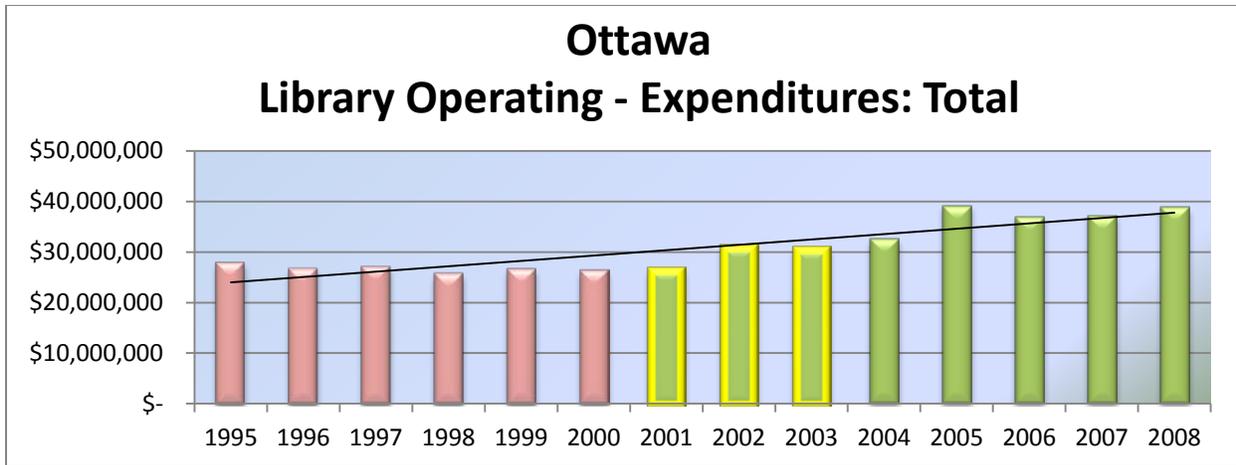
Library capital expenditures were lower following amalgamation. In the first three years post-amalgamation, spending fell an average of 33.13% (36.96% *per capita*) compared to average pre-amalgamation spending levels. Over the full post-amalgamation period, spending fell by an average of 27.41% (33.30% *per capita*) compared to average pre-amalgamation levels.

Library operating expenditures were higher in the first three years following amalgamation as average spending rose by 8.05% (1.81% *per capita*) compared to average pre-amalgamation spending levels. Over the full post-amalgamation period, spending was up by 26.71% (15.98% *per capita*).

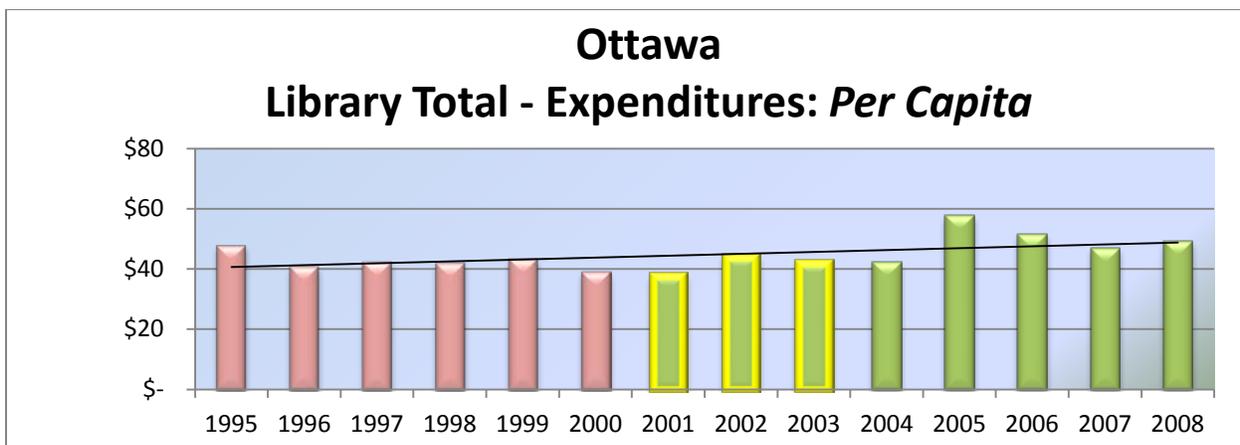
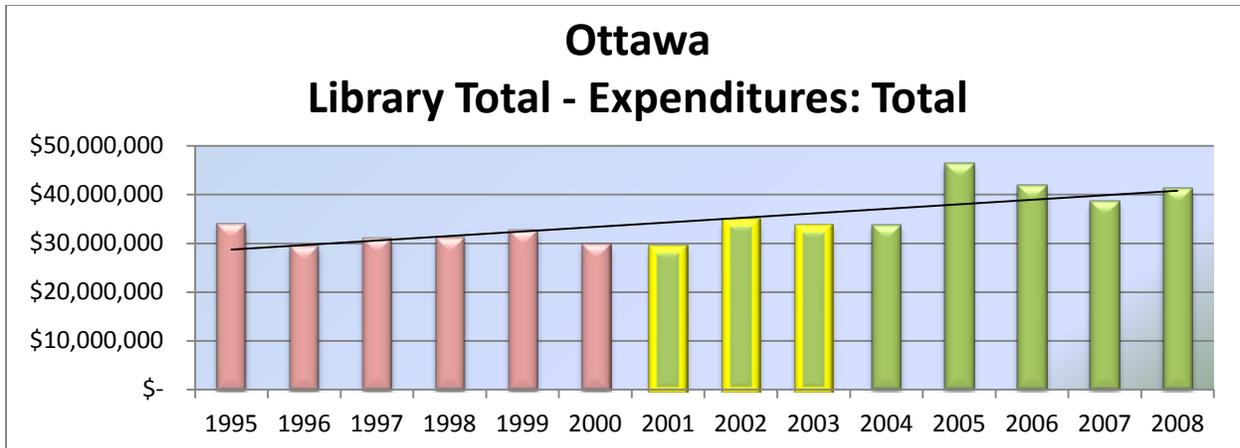
Total library expenditures were higher on average over the entire post-amalgamation period increasing by 18.85% (8.82% *per capita*) compared to average pre-amalgamation spending levels. In the first three years following amalgamation, spending was up on a dollar basis by an average of 2.07% however decreased on a *per capita* basis by 3.81% when compared to average pre-amalgamation spending.



Year (Amalgamation Status)	Library Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$6,053,870	\$ 8.50
1996 (Pre-Amalgamation)	\$2,685,978	\$ 3.72
1997 (Pre-Amalgamation)	\$3,844,796	\$ 5.25
1998 (Pre-Amalgamation)	\$5,370,852	\$ 7.23
1999 (Pre-Amalgamation)	\$5,958,490	\$ 7.91
2000 (Pre-Amalgamation)	\$3,417,482	\$ 4.47
2001 (Post-Amalgamation)	\$2,727,146	\$ 3.52
2002 (Post-Amalgamation)	\$3,635,331	\$ 4.65
2003 (Post-Amalgamation)	\$2,776,354	\$ 3.52
2004 (Post-Amalgamation)	\$1,099,446	\$ 1.38
2005 (Post-Amalgamation)	\$7,245,539	\$ 9.01
2006 (Post-Amalgamation)	\$4,996,220	\$ 6.15
2007 (Post-Amalgamation)	\$1,446,383	\$ 1.75
2008 (Post-Amalgamation)	\$2,525,394	\$ 3.00
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-2000)	\$4,555,245	\$ 6.18
Post-Amalgamation Period (2001-2008)	\$3,306,477	\$ 4.12
Percent Change between Pre- and Post-Amalgamation Periods	-27.41%	-33.30%
Three-Year Period Immediately Following Amalgamation (2001-2003)	\$3,046,277	\$ 3.90
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-33.13%	-36.96%



Year (Amalgamation Status)	Library Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 27,975,352	\$ 39.26
1996 (Pre-Amalgamation)	\$ 26,774,317	\$ 37.13
1997 (Pre-Amalgamation)	\$ 27,161,941	\$ 37.12
1998 (Pre-Amalgamation)	\$ 25,805,562	\$ 34.76
1999 (Pre-Amalgamation)	\$ 26,735,366	\$ 35.49
2000 (Pre-Amalgamation)	\$ 26,430,640	\$ 34.58
2001 (Post-Amalgamation)	\$ 26,099,288	\$ 33.72
2002 (Post-Amalgamation)	\$ 30,602,766	\$ 39.15
2003 (Post-Amalgamation)	\$ 30,214,116	\$ 38.28
2004 (Post-Amalgamation)	\$ 32,670,692	\$ 41.00
2005 (Post-Amalgamation)	\$ 39,251,186	\$ 48.79
2006 (Post-Amalgamation)	\$ 36,925,992	\$ 45.47
2007 (Post-Amalgamation)	\$ 37,209,137	\$ 45.03
2008 (Post-Amalgamation)	\$ 38,837,791	\$ 46.20
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-2000)	\$ 26,813,863	\$ 36.39
Post-Amalgamation Period (2001-2008)	\$ 33,976,371	\$ 42.20
Percent Change between Pre- and Post-Amalgamation Periods	26.71%	15.98%
Three-Year Period Immediately Following Amalgamation (2001-2003)	\$ 28,972,057	\$ 37.05
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	8.05%	1.81%

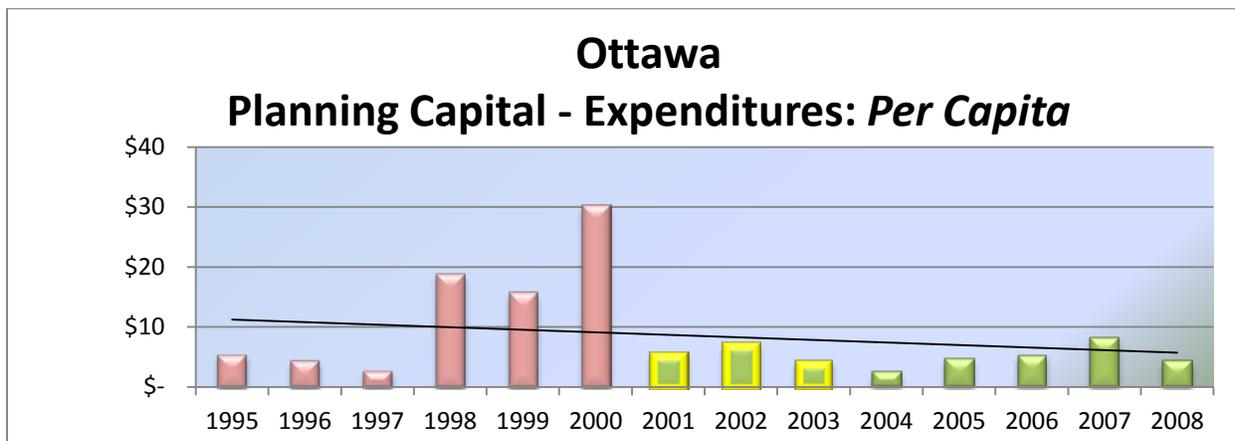
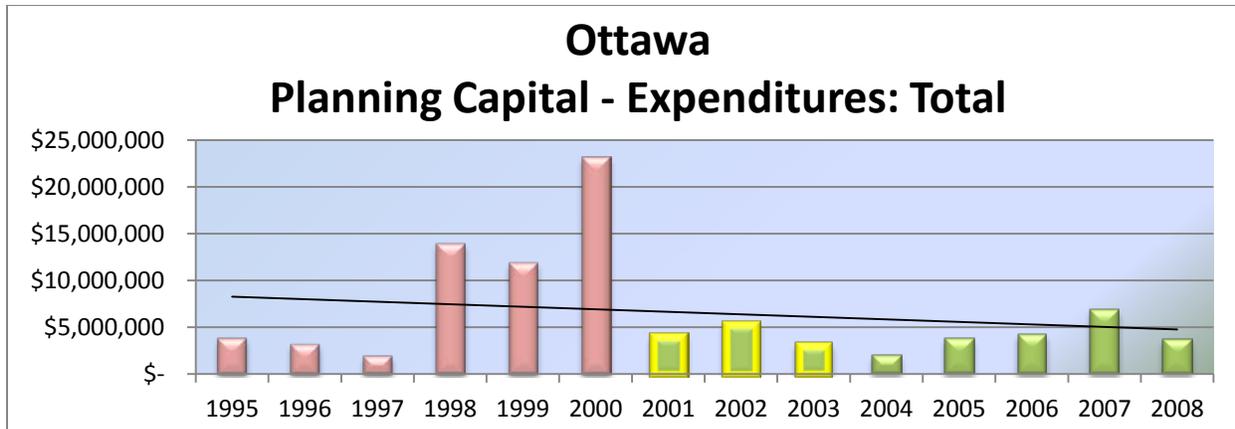


Year (Amalgamation Status)	Library Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$34,029,222	\$ 47.76
1996 (Pre-Amalgamation)	\$29,460,295	\$ 40.85
1997 (Pre-Amalgamation)	\$31,006,737	\$ 42.38
1998 (Pre-Amalgamation)	\$31,176,414	\$ 41.99
1999 (Pre-Amalgamation)	\$32,693,856	\$ 43.40
2000 (Pre-Amalgamation)	\$29,848,122	\$ 39.05
2001 (Post-Amalgamation)	\$28,826,434	\$ 37.24
2002 (Post-Amalgamation)	\$34,238,097	\$ 43.80
2003 (Post-Amalgamation)	\$32,990,470	\$ 41.80
2004 (Post-Amalgamation)	\$33,770,138	\$ 42.38
2005 (Post-Amalgamation)	\$46,496,725	\$ 57.79
2006 (Post-Amalgamation)	\$41,922,212	\$ 51.62
2007 (Post-Amalgamation)	\$38,655,520	\$ 46.78
2008 (Post-Amalgamation)	\$41,363,185	\$ 49.20
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-2000)	\$31,369,108	\$ 42.57
Post-Amalgamation Period (2001-2008)	\$37,282,848	\$ 46.33
Percent Change between Pre- and Post-Amalgamation Periods	18.85%	8.82%
Three-Year Period Immediately Following Amalgamation (2001-2003)	\$32,018,334	\$ 40.95
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	2.07%	-3.81%

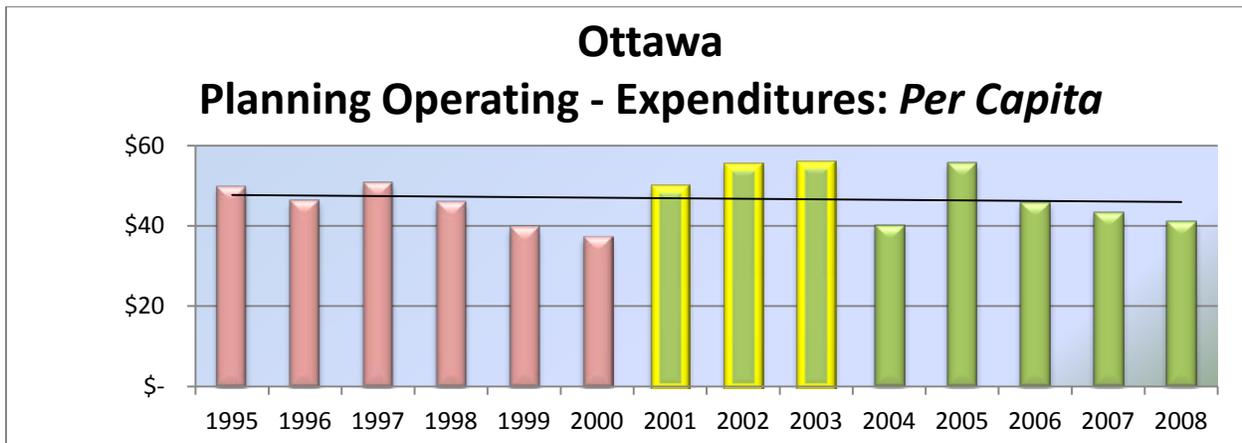
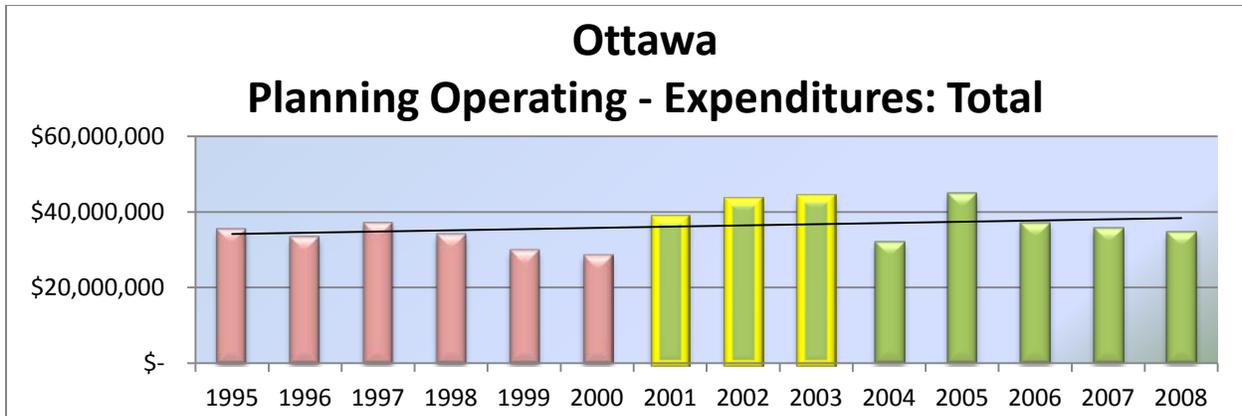
Planning capital expenditures decreased following amalgamation. In the first three years after amalgamation spending fell by an average of 58.26% (59.95% *per capita*). Over the entire post-amalgamation period, spending decreased by 57.64% (60.53% *per capita*) compared to average pre-amalgamation spending levels.

Planning operating expenditures were higher in the first three years after amalgamation with average increases of 24.64% (17.30% *per capita*) compared to average pre-amalgamation spending levels. Over the full post-amalgamation time period, average spending was up by 16.38% (6.38% *per capita*) compared to average pre-amalgamation spending.

Total expenditures related to planning services fell over the entire post-amalgamation period by an average of .42% on a dollar basis but by 8.24% on a *per capita* basis. In the first three years after amalgamation, spending increased by 5.83% on a dollar basis but was mainly flat on a *per capita* basis at .02% compared to average pre-amalgamation spending levels.

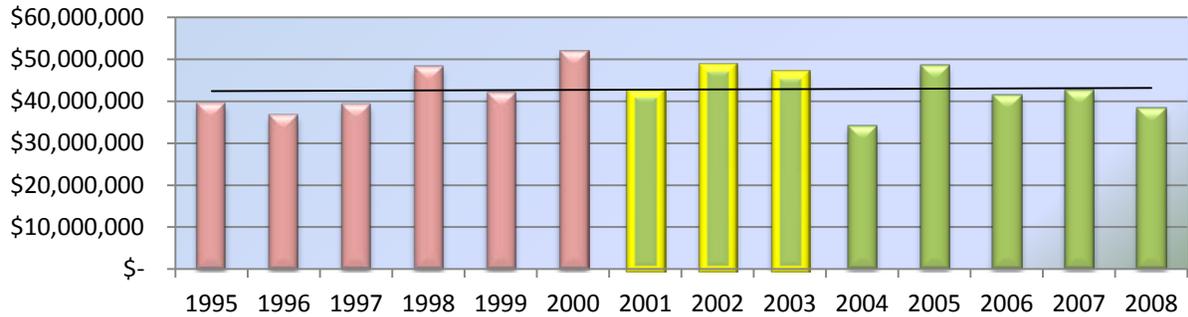


Year (Amalgamation Status)	Planning Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 3,936,068	\$ 5.52
1996 (Pre-Amalgamation)	\$ 3,289,069	\$ 4.56
1997 (Pre-Amalgamation)	\$ 2,033,418	\$ 2.78
1998 (Pre-Amalgamation)	\$ 14,001,837	\$ 18.86
1999 (Pre-Amalgamation)	\$ 11,953,234	\$ 15.87
2000 (Pre-Amalgamation)	\$ 23,191,266	\$ 30.34
2001 (Post-Amalgamation)	\$ 3,920,343	\$ 5.06
2002 (Post-Amalgamation)	\$ 5,258,777	\$ 6.73
2003 (Post-Amalgamation)	\$ 3,009,376	\$ 3.81
2004 (Post-Amalgamation)	\$ 2,054,008	\$ 2.58
2005 (Post-Amalgamation)	\$ 3,802,089	\$ 4.73
2006 (Post-Amalgamation)	\$ 4,312,276	\$ 5.31
2007 (Post-Amalgamation)	\$ 6,887,609	\$ 8.33
2008 (Post-Amalgamation)	\$ 3,745,030	\$ 4.46
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-2000)	\$ 9,734,149	\$ 12.99
Post-Amalgamation Period (2001-2008)	\$ 4,123,689	\$ 5.13
Percent Change between Pre- and Post-Amalgamation Periods	-57.64%	-60.53%
Three-Year Period Immediately Following Amalgamation (2001-2003)	\$ 4,062,832	\$ 5.20
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-58.26%	-59.95%

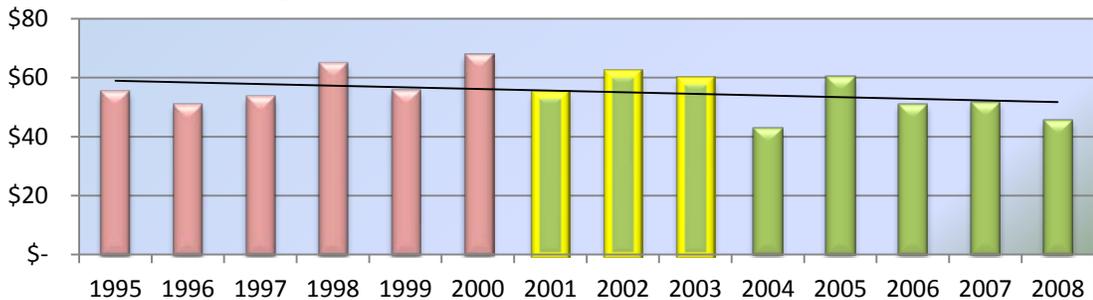


Year (Amalgamation Status)	Planning Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$35,504,099	\$ 49.83
1996 (Pre-Amalgamation)	\$33,469,189	\$ 46.41
1997 (Pre-Amalgamation)	\$37,213,931	\$ 50.86
1998 (Pre-Amalgamation)	\$34,182,085	\$ 46.04
1999 (Pre-Amalgamation)	\$29,995,106	\$ 39.81
2000 (Pre-Amalgamation)	\$28,611,942	\$ 37.43
2001 (Post-Amalgamation)	\$37,974,591	\$ 49.06
2002 (Post-Amalgamation)	\$42,701,098	\$ 54.63
2003 (Post-Amalgamation)	\$43,326,769	\$ 54.89
2004 (Post-Amalgamation)	\$32,118,798	\$ 40.30
2005 (Post-Amalgamation)	\$44,904,517	\$ 55.82
2006 (Post-Amalgamation)	\$37,218,843	\$ 45.83
2007 (Post-Amalgamation)	\$35,886,118	\$ 43.43
2008 (Post-Amalgamation)	\$34,617,423	\$ 41.18
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-2000)	\$33,162,725	\$ 45.06
Post-Amalgamation Period (2001-2008)	\$38,593,520	\$ 48.14
Percent Change between Pre- and Post-Amalgamation Periods	16.38%	6.83%
Three-Year Period Immediately Following Amalgamation (2001-2003)	\$41,334,153	\$ 52.86
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	24.64%	17.30%

## Ottawa Planning Total - Expenditures: Total



## Ottawa Planning Total - Expenditures: *Per Capita*

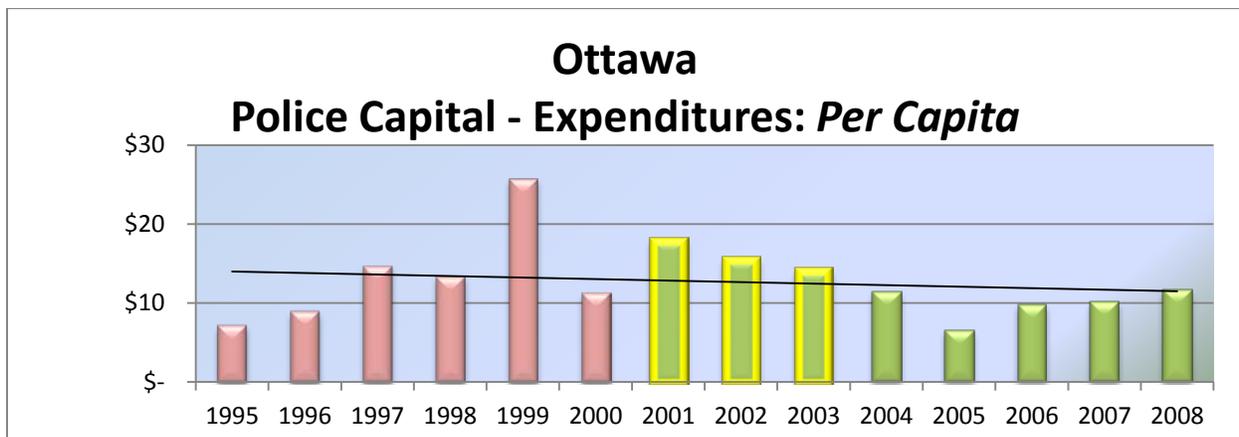
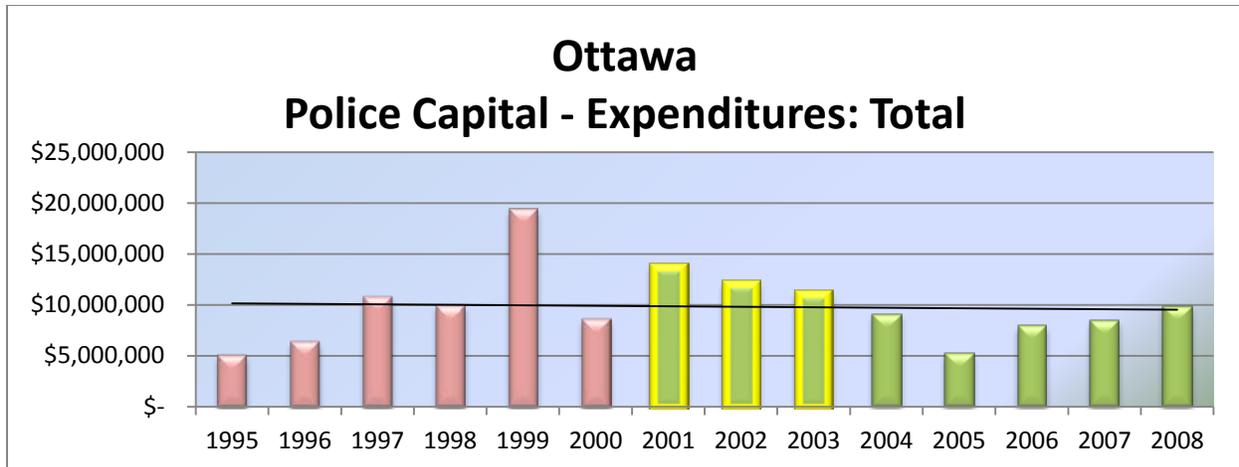


Year (Amalgamation Status)	Planning Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$39,440,167	\$ 55.35
1996 (Pre-Amalgamation)	\$36,758,258	\$ 50.97
1997 (Pre-Amalgamation)	\$39,247,349	\$ 53.64
1998 (Pre-Amalgamation)	\$48,183,922	\$ 64.90
1999 (Pre-Amalgamation)	\$41,948,340	\$ 55.68
2000 (Pre-Amalgamation)	\$51,803,208	\$ 67.77
2001 (Post-Amalgamation)	\$41,894,934	\$ 54.12
2002 (Post-Amalgamation)	\$47,959,875	\$ 61.35
2003 (Post-Amalgamation)	\$46,336,145	\$ 58.71
2004 (Post-Amalgamation)	\$34,172,806	\$ 42.88
2005 (Post-Amalgamation)	\$48,706,606	\$ 60.54
2006 (Post-Amalgamation)	\$41,531,119	\$ 51.14
2007 (Post-Amalgamation)	\$42,773,727	\$ 51.76
2008 (Post-Amalgamation)	\$38,362,453	\$ 45.64
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-2000)	\$42,896,874	\$ 58.05
Post-Amalgamation Period (2001-2008)	\$42,717,208	\$ 53.27
Percent Change between Pre- and Post-Amalgamation Periods	-0.42%	-8.24%
Three-Year Period Immediately Following Amalgamation (2001-2003)	\$45,396,985	\$ 58.06
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	5.83%	0.02%

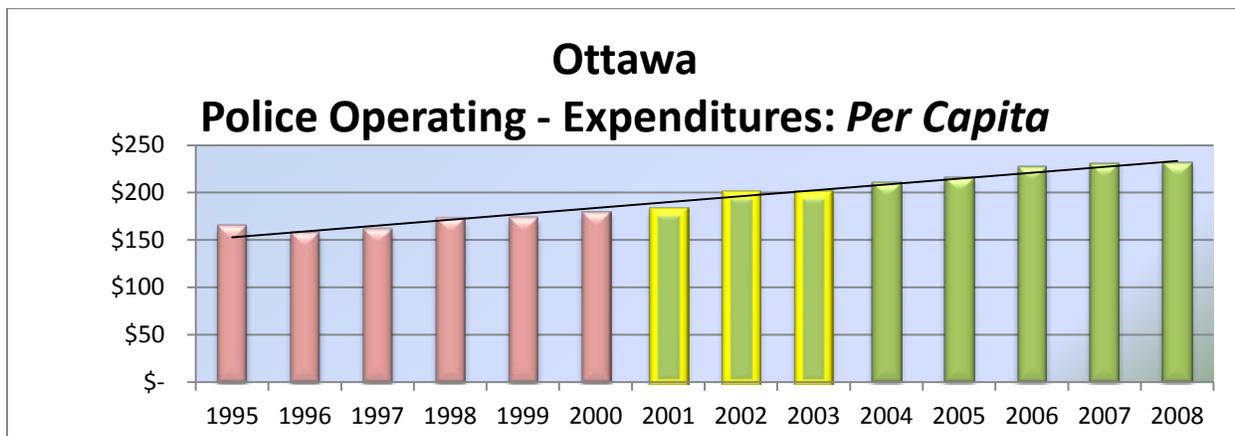
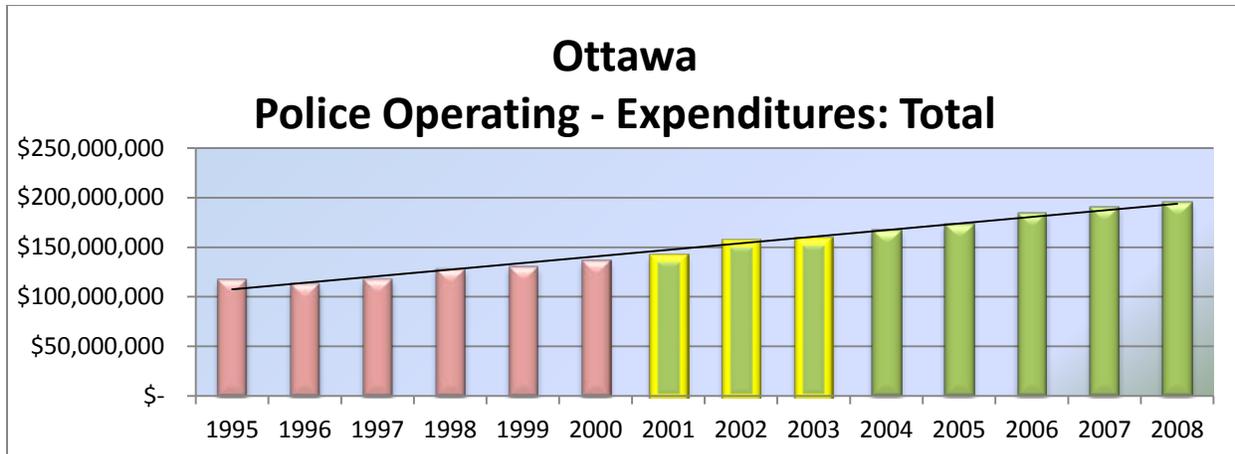
Police capital expenditures were higher on average in the first three years following amalgamation increasing by 21.28% (15.21% *per capita*) compared to average pre-amalgamation spending levels. Over the full post-amalgamation period, spending fell by 4.15% or 11.07% *per capita* compared to average pre-amalgamation levels.

