The Dynamics of Municipal Cooperation in Canadian Metropolitan Areas

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Abstract: This paper is part of a larger research project that examines the use of inter-local agreements in Canadian metropolitan areas. Over 200 inter-local agreements in six Canadian census metropolitan areas – Toronto, Saskatoon, Regina, Calgary, Edmonton and Winnipeg – from 1995 to 2013 were collected and analyzed. This paper finds that municipalities within Canadian metropolitan areas are signing very few inter-local agreements, especially in comparison to large American metropolitan areas, and provides some preliminary explanations for this trend. Overall, it is argued that provincially imposed regional initiatives and central city annexation is why so few Canadian cities view inter-local cooperation as a solution to servicing dilemmas.

INTRODUCTION

Policymakers have long searched for the best method of governing metropolitan areas where there are dozens, if not hundreds, of municipal governments. Layered on top of these municipalities are a multiplicity of special purpose bodies, such as school boards or transportation districts. In short, metropolitan areas can appear chaotic and disorderly as decision-making is often shared between various authorities. Needless to say, coordination can be challenging.

How to govern these metropolitan regions has also long been a topic of debate within the academic community. The role of institutions, the place decentralized coordination mechanisms and the position of political actors have been at the forefront of this debate. Solutions to metropolitan cooperation are generally presented on a spectrum ranging from centralized, "government" solutions to decentralized, "governance" solutions. A vast body of literature has explored the "governance" aspect of this debate, namely the role of inter-local agreements and voluntary methods of cooperation in linking metropolitan areas (Gulati and Singh 1998; Post 2004; Baird 1990; Feiock 2007; Nunn and Rosentraub 1997; Friesema 1970; Hirlinger and Morgan 1991).

Much of the work on inter-local agreements is focused upon American metropolitan areas. We know comparatively less about the nature of inter-local cooperation outside of the United States. This paper focuses on the process of inter-local cooperation in Canada, where very few scholars have systematically studied voluntary cooperative relationships between local governments (Alcantara and Nelles 2009).

Canada provides a unique context to examine the process of metropolitan inter-local cooperation. Canada and the United States have very different municipal regulations and legal contexts. Due to the fragmented nature of American metropolitan areas, Canadian municipalities are often larger in geographic size than their American counterparts.[1] Canadian cities also tend to have greater functional scope, but they are subject to more intervention from provincial government than are American municipalities from state governments (Sancton 1993, 5; Siegel 1997, 129). Within this context, cooperation within American metropolitan areas and Canadian metropolitan areas will understandably differ. Canadian municipalities are routinely subject to policy downloading from provincial governments and have often had their borders unilaterally adjusted – situations largely unheard of to observers of American local government.

This paper examines the inter-local agreements in six Canadian metropolitan areas: Toronto (Ontario), Regina (Saskatchewan), Saskatoon (Saskatchewan), Winnipeg (Manitoba), Calgary (Alberta) and Edmonton (Alberta).[2] For the purposes of this paper, a metropolitan area is defined as the Census Metropolitan Area (CMA) delimited by Statistics Canada.[3]

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[1] While Canadian municipalities may have geographically larger borders and service areas, American cities are generally more populated and dense than Canadian cities.

[2] A listing of the municipalities included in each CMA is provided in Appendix A

[3] Other large, internationally recognizable Canadian cities, such as Vancouver, Montreal and Halifax, were excluded from the study because their CMAs are entirely covered by regional governments, inevitably reducing the need for voluntary cooperation between CMA municipalities.

LINKING REGIONS: THEORY, FORM AND FUNCTION

The growth of urban areas outwards into suburban municipalities can create difficulties for area-wide policy coordination and planning as these regions often have dozens of municipal governments intertwined with other institutions, such as school boards or utility districts. Finding common ground among so many institutionally distinct actors can prove challenging.

