

# Lawrie McFarlane: Amalgamation is more trouble than it's worth



Voters in Duncan recently rejected amalgamation while North Cowichan was in favour. But provincial legislation required both municipalities to agree, Lawrie McFarlane writes. Since Duncan didn't, the proposal failed.

At the municipal election in October, Victoria and Saanich councils have agreed to poll voters about establishing a citizens' assembly. The role of the assembly would be to examine the pros and cons of amalgamating the two municipalities.

Supposing the proposal passes, there are some important things to keep in mind.

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In 2017, Duncan and North Cowichan chose this option to examine amalgamation. Their citizens' assembly recommended going ahead, and the question was put to voters last month.

The outcome was revealing. Voters in Duncan (population 4,944) said no. Voters in North Cowichan (population 28,807) said yes. But provincial legislation required both municipalities to agree. Since Duncan didn't, the proposal failed, even though it's a certainty the majority of voters favoured proceeding.

That could happen here. The population of Victoria is about 85,000. The population of Saanich is about 115,000. That's not as lopsided as the Duncan/Cowichan situation, nevertheless it does make amalgamation somewhat less likely. In effect, a double majority is required.

Interestingly, no such provision will be made when the NDP/Greens try to ram through electoral reform this fall. Amalgamating two small municipalities apparently requires more respect for local opinions than blowing up the foundations of government.

However, there is a more immediate issue to consider. Before the Duncan/Cowichan vote, a consulting firm in Vancouver was hired to look into the prospective outcome if amalgamation went ahead.

The aspect that interested me most was the question of potential savings. And the findings were not encouraging. The only economies the consultants could identify with any confidence came from having to pay fewer councillors.

In our case, Victoria and Saanich each have a mayor and eight councillors. If we assume that half are displaced, the savings would vary from about \$150,000 to \$400,000, depending on which salary grid is chosen (the two municipalities use different pay scales.)

You would think that needn't be the end of it. Each council employs a chief administrative officer earning between \$250,000 and \$275,000, plus numerous managers taking home six-figure salaries. Couldn't we dispense with 50 per cent of them, as well? The savings would be significant,

certainly several million dollars.

But the consultants who advised on the Duncan/Cowichan amalgamation threw cold water on that. In their view, any manager whose job was eliminated would be replaced in short order by two assistant managers making just as much.

And, indeed, that was the experience in the health sector, when hospital services were amalgamated under five regional authorities. Suddenly, a proliferation of vice-presidents sprang up who, collectively, made more than the outgoing CEOs.

So, two conclusions. First, given the complexities involved, if a Victoria/Saanich citizens' assembly is created, a consultant should be hired to advise before any recommendation is made.

But second, the consultant should be given a specific savings target, and asked what measures are required to meet it. That's not an easy thing to stipulate. Some firms might not like recommending layoffs — bad for their image.

But without nailing down which jobs can be eliminated, and closing the door to bureaucratic log-rolling, there would be few, if any, economies.

If that's where this comes out, it's hard to see a justification for the enormous upheaval involved. There is nothing more disruptive for any agency than a major reorganization. Productivity falls off and staff morale goes in the toilet.

Conceivably, there might be improved co-ordination among departments, but I wouldn't count on it. The corporate culture in Victoria's administration is quite unlike that of Saanich, and those differences will live on for years.

Bottom line: Amalgamation is more trouble than it's worth, unless we are guaranteed significant savings, and provided with a road map to achieve

them.

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