Police operating expenditures were higher in the first three year period following amalgamation than average pre-amalgamation spending levels. During this period, spending increased by 20.05% (13.35% *per capita*). Over the full post-amalgamation period, spending increased an average of 36.60% (25.30% *per capita*) compared to average pre-amalgamation spending levels.

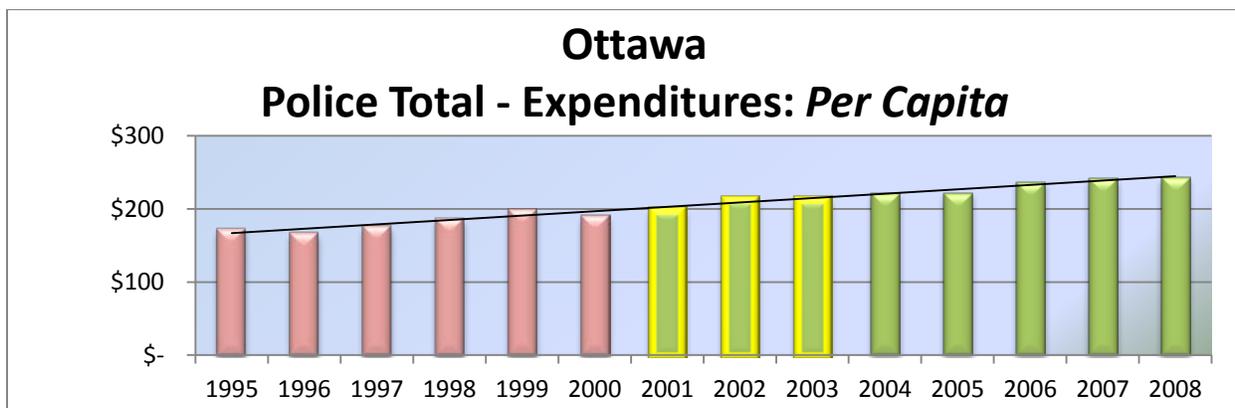
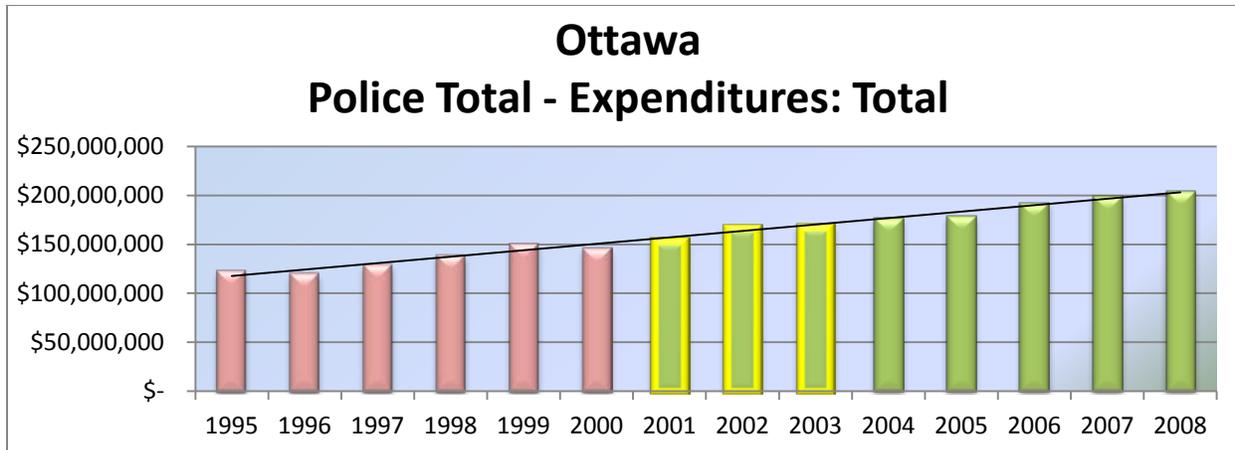
Total police expenditures increased in the first three years following amalgamation by an average of 20.14% (13.49% *per capita*) compared to average pre-amalgamation spending levels. Over the full post-amalgamation period, spending was 33.55% (22.59% *per capita*) higher on average compared to average pre-amalgamation spending.



Year (Amalgamation Status)	Police Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 5,158,163	\$ 7.24
1996 (Pre-Amalgamation)	\$ 6,507,349	\$ 9.02
1997 (Pre-Amalgamation)	\$10,806,459	\$ 14.77
1998 (Pre-Amalgamation)	\$ 9,960,907	\$ 13.42
1999 (Pre-Amalgamation)	\$19,387,502	\$ 25.73
2000 (Pre-Amalgamation)	\$ 8,680,028	\$ 11.35
2001 (Post-Amalgamation)	\$13,710,827	\$ 17.71
2002 (Post-Amalgamation)	\$11,979,628	\$ 15.33
2003 (Post-Amalgamation)	\$10,996,733	\$ 13.93
2004 (Post-Amalgamation)	\$ 9,117,515	\$ 11.44
2005 (Post-Amalgamation)	\$ 5,264,634	\$ 6.54
2006 (Post-Amalgamation)	\$ 7,945,476	\$ 9.78
2007 (Post-Amalgamation)	\$ 8,441,648	\$ 10.22
2008 (Post-Amalgamation)	\$ 9,861,428	\$ 11.73
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-2000)	\$10,083,401	\$ 13.59
Post-Amalgamation Period (2001-2008)	\$ 9,664,736	\$ 12.09
Percent Change between Pre- and Post-Amalgamation Periods	-4.15%	-11.07%
Three-Year Period Immediately Following Amalgamation (2001-2003)	\$12,229,063	\$ 15.66
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	21.28%	15.21%



Year (Amalgamation Status)	Police Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 117,932,427	\$ 165.51
1996 (Pre-Amalgamation)	\$ 114,037,987	\$ 158.14
1997 (Pre-Amalgamation)	\$ 118,553,508	\$ 162.02
1998 (Pre-Amalgamation)	\$ 128,693,593	\$ 173.33
1999 (Pre-Amalgamation)	\$ 130,994,274	\$ 173.88
2000 (Pre-Amalgamation)	\$ 137,266,277	\$ 179.57
2001 (Post-Amalgamation)	\$ 139,074,038	\$ 179.67
2002 (Post-Amalgamation)	\$ 153,696,182	\$ 196.62
2003 (Post-Amalgamation)	\$ 155,897,695	\$ 197.52
2004 (Post-Amalgamation)	\$ 167,935,853	\$ 210.73
2005 (Post-Amalgamation)	\$ 173,822,614	\$ 216.06
2006 (Post-Amalgamation)	\$ 184,704,996	\$ 227.43
2007 (Post-Amalgamation)	\$ 191,085,110	\$ 231.23
2008 (Post-Amalgamation)	\$ 195,177,596	\$ 232.18
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-2000)	\$ 124,579,678	\$ 168.74
Post-Amalgamation Period (2001-2008)	\$ 170,174,261	\$ 211.43
Percent Change between Pre- and Post-Amalgamation Periods	36.60%	25.30%
Three-Year Period Immediately Following Amalgamation (2001-2003)	\$ 149,555,972	\$ 191.27
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	20.05%	13.35%

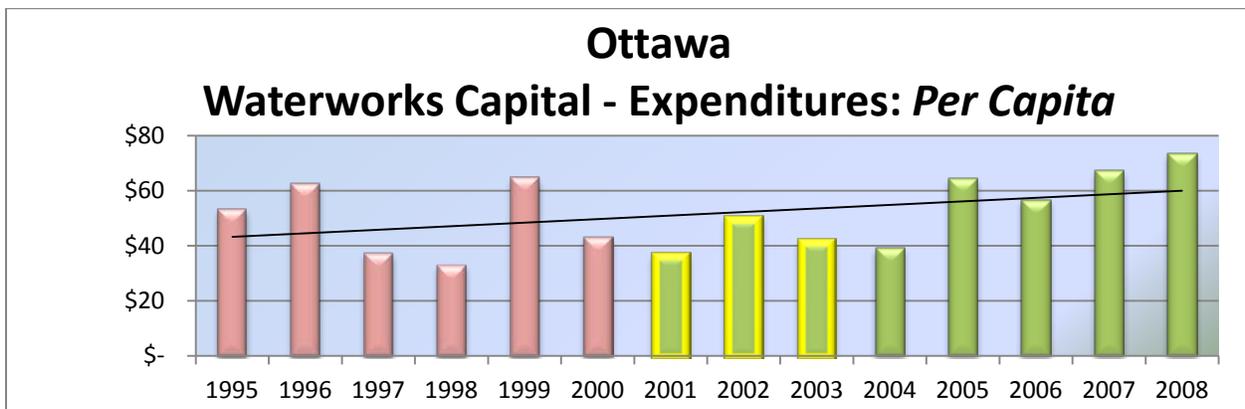
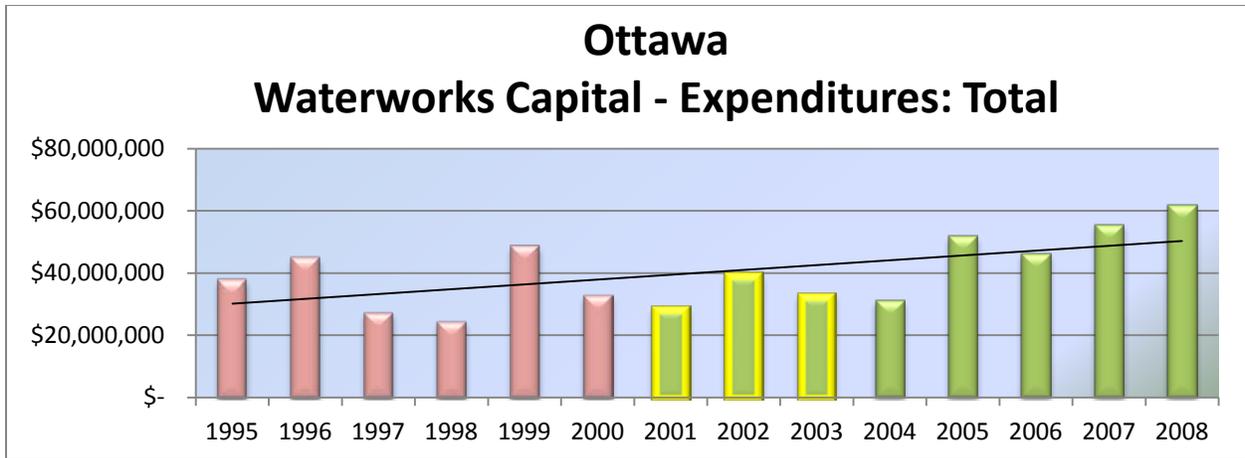


Year (Amalgamation Status)	Police Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 123,090,590	\$ 172.75
1996 (Pre-Amalgamation)	\$ 120,545,336	\$ 167.16
1997 (Pre-Amalgamation)	\$ 129,359,967	\$ 176.79
1998 (Pre-Amalgamation)	\$ 138,654,500	\$ 186.75
1999 (Pre-Amalgamation)	\$ 150,381,776	\$ 199.61
2000 (Pre-Amalgamation)	\$ 145,946,305	\$ 190.92
2001 (Post-Amalgamation)	\$ 152,784,865	\$ 197.38
2002 (Post-Amalgamation)	\$ 165,675,810	\$ 211.95
2003 (Post-Amalgamation)	\$ 166,894,428	\$ 211.45
2004 (Post-Amalgamation)	\$ 177,053,368	\$ 222.18
2005 (Post-Amalgamation)	\$ 179,087,248	\$ 222.60
2006 (Post-Amalgamation)	\$ 192,650,472	\$ 237.22
2007 (Post-Amalgamation)	\$ 199,526,758	\$ 241.45
2008 (Post-Amalgamation)	\$ 205,039,024	\$ 243.91
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-2000)	\$ 134,663,079	\$ 182.33
Post-Amalgamation Period (2001-2008)	\$ 179,838,997	\$ 223.52
Percent Change between Pre- and Post-Amalgamation Periods	33.55%	22.59%
Three-Year Period Immediately Following Amalgamation (2001-2003)	\$ 161,785,034	\$ 206.92
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	20.14%	13.49%

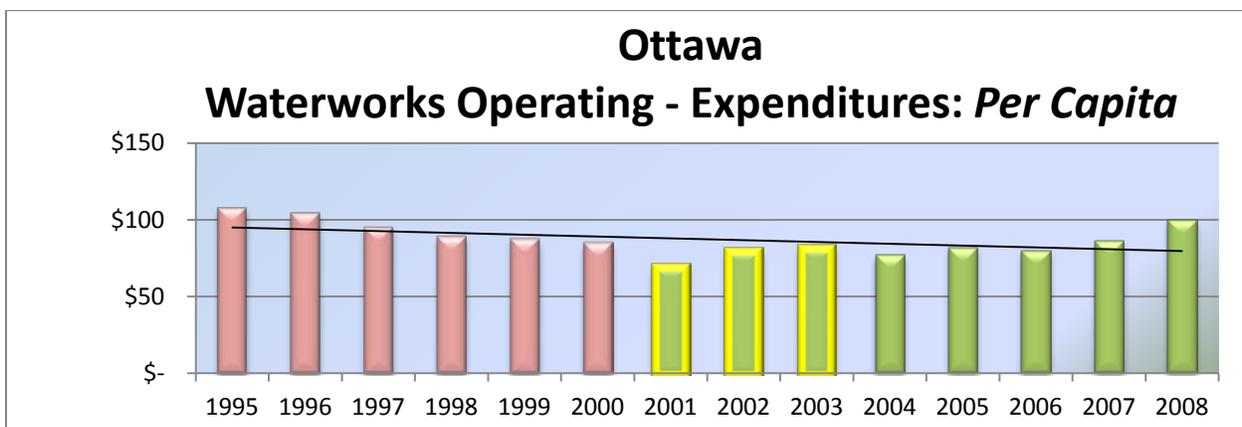
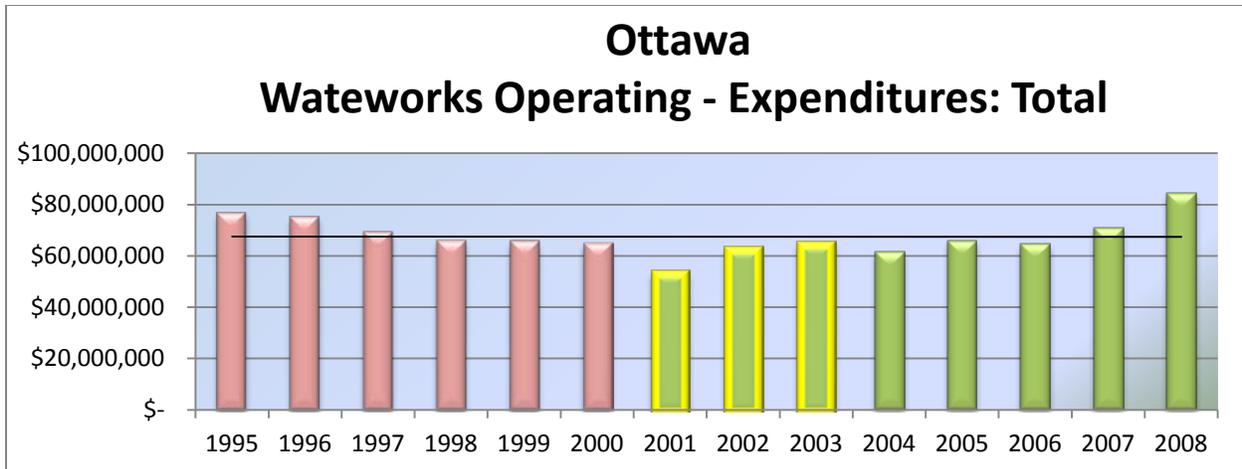
Average waterworks capital expenditures decreased in the first three years following amalgamation by 8.66% (13.94% *per capita*) compared to average pre-amalgamation spending levels. Over the full post-amalgamation period, average spending increased by 19.60% (9.08% *per capita*).

Average waterworks operating expenditures were lower following amalgamation. In the first three years post-amalgamation, spending decreased an average of 14.41% (19.45% *per capita*) compared to average pre-amalgamation spending levels. Over the full post-amalgamation period spending was lower by an average of 5.57% (13.67% *per capita*).

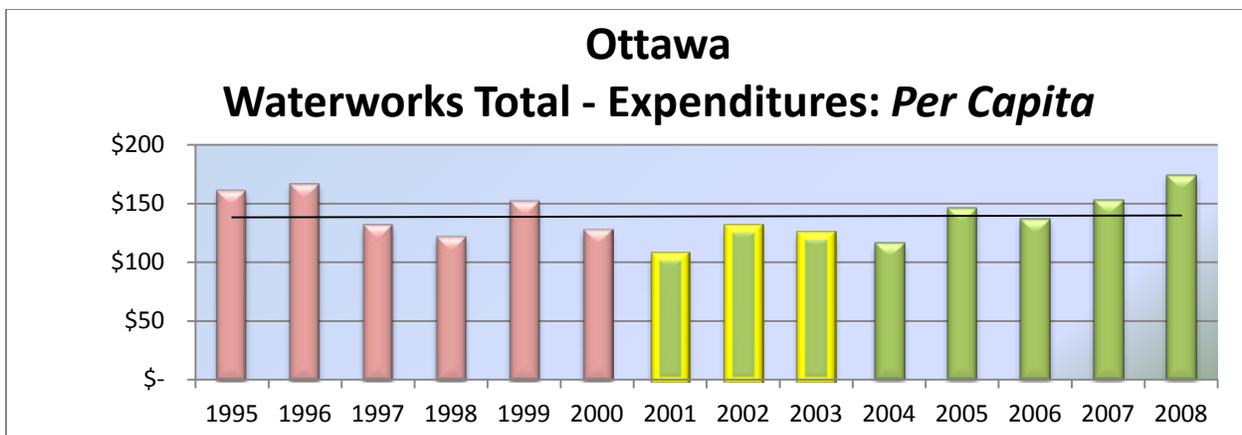
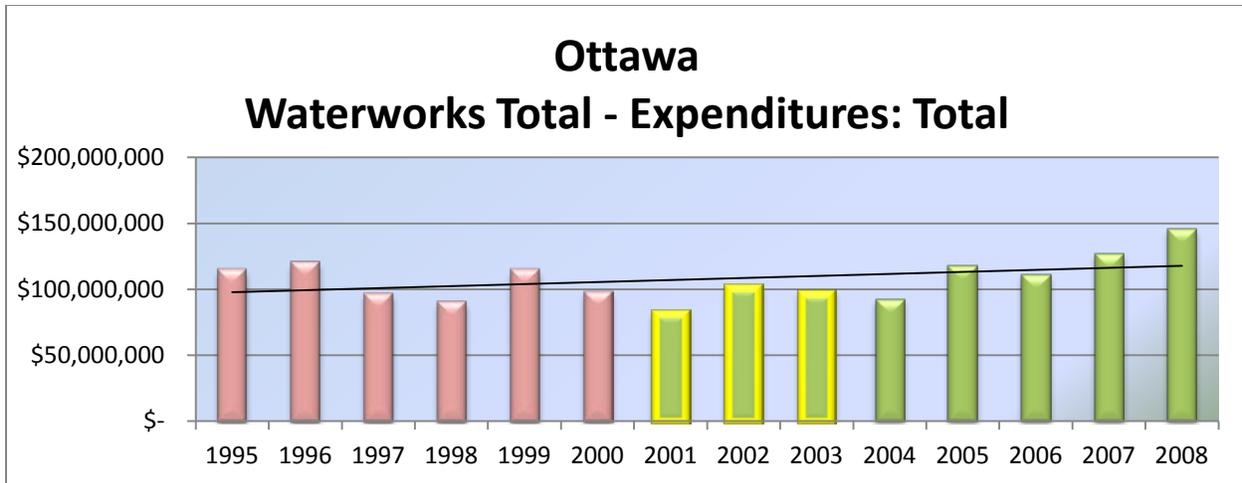
Total expenditures related to providing waterworks fell in the first three years after amalgamation by an average of 12.44% or 17.57% *per capita* compared to average pre-amalgamation spending levels. Over the full post-amalgamation period, spending was higher on a dollar basis by an average of 3.02% however decreased on a *per capita* basis by 5.91% compared to average pre-amalgamation spending levels.



Year (Amalgamation Status)	Waterworks Capital	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$38,031,622	\$ 53.37
1996 (Pre-Amalgamation)	\$45,138,828	\$ 62.59
1997 (Pre-Amalgamation)	\$27,351,247	\$ 37.38
1998 (Pre-Amalgamation)	\$24,559,351	\$ 33.08
1999 (Pre-Amalgamation)	\$48,893,596	\$ 64.90
2000 (Pre-Amalgamation)	\$32,980,794	\$ 43.14
2001 (Post-Amalgamation)	\$28,011,131	\$ 36.19
2002 (Post-Amalgamation)	\$38,728,060	\$ 49.54
2003 (Post-Amalgamation)	\$32,349,720	\$ 40.99
2004 (Post-Amalgamation)	\$31,336,628	\$ 39.32
2005 (Post-Amalgamation)	\$51,941,904	\$ 64.56
2006 (Post-Amalgamation)	\$46,151,678	\$ 56.83
2007 (Post-Amalgamation)	\$55,677,999	\$ 67.38
2008 (Post-Amalgamation)	\$61,772,198	\$ 73.48
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-2000)	\$36,159,240	\$ 49.08
Post-Amalgamation Period (2001-2008)	\$43,246,165	\$ 53.54
Percent Change between Pre- and Post-Amalgamation Periods	19.60%	9.08%
Three-Year Period Immediately Following Amalgamation (2001-2003)	\$33,029,637	\$ 42.24
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-8.66%	-13.94%



Year (Amalgamation Status)	Waterworks Operating	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$76,797,036	\$ 107.78
1996 (Pre-Amalgamation)	\$75,324,745	\$ 104.45
1997 (Pre-Amalgamation)	\$69,345,578	\$ 94.77
1998 (Pre-Amalgamation)	\$66,046,157	\$ 88.96
1999 (Pre-Amalgamation)	\$65,903,097	\$ 87.48
2000 (Pre-Amalgamation)	\$65,081,185	\$ 85.14
2001 (Post-Amalgamation)	\$52,913,059	\$ 68.36
2002 (Post-Amalgamation)	\$62,078,199	\$ 79.42
2003 (Post-Amalgamation)	\$64,113,303	\$ 81.23
2004 (Post-Amalgamation)	\$61,565,181	\$ 77.26
2005 (Post-Amalgamation)	\$66,026,013	\$ 82.07
2006 (Post-Amalgamation)	\$64,714,796	\$ 79.69
2007 (Post-Amalgamation)	\$71,127,149	\$ 86.07
2008 (Post-Amalgamation)	\$84,371,054	\$ 100.37
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-2000)	\$69,749,633	\$ 94.76
Post-Amalgamation Period (2001-2008)	\$65,863,594	\$ 81.81
Percent Change between Pre- and Post-Amalgamation Periods	-5.57%	-13.67%
Three-Year Period Immediately Following Amalgamation (2001-2003)	\$59,701,520	\$ 76.33
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-14.41%	-19.45%



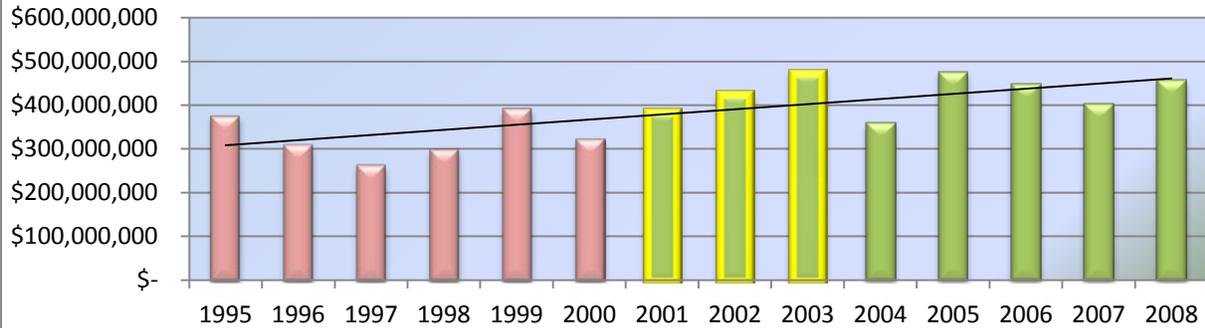
Year (Amalgamation Status)	Waterworks Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 114,828,658	\$ 161.15
1996 (Pre-Amalgamation)	\$ 120,463,573	\$ 167.05
1997 (Pre-Amalgamation)	\$ 96,696,825	\$ 132.15
1998 (Pre-Amalgamation)	\$ 90,605,508	\$ 122.03
1999 (Pre-Amalgamation)	\$ 114,796,693	\$ 152.38
2000 (Pre-Amalgamation)	\$ 98,061,979	\$ 128.28
2001 (Post-Amalgamation)	\$ 80,924,190	\$ 104.54
2002 (Post-Amalgamation)	\$ 100,806,259	\$ 128.96
2003 (Post-Amalgamation)	\$ 96,463,023	\$ 122.21
2004 (Post-Amalgamation)	\$ 92,901,809	\$ 116.58
2005 (Post-Amalgamation)	\$ 117,967,917	\$ 146.63
2006 (Post-Amalgamation)	\$ 110,866,474	\$ 136.51
2007 (Post-Amalgamation)	\$ 126,805,148	\$ 153.45
2008 (Post-Amalgamation)	\$ 146,143,252	\$ 173.85
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-2000)	\$ 105,908,873	\$ 143.84
Post-Amalgamation Period (2001-2008)	\$ 109,109,759	\$ 135.34
Percent Change between Pre- and Post-Amalgamation Periods	3.02%	-5.91%
Three-Year Period Immediately Following Amalgamation (2001-2003)	\$ 92,731,157	\$ 118.57
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	-12.44%	-17.57%

Total capital budget expenditures were higher on average following amalgamation. In the three year period after amalgamation, spending increased by 30.26% (22.78% *per capita*) compared to average pre-amalgamation spending levels. Over the full post-amalgamation period, spending increased by 30.94% (20.18% *per capita*).