Determining how best to coordinate service delivery has sparked a debate amongst academics, who have developed three broad approaches: consolidation and reform perspectives, public choice theory, and new regionalism. Consolidationists believe that metropolitan areas are best linked through institutions. They favour policy tools such as annexation and amalgamation, believing that the institutional fragmentation that exists within metropolitan areas is inherently negative and harmful (Studenski 1930; Jones 1942; Gulick 1962). Public choice scholars take an opposing view, believing that the institutional fragmentation within metropolitan areas is functional (Ostrom, Tiebout and Warren 1961; Bish 1971; Bish and Ostrom 1974). These jurisdictions, they believe, engage in competition, which inevitably benefits the public (Atkins, Dewitt and Thangavelu, 1999). They advocate for little, if any, institutional change in metropolitan regions.

While these two paradigms consumed the debate around metropolitan organization for decades, a new perspective emerged in the 1990s: new regionalism. Proponents of new regionalism emphasize the use of governance—which they describe as the creation of flexible networks that address regional problems through principally voluntary means—as opposed to government, which new regionalists see as the traditional, hierarchical structure of formal institutions. As such, new regionalists advocate for the use of voluntary linkages between jurisdictions as well as the inclusion of non-governmental actors into regional governance, creating complex networks of linked functions.

Many scholars have attempted to place these positions onto a spectrum of centralization versus decentralization (Walter-Rogg 2004; Norris 2001; Bourne 1999; Savitch and Vogel 2000). On such a spectrum, "old regionalism" consolidationist strategies of centralization—including amalgamation and annexation—are located at one extreme, while "new regionalism" and public choice strategies are located at the other end of the spectrum. This creates an array of institutional options that variously adhere to each model. Figure 1, below, represents an example of this spectrum from governance to government:

Figure 1: Spectrum of different approaches to governing[4]

GOVERNANCE   GOVERNMENT
Fragmented   Consolidation

Pluralist/Public Choice   Regionalism
                          (New)   (Old)

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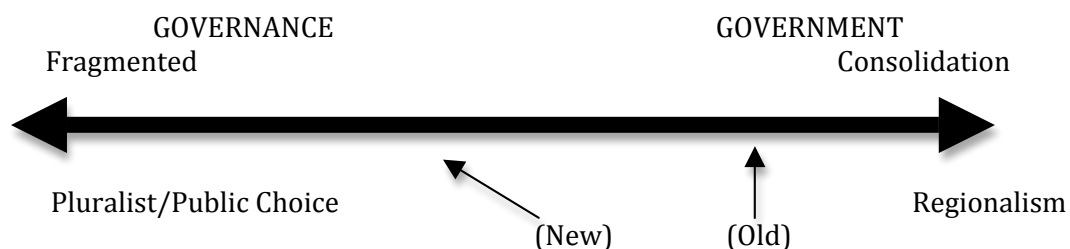
[4] Adopted from Nelles (2009)

Within this particular conceptualization, fragmented and public choice approaches exist at one end of the spectrum, whereby a market determines the pattern of local governments and favours multiple, overlapping units over centralization. At the other end of the spectrum are consolidation or "old regionalism" approaches, which favour government re-organization. New regionalism exists in the middle of the spectrum between these two positions. Much like consolidationists, new regionalists acknowledge the need for regionally coordinated policies and development, but similarly resist structural or institutional changes to bring about such coordination—a position also shared with public choice proponents.

The governance of multi-municipal regions in Canada has found a place at different points of the spectrum depicted in Figure 1, but has mainly tended towards old regionalist policies, favouring consolidationist approaches to metropolitan governance, largely through the creation of regional government and municipal restructuring. Nearly every province has enacted programs of restructuring aimed at reducing the number of municipal governments under their purview. Some Canadian provinces are undertaking such exercises right now. For example, Manitoba is currently attempting to consolidate half of the province's 197 municipalities.

Effective governance, new regionalists would remind us, can be achieved through cooperative arrangements between governing units (Salet, Thornley and Kruegels 2003; Savitch and Vogel 1996; Vogel and Harrington 2003). The new regionalist paradigm emphasizes easily reached, voluntary means of cooperation. Table 1, below, provides a summary of the tools utilized to provide coordination within metropolitan areas:

