

Comment: Bigger might be better for region's municipalities

A discussion on municipal governance is critical to the future of our community, instead of opinion pieces that suffer from the malady of: “Don’t bother me with facts. My mind is already made up of things I heard years ago.”

An independent and systematic review of all economic and social factors is a prerequisite rather than dogmatic retreat to defend boundaries and municipal institutions established half a century ago.

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We must get beyond the simplistic question: “Will it save money?” and badly dated micro-economic approaches that lack perspective over a reasonable time horizon.

Noted economist Peter Drucker identified two measures for assessing costs and benefits of how organizations perform: efficiency and effectiveness. The emphasis tends to be on the former.

Studies of mergers with large municipal workforces, parks, works, police and fire services with standardized union pay scales and benefits do confirm limited opportunity to provide immediate savings. However, if we evaluate effectiveness, it is clear there are benefits to integrated police forces or cost sharing of social and recreation services where user patterns cross borders.

This is reinforced if you also consider “fairness” and that Victoria or Saanich residents absorb the cost burden of the majority of charitable, social and artistic services and the impact of more than 100,000 non-resident vehicle trips to the airport, the ferries, the University of Victoria and downtown using

their roads and bridges.

Columnist Lawrie McFarlane parrots the results of studies by Robert Bish, who unfortunately persists in using discredited public-choice methodology developed by Charles Tiebot in the mid-1950s. More recent results have shown that mergers can, in fact, save money.

After 15 years, the merged city of Halifax has significantly improved its municipal financial situation. A study by Timothy Cobban (2017) of more than 150 municipal/regional mergers in Ontario suggests they have been extremely successful from 1995 to 2010, making significant gains in reducing the cost of the “administrative” portion of municipal budgets.

In B.C., critics continually ignore the success of Chilliwack, Kamloops, Abbotsford and Kelowna.

Offering up Toronto is misleading because of the failure of Ontario’s legislation to facilitate inter-regional transportation, housing, regional growth planning and environmental protection as common interests of two million city folks with more than three million Metro residents in adjacent York, Brampton and Markham. The whimsy of their voters to elect “offbeat local politicians” is a reflection of leadership, not municipal structure. Similarly, West Shore politicians choose to go their own way.

Critics focus solely on cost savings for individual municipalities. In contrast, two decades of international studies led by the Organization for Economic Co-operation and Development have studied the economic and social implications of urbanization. Separate studies by urban-studies scholars Luca Bartolini, Rudiger Ahrend and Mats Anderson confirm how municipal fragmentation is a significant impediment to per-capita GDP growth.

While seemingly abstract and irrelevant to readers, it is these macro growth measures that serve to provide the new revenue sources necessary to pay for the services we expect local government to provide.

OECD research reflects the reality of how urban regions actually function when we realize that where residents sleep and pay their taxes bears no relationship to the daily regional travel routines of where they play, work, shop or learn. Consider the mosaic of customer, employee and delivery transport to and from the commercial/retail corridor along Blanshard Street and Burnside Road.

We ignore the municipal location of hundreds of commercial, light-industrial and retail enterprises that surround Uptown and Mayfair shopping centres with nearly 20,000 employees and are a major business property tax base. When you include a similar cluster of business enterprises across in Vic West overlapping with Esquimalt, municipal boundaries make no sense.

Studies that identify the benefits of investment and job creation do so on a regional basis, ignore municipal structures and instead recognize how land-use planning, development-approval processes, tax policies and service amenities are the critical factors.

International authorities have generally repudiated the myopic scope of the Bish approach to measuring the performance of local governments.

Evidence of a boom in population, investment and employment confirm that the international community has discovered Victoria, and we are no longer an economy and lifestyle determined by dependency on government and retirement.

Many residents suggest a merger of all 13 municipalities into one is not a good fit, but recognize we do have at least three “natural clusters,” the city, West Shore and the Peninsula.

While municipal territoriality has historically stifled discussion of municipal reform, Victoria and Saanich councils are now willing to ask their residents to support a “citizens’ assembly” to lead a study of their common interests. This will provide a fair and independent consideration of all the facts and

opportunities shared by two-thirds of our regional population. (Over time, Oak Bay and Esquimalt should be included in the dialogue.)

It is important that we ask the right questions and use the right information before we make assertions and choose sides for or against municipal reform.

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