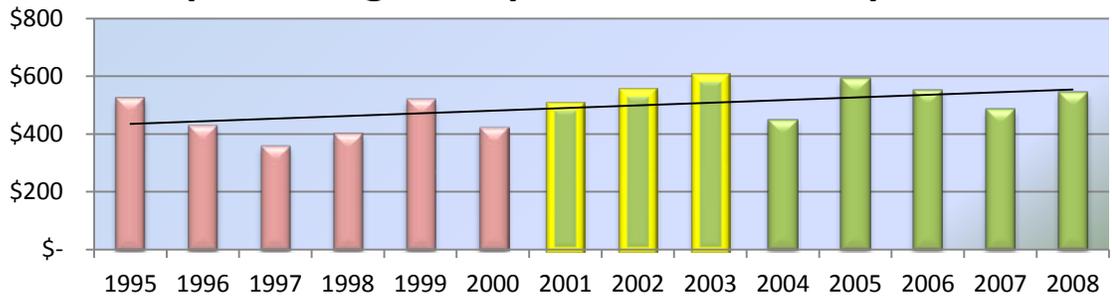
Total operating budget expenditures increased following amalgamation. In the first three years after amalgamation, spending was higher by an average of 6.16% (.12% *per capita*) compared to average pre-amalgamation spending levels. Over the full post-amalgamation period, spending increased by an average of 13.51% (4.12% *per capita*) compared to average pre-amalgamation levels.

Total budget spending in Ottawa increased following amalgamation. Spending was higher in the first three years after amalgamation by 10.02% (3.75% *per capita*) compared to average pre-amalgamation spending levels. Over the full post-amalgamation period, spending rose by 16.30% (6.70% *per capita*) compared to average pre-amalgamation spending levels.

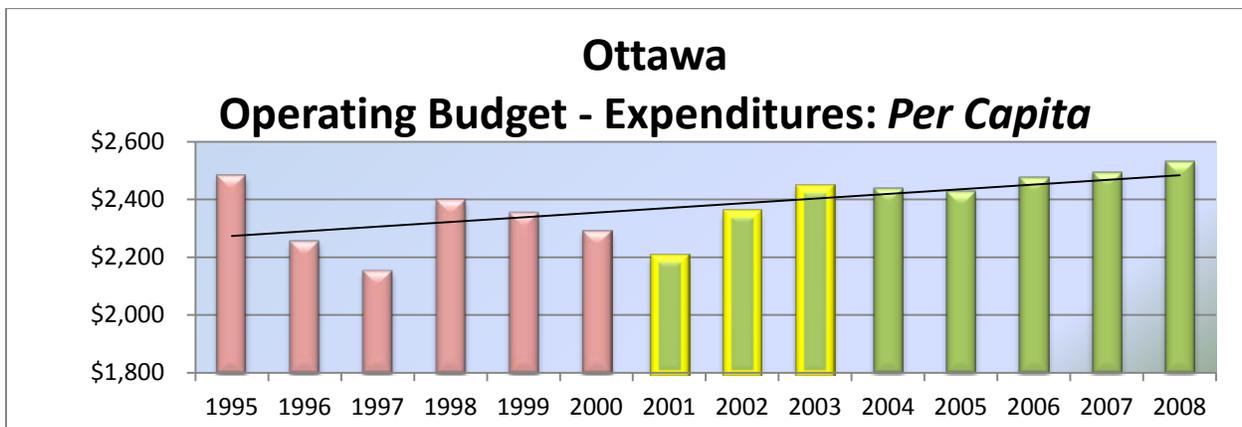
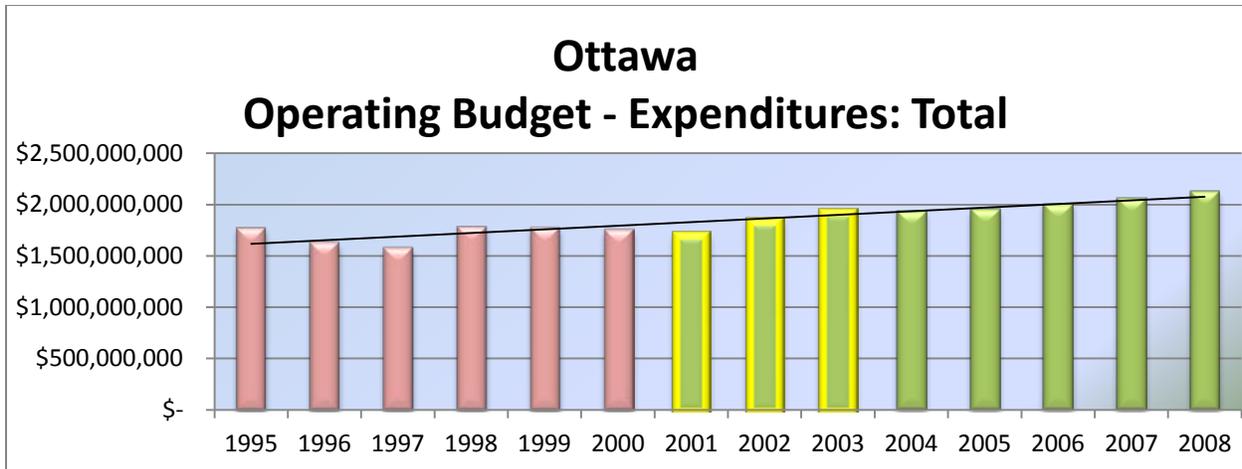
## Ottawa Capital Budget - Expenditures: Total



## Ottawa Capital Budget - Expenditures: *Per Capita*

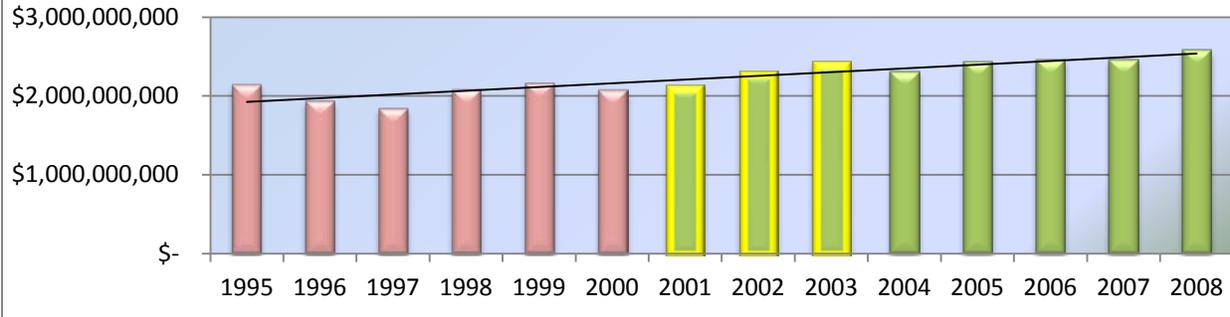


Year (Amalgamation Status)	Capital Budget Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 374,794,267	\$ 526.00
1996 (Pre-Amalgamation)	\$ 309,765,032	\$ 429.55
1997 (Pre-Amalgamation)	\$ 263,544,419	\$ 360.17
1998 (Pre-Amalgamation)	\$ 298,902,522	\$ 402.58
1999 (Pre-Amalgamation)	\$ 391,979,356	\$ 520.31
2000 (Pre-Amalgamation)	\$ 322,149,803	\$ 421.43
2001 (Post-Amalgamation)	\$ 382,827,601	\$ 494.56
2002 (Post-Amalgamation)	\$ 424,218,293	\$ 542.70
2003 (Post-Amalgamation)	\$ 470,224,359	\$ 595.75
2004 (Post-Amalgamation)	\$ 360,033,242	\$ 451.79
2005 (Post-Amalgamation)	\$ 477,302,062	\$ 593.28
2006 (Post-Amalgamation)	\$ 448,469,865	\$ 552.22
2007 (Post-Amalgamation)	\$ 402,735,749	\$ 487.35
2008 (Post-Amalgamation)	\$ 457,970,585	\$ 544.79
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-2000)	\$ 326,855,900	\$ 443.34
Post-Amalgamation Period (2001-2008)	\$ 427,972,720	\$ 532.80
Percent Change between Pre- and Post-Amalgamation Periods	30.94%	20.18%
Three-Year Period Immediately Following Amalgamation (2001-2003)	\$ 425,756,751	\$ 544.34
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	30.26%	22.78%

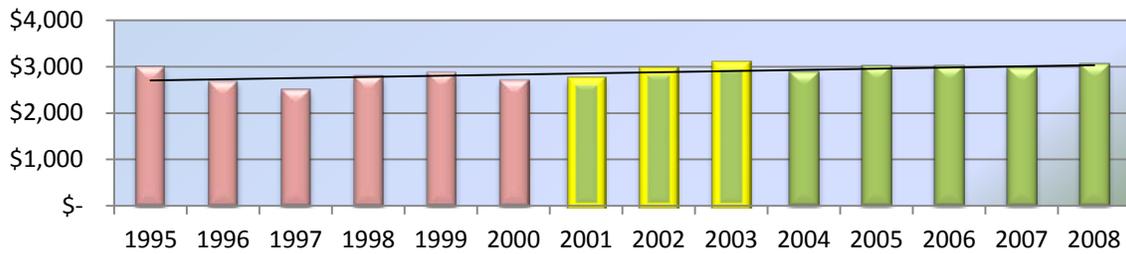


Year (Amalgamation Status)	Operating Budget	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 1,770,131,532	\$ 2,484.26
1996 (Pre-Amalgamation)	\$ 1,628,635,697	\$ 2,258.43
1997 (Pre-Amalgamation)	\$ 1,577,284,344	\$ 2,155.58
1998 (Pre-Amalgamation)	\$ 1,781,302,725	\$ 2,399.18
1999 (Pre-Amalgamation)	\$ 1,773,248,096	\$ 2,353.77
2000 (Pre-Amalgamation)	\$ 1,752,917,021	\$ 2,293.12
2001 (Post-Amalgamation)	\$ 1,698,030,740	\$ 2,193.63
2002 (Post-Amalgamation)	\$ 1,837,290,810	\$ 2,350.43
2003 (Post-Amalgamation)	\$ 1,923,254,148	\$ 2,436.67
2004 (Post-Amalgamation)	\$ 1,945,436,803	\$ 2,441.24
2005 (Post-Amalgamation)	\$ 1,954,159,605	\$ 2,428.98
2006 (Post-Amalgamation)	\$ 2,012,105,170	\$ 2,477.57
2007 (Post-Amalgamation)	\$ 2,063,345,546	\$ 2,496.85
2008 (Post-Amalgamation)	\$ 2,129,818,353	\$ 2,533.59
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-2000)	\$ 1,713,919,903	\$ 2,324.06
Post-Amalgamation Period (2001-2008)	\$ 1,945,430,147	\$ 2,419.87
Percent Change between Pre- and Post-Amalgamation Periods	13.51%	4.12%
Three-Year Period Immediately Following Amalgamation (2001-2003)	\$ 1,819,525,233	\$ 2,326.91
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	6.16%	0.12%

## Ottawa Operating and Capital Budget Expenditures: Total



## Ottawa Operating and Capital Budget Expenditures: *Per Capita*



Year (Amalgamation Status)	Operating and Capital Budget - Total	
	Total	Per Capita
1995 (Pre-Amalgamation)	\$ 2,144,925,799	\$ 3,010.26
1996 (Pre-Amalgamation)	\$ 1,938,400,729	\$ 2,687.98
1997 (Pre-Amalgamation)	\$ 1,840,828,763	\$ 2,515.75
1998 (Pre-Amalgamation)	\$ 2,080,205,247	\$ 2,801.76
1999 (Pre-Amalgamation)	\$ 2,165,227,452	\$ 2,874.08
2000 (Pre-Amalgamation)	\$ 2,075,066,824	\$ 2,714.55
2001 (Post-Amalgamation)	\$ 2,080,858,341	\$ 2,688.20
2002 (Post-Amalgamation)	\$ 2,261,509,103	\$ 2,893.13
2003 (Post-Amalgamation)	\$ 2,393,478,507	\$ 3,032.43
2004 (Post-Amalgamation)	\$ 2,305,470,045	\$ 2,893.03
2005 (Post-Amalgamation)	\$ 2,431,461,667	\$ 3,022.26
2006 (Post-Amalgamation)	\$ 2,460,575,035	\$ 3,029.78
2007 (Post-Amalgamation)	\$ 2,466,081,295	\$ 2,984.19
2008 (Post-Amalgamation)	\$ 2,587,788,938	\$ 3,078.38
<b>Average</b>	<b>Total</b>	<b>Per Capita</b>
Pre-Amalgamation Period (1995-2000)	\$ 2,040,775,802	\$ 2,767.40
Post-Amalgamation Period (2001-2008)	\$ 2,373,402,866	\$ 2,952.67
Percent Change between Pre- and Post-Amalgamation Periods	16.30%	6.70%
Three-Year Period Immediately Following Amalgamation (2001-2003)	\$ 2,245,281,984	\$ 2,871.25
Percent Change between Pre- and Three-Year Post-Amalgamation Periods	10.02%	3.75%

## **Inter-Region Results**

In the following Tables, all comparisons are made based on average amounts, that is, all dollar amounts used have been averaged for the time periods under consideration. For example, the pre-amalgamation average is the total expenditures in the years preceding amalgamation divided by the number of years in the pre-amalgamation period. The percent change amounts show the percentage differences between the average amounts between the pre- and post-amalgamation periods. When comparing inter-regional amounts the time periods in the pre- and post-amalgamation periods are not identical. Toronto has three years pre-amalgamation and 11 years post-amalgamation. Essex has four years pre-amalgamation and 10 years post-amalgamation. Ottawa had six years of pre-amalgamation and eight years of post-amalgamation. Although an ideal data analysis would consider identical time periods both pre- and post-amalgamation, such a comparison is not possible with the data set available. All increases or decreases in expenditures are stated on an average basis and are meant to be compare the pre- and post-amalgamation period.

## Inter-Region Results - Fire Services

When viewed on a dollar basis, total fire expenditures following amalgamation increased by a similar amount in both Ottawa (19.53%) and Toronto (17.95%). Expenditures in Essex increased by 43.54%. Total fire expenditures in Toronto had the smallest increase in the first three years after amalgamation rising 4.90% compared to Ottawa with an increase of 7.14% and Essex with an increase of 24.92%.

On a *per capita* basis, total fire service expenditures were higher by 9.50% in Ottawa, 12.92% in Toronto and 29.10% in Essex. In the first three years following amalgamation, Ottawa was slightly higher by .95% while Toronto increased by 2.21% and Essex by 17.62%.

Capital expenditures for fire services were higher following amalgamation in Ottawa where spending rose by 73.26%, in Toronto where spending increased by 68.81%, and in Essex where spending increased by 61.02%. On a *per capita* basis, spending was higher in Ottawa by 59.52%, Toronto by 61.99% and in Essex by 43.80%. The increases for fire capital expenditures in the first three years following amalgamation were significantly higher in Ottawa where spending rose by 103.55% and in Toronto where expenditures rose by 93.64%. The change in Essex was much smaller with spending increasing only 38.34%.

Fire operating expenditures were higher in Ottawa following amalgamation at 16.77% (6.94% *per capita*) while Toronto expenditures were higher by 16.17% (11.20% *per capita*). In Essex, spending was higher by 40.61% while the *per capita* increase by only 26.61%. In the first three years after amalgamation, operating expenditures in Ottawa were higher by 1.55% on a dollar basis but fell by 4.31% *per capita*. Toronto spending rose by 1.60% but *per capita*

spending fell by .99%. Essex increased by 20.89% however the *per capita* change was smaller with an average increase of only 14.11%.

When Windsor and Essex are viewed on a regional basis, the operating expenses post-amalgamation in Essex were higher by 40.61% while in Windsor the average increase was only 23.18%. In the first three years following amalgamation, spending in Essex increased by 20.89% while Windsor was nearly half that at 11.49%. When viewed on a *per capita* basis, the operating increases in Windsor were approximately half that in Essex County. With capital spending, Windsor increased by 225.93% post-amalgamation while Essex's increase was only 61.02%. Total fire services were higher in Essex compared to Windsor. In the first three years after amalgamation, spending in Essex was higher by 24.92% while spending in Windsor was only 12.07%. On a *per capita* basis, spending over the same time period was higher in Essex at 17.62% while Windsor increased by 7.86%.

When Toronto is compared to its surrounding area (the GTA not including the City of Toronto) the disparity between the jurisdictions is much larger. Operating expenditures post-amalgamation were higher in the surrounding area by 27.22 while Toronto was higher by 16.17%. On a *per capita* basis, the increase in the surrounding area was higher by only .89% while Toronto increased by 11.20%. In the first three years following amalgamation, Toronto spending rose by 1.60% while the *per capita* change decreased by nearly 1%. In the surrounding area, the increase by up by nearly .9% while the *per capita* change was a decrease of 16.75%. Capital expenditures in the first three years after amalgamation increased in Toronto by 99.01% with a *per capita* increase of 93.64%. In the surrounding area, the fire capital spending increase was higher by 4.35% however *per capita* spending fell by 5.34%. Total

fire services in the first three years after amalgamation fell by 7.47% in the surrounding area while spending rose in Toronto by 4.90%. On a *per capita* basis, the average change was approximately half the percentage change seen on a dollar basis. *Per capita* spending in the first three years post-amalgamation increased in Toronto by 2.21% while spending fell by 15.85% in the surrounding area. Table 48 displays data related to fire services.

Table 48.  
Inter-Region Fire Results

	Amalgamated Jurisdictions						
	Fire Operating Ottawa	Fire Operating Toronto	Fire Operating Essex	Fire Operating GA	Fire Operating Windsor	Fire Operating GTA	Fire Operating WindsorEssex
Pre-Amalgamation	\$ 83,281,515	\$262,223,618	\$ 5,991,187	\$199,868,973	\$24,869,141	\$462,092,591	\$ 30,860,327
Post-Amalgamation	\$ 97,247,806	\$304,628,927	\$ 8,424,265	\$254,265,666	\$30,634,359	\$558,894,593	\$ 39,058,624
Percent Change	16.77%	16.17%	40.61%	27.22%	23.18%	20.95%	26.57%
Post Amalg = 3 year	\$ 84,568,808	\$266,429,357	\$ 7,242,928	\$182,924,224	\$27,725,501	\$449,353,582	\$ 34,968,430
Percent Change	1.55%	1.60%	20.89%	-8.48%	11.49%	-2.76%	13.31%
	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>
Pre-Amalgamation	\$ 113.01	\$ 110.03	\$ 38.97	\$ 89.33	\$ 124.89	\$ 99.92	\$ 87.46
Post-Amalgamation	\$ 120.85	\$ 122.35	\$ 49.34	\$ 90.12	\$ 144.48	\$ 105.41	\$ 102.06
Percent Change	6.94%	11.20%	26.61%	0.89%	15.68%	5%	16.70%
Post Amalg = 3 year	\$ 108.14	\$ 108.94	\$ 44.47	\$ 74.37	\$ 133.99	\$ 91.58	\$ 94.60
Percent Change	-4.31%	-0.99%	14.11%	-16.75%	7.29%	-8.34%	8.16%
	<b>Fire Capital Ottawa</b>	<b>Fire Capital Toronto</b>	<b>Fire Capital Essex</b>	<b>Fire Capital GA</b>	<b>Fire Capital Windsor</b>	<b>Fire Capital GTA</b>	<b>Fire Capital WindsorEssex</b>
Pre-Amalgamation	\$ 4,276,823	\$ 9,182,025	\$ 1,002,793	\$ 17,038,811	\$ 467,660	\$ 26,220,836	\$ 1,470,453
Post-Amalgamation	\$ 7,409,887	\$ 15,500,317	\$ 1,614,654	\$ 26,058,334	\$ 1,524,245	\$ 41,558,650	\$ 3,138,899
Percent Change	73.26%	68.81%	61.02%	52.94%	225.93%	58.49%	113.46%
Post Amalg = 3 year	\$ 9,240,532	\$ 18,273,259	\$ 1,493,624	\$ 17,780,269	\$ 670,455	\$ 36,053,528	\$ 2,164,079
Percent Change	116.06%	99.01%	48.95%	4.35%	43.36%	37.50%	47.17%
	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>
Pre-Amalgamation	\$ 5.79	\$ 3.85	\$ 6.59	\$ 7.61	\$ 2.35	\$ 5.67	\$ 4.18
Post-Amalgamation	\$ 9.24	\$ 6.24	\$ 9.48	\$ 9.34	\$ 7.15	\$ 7.90	\$ 8.16
Percent Change	59.52%	61.99%	43.80%	22.79%	204.68%	39.26%	94.99%
Post Amalg = 3 year	\$ 11.79	\$ 7.46	\$ 9.12	\$ 7.20	\$ 3.24	\$ 7.33	\$ 5.83
Percent Change	103.55%	93.64%	38.34%	-5.34%	38.23%	29.19%	39.43%
	<b>Fire Total Ottawa</b>	<b>Fire Total Toronto</b>	<b>Fire Total Essex</b>	<b>Fire Total GA</b>	<b>Fire Total Windsor</b>	<b>Fire Total GTA</b>	<b>Fire Total WindsorEssex</b>
Pre-Amalgamation	\$ 87,558,338	\$271,405,643	\$ 6,993,980	\$216,907,784	\$25,336,800	\$488,313,427	\$ 32,330,780
Post-Amalgamation	\$104,657,693	\$320,129,243	\$10,038,919	\$280,324,000	\$32,158,604	\$600,453,243	\$ 42,197,523
Percent Change	19.53%	17.95%	43.54%	29.24%	26.92%	22.96%	30.52%
Post Amalg = 3 year	\$ 93,809,341	\$284,702,616	\$ 8,736,552	\$200,704,493	\$28,395,957	\$485,407,109	\$ 37,132,509
Percent Change	7.14%	4.90%	24.92%	-7.47%	12.07%	-0.60%	14.85%
	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>
Pre-Amalgamation	\$ 118.80	\$ 113.88	\$ 45.56	\$ 96.94	\$ 127.24	\$ 105.59	\$ 91.64
Post-Amalgamation	\$ 130.09	\$ 128.59	\$ 58.82	\$ 99.46	\$ 151.62	\$ 113.30	\$ 110.22
Percent Change	9.50%	12.92%	29.10%	2.60%	19.16%	7.31%	20.27%
Post Amalg = 3 year	\$ 119.93	\$ 116.40	\$ 53.59	\$ 81.57	\$ 137.24	\$ 98.91	\$ 100.43
Percent Change	0.95%	2.21%	17.62%	-15.85%	7.86%	-6.32%	9.59%

## Inter-Region Results - Garbage Services

Garbage operating expenditures in the amalgamated jurisdictions varied widely between the pre- and post-amalgamation time periods. In Essex County, garbage operating expenditures decreased by 8.61% and were lower by 17.62% *per capita* on average following amalgamation when compared to the pre-amalgamation period. In Toronto, garbage operating expenditures increased by 35.44% (29.49% *per capita*) while the City of Ottawa saw garbage operating expenditures rise by .67% on a dollar basis but decrease by 7.77% on a *per capita* basis.

In the first three years following amalgamation, Essex County spent an average of 15.38% less (19.98% less *per capita*) than was spent in the pre-amalgamation period. This was a larger decrease as compared to the unamalgamated City of Windsor who saw an increase of 2.61% on a dollar basis but a decrease of 1.29% on a *per capita* basis.

The City of Toronto saw an average increase of 9.81% (6.98% *per capita*) in the first three years following amalgamation while spending in the Greater Toronto Area (not including Toronto) rose a mere .08% over the same time period while *per capita* spending actually decreased by 8.74%. Garbage operating expenditures in the City of Ottawa decreased by 10.77% (15.83% less *per capita*) in the first three years following amalgamation.

Spending related to garbage capital also showed some wide disparities between regions. In the first three years following amalgamation, capital expenditures in the City of Ottawa were 26.78% higher (19.35% *per capita*) than the pre-amalgamation period. In the City of Toronto, expenditures showed an average increase of 91.80% (86.71% *per capita*) while the GTA (not

including Toronto) increased 9.35% (decreased .02% *per capita*) over the same time period. Spending in Essex County decreased an average of 87.13% (88.04% less *per capita*) while expenditures in the City of Windsor rose by 321.56% (304.42% *per capita*).

When the garbage capital data is compared between the pre- and post-amalgamation periods, the City of Ottawa saw an average increase of 157.11% (133.69% *per capita*). The City of Toronto saw an increase of 121.54% (110.75% *per capita*) while the GTA (not including Toronto) saw a dollar base increase higher than the City of Toronto at 161.14% however lower on a *per capita* basis at 104.19%. Essex County was the only jurisdiction to show a drop in capital spending with an average decrease of 82.90% (84.74% less *per capita*). Over the same period, the neighbouring City of Windsor saw an increase of 666.92% (621.09% *per capita*).

Total average expenditures related to garbage services in Essex County fell by 26.81% (34.13% less *per capita*) post-amalgamation when compared to pre-amalgamation spending. Total spending in the City of Windsor over the same time period increased by 33.29% (24.99% *per capita*). In the City of Toronto, average spending increased by 46.92% (40.34% *per capita*) while total spending in the GTA (not including Toronto) increased by 45.26%, but was much lower on a *per capita* basis with an increase of only 15.31%. The City of Ottawa saw total spending related to garbage services increase by 12.64% following amalgamation while *per capita* increases were much lower on a *per capita* basis at only 3.07%.

Total garbage expenditures in the first three years following amalgamation fell in the City of Ottawa by 7.90% (13.14% less *per capita*). In the City of Toronto, spending was 20.74% higher (17.62% *per capita*) in the first three years after amalgamation. This was higher than the

GTA (not including Toronto) where average spending over the same time period was higher by a mere .83% but decreased on a *per capita* basis by 8.04%. In Essex County, total spending related to garbage services in the first three years after amalgamation fell by 32.96% and fell even more on a *per capita* basis by 36.72%. This decrease was much different than what occurred in the City of Windsor which saw an increase in spending by 8.32% (4.15% *per capita*) over the same time period. Table 49 presents inter-regional results related to garbage services.

Table 49.