Table 1: Regional Governance Approaches – Walker's Classification[5]	
Approach	**Summary Description**
Easiest	
Informal Cooperation	Collaborative and reciprocal actions between two local governments
Interlocal Service Agreements	Voluntary but formal agreements between two or more local governments
Joint Powers Agreements	Agreements between two or more local governments for joint planning, financing, and delivery of a service
Exterritorial Powers	Allows a city to exercise some regulatory authority outside of its boundary in rapidly developing un-incorporated areas
Regional Councils/Councils of Government	Local councils that rely mostly on voluntary efforts and move to regional agenda-definer and conflict-resolver roles
Federally Encouraged Single-Purpose Regional Bodies	Single-purpose regional bodies tied to federal funds
State Planning and Development Districts	Established by states in the 1960s and early 1970s to bring order to chaotic creation of

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5 Adapted from Walker (1987)

	federal special purpose regional programs
Contracting (private)	Service contracts with private providers
Middling	
Local Special Districts	Provides a single service of multiple related services on a multijurisdictional basis
Transfers of Functions	Shifting or responsibility for provision of a service from one jurisdiction to another
Annexation	Bringing an unincorporated area into an incorporated jurisdiction
Regional Special Districts	Region-wide districts providing services such as mass transit or sewage disposal
Metro Multipurpose District	A regional district providing multiple functions
Reformed Urban County	Establishment of a charter county
Hardest	
One-Tier Consolidation	Consolidation of city and County
Two-Tier Restructuring	Division of functions between the local and regional
Three-Tier Restructuring	Agencies at multiple levels of government that absorb, consolidate or restructure new and/or existing roles and responsibilities

New regionalists advocate for the utilization of the tools listed in the "easiest" category, which are generally voluntary and flexible means. Of particular interest to this study are these types of cooperative mechanisms. The more structurally challenging mechanisms, such as those listed in the "hardest" and "middling" categories, would involve more "government"—the use of formal institutions to create policy—rather than "governance".

The American local government literature has used the Institutional Collective Action (ICA) framework—introduced by Feiock (2004, 6) as a "second generation" rational choice explanation for voluntary cooperation—extensively to explain cooperation, competition and policy variation within metropolitan areas.[6] As a rational-actor approach, the ICA framework ignores cultural or normative variables that may also affect cooperation. Instead, the framework is concerned with identifying factors that could tangibly affect the nature of cooperation between two (or more) municipalities.

Cooperation results when two or more actors believe that the end result of cooperation is beneficial. Thus, cooperation is the most flexible alternative to formal

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[6] Ostrom (2005) argues that rational choices schools of thought can be divided into first- and second-generation models. She contends that first generation theories are based on "rational egoist assumptions", such as the assumptions that individuals have perfect information, consistent preferences regarding outcomes and seek to maximize material benefit (2005, 100). Second generation models, on the other hand, acknowledge the role that contextual factors, such as differing institutional structures and regional networks, play in shaping the incentives structures of agents. As such, the assumptions of perfect information, consistent preferences and the maximization of material benefit are relaxed and the idea of cost-benefit pay-off structures are examined within the institutional context of these areas (Vanberg 2002; Feiock 2007)

institutional reform, as it allows local governments to decide which regional issues should be addressed collectively (Nelles 2009, 22). Moreover, cooperation is attractive to local governments because it allows partnerships to be formed generally without the intervention of senior levels of government. Hulst and van Montfort argue that local cooperation leaves the policy domains of local government intact and does not typically result in a permanent transfer or loss of local policy capacity, which they contend prevents local democracy from being "hollowed out" (2007, 8). Most municipalities practice some form of intercommunal cooperation.[7] When the benefit is clear or unreachable alone, cooperation is likely.

As a theoretical and conceptual tool, the ICA framework links the prospects for establishing cooperative agreements to transactions costs of which there are three types: coordination costs arising from information deficiencies, negotiation costs from dividing mutual gains, and enforcement costs associated with monitoring any agreement (Maser 1985). Consequently, cooperation between local governments increases when the potential benefits are high and the transactions costs of coordinating, negotiating, monitoring, and enforcing an arrangement are low (Lubell, Schneider, Scholz & Mete, 2002). Additionally, five groups of core variables influence cooperation between local jurisdictions: social capital, group composition, geographic density, power asymmetry and political leadership.

