

De-amalgamation in Canada

Breaking Up Is Hard to Do

by Lydia Miljan and Zachary Spicer

Although nearly every province in Canada has pursued some form of local restructuring over the past 25 years, municipal amalgamation remains a controversial subject. A vast amount of research has found that consolidation fails to produce promised cost savings, rarely leads to more efficient service delivery, and reduces the ability of citizens to be involved in the life of their local governments. It is no surprise, then, that local restructuring proposals have often been met with stiff resistance from local residents. It also comes as no surprise that many residents argue that their communities were better off prior to amalgamation.

In the wake of this lingering resentment, de-amalgamation is often offered as a solution. For many, the idea has some merit: if the new municipality has become inefficient, costly, and less responsive to local need, then simply undo the work of amalgamation and return the municipality to its original borders. For those unhappy with the new incarnation of their municipal government, this is an attractive prospect, but poses some significant challenges. There are significant costs to de-amalgamation, there is no guarantee a municipal government would be any more efficient after de-amalgamation than before, and, finally, there is no guarantee there would be community consensus to move forward with the plan. Despite all of these concerns, de-amalgamation proposals continue to emerge in amalgamated communities. Some are more vocal than others, but lingering concerns about the efficiency, cost, and the nature of representation within amalgamated communities persist.

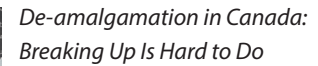
Taken together, the prospect of de-amalgamation raises two important questions. First, is it possible to reverse a

municipal amalgamation? And, second, if so, is it even desirable to de-amalgamate? This paper delves into these questions and examines two cases of municipal de-amalgamation: Montreal, Quebec and Headingley, Manitoba, which seceded from Winnipeg. After provincially imposed amalgamations, residents of both communities demanded institutional reforms. In Montreal, a change in provincial governments led to a de-amalgamation referendum, as communities within the newly amalgamated cities were given the opportunity to leave the new city. While many opted to stay, some did leave, forcing the creation of a new level of government to coordinate government activity on the Island of Montreal. In Headingley, community residents demanded they be allowed to secede from the amalgamated City of Winnipeg. After many years, the province finally took up their case and legislated their removal from the City of Winnipeg, sparking bitter separation negotiations that nonetheless finally restored Headingley's independence.

In this paper, we examine the fiscal and governance implications of both de-amalgamations and provide a set of criteria

De-amalgamation in Canada: Breaking Up Is Hard to Do

to evaluate when considering the de-amalgamation of a consolidated local government. Overall, we find no reason that de-amalgamation cannot be pursued, but we argue that is not often desirable. Provincial governments have the ability to amalgamate municipalities and, therefore, also have the ability to separate them. Looking at the case of Montreal, we demonstrate that, if de-amalgamation is not done correctly, it is very possible to further complicate the governance of a region and distract from much more important conversations about regional policy integration and planning. We argue that the difficulty in successfully implementing de-amalgamation means that amalgamation is something that cannot, and should not, be easily entered into. More care needs to be taken in finding the best institutional structure for our municipal governments.



by Lydia Miljan and
Zachary Spicer