*Inter-Regional Garbage Results*

	Amalgamated Jurisdictions						
	Garbage Operating Ottawa	Garbage Operating Toronto	Garbage Operating Essex	Garbage Operating GA	Garbage Operating Windsor	Garbage Operating GTA	Garbage Operating WindsorEssex
Pre-Amalgamation	\$41,569,540	\$143,305,754	\$21,494,077	\$126,101,714	\$13,238,217	\$269,407,469	\$ 34,732,294
Post-Amalgamation	\$41,849,791	\$194,093,391	\$19,643,571	\$170,326,105	\$16,117,757	\$364,419,495	\$ 35,761,327
Percent Change	0.67%	35.44%	-8.61%	35.07%	21.75%	35%	3%
Post Amalg = 3 year	\$37,092,817	\$157,365,296	\$18,187,218	\$126,206,633	\$13,583,689	\$283,571,929	\$ 31,770,907
Percent Change	-10.77%	9.81%	-15.38%	0.08%	2.61%	5.26%	-8.53%
	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>
Pre-Amalgamation	\$ 56.36	\$ 60.15	\$ 139.88	\$ 56.19	\$ 66.49	\$ 58.22	\$ 98.45
Post-Amalgamation	\$ 51.98	\$ 77.89	\$ 115.23	\$ 60.41	\$ 75.93	\$ 68.61	\$ 93.42
Percent Change	-7.77%	29.49%	-17.62%	7.51%	14.19%	18%	-5%
Post Amalg = 3 year	\$ 47.44	\$ 64.35	\$ 111.93	\$ 51.28	\$ 65.63	\$ 57.79	\$ 86.00
Percent Change	-15.83%	6.98%	-19.98%	-8.74%	-1.29%	-0.75%	-12.65%
	<b>Garbage Capital Ottawa</b>	<b>Garbage Capital Toronto</b>	<b>Garbage Capital Essex</b>	<b>Garbage Capital GA</b>	<b>Garbage Capital Windsor</b>	<b>Garbage Capital GTA</b>	<b>Garbage Capital WindsorEssex</b>
Pre-Amalgamation	\$ 3,443,151	\$ 22,047,467	\$ 6,974,578	\$ 11,086,468	\$ 241,132	\$ 33,133,935	\$ 7,215,710
Post-Amalgamation	\$ 8,852,841	\$ 48,843,045	\$ 1,192,910	\$ 28,951,413	\$ 1,849,282	\$ 77,794,458	\$ 3,042,192
Percent Change	157.11%	121.54%	-82.90%	161.14%	666.92%	135%	-57.84%
Post Amalg = 3 year	\$ 4,365,110	\$ 42,287,312	\$ 897,456	\$ 12,123,266	\$ 1,016,505	\$ 54,410,578	\$ 1,913,962
Percent Change	26.78%	91.80%	-87.13%	9.35%	321.56%	64.21%	-73.48%
	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>
Pre-Amalgamation	\$ 4.68	\$ 9.26	\$ 45.63	\$ 4.93	\$ 1.20	\$ 7.17	\$ 20.53
Post-Amalgamation	\$ 10.93	\$ 19.52	\$ 6.96	\$ 10.06	\$ 8.68	\$ 14.43	\$ 7.91
Percent Change	133.69%	110.75%	-84.74%	104.19%	621.09%	101.24%	-61.47%
Post Amalg = 3 year	\$ 5.58	\$ 17.30	\$ 5.46	\$ 4.93	\$ 4.87	\$ 11.10	\$ 5.13
Percent Change	19.35%	86.71%	-88.04%	-0.02%	304.42%	54.75%	-75.01%
	<b>Garbage Total Ottawa</b>	<b>Garbage Total Toronto</b>	<b>Garbage Total Essex</b>	<b>Garbage Total GA</b>	<b>Garbage Total Windsor</b>	<b>Garbage Total GTA</b>	<b>Garbage Total WindsorEssex</b>
Pre-Amalgamation	\$45,012,691	\$165,353,221	\$28,468,655	\$137,188,183	\$13,479,349	\$302,541,404	\$ 41,948,003
Post-Amalgamation	\$50,702,632	\$242,936,436	\$20,836,480	\$199,277,517	\$17,967,039	\$442,213,953	\$ 38,803,519
Percent Change	12.64%	46.92%	-26.81%	45.26%	33.29%	46.17%	-7.50%
Post Amalg = 3 year	\$41,457,927	\$199,652,608	\$19,084,675	\$138,329,899	\$14,600,194	\$337,982,507	\$ 33,684,869
Percent Change	-7.90%	20.74%	-32.96%	0.83%	8.32%	11.71%	-19.70%
	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>
Pre-Amalgamation	\$ 61.04	\$ 69.41	\$ 185.51	\$ 61.12	\$ 67.69	\$ 65.39	\$ 118.98
Post-Amalgamation	\$ 62.91	\$ 97.41	\$ 122.19	\$ 70.47	\$ 84.61	\$ 83.04	\$ 101.33
Percent Change	3.07%	40.34%	-34.13%	15.31%	24.99%	26.99%	-14.84%
Post Amalg = 3 year	\$ 53.02	\$ 81.64	\$ 117.39	\$ 56.20	\$ 70.50	\$ 68.88	\$ 91.13
Percent Change	-13.14%	17.62%	-36.72%	-8.04%	4.15%	5.34%	-23.41%

## Inter-Region Results - General Government Services

In the first three years following amalgamation, spending related to general government operating expenditures varied widely between the amalgamated jurisdictions. In the City of Ottawa, average spending increased by 21.17% (14.55% *per capita*) while Essex County saw an increase of 16.42% (10.59% *per capita*). Spending in the City of Toronto decreased by 8.21% (10.43% less *per capita*). Although the City of Toronto saw spending on operating expenditures fall in the first three years following amalgamation, the Greater Toronto Area (not including Toronto) saw their expenditures rise by 30.74% (19.51% *per capita*). In the City of Windsor, spending increased by 73.17% (66.14% *per capita*) or more than four times the increase found in Essex County.

When general government operating expenditures are viewed between the full pre- and post-amalgamation time periods, spending was relatively flat in the City of Ottawa which had an increase of only .22% on a dollar basis but experienced a decrease of 7.52% on a *per capita* basis. Essex County general government operating expenditures rose an average of 12.28% on a dollar basis but was much lower at 1.76% when viewed on a *per capita* basis. The City of Windsor had a much more significant increase as compared to Essex County with an average increase of 63.69% (53.55% *per capita*). In the City of Toronto, average post-amalgamation spending was lower by 19.85% (23.18% less *per capita*) while the surrounding GTA (not including the City of Toronto) saw spending rise by 55.76% (25.71% *per capita*).

Spending related to general government capital expenses increased in all jurisdictions for all time periods following amalgamation. In the City of Ottawa, expenditures were higher by

231.39% (212.92% *per capita*) in the first three years following amalgamation however were higher by only 114.18% (99.21% *per capita*) over the full post-amalgamation period. In the City of Toronto, expenditures were higher by 123.44% (117.74% *per capita*) in the first three years post-amalgamation however the increase was smaller when viewed over the full post-amalgamation period rising by 54.84% (48.69% *per capita*). By way of comparison, the Greater Toronto Area (not including Toronto) saw an increase less than half of that in Toronto. Spending was higher by 52.37% (39.01% *per capita*) in the first three years post-amalgamation and 115.40% (71.03% *per capita*) over the full post-amalgamation period. In Essex County, spending on general government capital expenditures was higher by 119.76% (105.84% *per capita*) in the first three years post-amalgamation while spending over the entire post-amalgamation period was higher by 173.11% (144.57% *per capita*). Although amalgamation did not occur in the City of Windsor, spending there was higher by 143.53% (132.37% *per capita*) in the first three years following amalgamation. When viewed over the full post-amalgamation period, spending in Windsor increased an average of 180.17% (160.84% *per capita*).

When general government operating and capital expenditures are consolidated, only the City of Toronto experienced a decrease in spending following amalgamation. In the first three years following amalgamation, spending was higher in Toronto by .43% on a dollar basis but decreased by 2.03% on a *per capita* basis. Over the full post-amalgamation period, spending was lower by 14.95% (2.03% less *per capita*). The decrease experienced in the City of Toronto is dissimilar to the experience in the Greater Toronto Area (not including the City of Toronto) where average total spending was higher by 33.10% (21.63% *per capita*) in the first three years following amalgamation. Over the full post-amalgamation period, spending in the

GTA was higher by 62.25% (30.64% *per capita*). In Essex County, average total spending in the first three years following amalgamation was higher by 19.31% (13.28% *per capita*) and spending over the full post-amalgamation period was higher by 16.78% (5.81% *per capita*). Spending in Essex County was lower when compared to the City of Windsor which saw an increase of 77.18% (69.93% *per capita*) in the first three years following amalgamation and an increase of 70.32% (59.69% *per capita*) over the full post-amalgamation period. Finally, the City of Ottawa experienced a larger average percentage increase in the first three years following amalgamation with total spending higher by 52.25% (43.84% *per capita*) and an increase of 17.07% (8.24% *per capita*) over the full post-amalgamation period. Table 50 displays inter-regional data related to general government expenditures. Table 50 shows the inter-regional general government results.

Table 50.

## Inter-Regional General Government Results

	Amalgamated Jurisdictions						
	General Gov't Operating Ottawa	General Gov't Operating Toronto	General Gov't Operating Essex	General Gov't Operating GA	General Gov't Operating Windsor	General Gov't Operating GTA	General Gov't Operating WindsorEssex
Pre-Amalgamation	\$175,449,516	\$705,256,012	\$ 24,296,575	\$394,309,141	\$40,850,175	\$1,099,565,152	\$ 65,146,750
Post-Amalgamation	\$175,835,413	\$565,290,720	\$ 27,279,072	\$614,173,302	\$66,868,543	\$1,179,464,021	\$ 94,147,614
Percent Change	0.22%	-19.85%	12.28%	55.76%	63.69%	7.27%	45%
Post Amalg = 3 year	\$212,585,515	\$647,384,202	\$ 28,285,626	\$515,527,206	\$70,742,229	\$1,162,911,409	\$ 99,027,855
Percent Change	21.17%	-8.21%	16.42%	30.74%	73.17%	5.76%	52.01%
	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>
Pre-Amalgamation	\$ 237.65	\$ 295.95	\$ 157.64	\$ 175.58	\$ 205.24	\$ 237.52	\$ 184.56
Post-Amalgamation	\$ 219.78	\$ 227.34	\$ 160.42	\$ 220.72	\$ 315.14	\$ 223.89	\$ 246.02
Percent Change	-7.52%	-23.18%	1.76%	25.71%	53.55%	-5.74%	33.30%
Post Amalg = 3 year	\$ 272.22	\$ 265.08	\$ 174.33	\$ 209.83	\$ 340.97	\$ 237.57	\$ 267.46
Percent Change	14.55%	-10.43%	10.59%	19.51%	66.14%	0.02%	44.92%
	<b>General Gov't Capital Ottawa</b>	<b>General Gov't Capital Toronto</b>	<b>General Gov't Capital Essex</b>	<b>General Gov't Capital GA</b>	<b>General Gov't Capital Windsor</b>	<b>General Gov't Capital GTA</b>	<b>General Gov't Capital WindsorEssex</b>
Pre-Amalgamation	\$ 30,441,850	\$ 49,526,225	\$ 699,658	\$ 48,194,462	\$ 2,464,658	\$ 97,720,687	\$ 3,164,316
Post-Amalgamation	\$ 65,200,046	\$ 76,685,271	\$ 1,910,851	\$103,810,805	\$ 6,905,331	\$ 180,496,076	\$ 8,816,182
Percent Change	114.18%	54.84%	173.11%	115.40%	180.17%	84.71%	178.61%
Post Amalg = 3 year	\$100,882,589	\$110,662,758	\$ 1,537,566	\$ 73,431,864	\$ 6,002,148	\$ 184,094,622	\$ 7,539,714
Percent Change	231.39%	123.44%	119.76%	52.37%	143.53%	88.39%	138.27%
	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>
Pre-Amalgamation	\$ 41.16	\$ 20.77	\$ 4.60	\$ 21.43	\$ 12.45	\$ 21.09	\$ 9.03
Post-Amalgamation	\$ 82.01	\$ 30.88	\$ 11.24	\$ 36.64	\$ 32.49	\$ 34.14	\$ 22.99
Percent Change	99.21%	48.69%	144.57%	71.03%	160.84%	62%	154.62%
Post Amalg = 3 year	\$ 128.81	\$ 45.23	\$ 9.46	\$ 29.79	\$ 28.94	\$ 37.47	\$ 20.36
Percent Change	212.92%	117.74%	105.84%	39.01%	132.37%	77.67%	125.45%
	<b>General Gov't Total Ottawa</b>	<b>General Gov't Total Toronto</b>	<b>General Gov't Total Essex</b>	<b>General Gov't Total GA</b>	<b>General Gov't Total Windsor</b>	<b>General Gov't Total GTA</b>	<b>General Gov't Total WindsorEssex</b>
Pre-Amalgamation	\$205,891,366	\$754,782,236	\$ 24,996,233	\$442,503,603	\$43,314,833	\$1,197,285,839	\$ 68,311,066
Post-Amalgamation	\$241,035,459	\$641,975,991	\$ 29,189,923	\$717,984,107	\$73,773,873	\$1,359,960,098	\$102,963,796
Percent Change	17.07%	-14.95%	16.78%	62.25%	70.32%	13.59%	50.73%
Post Amalg = 3 year	\$313,468,103	\$758,046,960	\$ 29,823,192	\$588,959,070	\$76,744,377	\$1,347,006,031	\$106,567,569
Percent Change	52.25%	0.43%	19.31%	33.10%	77.18%	12.50%	56.00%
	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>
Pre-Amalgamation	\$ 278.81	\$ 316.72	\$ 162.23	\$ 197.01	\$ 217.69	\$ 258.61	\$ 193.59
Post-Amalgamation	\$ 301.78	\$ 258.22	\$ 171.66	\$ 257.37	\$ 347.63	\$ 258.03	\$ 269.02
Percent Change	8.24%	-18.47%	5.81%	30.64%	59.69%	-0.23%	38.96%
Post Amalg = 3 year	\$ 401.04	\$ 310.30	\$ 183.79	\$ 239.61	\$ 369.91	\$ 275.04	\$ 287.82
Percent Change	43.84%	-2.03%	13.28%	21.63%	69.93%	6.35%	48.68%

## Inter-Region Results - Library Services

When total library operating expenditures are viewed between the pre- and post-amalgamation periods spending was highest in the City of Ottawa and lowest in the City of Toronto. In the City of Ottawa, spending rose by 26.71% (15.98% *per capita*) while spending in Toronto was higher by only .07% but lower on a *per capita* basis by 4.17%. The County of Essex saw an increase of 10.68% on a dollar basis but fell by .12% on a *per capita* basis. The Greater Toronto Area (not including Toronto) saw spending increase by an average of 37.60% (9.71% *per capita*) which is an average more than double the *per capita* spending in the City of Toronto. Operating expenditures in the City of Windsor were lower by 2.96% (-8.78% *per capita*) which is substantially lower on a *per capita* basis than spending in Essex County which saw a *per capita* decrease of .12%.

Library operating expenditures in the first three years following amalgamation varied between jurisdictions. The County of Essex had an increase of 1.12% on a dollar basis but decreased on a *per capita* basis by 4.34%. Over the same time period, the City of Windsor's spending was lower by 2.36% on a dollar basis and less 6.04% on a *per capita* basis. The City of Toronto saw spending rise by 2.80% on a dollar basis but the *per capita* increase was flat at .12%. The GTA (not including Toronto) saw spending rise by 2.97% on a dollar basis but decrease by 5.97% on a *per capita* basis. Finally, the City of Ottawa had the highest percentage increase in the first three years following amalgamation with an 8.05% increase (1.81% *per capita*).

Library capital expenditures when viewed over the full pre- and post-amalgamation time periods showed wide disparities among jurisdictions. In the City of Ottawa, spending was lower by 27.41% (-33.30% *per capita*) while spending in Toronto was higher by an average of 70.98% (63.31% *per capita*). Average expenditures in the GTA (not including Toronto) were higher by 99.60% on a dollar basis but were closer to Toronto on a *per capita* basis at 62.93%. In the County of Essex, average expenditures were higher by 16.98% (6.37% *per capita*). In the City of Windsor, spending over the same time period was less on average by 38.70% (-41.82% *per capita*).

In the first three years following amalgamation, spending patterns were similar to the data in the full post-amalgamation period. Ottawa saw a decrease in spending of 33.13% (-36.96% *per capita*). The City of Toronto's capital spending increased by 52.53% (48.52% *per capita*) while the GTA (not including Toronto) saw spending rise by 77.80% (62.15% *per capita*). Essex County's spending increased by 23.28% (17.06% *per capita*) while the City of Windsor decreased their capital spending on library services by 16.79% (-19.75% *per capita*) over the same time period.

After consolidating both capital and operating expenditures, the City of Ottawa saw the largest increase over the pre- and post-amalgamation time periods at 18.85% (8.82% *per capita*). The County of Essex saw spending rise by an average of 11.86% on a dollar basis but only by 1.09% on a *per capita* basis which was higher than neighbouring Windsor where spending decreased by 13.91% *per capita* over the same time period. In the City of Toronto, total library spending was higher by 7.06% (2.05% *per capita*) which was significantly lower

than spending in the GTA (not including Toronto) where total spending rose by 45.30% (16.31% *per capita*). In the first three years following amalgamation, total spending decreased in the City of Ottawa by 3.81% *per capita* and by .35% *per capita* in the County of Essex. Only the City of Toronto experienced an overall *per capita* increase where spending rose by 6.04% *per capita*. Toronto. Table 51 shows the inter-regional library results.

Table 51.  
Inter-Regional Library Results

	Amalgamated Jurisdictions						
	Library Operating Ottawa	Library Operating Toronto	Library Operating Essex	Library Operating GA	Library Operating Windsor	Library Operating GTA	Library Operating WindsorEssex
Pre-Amalgamation	\$26,813,863	\$147,663,771	\$3,386,192	\$ 71,083,280	\$ 8,253,772	\$218,747,051	\$ 11,639,964
Post-Amalgamation	\$33,976,371	\$147,762,402	\$3,747,874	\$ 97,809,611	\$ 8,009,500	\$245,572,013	\$ 11,757,373
Percent Change	26.71%	0.07%	10.68%	37.60%	-2.96%	12.26%	1.01%
Post Amalg = 3 year	\$28,972,057	\$151,798,695	\$3,423,997	\$ 73,191,685	\$ 8,059,207	\$224,990,380	\$ 11,483,204
Percent Change	8.05%	2.80%	1.12%	2.97%	-2.36%	2.85%	-1.35%
	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>
Pre-Amalgamation	\$ 36.39	\$ 61.97	\$ 22.00	\$ 31.65	\$ 41.47	\$ 47.26	\$ 32.99
Post-Amalgamation	\$ 42.20	\$ 59.38	\$ 21.97	\$ 34.72	\$ 37.83	\$ 46.43	\$ 30.77
Percent Change	15.98%	-4.17%	-0.12%	9.71%	-8.78%	-1.76%	-6.73%
Post Amalg = 3 year	\$ 37.05	\$ 62.04	\$ 21.05	\$ 29.76	\$ 38.96	\$ 45.82	\$ 31.08
Percent Change	1.81%	0.12%	-4.34%	-5.97%	-6.04%	-3.04%	-5.81%
	<b>Library Capital Ottawa</b>	<b>Library Capital Toronto</b>	<b>Library Capital Essex</b>	<b>Library Capital GA</b>	<b>Library Capital Windsor</b>	<b>Library Capital GTA</b>	<b>Library Capital WindsorEssex</b>
Pre-Amalgamation	\$ 4,555,245	\$ 15,152,641	\$ 779,698	\$ 10,082,964	\$ 1,520,916	\$ 25,235,604	\$ 2,300,614
Post-Amalgamation	\$ 3,306,477	\$ 25,907,426	\$ 912,058	\$ 20,125,791	\$ 932,386	\$ 46,033,217	\$ 1,844,444
Percent Change	-27.41%	70.98%	16.98%	99.60%	-38.70%	82.41%	-19.83%
Post Amalg = 3 year	\$ 3,046,277	\$ 23,112,580	\$ 961,190	\$ 17,927,948	\$ 1,265,493	\$ 41,040,528	\$ 2,226,683
Percent Change	-33.13%	52.53%	23.28%	77.80%	-16.79%	62.63%	-3.21%
	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>
Pre-Amalgamation	\$ 6.18	\$ 6.37	\$ 5.04	\$ 4.48	\$ 7.63	\$ 5.46	\$ 6.51
Post-Amalgamation	\$ 4.12	\$ 10.40	\$ 5.36	\$ 7.30	\$ 4.44	\$ 8.72	\$ 4.86
Percent Change	-33.30%	63.31%	6.37%	62.93%	-41.82%	59.70%	-25.31%
Post Amalg = 3 year	\$ 3.90	\$ 9.46	\$ 5.90	\$ 7.27	\$ 6.13	\$ 8.37	\$ 6.03
Percent Change	-36.96%	48.52%	17.06%	62.15%	-19.75%	53.26%	-7.36%
	<b>Library Total Ottawa</b>	<b>Library Total Toronto</b>	<b>Library Total Essex</b>	<b>Library Total GA</b>	<b>Library Total Windsor</b>	<b>Library Total GTA</b>	<b>Library Total WindsorEssex</b>
Pre-Amalgamation	\$31,369,108	\$162,816,411	\$4,165,890	\$ 81,166,244	\$ 9,774,688	\$243,982,655	\$ 13,940,578
Post-Amalgamation	\$37,282,848	\$174,315,103	\$4,659,932	\$117,935,402	\$ 8,941,885	\$292,250,505	\$ 13,601,817
Percent Change	18.85%	7.06%	11.86%	45.30%	-8.52%	19.78%	-2.43%
Post Amalg = 3 year	\$32,018,334	\$177,277,286	\$4,385,187	\$ 91,119,633	\$ 9,324,700	\$268,396,919	\$ 13,709,887
Percent Change	2.07%	8.88%	5.26%	12.26%	-4.60%	10.01%	-1.65%
	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>
Pre-Amalgamation	\$ 42.57	\$ 68.34	\$ 27.04	\$ 36.13	\$ 49.10	\$ 52.72	\$ 39.50
Post-Amalgamation	\$ 46.33	\$ 70.04	\$ 27.34	\$ 42.02	\$ 42.27	\$ 55.27	\$ 35.64
Percent Change	8.82%	2.50%	1.09%	16.31%	-13.91%	4.85%	-9.79%
Post Amalg = 3 year	\$ 40.95	\$ 72.46	\$ 26.95	\$ 37.03	\$ 45.09	\$ 54.66	\$ 37.11
Percent Change	-3.81%	6.04%	-0.35%	2.48%	-8.17%	3.69%	-6.06%

## Inter-Region Results - Planning Services

In the first three years following amalgamation expenditures related to planning operations showed a wide disparity among jurisdictions. In Essex County, average spending decreased by 1.77% (-7.20% *per capita*) while spending in the City of Windsor over the same time period was lower by 23.69% (-26.25% *per capita*). In the City of Toronto, average spending in the first three years post-amalgamation was higher by 252.02% (244.16% *per capita*) compared to pre-amalgamation spending. This amount was substantially higher than spending averages in the GTA (not including Toronto) which experienced an 11.81% increase (2.13% *per capita*). The City of Ottawa saw spending increase by an average of 24.64% (17.30% *per capita*).

Average spending on planning operations expenditures when viewed between the full pre- and post-amalgamation periods showed the lowest increase in the City of Ottawa where spending was higher by 16.83% (6.83% *per capita*). The highest increase was found in the City of Toronto where spending rose by 53.92% (48.84% *per capita*). Compared to Toronto, spending on a dollar basis was higher in the GTA (not including Toronto) at 75.21% however the *per capita* increase was lower at 38.98% over the same time period. Essex County spending was higher at 25.68% (12.96% *per capita*) while spending in the neighbouring City of Windsor decreased by 11.54% (-16.61% *per capita*).

Data related to planning capital expenditures between the pre- and post-amalgamation periods shows the City of Ottawa experienced the largest decrease with average spending falling by 57.64% (-60.53% *per capita*). Essex County saw the next largest decrease in spending

with expenditures falling by 40.83% (-46.12% *per capita*). On a percentage basis, the decrease in Essex County was significantly higher than that in the City of Windsor where costs fell by 1.50% (-7.04% *per capita*) over the same time period. In the City of Toronto, spending actually rose by 1.82% on a dollar basis but fell by 3.38% *per capita*. Toronto's experience was different than the surrounding GTA (not including Toronto) which was a decrease of 9.98% in spending on a dollar basis and a larger decrease of 28.35% on a *per capita* basis.

In the first three years following amalgamation, all amalgamated jurisdictions saw a decrease in spending related to capital expenditures. The respective decreases for Ottawa, Toronto, and Essex County were 58.26% (-59.95% *per capita*), 26.75% (-28.67% *per capita*), 18.87% (-23.10% *per capita*). The GTA (not including Toronto) saw similar decreases as those found in Toronto. Spending in the GTA fell by 24.18% on a dollar basis and 31.89% *per capita*. The City of Windsor was the only area to see an increase during this time period. Spending in Windsor rose by 57.84% (51.31% *per capita*).

When viewed on a consolidated basis, total spending related to planning showed mix results. Over the full pre- and post-amalgamation period, average spending decreased most in Essex County where costs fell by 1.74% (-11.43% *per capita*). Ottawa was next with an average decrease of .42% (-8.24% *per capita*) while the City of Toronto saw an increase in spending of 40.48% (35.33% *per capita*). When Essex County is compared with the City of Windsor, the *per capita* decrease was similar at 11.43% and 11.85% respectively.

Total spending on planning services in the first three years after amalgamation decreased in Essex County by 8.82% (-13.76% *per capita*), increased in Ottawa by 5.83% (.02% *per capita*), and increased in Toronto by 180.09% (173.55% *per capita*). In the GTA (not

including Toronto) spending increased by 4.68% on a dollar basis but fell by 4.62% on a *per capita* basis. The City of Windsor saw planning expenditures rise by 16.68% (12.29% *per capita*) which was contrary to the spending pattern in the neighbouring county of Essex. Table 52 shows the inter-region planning results.

Table 52.  
Inter-Regional Planning Results

	Amalgamated Jurisdictions						
	Planning Operating Ottawa	Planning Operating Toronto	Planning Operating Essex	Planning Operating GA	Planning Operating Windsor	Planning Operating GTA	Planning Operating WindsorEssex
Pre-Amalgamation	\$33,162,725	\$ 83,558,068	\$4,747,560	\$ 62,174,224	\$12,285,881	\$145,732,292	\$ 17,033,440
Post-Amalgamation	\$38,593,520	\$128,610,579	\$5,966,900	\$108,935,788	\$10,867,739	\$237,546,367	\$ 16,834,640
Percent Change	16.38%	53.92%	25.68%	75.21%	-11.54%	63%	-1.17%
Post Amalg = 3 year	\$41,334,153	\$294,138,888	\$4,663,357	\$ 69,519,491	\$ 9,375,302	\$363,658,379	\$ 14,038,659
Percent Change	24.64%	252.02%	-1.77%	11.81%	-23.69%	149.54%	-17.58%
	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>
Pre-Amalgamation	\$ 45.06	\$ 35.07	\$ 30.88	\$ 27.66	\$ 61.49	\$ 31.48	\$ 48.11
Post-Amalgamation	\$ 48.14	\$ 52.20	\$ 34.88	\$ 38.44	\$ 51.28	\$ 45.77	\$ 43.99
Percent Change	6.83%	48.84%	12.96%	38.98%	-16.61%	45%	-8.56%
Post Amalg = 3 year	\$ 52.86	\$ 120.69	\$ 28.65	\$ 28.25	\$ 45.35	\$ 74.67	\$ 38.00
Percent Change	17.30%	244.16%	-7.20%	2.13%	-26.25%	137.20%	-21.00%
	<b>Planning Capital Ottawa</b>	<b>Planning Capital Toronto</b>	<b>Planning Capital Essex</b>	<b>Planning Capital GA</b>	<b>Planning Capital Windsor</b>	<b>Planning Capital GTA</b>	<b>Planning Capital WindsorEssex</b>
Pre-Amalgamation	\$ 9,734,149	\$ 29,057,161	\$3,329,463	\$ 15,364,559	\$12,048,807	\$ 44,421,720	\$ 15,378,270
Post-Amalgamation	\$ 4,123,689	\$ 29,586,227	\$1,969,924	\$ 13,831,575	\$11,867,617	\$ 43,417,802	\$ 13,837,540
Percent Change	-57.64%	1.82%	-40.83%	-9.98%	-1.50%	-2.26%	-10.02%
Post Amalg = 3 year	\$ 4,062,832	\$ 21,285,116	\$2,701,353	\$ 11,650,073	\$19,018,055	\$ 32,935,189	\$ 21,719,408
Percent Change	-58.26%	-26.75%	-18.87%	-24.18%	57.84%	-25.86%	41.23%
	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>
Pre-Amalgamation	\$ 12.99	\$ 12.25	\$ 21.71	\$ 6.85	\$ 60.75	\$ 9.66	\$ 43.81
Post-Amalgamation	\$ 5.13	\$ 11.83	\$ 11.70	\$ 4.91	\$ 56.47	\$ 8.09	\$ 36.62
Percent Change	-60.53%	-3.38%	-46.12%	-28.35%	-7.04%	-16.19%	-16.41%
Post Amalg = 3 year	\$ 5.20	\$ 8.74	\$ 16.69	\$ 4.67	\$ 91.91	\$ 6.73	\$ 58.79
Percent Change	-59.95%	-28.67%	-23.10%	-31.89%	51.31%	-30.27%	34.19%
	<b>Planning Total Ottawa</b>	<b>Planning Total Toronto</b>	<b>Planning Total Essex</b>	<b>Planning Total GA</b>	<b>Planning Total Windsor</b>	<b>Planning Total GTA</b>	<b>Planning Total WindsorEssex</b>
Pre-Amalgamation	\$42,896,874	\$112,615,229	\$8,077,022	\$ 77,538,783	\$24,334,687	\$190,154,012	\$ 32,411,710
Post-Amalgamation	\$42,717,208	\$158,196,807	\$7,936,824	\$122,767,363	\$22,735,356	\$280,964,170	\$ 30,672,180
Percent Change	-0.42%	40.48%	-1.74%	58.33%	-6.57%	47.76%	-5.37%
Post Amalg = 3 year	\$45,396,985	\$315,424,003	\$7,364,710	\$ 81,169,564	\$28,393,356	\$396,593,567	\$ 35,758,067
Percent Change	5.83%	180.09%	-8.82%	4.68%	16.68%	108.56%	10.32%
	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>
Pre-Amalgamation	\$ 58.05	\$ 47.32	\$ 52.58	\$ 34.52	\$ 122.23	\$ 41.14	\$ 91.92
Post-Amalgamation	\$ 53.27	\$ 64.03	\$ 46.58	\$ 43.35	\$ 107.75	\$ 53.87	\$ 80.61
Percent Change	-8.24%	35.33%	-11.43%	25.61%	-11.85%	30.94%	-12.30%
Post Amalg = 3 year	\$ 58.06	\$ 129.43	\$ 45.35	\$ 32.92	\$ 137.26	\$ 81.40	\$ 96.80
Percent Change	0.02%	173.55%	-13.76%	-4.62%	12.29%	97.88%	5.31%

## Inter-Region Results - Police Services

All amalgamated jurisdictions considered in this Paper experienced an increase in spending related to police operations following amalgamation. In the first three years following amalgamation spending increased in Essex by 23.62% (16.82% *per capita*), in Ottawa by 20.05% (13.35% *per capita*) and in Toronto by 2.67% (.09% *per capita*). The results in Toronto are not surprising as their police service was already amalgamated prior to formal municipal amalgamation. In the GTA (not including Toronto) spending rose by an average of 17.14% (7.06% *per capita*), while in the City of Windsor expenditures were higher by 14.29% (9.93% *per capita*). This would indicate that *per capita* spending in Essex County was nearly 70% higher on average than spending in Windsor.