Municipalities have a variety of agreement types available (Miller 1981; Atkins 1997; Nunn and Rosentraub 1997). They range from flexible, such as informal agreements and memoranda of understanding, to inflexible, which includes contractual service agreements. Informal agreements and memoranda of understanding greatly reduce the transactions costs involved in writing and implementing an agreement, particularly when compared to inter-municipal service agreements which are relatively easy to modify should unforeseen circumstances arise—although they do, albeit, create less security in municipalities' adjudication rights by opening up financial terms for possible interpretation (Andrew 2008). Mutual aid agreements are only operative when certain conditions are met, generally emergencies or inclement weather, providing some financial flexibility but remain generally restrictive with respect to length and termination (Andrew 2008). More inflexible agreements provide more security for participating municipalities, but are challenging to revise since disputes often lead to costly legal challenges.

Ultimately, in order for inter-local agreements to be of value for participating governments, transactions costs must be minimized. If either government cannot recognize a benefit to entering an agreement, it will not cooperate.

INTER-LOCAL AGREEMENTS IN CANADIAN METROPOLITAN AREAS

Inter-local agreements were collected from the 117 municipalities that make up the six Census Metropolitan Areas included in this study.[8] All of the agreements that

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[7] There are a variety of forms of cooperation between municipalities. The most basic being informal information sharing between municipal departments or municipal officials (either elected or staff) and ranging up to informal agreements over policy issues and formal inter-local service agreements. See also Hulst and van Montfort (2007).

[8] Agreements from the following municipalities were unavailable and, therefore, excluded from the study: Halton Hills, ON, Milton, ON and Markham, ON.

were signed between 1995 and 2013 were gathered. This time frame was chosen for a number of reasons, chiefly because it is long enough to account for major provincial initiatives – such as amalgamation and various rounds of policy downloading[9] – but recent enough that many of these agreements are still relevant and active. At the same time, the sample only goes back as far as 1995 because municipalities have some difficulty securing documents prior to that date.

Only formal agreements are included in the analysis below. Although municipalities also engage in informal agreements – that is agreements which are understood to municipal policy makers but not officially codified or written down – as this practice is hard to account for. In these cases, it is challenging to understand the full scope of the informal arrangement for someone outside of the organization. These informal agreements may also not be widely known to all inside the organization, but rather only known to those directly related to the policy area. As such, it was determined that it would be prudent to study only formal agreements.

Demographic information about each CMA is included below, in Table 2:

Table 2: CMA Demographic Information				
CMA	Total Governing Units	Population	Land Area	Population Density
Toronto	27	5,583,064	5,905.71	945.4
Winnipeg	10	730,018	5,303.09	137.7
Saskatoon	24	260,000	5,214.52	50.0
Regina	16	210,556	3,408.28	61.8
Edmonton	31	1,159,869	9,426.73	123.0
Calgary	9	1,214,839	5,107.88	237.9

(Source: 2011 Census. Land area in km².)

As we can see from the table above, there is a great deal of variation among the CMAs. The Toronto CMA is by far the largest in terms of population, with 5,583,064 people within 27 different governments. Covered within this area are four regional governments–Halton, Peel, York and Durham Region. These regional governments are responsible for regional services, such as transportation and planning and, with the exception of Toronto, which is a one-tier city, they are all two-tier structures.[10]

Winnipeg and Calgary have the fewest governing units within the CMA. This can be attributed to the amount of institutional change seen within these areas over the past four decades. Winnipeg was part of a two-tier regional government for many years and then consolidated whereas Calgary has grown as the result of dozens of annexations. These changes, which are described further below, are likely the reason why there are so few governments within these CMAs.

The Edmonton CMA is the largest area geographically of the cities included in this study, covering almost 9,500 square kilometers. The region is growing and with a

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[9] Many Canadian provinces have undertaken various rounds of policy downloading, transferring certain policy responsibility for certain services to municipalities. For example, in the late 1990s, the province of Ontario downloaded responsibility for the delivery and funding of social services to municipalities and uploaded the costs for education, significantly rebalancing the policy relationship between both.

[10] New Tecumseth and Bradford West Gwillimbury lie outside of York, Peel, Halton and Durham Regions, but are part of Simcoe County, a two-tier structure north of the GTA.

current population of over 1.2 million. Despite having a similar population figure and growth rate as its neighbour to the south – Calgary – the Edmonton CMA has considerably more governing units, with 27. Saskatoon and Regina have the lowest population and the lowest density of any of the CMAs in this study.
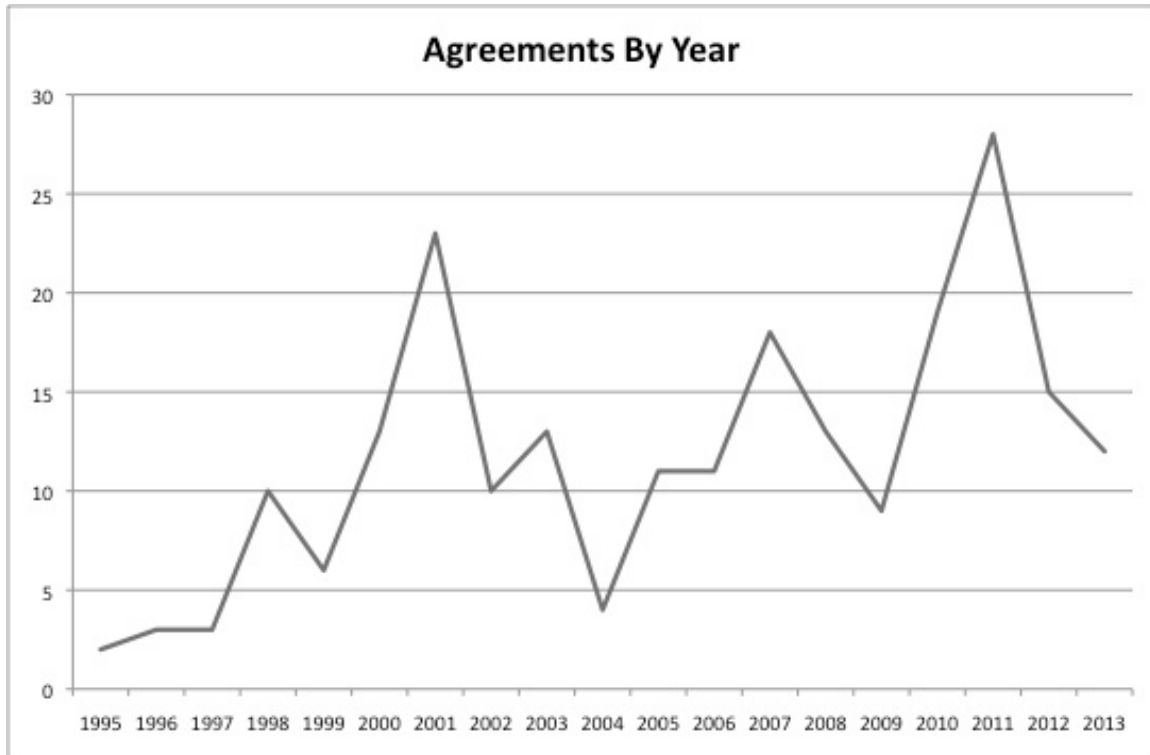
In total, there were 223 agreements signed in these six CMAs between 1995 and 2013. Table 3 provides a summary of the number of agreements in each CMA:

Table 3: Inter-local Agreements By CMA	
CMA	**Number of Inter-Local Agreements**
Toronto	130
Winnipeg	15
Saskatoon	11
Regina	13
Edmonton	41
Calgary	13

Once again, there is a great deal of variation in the amount of agreements between the CMAs. The most obvious is the disparity between the Toronto CMA and the other cases. As seen in Table 2, Toronto is by far the largest of the CMAs. It is Canada's largest metropolitan area and it is thus understandable that officials from this area may have signed more inter-local agreements than those in the other CMAs. The amount of agreements seen in the other CMAs is fairly consistent, with the exception of the Edmonton CMA, which has 41 agreements. This can probably be accounted for by the fact that the Edmonton CMA has highest concentration of governments (31) and largest land area.

Chart 2 shows the number of agreements signed by year in all of the CMAs:

Chart 2: Summary of Agreements By Year

Agreements By Year

When examining the year that each agreement was signed, we can see considerable variation but a few trends do emerge. Overall, there has been a general increase in the number of agreements signed. Very few were signed in the mid-1990s. In total, the trend line increases from the 1995 start date of this study until 2013, indicating that the number of agreements signed within these CMAs has been increasing, albeit sporadically. A potential explanation is that the need for cooperation is somehow increasing, perhaps due to budget constraints or other fiscal restrictions.