When comparing the pre- and post-amalgamation time periods, spending in Essex rose by an average of 42.84% (28.67% *per capita*) which was higher than the increase in the City of Windsor where spending rose by 32.21% (25.95% *per capita*). In the City of Ottawa, spending to police operations was higher by 36.60% (25.30% *per capita*) while in Toronto spending increased by 18.76% (13.65% *per capita*). The increase in Toronto was much lower than that in the GTA (not including Toronto) where spending rose by 58.73% (26.53% *per capita*).

Expenditures related to police capital costs over the full post-amalgamation period were highest in Essex County with an average increase of 123.23% (106.71% *per capita*). Compared to the neighbouring City of Windsor, spending in Essex was much higher as Windsor's costs decreased by 2.97% (-6.75% *per capita*). In the City of Toronto, spending increased by 48.87% (42.01% *per capita*) and in the City of Ottawa spending fell by 4.15% (-11.07% *per capita*).

In the first three years following amalgamation, capital expenditures for police services rose by 21.28% in Ottawa, 265.66% in Essex County, and fell by 2.85% in Toronto. The GTA (not including Toronto) saw a sharper decline than Toronto as spending fell by 10.49% (-18.54% *per capita*) over the same time period. Capital spending for police rose in the City of Windsor but was much lower than the increase in Essex County. Spending in Windsor was higher by 82.30% (78.05% *per capita*).

When viewed on a consolidated basis, total spending related to policing increased over all time periods (except one) in each jurisdiction. In the City of Ottawa, total police spending rose by 33.55% (22.59% *per capita*) when the full post-amalgamation period is compared to the pre-amalgamation period. Spending in the first three years after amalgamation also increased by 20.14% (13.49% *per capita*). In Essex County, spending was higher by 44.91% (30.66% *per capita*) for the full post-amalgamation period and up by 29.85% (22.77% *per capita*) in the first three years post-amalgamation. This spending was still higher than that of the City of Windsor which saw an increase of 30.42% (22.63% *per capita*) for the full post-amalgamation period and an increase of 21.24% (16.84% *per capita*) for the first three years post-amalgamation. Finally, the City of Toronto saw a total increase in spending of 19.97% (14.79% *per capita*) for the full-amalgamation period. In the first three years following amalgamation spending rose by 2.45% on a dollar basis but showed a modest decrease of .12% when viewed on a *per capita* basis. Table 53 displays the inter-regional results related to police services.

Table 53.

Inter-Regional Police Results

	Amalgamated Jurisdictions						
	Police Operating Ottawa	Police Operating Toronto	Police Operating Essex	Police Operating GA	Police Operating Windsor	Police Operating GTA	Police Operating WindsorEssex
Pre-Amalgamation	\$124,579,678	\$594,505,777	\$16,753,886	\$314,251,307	\$45,462,633	\$ 908,757,084	\$ 62,216,519
Post-Amalgamation	\$170,174,261	\$706,051,626	\$23,930,826	\$498,820,727	\$61,016,708	\$1,204,872,353	\$ 84,947,533
Percent Change	36.60%	18.76%	42.84%	58.73%	34.21%	32.58%	36.54%
Post Amalg = 3 year	\$149,555,972	\$610,380,811	\$20,710,767	\$368,121,418	\$51,960,984	\$ 978,502,229	\$ 72,671,751
Percent Change	20.05%	2.67%	23.62%	17.14%	14.29%	7.67%	16.80%
	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>
Pre-Amalgamation	\$ 168.74	\$ 249.47	\$ 108.92	\$ 139.83	\$ 228.34	\$ 196.27	\$ 176.32
Post-Amalgamation	\$ 211.43	\$ 283.51	\$ 140.15	\$ 176.92	\$ 287.59	\$ 227.15	\$ 221.83
Percent Change	25.30%	13.65%	28.67%	26.53%	25.95%	15.74%	25.81%
Post Amalg = 3 year	\$ 191.27	\$ 249.69	\$ 127.24	\$ 149.70	\$ 251.01	\$ 199.58	\$ 196.53
Percent Change	13.35%	0.09%	16.82%	7.06%	9.93%	1.69%	11.46%
	<b>Police Capital Ottawa</b>	<b>Police Capital Toronto</b>	<b>Police Capital Essex</b>	<b>Police Capital GA</b>	<b>Police Capital Windsor</b>	<b>Police Capital GTA</b>	<b>Police Capital WindsorEssex</b>
Pre-Amalgamation	\$ 10,083,401	\$ 24,910,661	\$ 442,757	\$ 27,551,478	\$ 5,171,760	\$ 52,462,139	\$ 5,614,517
Post-Amalgamation	\$ 9,664,736	\$ 37,085,706	\$ 988,387	\$ 33,750,168	\$ 5,018,225	\$ 70,835,874	\$ 6,006,612
Percent Change	-4.15%	48.87%	123.23%	22.50%	-2.97%	35.02%	6.98%
Post Amalg = 3 year	\$ 12,229,063	\$ 24,199,970	\$ 1,618,968	\$ 24,662,064	\$ 9,428,261	\$ 48,862,034	\$ 11,047,230
Percent Change	21.28%	-2.85%	265.66%	-10.49%	82.30%	-6.86%	96.76%
	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>
Pre-Amalgamation	\$ 13.59	\$ 10.46	\$ 2.85	\$ 12.29	\$ 25.78	\$ 11.34	\$ 15.75
Post-Amalgamation	\$ 12.09	\$ 14.85	\$ 5.89	\$ 12.03	\$ 24.04	\$ 13.29	\$ 16.02
Percent Change	-11.07%	42.01%	106.71%	-2.06%	-6.75%	17.18%	1.75%
Post Amalg = 3 year	\$ 15.66	\$ 9.91	\$ 9.98	\$ 10.01	\$ 45.90	\$ 9.98	\$ 30.13
Percent Change	15.21%	-5.21%	250.05%	-18.54%	78.05%	-12.05%	91.30%
	<b>Police Total Ottawa</b>	<b>Police Total Toronto</b>	<b>Police Total Essex</b>	<b>Police Total GA</b>	<b>Police Total Windsor</b>	<b>Police Total GTA</b>	<b>Police Total WindsorEssex</b>
Pre-Amalgamation	\$134,663,079	\$619,416,438	\$17,196,643	\$341,802,785	\$50,634,393	\$ 961,219,223	\$ 67,831,036
Post-Amalgamation	\$179,838,997	\$743,137,332	\$24,919,213	\$532,570,896	\$66,034,933	\$1,275,708,227	\$ 90,954,145
Percent Change	33.55%	19.97%	44.91%	55.81%	30.42%	32.72%	34.09%
Post Amalg = 3 year	\$161,785,034	\$634,580,781	\$22,329,735	\$392,783,482	\$61,389,245	\$1,027,364,263	\$ 83,718,981
Percent Change	20.14%	2.45%	29.85%	14.92%	21.24%	6.88%	23.42%
	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>
Pre-Amalgamation	\$ 182.33	\$ 259.92	\$ 111.77	\$ 152.12	\$ 254.12	\$ 207.61	\$ 192.07
Post-Amalgamation	\$ 223.52	\$ 298.36	\$ 146.04	\$ 188.95	\$ 311.63	\$ 240.44	\$ 237.85
Percent Change	22.59%	14.79%	30.66%	24.22%	22.63%	15.82%	23.84%
Post Amalg = 3 year	\$ 206.92	\$ 259.60	\$ 137.22	\$ 159.71	\$ 296.92	\$ 209.56	\$ 226.66
Percent Change	13.49%	-0.12%	22.77%	4.99%	16.84%	0.94%	18.01%

## Inter-Region Results - Waterworks Services

In the first three years following amalgamation, spending related to operating costs for waterworks services increased in Essex County but decreased in Toronto and Ottawa. Essex County saw an increase of 23.28% (16.26% *per capita*) which was lower than overall spending increases found in Windsor where expenditures rose by 31.33% (26.29% *per capita*). In Toronto, spending fell by 1.17% (3.65% *per capita*) which was opposite to spending in the GTA (not including Toronto) where costs rose by 22.73% (12.32% *per capita*). In Ottawa, spending decreased by 14.41% (-19.45% *per capita*).

When comparing the full pre- and post-amalgamation time periods, spending was higher in Essex and Toronto at 49.81% (34.66% *per capita*) and 42.26% (36.19% *per capita*) respectively. Spending in the GTA (not including Toronto) was higher than Toronto with an average increase of 63.18% (30.47% *per capita*) while Windsor saw a similar increase to that in Essex with spending rising by 43.12% (34.44% *per capita*). In the City of Ottawa, spending decreased by 5.57% (-13.67% *per capita*).

Capital expenditures related to waterworks increased over the full-amalgamation period as compared to average spending pre-amalgamation. In the City of Ottawa, capital spending was higher by 19.60% (9.08% *per capita*). The City of Toronto saw capital spending rise by 106.03% (96.95% *per capita*) while spending for the same time period in neighbouring GTA (not including Toronto) rose by 45.10% (14.60% *per capita*). In Essex County capital spending was higher by 45.77% (29.52% *per capita*) which was lower than that of neighbouring Windsor where costs rose by 73.38% (63.33% *per capita*).

In the first three years following amalgamation, capital spending related to the provision of waterworks included an average decrease in spending in Ottawa where costs fell by 8.66% (-13.94% *per capita*). In the City of Toronto expenditures were 2.67% higher (.24% *per capita*) which was different than the GTA (not including Toronto) where spending fell by 21.08% (28.34% *per capita*). In Essex County capital expenditures were lower by 23.13% (27.71% *per capita*) which was also counter the findings in neighbouring Windsor which saw an average increase of 135.53% (126.03% *per capita*) over the same time period.

On a consolidated basis, only the City of Ottawa realized a decrease in spending when the post-amalgamation period was compared to the pre-amalgamation period. In Ottawa, total waterworks spending was higher by 3.02% on a dollar basis but lower by 5.91% on a *per capita* basis. The City of Toronto experienced an increase of 53.02% (46.43% *per capita*) while the GTA (not including Toronto) saw a similar increase on a dollar basis of 55.24% but a lower increase on a *per capita* basis where spending rose 23.49%. In Essex County average total spending was higher by 48.50% (32.99% *per capita*) while the City of Windsor experienced a more modest increase of 50.49% (41.47% *per capita*).

Total spending in the first three years following amalgamation fell in both Ottawa and Toronto with decreases of 12.44% (-17.57% *per capita*) and .53% (-2.99% *per capita*) respectively. Spending in the GTA (not including Toronto) was higher by 3.50% on a dollar basis but was lower *per capita*, falling 5.57%. Essex County was the only amalgamated jurisdiction to see an increase with average total spending rising by 8.26% (2.00% *per capita*). This increase

was much lower than that of neighbouring Windsor where spending rose by 56.69% (50.58% *per capita*). Table 54 displays the inter-regional results related to waterworks services

Table 54.  
Inter-Regional Waterworks Results

	Amalgamated Jurisdictions						
	Waterworks Operating Ottawa	Waterworks Operating Toronto	Waterworks Operating Essex	Waterworks Operating GA	Waterworks Operating Windsor	Waterworks Operating GTA	Waterworks Operating WindsorEssex
Pre-Amalgamation	\$ 69,749,633	\$208,501,295	\$19,354,257	\$194,235,026	\$20,578,956	\$402,736,321	\$ 39,933,213
Post-Amalgamation	\$ 65,863,594	\$296,621,285	\$28,994,619	\$316,945,172	\$29,453,581	\$613,566,457	\$ 58,448,199
Percent Change	-5.57%	42.26%	49.81%	63.18%	43.12%	52.35%	46.36%
Post Amalg = 3 year	\$ 59,701,520	\$206,054,256	\$23,860,667	\$238,388,961	\$27,025,933	\$444,443,217	\$ 50,886,599
Percent Change	-14.41%	-1.17%	23.28%	22.73%	31.33%	10.36%	27.43%
	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>
Pre-Amalgamation	\$ 94.76	\$ 87.48	\$ 125.95	\$ 86.34	\$ 103.35	\$ 86.94	\$ 113.17
Post-Amalgamation	\$ 81.81	\$ 119.14	\$ 169.60	\$ 112.65	\$ 138.93	\$ 115.54	\$ 152.63
Percent Change	-13.67%	36.19%	34.66%	30.47%	34.44%	32.90%	34.86%
Post Amalg = 3 year	\$ 76.33	\$ 84.29	\$ 146.42	\$ 96.98	\$ 130.52	\$ 90.65	\$ 137.54
Percent Change	-19.45%	-3.65%	16.26%	12.32%	26.29%	4.27%	21.53%
	<b>Waterworks Capital Ottawa</b>	<b>Waterworks Capital Toronto</b>	<b>Waterworks Capital Essex</b>	<b>Waterworks Capital GA</b>	<b>Waterworks Capital Windsor</b>	<b>Waterworks Capital GTA</b>	<b>Waterworks Capital WindsorEssex</b>
Pre-Amalgamation	\$ 36,159,240	\$ 42,301,127	\$ 9,260,385	\$152,010,401	\$ 6,619,563	\$194,311,528	\$ 15,879,948
Post-Amalgamation	\$ 43,246,165	\$ 87,154,438	\$13,499,244	\$220,563,367	\$11,476,929	\$307,717,805	\$ 24,976,173
Percent Change	19.60%	106.03%	45.77%	45.10%	73.38%	58.36%	57.28%
Post Amalg = 3 year	\$ 33,029,637	\$ 43,429,911	\$ 7,118,370	\$119,960,090	\$15,591,205	\$163,390,001	\$ 22,709,575
Percent Change	-8.66%	2.67%	-23.13%	-21.08%	135.53%	-15.91%	43.01%
	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>
Pre-Amalgamation	\$ 49.08	\$ 17.71	\$ 60.47	\$ 67.82	\$ 33.27	\$ 41.97	\$ 45.09
Post-Amalgamation	\$ 53.54	\$ 34.89	\$ 78.33	\$ 77.72	\$ 54.34	\$ 57.53	\$ 65.19
Percent Change	9.08%	96.95%	29.52%	14.60%	63.33%	37.06%	44.58%
Post Amalg = 3 year	\$ 42.24	\$ 17.76	\$ 43.72	\$ 48.60	\$ 75.19	\$ 33.25	\$ 61.33
Percent Change	-13.94%	0.24%	-27.71%	-28.34%	126.03%	-20.79%	36.03%
	<b>Waterworks Total Ottawa</b>	<b>Waterworks Total Toronto</b>	<b>Waterworks Total Essex</b>	<b>Waterworks Total GA</b>	<b>Waterworks Total Windsor</b>	<b>Waterworks Total GTA</b>	<b>Waterworks Total WindsorEssex</b>
Pre-Amalgamation	\$105,908,873	\$250,802,422	\$28,614,642	\$346,245,427	\$27,198,519	\$597,047,849	\$ 55,813,161
Post-Amalgamation	\$109,109,759	\$383,775,723	\$42,493,863	\$537,508,539	\$40,930,510	\$921,284,262	\$ 83,424,373
Percent Change	3.02%	53.02%	48.50%	55.24%	50.49%	54.31%	49.47%
Post Amalg = 3 year	\$ 92,731,157	\$249,484,167	\$30,979,037	\$358,349,051	\$42,617,137	\$607,833,218	\$ 73,596,174
Percent Change	-12.44%	-0.53%	8.26%	3.50%	56.69%	1.81%	31.86%
	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>
Pre-Amalgamation	\$ 143.84	\$ 105.19	\$ 186.42	\$ 154.16	\$ 136.61	\$ 128.91	\$ 158.26
Post-Amalgamation	\$ 135.34	\$ 154.02	\$ 247.92	\$ 190.37	\$ 193.27	\$ 173.06	\$ 217.82
Percent Change	-5.91%	46.43%	32.99%	23.49%	41.47%	34.25%	37.63%
Post Amalg = 3 year	\$ 118.57	\$ 102.04	\$ 190.14	\$ 145.58	\$ 205.71	\$ 123.90	\$ 198.87
Percent Change	-17.57%	-2.99%	2.00%	-5.57%	50.58%	-3.89%	25.66%

## Inter-Region Results - Budget Totals

The following analysis is related to the overall budgets in each jurisdiction, operating, capital and a consolidated total. In the first three years following amalgamation, overall spending on the operating side was higher in the City of Ottawa by 6.16% (.12% *per capita*). The City of Toronto saw an increase of 4.50% (1.86% *per capita*) which was much lower than that in the GTA (not including Toronto) where spending was higher by 31.85% (20.48% *per capita*). The County of Essex saw an increase of 14.23% (8.00% *per capita*) while the City of Windsor's spending was higher by 34.99% (29.85% *per capita*).

When the full pre- and post-amalgamation periods are considered, spending in Ottawa related to operations was higher by 13.51% (4.12% *per capita*). In the City of Toronto spending was higher by 16.67% (11.66% *per capita*) which was dramatically less than the neighbouring GTA (not including Toronto) which saw spending increase by 71.69% (37.20% *per capita*). In Essex County spending was higher by 37.01% (23.37% *per capita*) which was lower than the spending increase in the City of Windsor who experienced increases of 51.52% on a dollar basis and 42.28% on a *per capita* basis.

With respect to capital budget expenditures in the first three years following amalgamation, spending in Ottawa was higher by 30.26% (22.78% *per capita*). The City of Toronto experienced a spending increase of 18.27% (15.37% *per capita*) which was different than the experience in the GTA (not including Toronto) where spending decreased by 5.01% (-13.24% *per capita*). In Essex County capital expenditures were lower by 2.64% (-8.22% *per capita*) which was also contrary to the experience in Windsor where spending was higher by 31.36% (26.34% *per capita*).

On a consolidated basis, total spending was higher in each jurisdiction when viewed immediately following amalgamation or over the entire post-amalgamation time period. In Ottawa, spending was higher over the full post-amalgamation period by 16.30% (6.70% *per capita*) while expenditures also increased in the first three years after amalgamation by 10.02% (3.75% *per capita*). In the City of Toronto spending was higher by 16.71% (11.70% *per capita*) when viewed over the full post-amalgamation period and higher by 6.48% (3.80% *per capita*) in the first three years following amalgamation. The GTA (not including Toronto) experienced higher increases of 70.82% (36.16% *per capita*) over the full post-amalgamation period and increases of 23.21% (12.59% *per capita*) in the first three years after amalgamation. In Essex County spending was higher by 36.23% (22.49% *per capita*) over the full post-amalgamation period and also higher by 10.40% (4.31% *per capita*) in the first three years after amalgamation. This was lower than the increases seen in the City of Windsor where spending was higher by 48.31% (39.26% *per capita*) over the full post-amalgamation period and higher by 34.33% (29.21% *per capita*) in the first three years post-amalgamation.

Table 55.  
Inter-Regional Operating and Capital Budget Results

	Amalgamated Jurisdictions						
	Budget Operating Ottawa	Budget Operating Toronto	Budget Operating Essex	Budget Operating GA	Budget Operating Windsor	Budget Operating GTA	Budget Operating WindsorEssex
Pre-Amalgamation	\$ 1,713,919,903	\$ 5,960,948,664	\$ 182,423,001	\$ 2,771,012,313	\$ 393,614,688	\$ 8,731,960,977	\$ 576,037,689
Post-Amalgamation	\$ 1,945,430,147	\$ 6,954,888,777	\$ 249,932,242	\$ 4,757,432,490	\$ 596,388,309	\$ 11,712,321,267	\$ 846,320,551
Percent Change	13.51%	16.67%	37.01%	71.69%	51.52%	34.13%	46.92%
Post Amalg = 3 year	\$ 1,819,525,233	\$ 6,229,295,836	\$ 208,377,186	\$ 3,653,552,526	\$ 531,328,702	\$ 9,882,848,362	\$ 739,705,888
Percent Change	6.16%	4.50%	14.23%	31.85%	34.99%	13.18%	28.41%
	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>
Pre-Amalgamation	\$ 2,324.06	\$ 2,501.71	\$ 1,185.53	\$ 1,233.81	\$ 1,976.30	\$ 1,886.56	\$ 1,631.80
Post-Amalgamation	\$ 2,419.87	\$ 2,793.52	\$ 1,462.55	\$ 1,692.76	\$ 2,811.80	\$ 2,211.35	\$ 2,210.35
Percent Change	4.12%	11.66%	23.37%	37.20%	42.28%	17.22%	35.45%
Post Amalg = 3 year	\$ 2,326.91	\$ 2,548.23	\$ 1,280.34	\$ 1,486.49	\$ 2,566.14	\$ 2,016.00	\$ 2,000.03
Percent Change	0.12%	1.86%	8.00%	20.48%	29.85%	6.86%	22.57%
	<b>Budget Capital Ottawa</b>	<b>Budget Capital Toronto</b>	<b>Budget Capital Essex</b>	<b>Budget Capital GA</b>	<b>Budget Capital Windsor</b>	<b>Budget Capital GTA</b>	<b>Budget Capital WindsorEssex</b>
Pre-Amalgamation	\$ 326,855,900	\$ 1,003,111,022	\$ 53,541,272	\$ 848,289,850	\$ 87,516,942	\$ 1,851,400,872	\$ 141,058,215
Post-Amalgamation	\$ 427,972,720	\$ 1,172,570,199	\$ 71,525,027	\$ 1,424,978,177	\$ 117,197,506	\$ 2,597,548,377	\$ 188,722,533
Percent Change	30.94%	16.89%	33.59%	67.98%	33.91%	40.30%	33.79%
Post Amalg = 3 year	\$ 425,756,751	\$ 1,186,340,278	\$ 52,127,735	\$ 805,813,525	\$ 114,964,733	\$ 1,992,153,803	\$ 167,092,469
Percent Change	30.26%	18.27%	-2.64%	-5.01%	31.36%	7.60%	18.46%
	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>
Pre-Amalgamation	\$ 443.34	\$ 420.78	\$ 348.81	\$ 376.83	\$ 439.75	\$ 399.50	\$ 400.14
Post-Amalgamation	\$ 532.80	\$ 470.78	\$ 416.81	\$ 500.31	\$ 552.72	\$ 487.59	\$ 492.42
Percent Change	20.18%	11.88%	19.49%	32.77%	25.69%	22.05%	23.06%
Post Amalg = 3 year	\$ 544.34	\$ 485.45	\$ 320.13	\$ 326.94	\$ 555.56	\$ 406.29	\$ 451.95
Percent Change	22.78%	15.37%	-8.22%	-13.24%	26.34%	1.70%	12.95%
	<b>Op &amp; Cap Budget Total Ottawa</b>	<b>Op &amp; Cap Budget Total Toronto</b>	<b>Op &amp; Cap Budget Total Essex</b>	<b>Op &amp; Cap Budget Total GA</b>	<b>Op &amp; Cap Budget Total Windsor</b>	<b>Op &amp; Cap Budget Total GTA</b>	<b>Op &amp; Cap Budget Total WindsorEssex</b>
Pre-Amalgamation	\$ 2,040,775,802	\$ 6,964,059,686	\$ 235,964,273	\$ 3,619,302,163	\$ 481,131,630	\$ 10,583,361,849	\$ 717,095,903
Post-Amalgamation	\$ 2,373,402,866	\$ 8,127,458,977	\$ 321,457,268	\$ 6,182,410,667	\$ 713,585,815	\$ 14,309,869,643	\$ 1,035,043,083
Percent Change	16.30%	16.71%	36.23%	70.82%	48.31%	35.21%	44.34%
Post Amalg = 3 year	\$ 2,245,281,984	\$ 7,415,636,114	\$ 260,504,922	\$ 4,459,366,052	\$ 646,293,435	\$ 11,875,002,165	\$ 906,798,357
Percent Change	10.02%	6.48%	10.40%	23.21%	34.33%	12.20%	26.45%
	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>	<b>Per Capita</b>
Pre-Amalgamation	\$ 2,767.40	\$ 2,922.48	\$ 1,534.34	\$ 1,610.63	\$ 2,416.05	\$ 2,286.06	\$ 2,031.94
Post-Amalgamation	\$ 2,952.67	\$ 3,264.31	\$ 1,879.36	\$ 2,193.07	\$ 3,364.53	\$ 2,698.94	\$ 2,702.77
Percent Change	6.70%	11.70%	22.49%	36.16%	39.26%	18.06%	33.01%
Post Amalg = 3 year	\$ 2,871.25	\$ 3,033.68	\$ 1,600.47	\$ 1,813.43	\$ 3,121.70	\$ 2,422.29	\$ 2,451.98
Percent Change	3.75%	3.80%	4.31%	12.59%	29.21%	5.96%	20.67%

## **Chapter 6: Conclusions**

The research and statistical analysis undertaken in the development of the analysis set forth in this Paper provide satisfactory evidence from which to draw multiple conclusions of both a quantitative and qualitative nature. Conclusions of a quantitative nature have been made using the data sets available. As the data sets related to municipal expenditures do not provide explanation into the timing of decision making related to each service, it is plausible that future research which delves deeper into the rationale behind certain decisions could help to provide a better understanding, and ultimately alter certain conclusions herein set forth. For instance, the Government of Ontario passed legislation requiring all residential electricity customers in the Province to switch to smart meter technology which provides time-of-use pricing for the consumption of electricity. The implementation of smart meter technology requires large capital investments by the electrical distribution companies. Although the deadline for implementation has passed, not all companies have switched to smart meter technology because they lack sufficient back-end systems to manage electronic meter reading. This has resulted in unequal capital and operating outlays which, if such a data set were used in this Paper, would lead to a conclusion based on an imbalanced comparison that is beyond any choice differences made at the municipal level. There are no such known issues in the current data set however the detail of the data composition has not been reviewed in depth required to attend the purpose of identifying such issues.

There is one primary conclusion that is common to every municipal amalgamation, consolidation and restructuring that occurred in the Province of Ontario during the time periods reviewed in this Paper. In each instance, restructuring was preceded by some form of

provincially mandated study, commission or report. In some cases, multiple reviews were undertaken and relied upon by provincial decision makers prior to implementing municipal restructuring. In fact, there is not a single example identified where restructuring occurred without a background report produced by an independent party whose mandate was assigned by the provincial government. Even when faced with the threat of an independent review commissioner, municipalities proved unable to structure an arrangement satisfactory to all affected parties and were largely reliant on recommendations from current and/or prior reviews<sup>121</sup>. Although local municipal councils often pass motions expressing their views and opinions on restructuring, such motions generally prove futile as they expose the inherent problem in having municipalities decide their own boundaries – namely, each municipal council approves of plans that are best for its residents and not necessarily the larger area under consideration. This is not to suggest that municipal councillors are necessarily wrong or misguided or that their only goals are preservation of their jobs and their municipalities. It does however indicate that their perspectives are focused on both the jurisdictions and the people who they were elected to serve - even when that focus may be better directed beyond the boundaries of their jurisdiction.

There are several reasons that may help explain the need for background reports prior to implementing municipal restructuring. First, there is generally strong political apprehension among politicians in the municipality perceived as being the weaker jurisdiction or target municipality. Given any set of negotiations, it is likely all parties would prefer to operate from a position of strength which allows for more leverage in determining the final outcome of a negotiation. This is not always the case in municipal amalgamation. Such imbalance creates

strong feelings among local politicians in the jurisdiction perceived to be the target as the prospect of ceding control may eventually mean increased property tax rates, changes in decision making and staff assignments, and ultimately, loss of political positions. Completion of a study by a neutral third-party provides some level of comfort that allays political apprehension which may otherwise exist and which, in fact, may be created by members of a community, including politicians, who make claims which are not supported by fact or review.

Next, completion of a report by a neutral third-party provides an element of respect for local sensitivities that inevitably exist in various jurisdictions. The author of a report generally will be able to gather an understanding of sensitive historical or other locations and their meaning to local communities whose identity may partially be built around such locations. With sufficient consultation among a broad group of interested stakeholders it is possible to obtain a better sense of whether claims by community members are genuine or fabricated in an attempt to influence an outcome.

Finally, completion of a study prior to amalgamation provides political cover for any fallout that arises as a result of a decision to restructure municipalities. Politicians at all levels are able to use the contents of a report (assuming they follow the recommendations contained therein) as a shield from criticism from other politicians as well as community members. Decisions to restructure following issuance of a report appear rationalized and, at a minimum, based upon the data and feedback received, including feedback from the general public.

In addition to the customary documentary support used to justify decisions surrounding municipal amalgamation, each instance of consolidation has also been the ultimate responsibility of the Provincial Government. This is enshrined in provincial legislation which is

consistent with municipalities being 'creatures of the province' with ultimate responsibility to ensure that municipalities operate effectively. But intervention from the Provincial Government is far more important for other reasons as well. The perspective of provincial politicians is, by design, far more broad than that of a municipal council. Most municipal governments compare themselves against their adjacent neighbours and not a municipality several hundred kilometers away. For example, when comparing property tax rates, most comparisons are intra-regional and not inter-regional. This narrow focus is not necessarily wrong but is embedded in the psyche of most municipal politicians. The provincial government however, has ultimate responsibility for the inter-workings of the province which necessarily includes issues affecting various regions. In short, the Provincial Government does have a responsibility to make inter-region comparisons and to make adjustments that bolster regions within the province. Municipalities are somewhat inept at making restructuring decisions themselves as a result of the potential ramifications involved in such decisions that go to the core sensitivities of the political actors. Former Essex County Warden Pat O'Neil put it succinctly when he stated, "[i]f there is going to be any meaningful change, the province will have to impose it" (Stewart, 1989b, p. A5).

Although restructuring of jurisdictions almost always causes some level of consternation among those residents living in restructured jurisdictions, the political ramifications at the provincial level are far less severe than if decisions were left to local municipal councils in affected areas. Quite simply, political decisions are largely a numbers game and there are far fewer provincial politicians in any given area than locally elected municipal officials. Although every vote is important, the potential political ramifications (i.e. the number of potential votes

at risk) at the provincial level are far less critical than might otherwise be the case if restructuring was left to local municipal councils. On a completely altruistic basis, provincial governments are better situated to view multiple regions of the province and to assist with structural corrective measures, like restructuring, which might help a region become more competitive.

In general, provincial politicians are not mired in the politics at local levels. This does not mean that a local Member of Provincial Parliament (MPP) who represents a region considered for restructuring is disassociated with his/her constituents however, his/her MPP colleagues are more likely to take a dispassionate view of the matter as it likely does not impact their home constituency or political career. This dispassionate view often eliminates the rhetoric and emotion that permeate discussions related to municipal restructuring.

The arguments for and against municipal restructuring are generally repetitive. Those promoting amalgamation generally cite benefits related to efficiency and effectiveness. These benefits are further distilled into the following common themes: improved economic development; one 'voice' for the region; financial improvements at lower cost; reduction in property tax disparities; better coordination and improved service delivery; and, less government. Arguments against restructuring generally focus upon the following themes: loss of community identity; increased costs; higher property tax rates; decreased service levels; and less government representation (accessibility). There is often a core group of malcontents that wish to defy any insinuation of change and who would rather maintain the *status quo* than embrace the idea that change - through restructuring - has potential to create a better, stronger community in the long-term. Such dissention is most often found in communities

which view themselves as somehow disadvantaged within the discussion. For example, contention that community identity is lost following amalgamation is largely a fallacy. Where specific community identity was/is important, such identity will remain beyond a restructuring initiative. Between 1935 and 1966, the City of Windsor was restructured to include the neighbouring jurisdictions of Walkerville, Sandwich and Riverside. Since that time, and including the present day, the names of the former jurisdictions are still used to identify those areas within the City of Windsor even by many who were not yet born at the time restructuring occurred. Moreover, the identity of those communities continues to make an impression on developments in those areas through the historical significance they once played as independent jurisdictions. This is often seen through special development or civic improvement initiatives such as Business Improvement Areas<sup>122</sup> which often conform to the former business centres of past municipalities.

Additionally, many who live in former rural areas of the City of Ottawa still refer to the names of the former municipalities when describing their location to others in the community. The same holds true in the City of Toronto for residents in various areas that have been subject to amalgamation since the 1950's. Changes are generally seen when residents of municipalities involved in amalgamation describe their location to persons external to the community. In this case, one may say they live in the 'City of Toronto' whereas to someone from the Toronto area, that same person may say they live in 'Etobicoke', a former municipality that was amalgamated into the City of Toronto. Generally, where a community has an historic identity beyond the name associated within the amalgamated jurisdiction, it is not likely to lose that identity simply as a result of amalgamation.

Cost reduction through restructuring is the most prominent claim made by proponents of amalgamation. On a widespread basis, this claim appears to be inaccurate however there are certain services, depending upon region, where service delivery costs fell on a *per capita* basis following amalgamation. As the established system for municipal restructuring in Ontario involves Provincial Government approval of each plan, the case for cost savings is generally presented in advance of the decision to amalgamate. Final outcomes are not always predicated on provincial involvement beyond approving an amalgamation and can be reported to the public by the new municipality without any real fear of retribution or recourse as the ultimate decision to restructure did not rest with the municipality. For example, prior to amalgamation in the City of Toronto by the Mike Harris Conservative government in 1998 savings were estimated at between \$148 - \$252 million annually in operational efficiency savings by the year 2000 (KPMG Peat Marwick, 1996). The City of Toronto found that savings for this period were actually \$136.2 million annually for property tax supported operations with cumulative savings for the same period of \$305 million (City of Toronto, 2001).

Although cost reduction is a primary goal in a majority of municipal restructuring initiatives, municipal solvency has also proven to be an important aspect considered by provincial governments. As in the 1935 amalgamation which resulted in enlargement of the City of Windsor to be enlarged by inclusion of neighbouring jurisdictions of the Towns of Sandwich and Walkerville and the City of East Windsor, the primary rationale was largely financial for the economic survival of each jurisdiction which were independently unable to meet their current then financial obligations. Without political intervention through amalgamation, bankruptcy was the next likely step for each municipality. Events like this lead

to the conclusion that there are sometimes no other viable alternatives to municipal restructuring. Municipalities are not completely dissimilar to businesses which often need to restructure to find savings and efficiencies in their operations to thereby deliver ongoing positive income for their owners and investors. When either a business or municipality reaches a financial crossroad there are often no other reasonable options available from which to find savings and to remain competitive.

From the preceding analysis it is difficult to determine the true impact of amalgamation among the consequences of downloaded costs in any given municipality as, independently, nuances associated with the intermingling of each affect are difficult to parse. However, when data related to multiple jurisdictions is compared over the same time period, and where amalgamation occurred in different years, it is possible to draw conclusions with greater certainty about the effect of amalgamation on certain services. For example, when all jurisdictions in the sample universe (Greater Toronto Area, City of Ottawa, and Windsor - Essex County) are included, total spending on capital goods decreased following amalgamation by 22.6%. This may be a result of certain decisions made by elected municipal councils which anticipated certain amalgamations and opted to increase capital spending in advance of restructuring so as to spend funds within their local jurisdictions which funds otherwise may have been transferred to other areas following amalgamation. Provincial governments are generally alert to this possibility and often assign transition committees to oversee spending once a decision to amalgamate is made. However, it may be clear to municipal councillors that restructuring is inevitable in advance of a formal decision by the provincial government, which may in-turn lead to an increase in capital expenditures. On a yearly basis, capital spending at

the service delivery level tends to vary more than operating expenditures. Municipalities have options of deferring certain capital spending if funds are required in other areas. For example, a planned purchase of new fire equipment may be deferred if extraneous events require purchase of a new waste disposal vehicle. This fluctuation at the service level will not be seen at the consolidated level because the dollar amount spent on capital equipment will likely be similar. However, if municipal councils raid capital funds to pay for operating expenditures an overall decrease in capital accounts would be seen with a corresponding increase in operating expenditures.

Analysis of the three jurisdictions reviewed suggests that amalgamation was responsible for a decrease in expenditures related to the provision of waste services both on capital and operating budgets. Capital expenditures were 112% higher prior to amalgamation while operating expenditures were 9.5% higher prior to amalgamation. When both operating and capital expenditures are consolidated, pre-amalgamation expenditures were 13.5% higher than post-amalgamation expenditures. The provision, for example, of waste related services is not discretionary. Both waste and recycling collection and processing are services mandated by the Provincial Government. Although variability exists in service levels provided by municipalities, the core elements are constant. Without inter-municipal agreements or regional government operations, each municipality is required to outsource or manage its fleet of collection equipment. Additionally, the availability of landfills in Ontario is sparse and costs of processing waste expensive. Therefore it was not unexpected to see operating costs increase over time. It is also not unexpected that pre-amalgamation costs were higher when various adjacent

municipalities were operating independently in the provision of waste services which requires significant capital investments.

This analysis suggests that capital expenditures related to provision of general government services increased following amalgamation. Although the size of government was reduced in each area reviewed, thereby accomplishing a stated goal of the Provincial Government, such reduction did not cause general government capital expenditures to fall. The majority of capital expenditures permissible in this category according to the Financial Information Return reporting requirements are related to real estate transactions. Such transactions are expected following restructuring as the new larger jurisdiction is faced with rationalizing properties, such as former City/Town Halls, with centralization of services at a new or expanded City Hall which will generally require expansion as staff size expands.

This analysis offers evidence that the delivery of library services also resulted in a significant change following amalgamation. Library operating expenditures were 583% higher in the pre-amalgamation period as compared to post-amalgamation spending. Total library expenditures were 420% higher prior to amalgamation. Library services are soft-services and completely within the discretion of each municipality. No minimum budget allocation is required and currently held assets (i.e. books) remain available despite decreased spending in any given year. In short, a library budget is an easy budget to trim when attempting to save or reallocate money within a budget because of its discretionary expenditure nature.

Overall it would appear that expenditures related to the delivery of waterworks services also proved to be lower following amalgamation. Capital expenditures fell by 236.7% while total spending was lower by 11% following amalgamation. The decrease in capital spending is

likely related to larger areas served by costly water treatment plants the cost of which can be spread among more customers thereby achieving economies of scale that likely would not be found in areas such as the general treatment of water the cost of which is fairly consistent on any measureable basis.

The preceding analysis suggests that spending related to police capital services was lower by 91.3% pre-amalgamation than post-amalgamation. Total police spending was also lower by 6.7% pre-amalgamation. This can likely be explained by the costs required to relocate and build new police facilities following restructuring as well as providing blended services (vehicles, uniforms, equipment, etc.) to a larger jurisdiction. As discussed previously, many jurisdictions in Ontario, including Windsor-Essex, were not responsible for the provision of police services within their jurisdictions as the Ontario Provincial Police provided service which was paid for through Provincial taxes. When costs related to police services in these jurisdictions was shifted to the municipal property tax base and funded mostly at the local level, these amounts became reportable through the Financial Information Return program and appear as 'increased costs' in the provision of policing services. These increases were directly reflected in the data sets used in this Paper.

Compared to police capital expenditures, operating budget expenditures were not significant. This is not unexpected as police operating costs are largely comprised of staff salaries. The collective bargaining agreements of police services throughout the Province of Ontario vary only slightly with respect to salary and benefits. Therefore, there is little opportunity for significant salary increases following amalgamation for staff within consolidated police services as compared to those in fragmented jurisdictions.

Many researchers criticize restructuring and consider it a failure citing rising wages as an example. Specifically, reference is made to wage rates rising to the highest level among amalgamated jurisdictions<sup>123</sup>. Although such criticism may have validity in certain cases of amalgamation it is not a criticism that holds true in each case analyzed herein. The preceding noted example related to policing suggests evidence that rising wage rates do not always lead to material changes in expenditures because, in part, wage rate changes may be very small. In addition, municipalities have options available to them that allow for different levels of service to different areas within their boundaries. By itself, this approach provides municipalities with an exemption from the risk of rising wage rates. For example, following the 2001 restructuring in the City of Ottawa, fire services were consolidated and internal standards were set with respect to training and response time. However, the level of fire service provided was not standardized throughout the City. Instead, different levels of service were provided to different areas, with urban areas consisting of fire stations staffed by full-time firefighters and many rural stations continuing to be staffed by volunteer fire-fighters (also known as part-time firefighters because they do receive some remuneration from the City of Ottawa). This approach saved the Ottawa Fire Service millions of dollars and precluded standardization of service which would have required negotiation amongst fire services and the City of Ottawa to determine the applicable wage rate for all fire service employees. Although this approach cannot be employed with respect to every municipal service, particularly mandatory services such as policing, it does have a role within discretionary services or those the level of which is primarily within the control of each municipality.

Based upon the preceding analysis, it is impossible to discuss municipal restructuring

without addressing the issue of transition costs required to ensure amalgamation through to completion. These costs are largely funded from the Provincial treasury and are used to merge/consolidate systems (computer and otherwise), fund employment reductions, and fund other capital and operating expenditures that arise as a result of restructuring. For example, the City of Ottawa received \$108.5 million in transition funds from the Province. These funds consequently led to reported savings of \$80.3 million annually (City of Ottawa, 2004). During restructuring in the City of Toronto in 1998, transition costs were approximately \$275 million while annual savings ten years after amalgamation were \$135 million (Schwartz, 2009). Although the City of Toronto claimed savings that exceeded transition costs, it is important to remember that regardless of government source such costs, ultimately, are borne by taxpayers. As the Provincial Government is responsible for approving all municipal restructuring initiatives it is also appropriate that it funds major transitional costs associated with such endeavours.

Although cost savings are touted as a common benefit from municipal amalgamation there are also benefits that can be derived that go beyond the financial aspects. Peter Silcox, author of the 1976 restructuring report in Essex County stated, "[i]f you restructure, you redistribute the costs and benefits. Costs might go up but if you have a modern machine to deal with problems, the people will use it more. They (municipalities) would be able to do more and do more things better" ("Windsor-Essex: The shape of things to come", 1997, p. A6). Primarily, municipal amalgamation creates a clear link between those who require, who fund, and who deliver municipal services. The City of Ottawa provides the best example of such coordination as OC Transpo (regional bus and train service), the Ottawa Public Library, Ottawa Police Service, and Ottawa Fire Service are all delivered on a city wide basis. Some, such as OC

Transpo and Ottawa Police Services were partially or fully amalgamated prior to January 1, 2001 when the remainder of the municipalities in the region were consolidated.

Amalgamation of such high profile and expensive services in advance of a provincial mandate, demonstrate characteristics of a responsive and mature regional government. Without regional government oversight and leadership of these services it is less likely they would have been amalgamated as the various layers of municipal government would have made the process more difficult politically as multiple councils would have had to grant their respective approvals. The City of Ottawa has excelled in service delivery with OC Transpo compared to the Greater Toronto Area or Windsor-Essex. The Greater Toronto Area (GTA) still operates under a patchwork of independent service providers, through which one can travel to almost any part of the GTA, however, such travel can often require payment of multiple fares for travel within the Area. In Windsor-Essex, only the City of Windsor operates a comprehensive bus service. This service operates within City of Windsor boundaries with regular service to Detroit, Michigan in the United States through the Windsor-Detroit Tunnel. The City of Windsor has made substantive overtures to the County of Essex to establish regional bus service but to date, no such service exists. One might presume that many prospective bus users in the region remain frustrated that it is easier to travel internationally than intra-regionally.

It would appear that another positive outcome from amalgamation is the integration of library services for residents. Although coordination of library services is possible without amalgamation any substantive integration proved elusive in the cities of Ottawa and Toronto prior to restructuring. As a result of amalgamation in both regions, library services were

consolidated providing residents an opportunity to access resources that may otherwise have been unavailable or would have required purchase of non-resident memberships or inter-library loans where available. In the County of Essex, all library services were consolidated into the Essex County library system following amalgamation while the City of Windsor system remained independent. The lack of library coordination in Windsor-Essex leaves some county residents who live adjacent to the City of Windsor, closer to a City library than their closest municipal library yet they are unable to easily access City resources. Once again, the link between those who require, fund, and deliver services appears stronger in consolidated jurisdictions for certain services.

The on-going global technology shift is creating an environment whereby anyone with internet access can obtain instant information on events, activities, and research from around the world. This phenomenon has altered the way consumers receive information and purchase certain items. It also has altered the way companies do business with one another and interact with their customers. From a municipal perspective, this technology shift also has altered the way municipalities and regions portray themselves to the outside world, specifically to those companies and people who are exploring business investment options. For example, in a region like Essex County, it would be impractical and inefficient for each municipality to operate separate economic development organizations. The operating costs would be high, the lack of coordination in messaging would be counterproductive, and the ability to mobilize on-the-ground resources<sup>124</sup> as needed would be difficult. All of these issues would make it difficult to unite the entire region into a globally competitive unit - such that the region, and all its benefits would be perceived as attractive by those contemplating investment.<sup>125</sup> No longer is the

County of Essex, the City of Toronto or the City of Ottawa competing for investment solely within Ontario but rather on a global level which requires alignment of regional efforts (and even more often, provincial and federal resources) to be competitive. Each region requires closer cooperation among municipalities seeking economic development opportunities than ever before. On a basic level, more people are familiar with the City of Toronto, Ottawa or Windsor than they are with Scarborough, Fitzroy Harbour, or Kingsville. However, whether human or otherwise, assets that exist within those regions are important elements that ought to be highlighted to those who have expressed interest in that particular region<sup>126</sup>. In short, an imaginary border between two neighbouring jurisdictions is not a border likely to be evident to those living outside of the region.

The question posed in this Paper seemed simple in the beginning: Were there cost savings to municipalities following amalgamation? Overall, it would appear that the answer is not as clear as one might anticipate. Many researchers have stated that no cost savings accrued to amalgamated jurisdictions. Those who hold this opinion are not entirely correct as the jurisdictions reviewed here suggest that certain services did demonstrate modest savings in post-amalgamation periods. Explaining why costs increased or decreased is nearly impossible with the level of data provided in the Financial Information Return's filed by each municipality with the Ontario Ministry of Municipal Affairs and Housing. Future research on this subject should consider a full examination of each service area employing a data level more detailed than that captured by the Government of Ontario. Only then might one more precisely understand the driving forces that lead to expenditure changes over time. Future research should also consider tracking provincial government grants and allocations to municipalities to

determine whether additional revenue was provided in the time periods surrounding amalgamation that were in addition to any regular transition payments made by the Province of Ontario. If such revenue was provided to municipalities any increase in expenditures may be explainable *vis-à-vis* the additional revenue sources provided.

Future research should also consider a review of the various processes used in each service area once amalgamation was approved until a reasonable time period following conclusion of each restructuring, i.e. post-restructuring analysis. The purpose of such an exercise would be to better understand whether expectations established at the start of the process were realistic or whether political expectations were in effect, unachievable. More succinctly, did provincial politicians, and those who were hired by them to review projected savings, create estimates that supported their desire to restructure and did the background material used to create those projections become part of the overall restructuring plan? It would appear from literature on the subject, that cost savings were achievable in the short-term but not sustainable in the long-term. Further research in this area would likely help to explain why this happens and could benefit future restructuring initiatives by identifying key drivers that lead to long-term cost increases.

The analysis undertaken in this Paper related to the qualitative survey in Windsor-Essex revealed that nearly 70 percent of residents in that region wanted their municipal politicians to consider the entire region when making decisions. There is logic to these results as decisions made by each local Council in that region have the potential to affect the lives of others in the region regardless of their location within the region. Not every decision made by a local council will have this effect but some decisions likely will, including those related to economic

development and other large capital expenditures. For example, decisions related to property tax and water rates by one municipality may cause an employer in that jurisdiction to re-evaluate its options relative to location. If such a re-evaluation leads to that same employer relocating outside of the region entirely then those employees living in the region stand to be negatively affected as they could lose their jobs<sup>127</sup>.

The main problem facing a jurisdiction like Windsor-Essex in this situation is the lack of a mandate to govern more broadly - specifically, the ability of locally elected officials to make decisions that would otherwise benefit their constituents but requires approval of elected officials from other jurisdictions. This constraint limits both the authority and accountability of local politicians. Municipal politicians have no legal authority beyond their municipal boundaries and cannot be held accountable for decisions made by others outside of those boundaries. Therefore, decision making is likely to conform to the wishes of constituents within the area of accountability notwithstanding the efficacy of such decision making on the entire region. Such a structure can lead to unnecessary competition among municipalities and distrust among elected officials (in different jurisdictions). As Stephen Covey found, where trust is lacking, it takes longer to get things done and it costs more money - neither of which is beneficial to constituents or investors (Covey, 2006). In a municipal structure like that found in the Cities of Toronto, Ottawa or Windsor, issues outside of simple ward<sup>128</sup> matters are both within the authority and accountability of elected councillors and mayors. Certain matters can raise the attention of an entire city, whose constituents can factor in their elected officials decision making at election time notwithstanding the direct applicability or inapplicability of the matter to a specific ward served by an elected official.

Widespread budget savings from municipal amalgamation do not appear to have materialized in the jurisdictions reviewed. Non-financial benefits related to amalgamation may have materialized but are beyond the scope of this Paper. This is not to suggest that the overall benefit of amalgamation was not positive or worth undertaking. Various restructurings may have been beneficial to the regions in which they occurred and may have served to better position the jurisdictions to be more competitive with respect to employment, tourism, and economic development. Although it is easy to discount consideration of amalgamation based solely on cost one would be foolhardy to end discussion on that point alone. Without reviewing the manner in which past amalgamations were undertaken and understanding the implications of past decisions, it will be less likely that future municipal restructuring is better executed. Municipal amalgamation is an exercise that must look beyond cost and savings. If viewed on that basis alone future Provincial politicians will be hesitant to act. However, when the full effect of amalgamation is viewed region wide, with a view to unite a region, to better succeed in a competitive environment, to find savings where savings exists, political actors are more apt to give municipal restructuring serious consideration. "Restructuring, in the end, need not be about losing identities or power, but about sharing interests, strengthening bonds and simply creating a better form of government" ("Silcox Report: Dust and inevitability", 1996, p. A6).

## Endnotes

- <sup>1</sup> For example, in the City of Toronto, the diversity of the population and the demographic spreads (rich – poor, young-old) along with the neighbouring urban municipalities that share the regions' job pool – creates both economic, political and social/cultural issues that are not found in most suburban areas. Getting a bus from Toronto to the adjacent regional municipalities can be difficult for students, employees and the rest of the citizenry. When residents feel that they aren't being accommodated they put pressure on elected officials for change which can provide the impetus for amalgamation suggested. Such pressure may also exist in suburban areas but the breadth of problems that exist are generally going to be less profound.
- <sup>2</sup> The curve in Figure 1 is only intended to show how an 'economies of scale curve' would look. It is not intended to represent an optimal population size.
- <sup>3</sup> This can happen immediately after amalgamation when various unions negotiate a new collective agreement to represent the amalgamated jurisdiction. It can also occur as part of arbitrated awards where unions employ a 'foot in the door' tactic whereby they attempt to secure increased salary/benefits in a large jurisdiction. As collective agreements expire in other jurisdictions, local unions use the benefits previously secured in the larger jurisdiction as part of their demand for an increase locally. For example, the City of Toronto was experiencing issues retaining police and fire personnel. The City agreed to a retention pay premium for officers who remained in Toronto for 10 years or more. Over time, various arbitrated awards led to most other jurisdictions in Ontario receiving the same pay increase however the nomenclature changed to 'long-service' pay. Now municipalities who have no retention issues are stuck paying a premium to employees as a result of cascading arbitration awards.
- <sup>4</sup> This inability to cross boundaries is based partly on geographic limits imposed by the employer but also results from differing equipment. Police in one jurisdiction may not even know where certain streets are in another jurisdiction if they received an emergency call for assistance!
- <sup>5</sup> The term 'producers of services' is typical of the nomenclature used by economists when looking at municipalities and their services. The terms, 'deliverer of services' or 'provider of services' are equally applicable. These terms each imply that the municipality is responsible for all facets of the service as opposed to coordinating a third party contract with an outside firm to deliver a service.
- <sup>6</sup> Requested services are not necessarily optional to residents. There are those services which residents have encouraged their municipality to provide, for example: child care, or parks and recreation activities. There are also lists of services that are mandatory in some cases, for example: clean water delivery, sewers, snow removal from roads and pothole repair.

- 7 In most instances the nature of the workforce would still involve the hiring of local employees – whether they live within the local boundary or in the general region. In some fringe cases it may be possible to bring in employees from outside of the local catchment area which would then make the nature of the workforce very important.
- 8 In a Public Private Partnership, private sector contractors prefer contracts where a municipality bears some or all of the risk including liability. This is a fairly common feature regardless of which level of government is engaging in a "P3". The Confederation Bridge linking the eastern Canadian provinces of Prince Edward Island and New Brunswick is a famous "P3" project where the Government of Canada pays the operator \$44 million annually for thirty years. This effectively covers the cost of construction while the operator still collects the revenue from tolls.
- 9 This may not be the case for every service provided by every municipality. The idea is that municipalities ought to consider different vehicles for service delivery other than providing the service themselves.
- 10 This view was made popular by Woodrow Wilson, the 28<sup>th</sup> President of the United States of America. He professed the view that there were two dichotomies, or spheres within government: 1) separate administration and 2) policy making politicians. Although there is some validity to this view the reality is much different as administrators have an enormous influence on the decisions made by politicians with respect to policy options. See (Marshall G. S., 2007).
- 11 This model also assumes that the acquisition of information is costless, that is, all information is readily available to everyone without difficulty or cost. Certainly any deviation from the 'costless' assumption would skew the choices made by residents.
- 12 This may help explain why the Province of Ontario moved towards more transparency and control over municipal election expenses including compliance audit committees. Amendments made to the Municipal Act in 2010 reflect an effort to recognize the potential dangers of campaign donations.
- 13 The Canadian Federal Government recently changed the rules dealing with Employment Insurance (financial assistance to those who have lost a job and are looking for work). The geographic radius for job seekers has increased and those seeking work must now be prepared to take a job for which they are qualified even if it is located outside of the municipal boundary in which the person lives.
- 14 Choice also suggests access to relevant knowledge and/or costs associated with acquiring the knowledge needed to make a rational choice. Further, choice also involves the value and ease of acquiring knowledge which is not always easy or inexpensive.

- <sup>15</sup> For example, the entire data set runs from 1995 – 2008. Toronto amalgamated in 1998, Windsor/Essex in 1999, and Ottawa in 2001.
- <sup>16</sup> Some authors suggest that following amalgamation, service standards rise to the highest standard available from within the amalgamated jurisdictions.
- <sup>17</sup> The Financial Information Return, also known as the FIR, is a set of mandatory forms that each municipality is required to submit to the Province of Ontario on an annual basis. These forms are intended to provide a uniform set of data that can be used to compare results on a year-by-year basis. For more information see <http://csonramp.mah.gov.on.ca/fir/Welcome.htm>
- <sup>18</sup> Pelee Island is a small and relatively isolated municipality that was not affected by municipal restructuring. Inclusion of their data would not add meaningfully to this analysis.
- <sup>19</sup> In and around the GTA are municipal level governments that include ‘county’ and ‘regional’ governments. The Census Metropolitan Area (CMA) data for the GTA includes both forms of governments. For the purposes of this analysis the function of each is not important, only which body is providing FIR data and whether that data can be parsed for the purpose of analysis.
- <sup>20</sup> The Province of Ontario has legislated the implementation of ‘time of use’ pricing for all electric hydro customers in the Province. Although many municipalities have been able to install the required ‘smart’ meters and make necessary system upgrades, some have not been able to do so. The City of Windsor has not yet switched to ‘time of use’ pricing and will likely be several years behind those municipalities who were mandated to implement the program already – and therefore, likely incurred increased costs to undertake this implementation.
- <sup>21</sup> Efficiency is provision of the highest level of service at the lowest cost. It may also be provision of the highest level of service based on expediency. For example, when viewed through the lens of democracy, efficiency may include the ability of elected representatives to make decisions quickly. This behaviour can be considered efficient. Kushner and Siegel (2005a, p. 74) define efficiency as the relationship between inputs and outputs whereas efficiency improves when the change in quantity and quality of service provided (outputs) divided by the change in expenditures (inputs) increases.
- <sup>22</sup> Sancton has largely held steadfast in his position that amalgamation does not save money.
- <sup>23</sup> Provincially, there are three common parties: Liberal, Conservative, and New Democratic Party. Some provinces have unique political parties as the Wild Rose Party in Alberta, the Parti-Quebecois in Quebec and the Saskatchewan Party in Saskatchewan.