Turning to the number of actors involved in inter-municipal agreements, the evidence suggests that there are relatively few. The average number of participants for each agreement is 3.15, meaning that most municipalities prefer to form agreements with fewer, rather than more, municipal partners. Additionally, only 45 agreements, or 20% of the total agreements, are signed with the central city in each CMA, meaning that most of the agreements are among municipalities in the periphery of the region.

Agreements can generally be described as either adaptive or restrictive. Adaptive and restrictive agreements create very different policy outcomes and provide clues as to the nature of the relationship between the two – or more – signatories prior to the signing of an agreement. An agreement is referred to as "restrictive" if it is based upon and closely adheres to a specific set of rules, generally rooted in provincial and state law and local ordinances (Andrew 2008). These types of agreements provide very little room for interpretation. Additionally, restrictive agreements are challenging to alter, because they tend to have fixed expiration dates and very clear procedures for termination. While lacking flexibility, restrictive agreements do provide stability over the life of an agreement, as both sides know what is expected of them financially and administratively, along with full knowledge of the penalties involved in breaking or deviating from the

terms of the agreement. Some examples of restrictive agreements include contracts – such as service agreements – or lease agreements.

Adaptive agreements, on the other hand, are more open than restrictive agreements and are used to provide more generalized guidelines for local coordination efforts. Simon Andrew (2008) argues that adaptive agreements are, "purposely designed to complement pre-existing policies as opposed to a neatly crafted joint vision to improve the overall welfare of the participating local governments' constituents" (10). What adaptive agreements lack in stability, they make up in flexibility. These types of agreements usually do not include strict financial or administrative outlines and are more easily altered if both partners deem it necessary. They also tend to lack some of the safeguards traditionally found in restrictive agreements, such as termination clauses and expiration dates. Some examples of adaptive agreements include mutual aid agreements, memoranda of understanding or agreement, letters of agreement, or informal agreements. Restrictive agreements are usually utilized for policy areas that have large budgets or are not already provided by a municipality (Post 2004; Stein 1990). Having a more flexible agreement in place could result in one partner not fulfilling their financial or administrative responsibility, thereby creating service gaps for residents. Some further examples include water or sewer servicing or the construction of new capital projects, such as recreation centres or long-term care facilities.

Adaptive agreements are generally used to complement existing services, such as mutual aid agreements for fire where two communities sign an agreement to ensure full servicing throughout their communities, or where service gaps do not create a financial hardship, such as road maintenance or snow removal. In both cases, each municipality has the administrative infrastructure necessary to provide the service independently, but uses an adaptive service agreement to provide an additional layer of security or allow the jurisdiction to cut costs (Lynn 2005). Some additional examples of adaptive agreement policy areas may include staff training, library services, or cultural services.

Adaptive agreements, however, also come with a degree of risk; namely, these agreements carry a high level of behavioural uncertainty, which occurs when a supplier municipality is tempted to capture a larger share of aggregate gains (Shrestha 2010). While this risk is largely absent with restrictive agreements, adaptive agreements are nearly always at risk of being re-negotiated or reneged upon. That is not, however, to say that restrictive agreements are without risk since general environmental uncertainties, such as the unexpected breakdown of technology or sudden occurrences of natural incidents affecting supply, are possibilities for all types of agreements (Shrestha 2010).

Below, Table 4 lists the types of agreements signed between 1995 and 2011 in each CMA:

Table 4: Summary of Agreement Types by CMA			
CMA	Contract	MOU	Mutual Aid
Toronto	111	7	12
Winnipeg	8	6	1
Saskatoon	10	0	1
Regina	9	4	0
Edmonton	23	10	8
Calgary	9	4	0

| Total | 170 | 31 | 22 |

As the preceding table demonstrates, of all the agreements in place 76% are contracts. This also indicates that the majority of the agreements are restrictive. Below is a table of the different component parts of the agreements:

Table 5: Summary of Agreement Components		
	Total	**Percent**
Agreements With Expiry Clauses	128	57.3%
Agreements With Termination Clauses	160	71.7%
Agreements Leading to the Creation of Joint Committee's or Boards	11	4.9%
Agreements with Dispute Resolution Mechanisms	12	5.3%
Number of Restrictive Agreements	170	76.2%
Number of Adaptive Agreements	53	23.7%

The vast majority of agreements—71.7 percent—include termination clauses that allow at least one of the partners included in the agreement to leave the arrangement. Many such termination clauses include procedures and timelines for withdrawal, such as submitting termination notices in writing within sixty days of the set withdrawal. The procedures and timing of the termination process vary by agreement, however. 57.3% of the agreements contain expiry clauses, stating that the agreement will automatically terminate after a set period of time unless the jurisdictions included in the agreement want to extend it.

Although most jurisdictions prefer agreements with termination and expiry clauses, very few include clauses for monitoring, such as the creation of joint boards, commissions or dispute resolution mechanisms. Only 4.9% of agreements involve the creation of joint boards or commissions to oversee the execution of the agreement. Similarly, only 5.73% of agreements include procedures for dispute resolution. The high rates of termination clauses indicate that many communities view their ability to terminate the agreement as a form of dispute resolution; consequently, each signatory's ability to leave the agreement at any time is, in itself, an incentive to seek an informal resolution to any impasse.

The prevalence of expiry and termination clauses also indicates that most jurisdictions prefer to establish agreements that carry a low level of risk. Although these agreements are formalized, they are for set durations and allow either partner to leave the agreement if they feel that participating is no longer in their best interest. Only a minority of agreements establish independent authorities to monitor and execute the content of the agreement, with a similar number having built-in dispute resolution mechanisms. This indicates that the municipalities within the CMAs under examination are creating
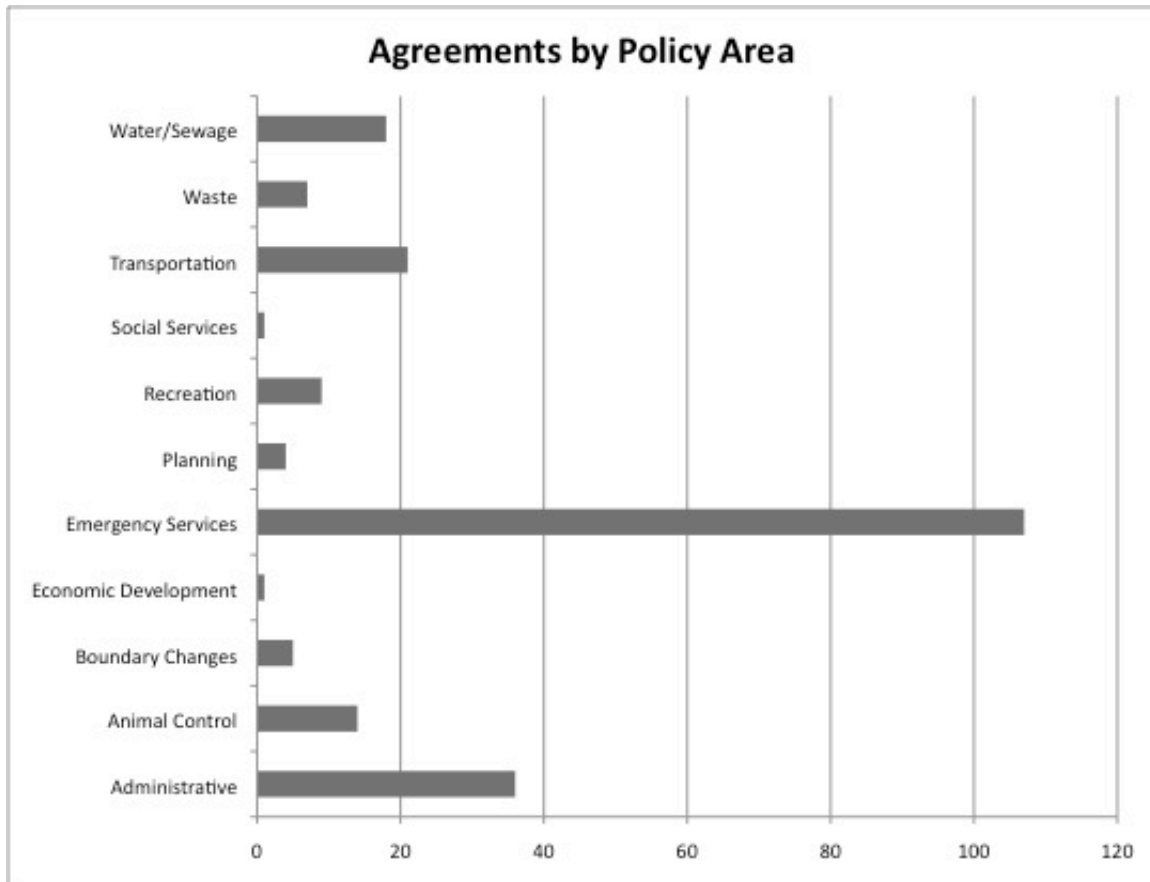
agreements without the aim of creating long-term relationships. Instead, these agreements aim to create policy-specific and purpose driven networks of cooperation.