- <sup>24</sup> There are various unincorporated jurisdictions in Canada as well. In Ontario, the unincorporated areas are all rural and generally uninhabited. In British Columbia, unincorporated areas are often inhabited but are largely rural. The unincorporated areas do not have municipal government but in some areas residents can elect local representatives to the regional district council.
- <sup>25</sup> Cities are defined by specific City incorporation statutes passed by the Provincial Legislature. Rural municipalities are defined by general statute.
- <sup>26</sup> Although solutions may be developed rapidly, implementation of those same solutions are subject to budgetary constraints. Effectively, the solution may be recognized but any change may take years to become a reality.
- <sup>27</sup> The ward system is not universal in Ontario. Some municipalities only have elected representatives who were elected at-large – that is, elected to represent everyone in the municipality.
- <sup>28</sup> Provinces in Western Canada did not formally adopt the county system. This system is established mainly in southern Ontario and some eastern areas of Canada where the English formerly held power. Although the City of Vancouver in the Province of British Columbia is technically in the County of Vancouver, the County is not a level of government and is only established for the administration of justice. For example, a sheriff exists to serve warrants. In the Province of Alberta, dozens of ‘Counties’ exist however the term is merely nomenclature, or branding, used in assigning a name. There are no powers that exist at a ‘county’ level in Alberta.
- <sup>29</sup> For a more detailed background on aboriginal government and structure in Canada see (Russell, 2000) (Francis, Jones, & Smtih, 2010).
- <sup>30</sup> There are 444 municipalities in Ontario. Only 211 fall within one of the 23 counties in Ontario. Of those 211 municipalities 19 are separate from the county government structure notwithstanding their geographic location within the boundary of a county. (Association of Municipalities of Ontario, 2012)
- <sup>31</sup> In Ontario, regional municipalities were created to provide common services to urban and rural municipalities in the way that counties typically provide common services to rural municipalities. There are six regional municipalities in the Province of Ontario.
- <sup>32</sup> Figure 3 is not intended to provide a precise measure of the jurisdictions that were annexed by the City of Toronto. This figure shows generally where the areas were located as they usually maintained their status as a neighbourhood following annexation.
- <sup>33</sup> A white paper is a report produced by an authoritative source designed to frame a problem, discuss options, and provide rational recommendations. In the government

context, they are often policy documents used by politicians to better understand an issue, present preferred policy directions, and to generate opinions from the public.

- <sup>34</sup> An Order-in-Council is an order by Cabinet, issued under authority of an existing enabling Statute, which Order has the force of law.
- <sup>35</sup> This is not to suggest that the actual boundary would change but rather suggests that the boundary would be defined through the characterization of the region and the plan submitted. One possible interpretation is that this exercise would lead to a natural boundary review subject to the plans submitted. It is difficult to imagine however, that any group of elected government officials would approve plans that did not call for the full development of the area within their span of control.
- <sup>36</sup> Susan Welch and Timothy Bledsoe, *Urban Reform and Its Consequences: A Study in Representation* (Chicago: University of Chicago, 1988), p. 105.
- <sup>37</sup> Harold Kaplan, *Urban Political Systems: A Functional Analysis of Metro Toronto - Metropolitan Politics Series No. 7* (New York: Columbia University Press, 1967), pp. 215-16.
- <sup>38</sup> The United Way is an international non-profit fundraising organization that focuses primarily on issues related to education, income stability, and health. This group is very active across the United States and Canada and in many other countries throughout the world. The President of the local branches of the United Way are generally persons who have a relatively high profile within the community in which they operate. For more information please see <http://worldwide.unitedway.org>.
- <sup>39</sup> Source: Handwritten letter from David Lindsay to Joyce Trimmer, undated, accompanied by a typed draft of a letter from Joyce Trimmer to Michael Harris dated March 30, 1995 as cited in (Sancton, 2000c, p. 118), (Sancton, 2000a, p. 143), (Thomlinson, 2005, p. 108).
- <sup>40</sup> The Association of Municipalities of Ontario is an association made-up of most municipalities in the province of Ontario. The primary role of AMO is to advocate on behalf of members to other levels of government.
- <sup>41</sup> The Town of New Tecumseth is located 90 kilometers north of the City of Toronto. In 1991, three municipalities were merged with the Township of Tecumseth to become the Town of Tecumseth.
- <sup>42</sup> All of the public submissions are included as part of the appendix to the Golden Report and account for more than 3,400 pages of material.

- <sup>43</sup> These submissions were received by the Golden Task Force but not made public as the authors were “assured of confidentiality” (Ontario, Greater Toronto Area Task Force (Golden Report), 1996, p. 244).
- <sup>44</sup> The full submission from Metropolitan Toronto can be found in the appendix to the Golden Report at pages 1530-1659.
- <sup>45</sup> 6 to 8 councillors per district depending on population.
- <sup>46</sup> Licensing regimes include business licensing and other schemes approved by each municipality. The licensing categories are approved by each municipality and vary between municipalities.
- <sup>47</sup> The mill rate is the amount of tax payable per dollar of the assessed value of a property. The mill rate is based on "mills"; as each mill is one-thousandth of a currency unit, one mill is equivalent to one-tenth of a cent or \$0.001. Property tax in dollar terms is calculated by multiplying the assessed property value and the mill rate and dividing by 1,000 (Investopedia US, 2013).
- <sup>48</sup> The full submission from the Regional Chairs of Halton, Durham, York, and Peel can be found in the appendix to the Golden Report at pages 2319-2339.
- <sup>49</sup> "905" is the telephone area code covering most of the area within the regional governments.
- <sup>50</sup> The full submission of the GTA Mayors’ Committee can be found in the appendix of the Golden Report at pages 393-403 with additional material at pages 2341-2369.
- <sup>51</sup> This was proposed to be a coordinated plan for planning and development purposes. Separate plans were required to be submitted to the Province of Ontario but there was an overall lack of coordination among the plans.
- <sup>52</sup> A brownfield is an industrial or commercial site whose future use is impaired by environmental contamination. Such contamination may not impede the current use of land, nor would it necessarily require remediation, however, a sale of the land would likely trigger cleanup by a new owner. The future costs of cleanup often impede new ownership which in turn causes blight and lost tax revenue to municipalities when property owners abandon these sites. Municipalities are generally unwilling to take back brownfield land for unpaid taxes as the cost of remediation would become a municipal responsibility.
- <sup>53</sup> These charges are almost always passed on to building owners by builders or developers.

- <sup>54</sup> There are dozens of different articles, comments, and opinions with reaction to the Golden Report. Only four were cited here but many more were reviewed, all offering variations of similar themes.
- <sup>55</sup> The Social Contract was a 1993 initiative of the Ontario NDP Government to impose austerity measures on the civil service. The plan, among other things, imposed a wage freeze and 12 mandatory unpaid days of leave for civil servants.
- <sup>56</sup> A full list of the Who Does What Advisory Panel membership is included at Appendix D.
- <sup>57</sup> These past reports include the Provincial-Municipal Social Services Review of 1990; the Ontario Fair Tax Commission; and, the Hopcroft Report on disentanglement of 1993 (Graham & Phillips, 1998, p. 206).
- <sup>58</sup> No final report was ever prepared. The final 'document' is simply a compendium of new releases and the letters submitted by the Chair of the WDW Panel to Municipal Affairs Minister Leach.
- <sup>59</sup> Revenue Neutrality is the concept of offsetting additional expenses by cutting expenses in another area: thus creating a revenue neutral proposition. For example, if one were contemplating the addition of adding a new service to health care at a cost of \$5m annually, then one would need to find other services to cut at an equal cost in order to fund the new service.
- <sup>60</sup> The concept is that each city, town and county would continue to operate within their own territories but would combine to have a county council that would oversee certain functions in a two-tier format.
- <sup>61</sup> The panel did agree that York and East York could be eliminated but the consensus stopped there.
- <sup>62</sup> The 44 political wards were chosen by taking the 22 federal ridings in the Toronto area and dividing them in half.
- <sup>63</sup> Metro staff thought the plan contemplated under Bill 103 was better than eliminating Metro and retaining six separate municipalities. They felt that decentralizing services offered at the Metro level and finding new administrative units to handle these services would have been much more difficult than transferring them to a new City of Toronto (Isin & Wolfson, 1999).
- <sup>64</sup> John Sewell was the Mayor of Toronto from 1978-1980.

- <sup>65</sup> Jane Jacobs was highly regarded in North America for her views and books on urban studies. Jacobs was born in the United States but lived in Toronto from 1968 until she died in 2008.
- <sup>66</sup> It would be difficult to imagine any government functioning if they had to announce all political ideas and directions in advance of being elected. Moreover, it is absurd to consider that a government would be unable to change direction and adapt to changing events locally, provincially, nationally and internationally.
- <sup>67</sup> Secondary highways connect small towns to Provincial highways. In Ontario, there are several thousand kilometers of secondary highways.
- <sup>68</sup> GO Trains are an inter-regional public transportation system that primarily serves the GTA and Hamilton areas.
- <sup>69</sup> One report suggested that Stockwell was upset over not being appointed as a Minister by Mike Harris following the Conservative victory in 1995 (Urquhart, 1997).
- <sup>70</sup> Essex County Council held its inaugural meeting under the *County Councils Act* of 1896 in the courthouse chambers located in the Town of Sandwich on January 26, 1897. (Palser, Amalgamation review urged: Lakeshore mayor points to imbalance, 2005).
- <sup>71</sup> The War of 1812 was a 32-month military conflict between the United States and the British Empire. The war is credited with helping to establish many of the border boundaries that now exist between the United States and Canada.
- <sup>72</sup> The Underground Railroad was in fact, not a railroad at all. Instead it was a loose network of safe houses used to harbour those attempting to escape the human slave trade in the United States in the 1800's. The slaves attempted to find passage to non-slave states as well as to Canada where slavery was illegal.
- <sup>73</sup> A bedroom community is considered a suburb of an urban area where people go to 'sleep' after coming home from work in the urban centre.
- <sup>74</sup> Sandwich Towne dates back to 1748 when it was used as a French agricultural settlement.
- <sup>75</sup> At the time, municipalities that held land along the waterfront adjacent to the City of Detroit were known as the 'border cities'. These included the City of Windsor, Town of Walkerville, Town of Sandwich, Town of Riverside and the Town of Ford City.
- <sup>76</sup> *The Border Cities Star* became the *Windsor Daily Star* following municipal amalgamations that occurred in Windsor in 1935. In 1959 the newspaper changed its name to *The Windsor Star*.

- <sup>77</sup> Although the Town of Riverside was originally considered for amalgamation at the start of Ellis' work, it was subsequently removed from consideration. Churchill claims that Riverside's municipal finances were too poor and would have been a drain on other municipalities had they been amalgamated.
- <sup>78</sup> For example, a first class fire fighter in the City of Windsor was making \$1,680 per year while Ford City only paid \$1,110 per annum.
- <sup>79</sup> The population growth was fueled, in part, by immigrants, many of whom resided in the Windsor area while they waited for their United States immigration applications to be processed.
- <sup>80</sup> Windsor also hosted large numbers of mobile unemployed people who were seeking employment during the Great Depression.
- <sup>81</sup> Formerly the Town of Ford City.
- <sup>82</sup> The Windsor Finance Commission was also charged with general oversight over the *City of Windsor (Amalgamation) Act, 1935* which included more than just financial oversight. It held considerable power over hiring and appointments to positions on boards and commissions. There appears to have been considerable tension created during this time period as a result of decisions made by the Windsor Finance Commission however none of these decisions are germane for the purposes of this Paper.
- <sup>83</sup> Although amalgamation occurred on July 31, 1935 each municipality continued to operate 'independently' until January 1, 1936 when they all fell under the City of Windsor's umbrella. This was of no great consequence as the City of Windsor remained under supervision of the Ontario Department of Municipal Affairs until July 15, 1941. Windsor was no longer in default of its financial obligations and was returned to 'home rule' by the Province which meant that the Mayor and City Council could now govern the City of Windsor without having their decisions vetted by the Province of Ontario.
- <sup>84</sup> The Town of Ojibway (named after an Indian tribe) was incorporated in 1913 but was never 'built'. The plan for Ojibway called for the Town to become a centre for steel and iron ore industries. Ojibway was to have a 'radial' development plan similar to Detroit or Washington D.C. with three central squares. Roads and fire hydrants were installed before residential development in the Town even started. Following the Great Depression the industrial plans for Ojibway ended. The Town's population never exceeded 100 people (Blackburn, 1981).
- <sup>85</sup> The Citizens Research Institute of Canada was an independent, not for profit corporation founded in 1919 for the purposes of 'promoting effective government.'

- <sup>86</sup> In this case, a ‘stay’ meant that the Ontario Municipal Board would not consider the portion of Windsor’s application with respect to the Town of Tecumseh or the Village of St. Clair Beach. All other aspects of the application filed with the Board were open for consideration.
- <sup>87</sup> The airport lands were valued by adjacent municipalities because of a grant paid by the federal government to the host municipality. The federal government owned and operated the airport and paid \$31,000 annually in lieu of property taxes. The airport required few municipal services thereby creating a net benefit to the host municipality.
- <sup>88</sup> The City of Windsor had a full planning department but many of the other municipalities did not. They would often hire-out consultants to undertake any required work but ultimately the entire planning function was not coordinated. This, Silcox claimed, was also the cause of certain issues related to fragmented water service that saw two small jurisdictions running their own treatment plants at a greater cost.
- <sup>89</sup> Michael Ray represented the riding of Windsor-Walkerville and was also a former City of Windsor Alderman (the former name used to describe a City Councillor).
- <sup>90</sup> Essex County Council was comprised of two members from each local municipality within Essex County.
- <sup>91</sup> The County Warden is the elected leader of County Council. The Warden is elected by and from within the members of County Council and is responsible for representing the County and chairing meetings of County Council. In Ontario, a County Warden is not involved with or responsible for any matters related to prisons, jails or their operation.
- <sup>92</sup> The title of the Ministry changed from Municipal Affairs and Housing to Municipal Affairs in 1991.
- <sup>93</sup> As Minister of Education, Dave Cooke started the school board review process. When the NDP lost to the Conservative Party in June 1995, Premier Harris appointed Dave Cooke to sit on the transition committee that implemented the majority of recommendations outlined in the Review initiated by Cooke.
- <sup>94</sup> As Bill 26 went through several Standing Committee meetings the final contents of the Bill were in flux and the ramifications of any proposed changes were unknown. The fear of the ‘unknown’ caused concern in Windsor and Essex County at this time.
- <sup>95</sup> In fact the Commissioner could recommend a solution but the legal changes had to be approved by the Provincial Government before they became a reality. Notwithstanding, the Commissioner was really given substantive authority and the Harris Government made it clear that his recommendations would be accepted.

- <sup>96</sup> The general sense is that Windsor-Essex does not benefit from Government programs/grants/funding to the same extent as other municipalities located closer to the Greater Toronto Area. This assumption leaves some with the impression that Windsor-Essex is 'out-of-sight and out-of-mind' and in the context of municipal amalgamation, some were likely thinking that the Provincial Government has better 'places' to worry about and therefore would leave Windsor-Essex untouched. The reality is that Windsor-Essex has had a long history of electing both Provincial and Federal representatives who held powerful positions within Government and generally worked to the betterment of their hometown(s).
- <sup>97</sup> The seven municipalities in Essex County that received free police coverage were Gosfield North, Colchester North, Sandwich South, Rochester, Tilbury North and Tilbury West townships.
- <sup>98</sup> The Ontario Provincial Police ("OPP") is a provincial service that provides policing to many small and remote areas of Ontario as well as covering provincial highways. In 1996, it was providing policing to 576 Ontario communities at no direct cost to the municipality. Therefore all residents in Ontario paid a portion of the cost of this service even if they lived in an area where policing was provided as a direct cost to the property tax system, such as the City of Windsor. In effect, residents of the City of Windsor paid for policing directly through their property taxes and were also assessed through their provincial taxes for a portion of the cost of providing OPP policing to other municipalities!
- <sup>99</sup> Ian Wilson had a 20-year elected career and was formerly the Reeve of Ernestown Township and Warden of Lennox and Addington County.
- <sup>100</sup> The inclusion of the City of Windsor was not considered.
- <sup>101</sup> There were really 22 municipalities including Pelee Island in Lake Erie. The Island was not included due to its isolation from the mainland.
- <sup>102</sup> The Essex County Clerks and Treasurers Association had estimated a stand-alone, self-sufficient community should have about 20,000 residents and \$70 million in property tax assessment (Schmidt, Closeup: Townships, towns and a village in Essex County are weighing their options and rethinking their relationship with Windsor Moving toward Municipal Marriage, 1996).
- <sup>103</sup> The City of Windsor agreed to pay the Town of Tecumseh \$2.41 million and the County of Essex \$1.3 million for the transfer of lands to the City.
- <sup>104</sup> As far back as 1853, residents of Sandwich Towne thought that amalgamation with Windsor would be a good idea. See Appendix G for text from an article from a local Sandwich Towne newspaper from the mid-19th century.

- <sup>105</sup> This Paper identifies Walkerville and Sandwich when referring to certain areas in the City of Windsor even though they officially ceased to exist nearly 80 years ago.
- <sup>106</sup> The cities of Montreal and Kingston were also under consideration to become Canada's capital city however there were jealous divides among both French and English politicians who felt that either city would create a greater cultural clash that would be problematic for the 'losing' side. The Queen was duly advised of the issues and opted for Ottawa as it was a city that, although located technically in Ontario, would best allow both French and English citizens to come together.
- <sup>107</sup> For a complete list of municipal changes in Carleton County after 1852 please see Appendix H. Carleton County continued to exist until 1969 when the Regional Municipality of Ottawa-Carleton was created and amalgamated the City of Ottawa with the municipalities in the County of Carleton.
- <sup>108</sup> Eastview became a City in 1963 and was renamed the City of Vanier in 1969 after deceased Governor General of Canada, Georges Vanier. Although located in Carleton County, Eastview was a single-tier municipality that did not participate in County Government.
- <sup>109</sup> S.O. 1973, c. 138.
- <sup>110</sup> Although it may seem paradoxical to employ a volunteer, in fact, volunteer firefighters receive remuneration in the performance of their duties and are not volunteers in the true spirit of the word.
- <sup>111</sup> S.O. 1979, c. 81.
- <sup>112</sup> S.O. 1980, c. 38.
- <sup>113</sup> The request for the appointment of a commission was approved by the RMOC which may be an indication that the Regional Council was not pleased with either the speed or quality of the work being done by its own *ad-hoc* committee.
- <sup>114</sup> David Bartlett was a Trustee of the Village of Manotick, Councillor and Mayor of the former Township of Rideau, and Regional Councillor of the former Region of Ottawa-Carleton.
- <sup>115</sup> There were multiple recommendations made by the Kirby Commission in which both Graham and Bartlett were acknowledged by name.
- <sup>116</sup> The concern was that municipalities with lots of cash on-hand might choose to make significant expenditures in advance of amalgamation so as to spend the resources on projects that benefitted members in their constituency. A more troubling financial

problem would involve municipalities deciding to borrow funds to undertake capital projects and therefore incurring greater debt.

<sup>117</sup> Windsor annexed a portion of the adjacent Town of Tecumseh in 2004 but otherwise was excluded from the amalgamation process of 1999. Amalgamation in Toronto occurred in 1998 but the adjacent regions were largely excluded.

<sup>118</sup> For example, Metro Toronto used to consist of six municipalities. For the purposes of this analysis, data from all six municipalities were captured under the heading 'Toronto'. This was done for each year prior to amalgamation as well so that the equivalent areas could be compared both pre-amalgamation and post-amalgamation.

<sup>119</sup> This effectively includes all municipalities in Essex County except the City of Windsor, the Town of LaSalle and Pelee Island.

<sup>120</sup> The term 'value' was purposely not defined so that whatever perception the respondent had with respect to that term could be captured.

<sup>121</sup> In the County of Essex, the 1976 Silcox Report was largely relied upon for the restructuring that took place in 1999 – more than 20 years later!

<sup>122</sup> A Business Improvement Area allows business and property owners to join together and organize, finance and carry out physical improvements and promote economic development in the approved area. The local municipality is the body that is responsible for approving the budget of the Business Improvement Area whose funds are largely drawn from property owners within the approved boundary.

<sup>123</sup> For example, an employee in municipality A may make "\$X" per year while a similar employee in municipality B may make "\$X + Y" per year. Some researchers claim that the tendency is for the wage rate of the employee in municipality A to rise to the amount paid to the employee in municipality B following amalgamation of the two municipalities.

<sup>124</sup> On-the-ground resources refers to the assets that would be made available to an individual or group who visited the region with the purpose of evaluating the strengths of the area for investment purposes.

<sup>125</sup> The benefits of an entire region generally outweigh the benefits of an individual jurisdiction.

<sup>126</sup> Regardless of where people live in a region they will generally comprise a part of the local workforce which is critical to any prospective investor looking at investment. For example, those who live in the City of Mississauga are potential workers for new investment in the City of Toronto. If the City of Mississauga were to work independently from City of

Toronto economic development it might miss out on a large part of the skilled workforce that exists within the region when selling the region to prospective investors.

<sup>127</sup> This assumes that employees live throughout the region and not entirely within one jurisdiction. In Canada, the Supreme Court has struck down an employer's ability (in most cases) to mandate an employee to live within a certain jurisdiction.

<sup>128</sup> A 'ward' is an electoral district within a municipal jurisdiction.

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## Appendix A

### Ontario Single-Tier Jurisdictions as of August 5, 2012

Name of Jurisdiction	Status	Location	Name of Jurisdiction	Status	Location
Brockville	City	East	Macdonald, Meredith and Aberdeen Additional	Township	North
Cornwall	City	East	Machar	Township	North
Gananoque	Town	East	Machin	Township	North
Kingston	City	East	Magnetawan	Municipality	North
Ottawa	City	East	Manitouwadge	Township	North
Pembroke	City	East	Marathon	Town	North
Prescott	Town	East	Markstay-Warren	Municipality	North
Smiths Falls	Town	East	Matachewan	Township	North
St. Marys	Town	East	Mattawa	Town	North
Barrie	City	Central	Mattawan	Township	North
Belleville	City	Central	Mattice-Val Côté	Township	North
Guelph	City	Central	McDougall	Township	North
Haldimand County	County	Central	McGarry	Township	North
Hamilton	City	Central	McKellar	Township	North
Kawartha Lakes	City	Central	McMurrich/Monteith	Township	North
Orillia	City	Central	Moonbeam	Township	North
Peterborough	City	Central	Moosonee	Town	North
Prince Edward County	City	Central	Nairn and Hyman	Township	North
Quinte West	City	Central	Neebing	Municipality	North
Toronto	City	Central	Nipigon	Township	North
Armour	Township	North	Nipissing	Township	North
Armstrong	Township	North	North Bay	City	North
Assignack	Township	North	Northeastern Manitoulin and The Islands	Town	North
Baldwin	Township	North	O'Connor	Township	North
Billings	Township	North	Oliver Paipoonge	Municipality	North
Black River-Matheson	Township	North	Opasatika	Township	North
Blind River	Town	North	Papineau-Cameron	Township	North
Bonfield	Township	North	Parry Sound	Town	North
Brethour	Township	North	Perry	Township	North
Bruce Mines	Town	North	Pickle Lake	Township	North
Burk's Falls	Village	North	Plummer Additional	Township	North
Burpee and Mills	Township	North	Powassan	Municipality	North
Callander	Municipality	North	Prince	Township	North
Calvin	Municipality	North	Red Lake	Municipality	North
Carling	Township	North	Red Rock	Township	North
Casey	Township	North	Ryerson	Township	North

Central Manitoulin	Municipality	North	Sables-Spanish Rivers	Township	North
Chamberlain	Township	North	Sault Ste. Marie	City	North
Chapleau	Township	North	Schreiber	Township	North
Charlton and Dack	Municipality	North	Seguin	Township	North
Chisholm	Township	North	Shuniah	Municipality	North
Cobalt	Town	North	Sioux Lookout	Municipality	North
Cochrane	Town	North	Sioux Narrows-Nestor Falls	Township	North
Cockburn Island	Township	North	Smooth Rock Falls	Town	North
Coleman	Township	North	South Algonquin	Township	North
Conmee	Township	North	South River	Village	North
Dorion	Township	North	Spanish	Town	North
Dryden	City	North	St. Joseph	Township	North
Dubreuilville	Township	North	St.-Charles	Municipality	North
Ear Falls	Township	North	Strong	Township	North
East Ferris	Township	North	Sundridge	Village	North
Elliot Lake	City	North	Tarbutt and Tarbutt Additional	Township	North
Englehart	Town	North	Tehkummah	Township	North
Espanola	Town	North	Temagami	Municipality	North
Evanturel	Township	North	Temiskaming Shores	City	North
Fauquier-Strickland	Township	North	Terrace Bay	Township	North
French River	Municipality	North	The Archipelago	Township	North
Gauthier	Township	North	The North Shore	Township	North
Gillies	Township	North	Thessalon	Town	North
Gordon/Barrie Island	Municipality	North	Thornloe	Village	North
Gore Bay	Town	North	Thunder Bay	City	North
Greater Sudbury	City	North	Timmins	City	North
Greenstone	Municipality	North	Val Rita-Harty	Township	North
Harley	Township	North	Wawa	Municipality	North
Harris	Township	North	West Nipissing	Municipality	North
Hearst	Town	North	White River	Township	North
Hilliard	Township	North	Whitestone	Municipality	North
Hilton	Township	North	Brant	County	South
Hilton Beach	Village	North	Brantford	City	South
Hornepayne	Township	North	Chatham-Kent	Municipality	South
Hudson	Township	North	London	City	South
Huron Shores	Municipality	North	Norfolk County	County	South
Ignace	Township	North	Pelee	Township	South
Iroquois Falls	Town	North	St. Thomas	City	South
James	Township	North	Stratford	City	South
Jocelyn	Township	North	Windsor	City	South
Johnson	Township	North	Alberton	Township	West

Joly	Township	North	Atikokan	Town	West
Kapuskasing	Town	North	Chapple	Township	West
Kearney	Town	North	Dawson	Township	West
Kenora	City	North	Emo	Township	West
Kerns	Township	North	Fort Frances	Town	West
Killarney	Municipality	North	La Vallee	Township	West
Kirkland Lake	Town	North	Lake of the Woods	Township	West
Laird	Township	North	Morley	Township	West
Larder Lake	Township	North	Rainy River	Town	West
Latchford	Town	North			

## Appendix B

### Ontario Upper-Tier Jurisdictions as of August 5, 2012

Municipality	Jurisdiction	Location in Ontario
Bruce	County	South
Dufferin	County	Central
Durham	Regional Municipality <sup>1</sup>	Central
Elgin	County	East
Essex	County	South
Frontenac	County	East
Grey	County	Central
Haliburton	County	North
Halton	Regional Municipality	Central
Hastings	County	Central
Huron	County	South
Lambton	County	South
Lanark	County	East
Leeds and Grenville	United Counties <sup>2</sup>	East
Lennox and Addington	County	East
Middlesex	County	South
Muskoka	District Municipality <sup>3</sup>	North
Niagara	Regional Municipality	Central
Northumberland	County	Central
Oxford	County	South
Peel	Regional Municipality	Central
Perth	County	East
Peterborough	County	Central
Prescott and Russell	United Counties	East
Renfrew	County	East
Simcoe	County	Central
Stormont, Dundas and Glengarry	United Counties	East
Waterloo	Regional Municipality	Central
Wellington	County	Central
York	Regional Municipality	Central

<sup>1</sup> A Regional Municipality is a municipal jurisdiction whereby the Region is an incorporated body whose boundary is defined by the boundaries of the municipalities that comprise the Region.

<sup>2</sup> United Counties are an old two-tier form of government established in the early 19th century. For all effective purposes, United Counties are similar to a County system of government.

<sup>3</sup> District Municipality is generally a term given to an area as a territorial boundary but in which no municipal service is provided. In Ontario, only the District of Muskoka provides municipal services on a regional, or district-wide basis.

## Appendix C

### Ontario Lower-Tier Jurisdictions as of August 5, 2012

<b>Municipality</b>	<b>Jurisdiction</b>	<b>Location in Ontario</b>	<b>Municipality</b>	<b>Jurisdiction</b>	<b>Location in Ontario</b>
Addington Highlands	Township	East	Mapleton	Township	Central
Adelaide-Metcalfe	Township	South	Markham	City	Central
Adjala-Tosorontio	Township	Central	Marmora and Lake	Municipality	Central
Admaston/Bromley	Township	East	McNab/Braeside	Township	East
Ajax	Town	Central	Meaford	Municipality	Central
Alfred and Plantagenet	Township	East	Melancthon	Township	Central
Algonquin Highlands	Township	North	Merrickville-Wolford	Village	East
Alnwick/Haldimand	Township	Central	Middlesex Centre	Municipality	South
Amaranth	Township	Central	Midland	Town	Central
Amherstburg	Town	South	Milton	Town	Central
Arnprior	Town	East	Minden Hills	Township	North
Arran-Elderslie	Municipality	South	Minto	Town	Central
Ashfield-Colborne-Wawanosh	Township	South	Mississauga	City	Central
Asphodel-Norwood	Township	Central	Mississippi Mills	Town	East
Athens	Township	East	Mono	Town	Central
Augusta	Township	East	Montague	Township	East
Aurora	Town	Central	Morris-Turnberry	Municipality	South
Aylmer	Town	East	Mulmur	Township	Central
Bancroft	Town	Central	Muskoka Lakes	Township	North
Bayham	Municipality	East	New Tecumseth	Town	Central
Beckwith	Township	East	Newbury	Village	South
Blandford-Blenheim	Township	South	Newmarket	Town	Central
Bluewater	Municipality	South	Niagara Falls	City	Central
Bonnechere Valley	Township	East	Niagara-on-the-Lake	Town	Central
Bracebridge	Town	North	North Algona Wilberforce	Township	East
Bradford West Gwillimbury	Town	Central	North Dumfries	Township	Central
Brampton	City	Central	North Dundas	Township	East
Brighton	Municipality	Central	North Frontenac	Township	East
Brock	Township	Central	North Glengarry	Township	East
Brockton	Municipality	South	North Grenville	Municipality	East
Brooke-Alvinston	Municipality	South	North Huron	Township	South
Brudenell	Township	East	North Kawartha	Township	Central
Burlington	City	Central	North Middlesex	Municipality	South
Caledon	Town	Central	North Perth	Municipality	East
Cambridge	City	Central	North Stormont	Township	East

Carleton Place	Town	East	Northern Bruce Peninsula	Municipality	South
Carlow/Mayo	Township	Central	Norwich	Township	South
Casselman	Village	East	Oakville	Town	Central
Cavan-Monaghan	Township	Central	Oil Springs	Village	South
Central Elgin	Municipality	East	Orangeville	Town	Central
Central Frontenac	Township	East	Oro-Medonte	Township	Central
Central Huron	Municipality	South	Oshawa	City	Central
Centre Hastings	Municipality	Central	Otonabee-South Monaghan	Township	Central
Centre Wellington	Township	Central	Owen Sound	City	Central
Champlain	Township	East	Pelham	Town	Central
Chatsworth	Township	Central	Penetanguishene	Town	Central
Clarence-Rockland	City	East	Perth	Town	East
Clarington	Municipality	Central	Perth East	Township	East
Clearview	Township	Central	Perth South	Township	East
Cobourg	Town	Central	Petawawa	Town	East
Collingwood	Town	Central	Petrolia	Town	South
Cramahe	Township	Central	Pickering	City	Central
Dawn-Euphemia	Township	South	Plympton-Wyoming	Town	South
Deep River	Town	East	Point Edward	Village	South
Deseronto	Town	Central	Port Colborne	City	Central
Douro-Dummer	Township	Central	Port Hope	Municipality	Central
Drummond/North Elmsley	Township	East	Puslinch	Township	Central
Dutton/Dunwich	Municipality	East	Ramara	Township	Central
Dysart	United Townships	North	Renfrew	Town	East
East Garafraxa	Township	Central	Richmond Hill	Town	Central
East Gwillimbury	Town	Central	Rideau Lakes	Township	East
East Hawkesbury	Township	East	Russell	Township	East
East Luther Grand Valley	Township	Central	Sarnia	City	South
East Zorra-Tavistock	Township	South	Saugeen Shores	Town	South
Edwardsburgh/Cardinal	Township	East	Scugog	Township	Central
Elizabethtown-Kitley	Township	East	Severn	Township	Central
Enniskillen	Township	South	Shelburne	Town	Central
Erin	Town	Central	Smith-Ennismore-Lakefield	Township	Central
Essa	Township	Central	South Bruce	Municipality	South
Essex	Town	South	South Bruce Peninsula	Town	South
Faraday	Township	Central	South Dundas	Township	East
Fort Erie	Town	Central	South Frontenac	Township	East
Front of Yonge	Township	East	South Glengarry	Township	East
Frontenac Islands	Township	East	South Huron	Municipality	South

Galway-Cavendish and Harvey	Township	Central	South Stormont	Township	East
Georgian Bay	Township	North	Southgate	Township	Central
Georgian Bluffs	Township	Central	Southwest Middlesex	Municipality	South
Georgina	Town	Central	South-West Oxford	Township	South
Goderich	Town	South	Southwold	Township	East
Gravenhurst	Town	North	Springwater	Township	Central
Greater Madawaska	Township	East	St. Catharines	City	Central
Greater Napanee	Town	East	St. Clair	Township	South
Grey Highlands	Municipality	Central	Stirling-Rawdon	Township	Central
Grimsby	Town	Central	Stone Mills	Township	East
Guelph/Eramosa	Township	Central	Strathroy-Caradoc	Township	South
Halton Hills	Town	Central	Tay	Township	Central
Hamilton	Township	Central	Tay Valley	Township	East
Hanover	Town	Central	Tecumseh	Town	South
Hastings Highlands	Municipality	Central	Thames Centre	Municipality	South
Havelock-Belmont-Methuen	Township	Central	The Blue Mountains	Town	Central
Hawkesbury	Town	East	The Nation Municipality	Municipality	East
Head	Township	East	Thorold	City	Central
Highlands East	Municipality	North	Tillsonburg	Town	South
Horton	Township	East	Tiny	Township	Central
Howick	Township	South	Trent Hills	Municipality	Central
Huntsville	Town	North	Tudor and Cashel	Township	Central
Huron East	Municipality	South	Tweed	Municipality	Central
Huron-Kinloss	Township	South	Tyendinaga	Township	Central
Ingersoll	Town	South	Uxbridge	Township	Central
Innisfil	Town	Central	Vaughan	City	Central
Killaloe	Township	East	Wainfleet	Township	Central
Kincardine	Municipality	South	Warwick	Township	South
King	Township	Central	Wasaga Beach	Town	Central
Kingsville	Town	South	Waterloo	City	Central
Kitchener	City	Central	Welland	City	Central
Lake of Bays	Township	North	Wellesley	Township	Central
Lakeshore	Town	South	Wellington North	Township	Central
Lambton Shores	Municipality	South	West Elgin	Municipality	East
Lanark Highlands	Township	East	West Grey	Municipality	Central
LaSalle	Town	South	West Lincoln	Township	Central
Laurentian Hills	Town	East	West Perth	Municipality	East
Laurentian Valley	Township	East	Westport	Village	East
Leamington	Municipality	South	Whitby	Town	Central
Leeds and the Thousand Islands	Township	East	Whitchurch-Stouffville	Town	Central
Limerick	Township	Central	Whitewater Region	Township	East

Lincoln	Town	Central	Wilmot	Township	Central
Loyalist	Township	East	Wollaston	Township	Central
Lucan Biddulph	Township	South	Woodstock	City	South
Madawaska Valley	Township	East	Woolwich	Township	Central
Madoc	Township	Central	Zorra	Township	South
Malahide	Township	East			

## Appendix D

### Summary of Essex County Municipal Jurisdictions - 1817 to 1930

Year	Jurisdiction	Event
1817	Amherstberg	Police established
1817	Sandwich	Police established
1845	Essex County	Townships of Anderdon, Colchester, Gosfield, Maidstone, Mersea, Malden, Rochester, Sandwich created
1847	Essex County	Township of Tilbury West created
1850	Anderdon Township	Incorporation
1850	Colchester Township	Incorporation
1850	Gosfield Township	Incorporation
1850	Maidstone Township	Incorporation
1850	Malden Township	Incorporation
1850	Mersea Township	Incorporation
1850	Rochester Township	Incorporation
1850	Sandwich Township	Incorporation
1851	Amherstberg	Incorporation as Village
1854	Windsor	Incorporation as Village
1858	Sandwich	Incorporation as Town
1858	Windsor	Incorporation as Town
1861	Sandwich Township	Divided into Township of Sandwich East and Township of Sandwich West
1869	Pelee Township	Incorporation
1874	Belle River	Incorporation as Village
1874	Leamington	Incorporation as Village
1877	Kingsville	Incorporation as Village
1878	Amherstberg	Incorporation as Town (First official Town in Essex County)
1879	Colchester Township	Divided into the Township of Colchester North and Township of Colchester South
1881	Stoney Point	Police Village established
1883	Essex	Incorporation as Village
1887	Gosfield Township	Divided into the Township of Gosfield North and Township of Gosfield South
1890	Comber	Police Village established
1890	Essex	Incorporation as Town
1890	Leamington	Incorporation as Town
1890	Walkerville	Incorporation as Town
1891	Tilbury West Township	Divided into the Township of Tilbury North and the Township of Tilbury West
1892	Sanwich East Township	Divided into the Township of Sandwich East and the Township of Sandwich South
1892	Windsor	Incorporation as City
1898	Harrow	Incorporation as Police Village
1901	Kingsville	Incorporation as Town
1912	Ford City	Incorporated as Village
1913	Ojibway	Incorporated as Town
1914	Cottam	Police Village established
1914	St. Clair Beach	Incorporated as Village
1921	Riverside	Incorporation as Town
1921	Tecumseh	Incorporation as Town

1924	LaSalle	Incorporation as Town
1924	Seacliffe	Incorporation as Police Village
1929	Ford City	Incorporated as City of East Windsor

Adapted from (Hillman, 1988)

## Appendix E

### Recommended Restructuring of Essex County Boundaries – 1976

Municipality	Assessed Population 1974
<b>Municipality 1</b>	
City of Windsor	198,086
<b>Municipality 2</b>	
Township of Sandwich West	13,757
<b>Municipality 3</b>	
Town of Amherstburg	5,747
Township of Anderdon	4,833
Township of Malden	3,863
Part of Township of Colchester North (McGregor)	744
Total	<b>15,187</b>
<b>Municipality 4</b>	
Town of Harrow	1,875
Town of Kingsville	4,402
Township of Colchester South	4,715
Township of Gosfield South	6,658
Total	<b>17,650</b>
<b>Municipality 5</b>	
Town of Leamington	10,628
Village of Wheatley	1,682
Township of Mersea	8,971
Total	<b>21,281</b>
<b>Municipality 6</b>	
Town of Belle River	3,177
Township of Rochester	4,065
Township of Tilbury North	2,934
Township of Tilbury West	1,604
Part of Township of Maidstone	3,151
Total	<b>14,931</b>
<b>Municipality 7</b>	
Town of Tecumseh	4,991
Village of St. Clair Beach	1,916
Part of Township of Maidstone	3,225
Part of Township of Sandwich South	2,929
Total	13,061

**Municipality 8**

Town of Essex	4,971
Township of Gosfield North	3,514
Part of Township of Colchester North	2,668
Part of Township of Maidstone	1,779
Part of Township of Sandwich South	2,152
Total	<b>15,084</b>

(Adapted from Silcox Report p.178-179)

025-100

**ORDER MADE UNDER THE  
MUNICIPAL ACT R.S.O. 1990, c.M.45**

**COUNTY OF ESSEX**

**CITY OF WINDSOR, TOWN OF TECUMSEH**

**DEFINITIONS**

1. In this Order,

“annexed areas” means the areas comprised of the lands described in Schedules A through G to this Order;

“City” means The Corporation of the City of Windsor;

“County” means The Corporation of the County of Essex; and

“Town” means The Corporation of the Town of Tecumseh.

**ANNEXATION**

2. (1) On January 1, 2003, the portions of The Corporation of the Town of Tecumseh described in Schedules A through G are annexed to The Corporation of the City of Windsor.

(2) All real property including any highway, street fixture, waterline, easement and restrictive covenant running with the land of the Town located in the annexed areas vests in the City on January 1, 2003.

(3) All assets and liabilities of the annexed areas are transferred to the City on January 1, 2003.

(4) Despite subsections (2) and (3), any litigation commenced prior to January 1, 2003, with respect to the annexed areas remains the obligation of the Town of Tecumseh or the County of Essex, as the case may be.

3. (1) In this section,

“watermain” means any system of pipes and appurtenances used for the transmission or distribution of potable water; and

“appurtenance” includes a valve, valve chamber, hydrant, hydrant lead, flow meter, curb stop, maintenance access point, maintenance hole, manhole, grate, catch basin, catch basin lead, ditch inlet chamber, or other minor accessory part of a watermain or sewer.

(2) On January 1, 2003, the watermains of The Corporation of the Town of Tecumseh described in Schedule H are vested in and become watermains of the Windsor Utilities Commission.

**MUNICIPAL ELECTIONS**

4. For all purposes, the 2003 regular municipal elections under the *Municipal Elections Act, 1996* shall be conducted as if the annexation under section 2 had already occurred and the annexed areas shall form part of Ward Four in the City.

## COMPENSATION

5. (1) The City shall pay to the Town the sum of \$2,410,000 of which,
  - (a) \$1,300,000 is to be paid on or before January 1, 2003;
  - (b) \$325,000 is to be paid on or before January 1, 2004;
  - (c) \$325,000 is to be paid on or before January 1, 2005;
  - (d) \$325,000 is to be paid on or before January 1, 2006; and
  - (e) \$135,000 is to be paid on or before January 1, 2007.
6. Interest at the rate of 1.25% per month shall be payable by the City to the Town on any of the amounts under subsection (1) that are not paid on the dates referred to in subsection (1) and interest shall accrue on any outstanding balance from the date the payment was due until the balance is received by the Town.
7. The City shall pay to the County the sum of \$1,300,000 of which,
  - (a) \$700,000 is to be paid on or before January 1, 2003;
  - (b) \$175,000 is to be paid on or before January 1, 2004;
  - (c) \$175,000 is to be paid on or before January 1, 2005;
  - (d) \$175,000 is to be paid on or before January 1, 2006;
  - (e) \$75,000 is to be paid on or before January 1, 2007.
8. Interest at the rate of 1.25% per month shall be payable by the City to the County on any of the amounts under subsection (1) that are not paid on the dates referred to in subsection (1) and interest shall accrue on any outstanding balance from the date the payment was due until the balance is received by the County.

## TAXES, ETC

9. (1) All real property taxes under any general or special Act levied and uncollected in the annexed areas described in the Schedules which are due and unpaid on December 31, 2002, shall be deemed on January 1, 2003, to be taxes, charges and rates due and payable to the City and may be collected by the City.
  - (2) Prior to January 16, 2003, the clerk of the Town shall prepare and furnish to the clerk of the City a special collector's roll showing all arrears of real property taxes or special rates assessed against the land in the annexed areas up to and including December 31, 2002, and the persons assessed for them.
  - (3) On or before February 1, 2003, the City shall pay to the Town an amount equal to the amount of the real property taxes or special rates that the City is entitled to collect in the annexed areas under subsection (1) that were due but unpaid on December 31, 2002.

(4) If the Town has commenced procedures under the *Municipal Tax Sales Act* for the annexed areas in the Schedules and the procedures are not completed by January 1, 2003, the City may continue the procedures.

#### ASSESSMENT

10. For the purposes of the assessment roll to be prepared for the City under the *Assessment Act* for the 2003 taxation year, the annexed areas shall be deemed to be part of the City and the annexed areas shall be assessed on the same basis that the assessment roll for the City is prepared.

#### PHASE-IN

11. Any increase in the rates of taxes for municipal purposes for the annexed areas which would occur solely as a result of this Order shall be phased in for the City's portion of the real property tax bill by twenty per cent (20%) each year over a period of five years.

#### BY-LAWS

12. (1) On January 1, 2003, the by-laws of the City extend to the annexed areas in the Schedules and the by-laws of the Town cease to apply to such areas except,

(a) by-laws of the Town,

(i) that were passed under section 34 or 41 of the *Planning Act* or predecessor of those sections; and

(ii) that were passed under the *Highway Traffic Act* or the *Municipal Act* that regulate the use of highways by vehicles and pedestrians and that regulate the encroachment or projection of buildings or any portion thereof upon or over highways

which shall remain in force until amended or repealed by the council of the City;

(b) by-laws of the Town passed under the *Development Charges Act* which shall remain in force until amended or repealed by the council of the City or expire under that Act;

(c) by-laws of the Town passed under section 45, 58, or 61 of the *Drainage Act* or a predecessor of these sections;

(d) by-laws of the Town passed under section 10 of the *Weed Control Act*; and

(e) by-laws conferring rights, privileges, franchises, immunities or exemptions that could not have been lawfully repealed by the council of the Town.

(2) The official plan of the Town, as it applies to the annexed areas, and approved under the *Planning Act* or a predecessor of that Act, becomes an official plan of the City and shall remain in force until amended or repealed.

(3) If the Town has commenced procedures to enact a by-law or to adopt an official plan or an amendment thereto under the *Planning Act*, and that by-law, official plan or amendment applies to the annexed areas and is not in force on January 1, 2003, the council of the City may continue the procedures to enact the by-law or adopt the official plan or amendment to the extent that it applies to the annexed areas.

(4) On January 1, 2003, the official plan of the County, as it applies to the annexed areas and approved under the *Planning Act* or a predecessor of that Act, ceases to apply to the annexed areas.

#### DISPUTE RESOLUTION

13. (1) If a dispute arises with respect to any issue arising out of the interpretation of this Order, the matter in dispute may be referred for resolution through mediation. The mediator shall be agreed upon by all parties.

(2) If a mediator cannot be agreed upon by all parties or the dispute is not resolved through mediation, the matter may be referred to arbitration, to be conducted in accordance with the provisions of the *Arbitration Act, 1991*, except as provided herein.

(3) Where a dispute is referred to arbitration under subsection (2), the decision of the arbitrator(s) shall be final.

(4) If two municipalities are parties to the mediation under subsection (1) or the arbitration under subsection (2), the costs associated with the mediation or arbitration proceedings under this section shall be shared equally between the parties.

(5) If three municipalities are parties to the mediation under subsection (1) or the arbitration under subsection (2), the costs associated with the mediation or arbitration proceedings under this section shall be shared 50% by the City, 25% by the Town and 25% by the County.

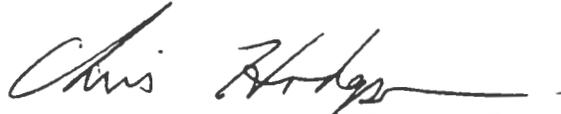
#### LIMITATION ON FUTURE RESTRUCTURING

14. (1) The municipalities affected by this Order shall not, on or before January 1, 2023, make a restructuring proposal under section 25.2 of the *Municipal Act* or request a commission under section 25.3 of the *Municipal Act* unless the City has demonstrated, acting reasonably, that there is insufficient inventory of employment and residential land to accommodate the City's projected growth for twenty years.

(2) The inventory under subsection (1) shall be demonstrated by the City by applying the Projection Methodology Guideline of the Ministry of Municipal Affairs and Housing (Planning Reform in Ontario, 1995) and by conforming to the Provincial Policy Statement issued under section 3 of the *Planning Act* and coming into effect on May 22, 1996, by Order in Council No. 764-96.

(3) Despite subsection (2), for the purposes of the total land requirements of the City, the City shall include in the calculation of designated vacant lands the total area of land in the City which is not fully developed in accordance with the zoning by-law and official plan policies.

(4) Despite subsection (1), the municipalities affected by this order may make a restructuring proposal under section 25.2 of the *Municipal Act* or request a commission under section 25.3 of the *Municipal Act* with respect to a minor restructuring.

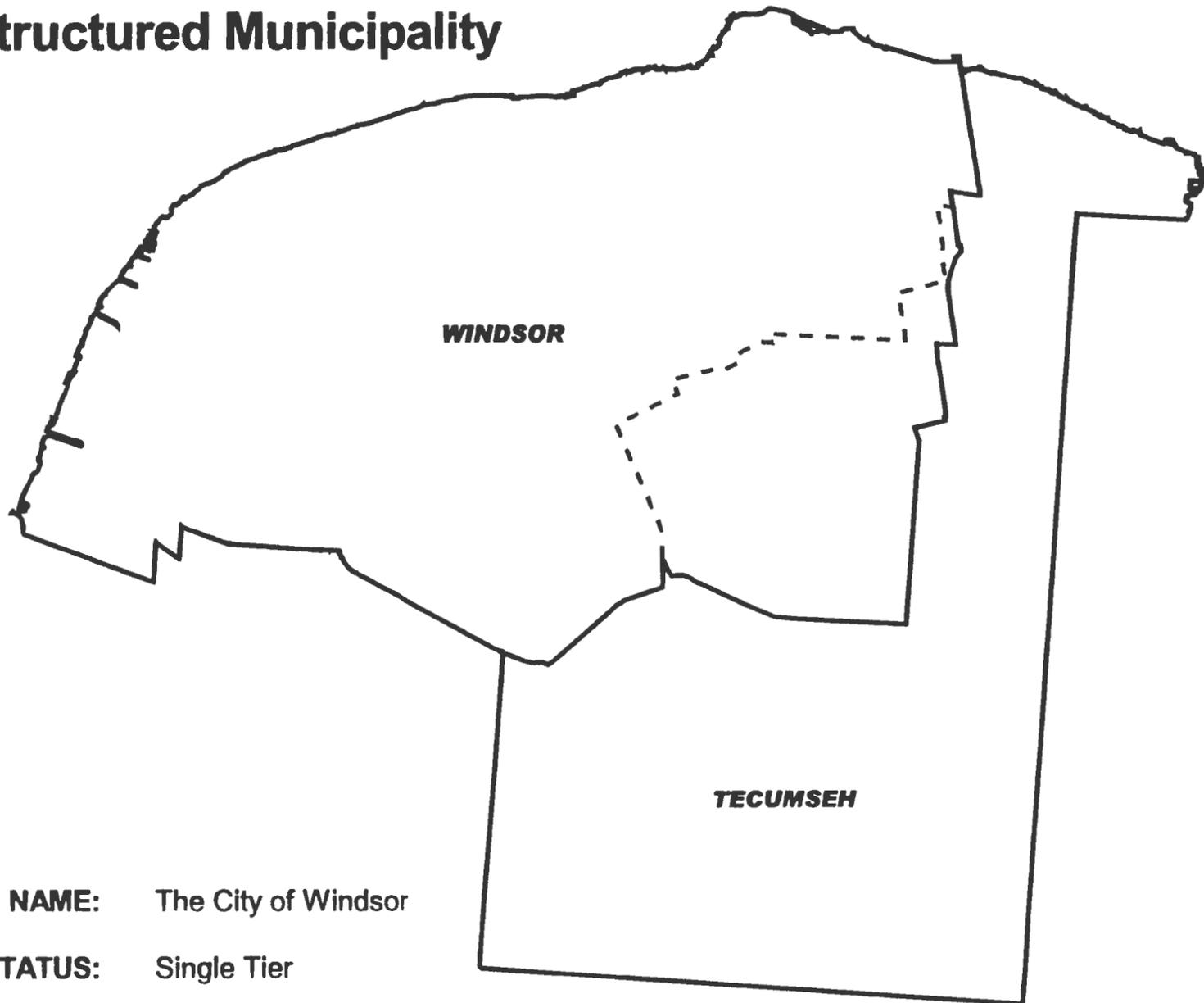


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Minister of Municipal Affairs and Housing

Dated on this .....<sup>5<sup>th</sup></sup>..... day of December, 2002.

# Restructured Municipality



**NAME:** The City of Windsor

**STATUS:** Single Tier

**EFFECTIVE DATE:** January 1, 2003

## Appendix G

### Incorporation of Sandwich and Windsor

January 20, 1853

"A petition is now in circulation for the signatures of such persons as are in favour of having Sandwich and Windsor incorporated into one municipality, and we are glad to perceive that our inhabitants of Sandwich are very generally recording their names upon the petition. The object of this petition which calls for the union of the two places for municipal purposes is clearly a good one for many reasons that will suggest themselves with even a very little reflection. It would enable the inhabitants of both villages to make such local improvements as are needed and to repair the present ones, and the opening of new roads as the interests and convenience of those residing within the limits of the proposed municipality may seem to demand. Under existing regulations it is thought to be difficult to obtain such authority from 'the powers that be' as would please those who are anxious to witness the progress of important public improvements in 'these parts' of the township. The opposition of these public improvements, it is alleged, is got up by those councillors who hail more particularly from the country and hence the propriety and expediency of the proposed incorporation called for by the petition. The union alluded to, once legally perfected, would enable those residents in the new organization to impose such tax upon themselves as might be judiciously applied to the purposes of local improvements in their municipality. As this in short seems to be the real object of the proposed union we hope to witness the success of the petition.

"Some little opposition to the incorporation of Sandwich and Windsor, it is said, exists on the part of several of the inhabitants of the latter place who assert they will soon be numerous enough of themselves to form a separate corporation. However true may be their conclusions upon this point, it will hardly be denied that at least two years must elapse before those of our neighbours of Windsor who desire it would be able to effect this object. Two years lost time for the sake of a separate organization is a sacrifice which we cannot believe the intelligent and enterprising of Windsor are prepared to make for the sake of a separate incorporation. We are aware, however, that it is urged by several of our neighbours that Windsor will soon be in advance of Sandwich in population etc., and that therefore their incorporation with Sandwich would prove detrimental to their interests, subjecting them to taxation for the benefit of Sandwich. If the hypothesis as to population be correct, the conclusion as to results of the proposed municipal connection is palpably erroneous. For it is well known that the representation in council will be, as near as may be, in proportion to population. This must ultimately render Windsor the more powerful branch of the new municipality, i.e., if the individuals alluded to and occupying the 'opposition benches' are correct in their anticipation of future prosperity and population. But the fact is the inhabitants

of Sandwich are willing to 'enter the lists' with their Windsor neighbours, both as to which of the two places will become the most populous or the most faithful in the discharge of the responsible duties that will devolve upon the councillors whom they may respectively select to protect the interests not only of their own but for every portion of the incorporation for which the petition is now being circulated. If we mistake not the principal point to be gained by the union is the power to appropriate in favour of such local improvements as the inhabitants of Sandwich and Windsor villages may deem necessary and expedient in the development of the resources and advantages natural to the locality generally. No petty jealousy, we trust, will be permitted to intrude its suggestions into the minds of such as sincerely have the interests of the two villages at heart."

*(The Canada Advertiser, Sandwich, January 20th, 1853, As cited in the Report of the Royal Commission on Border Cities Amalgamation, April 1935, T.E. Bowman, Toronto)*

## Appendix H

### Municipal Changes in Carleton County

#### 1852 – 1968

- 1852 - Torbolton township incorporated
- 1867 - New Edinburgh incorporated as a village
- 1887 - New Edinburgh annexed to the City of Ottawa
- 1888 - Archville incorporated as the Village of Ottawa East
- 1893 - Hintonburgh incorporated as a Village
- 1898 - Metcalfe incorporated as a Police Village
- 1903 - Manotick incorporated as a Police Village
- 1905 - Rideauville, Westboro, and North Gower incorporated as Police Villages
- 1907 - Rideauville, Village of Ottawa East and Hintonburgh annexed to City of Ottawa
- 1908 – Rockcliffe Park incorporated as a Police Village
- 1909 – Janeville incorporated as the Village of Eastview
- 1910 - Osgoode Station incorporated as a Police Village
- 1912 – Village of Eastview incorporated as a Town
- 1912 - Ottawa West incorporated as a Police Village
- 1922 - Overbrook and St. Joseph d’Orleans incorporated as Police Villages
- 1925 – Rockcliffe Park incorporated as a Village
- 1939 - Hampton Park incorporated as a Police Village
- 1948 - Ottawa West annexed to the City of Ottawa
- 1949 - Westboro and Hampton Park annexed to City of Ottawa
- 1950 - Overbrook and St. Joseph d’Orleans annexed to the City of Ottawa
- 1955 - City View incorporated as a Police Village
- 1956 - Stittsville incorporated as a Police Village
- 1961 - Stittsville incorporated as a Village
- 1963 - Village of Eastview incorporated as a City

Adapted from D. H. Akenson, *Canadian Papers in Rural History IV*, Ganonoque: Langdale Press, 1984