The vast majority of agreements are restrictive, in that they contain formal legal procedures that bind each participant to their actions. As previously discussed, these types of agreements aim to mitigate risk and ensure that the expectations for each partner are well known. Adaptive agreements are mainly utilized for mutual aid and protection, which is consistent with American ICA literature on emergency response agreements (Andrew 2009; Andrew 2010). In both areas, municipalities largely use cooperative agreements to supplement existing services, which—not coincidentally—are the type of situations that call for adaptive agreements. These agreements are largely formed to add to existing services and ensure continuity. Although two municipalities may already have a fire department, a mutual aid agreement provides additional protection to potentially underserviced border regions. As such, the municipalities in these CMAs use adaptive agreements for similar policy areas as American municipalities, although provincial regulation may be forcing them to use larger amounts of restrictive agreements than they would otherwise.

Chart 2 provides information on the type of service areas incorporated as formal, inter-local agreements.

Chart 2: Agreements by Policy Area[11]

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[11] Most of the categories included in the list are self-explanatory, although some may require elaboration: "Emergency Services" encompasses all areas of emergency planning or delivery, such as fire protection, dispatch or reporting; "Transportation" includes road construction, maintenance, snow removal and the provision of public transportation services; "Waste" includes all landfill services, collection, and maintenance or recycling programming; and, finally, "Administrative" includes all items relating to staffing or other uncategorized maintenance, such as information technology maintenance and sharing.

Agreements by Policy Area

Policy Area	Value
Water/Sewage	~18
Waste	~7
Transportation	~21
Social Services	~1
Recreation	~9
Planning	~4
Emergency Services	~107
Economic Development	~1
Boundary Changes	~5
Animal Control	~14
Administrative	~36

This table demonstrates that the majority of agreements concern emergency services, which is consistent with American literature on inter-local cooperation (Andrew 2008). Emergency services are one policy area where geographical coverage is vital in maintaining public safety, which is why some municipalities feel the need to enter into agreements with neighbouring jurisdictions to ensure service continuity and protection. Simply put, municipalities do not want to see lives lost because of gaps in service coverage, adding incentive to the cooperative process. The majority of the emergency services agreements included in this study involve fire protection, mostly in the form of mutual aid or fee for service agreements. Generally, cities contract fire services to smaller jurisdictions near their borders. Consequently, these agreements tend to involve emergency dispatch or reporting, in which county officials negotiate an agreement on behalf of their lower tier counterparts. This is unsurprising, considering that municipalities included in this study are required by provincial mandate to maintain fire protection and education services throughout their territory.

INSTITUTIONAL CHANGE AND BOUNDARY EXPANSION

The question looming over the above results, however, is why do we see so few agreements in Canadian metropolitan areas, especially in comparison to American metropolitan areas. American studies examining inter-local agreement formation typically uncover many more agreements within metropolitan areas. For example, Shrestha (2005) found 6,080 agreements amongst 38 large American cities; Wood (2005)

found 1,638 different agreements in the Kansas City metropolitan area; Thurmaier similarly located nearly 12,000 agreements signed between 1965 and 2004 Iowa (2005); LeRoux and Carr (2007) discovered road 445 agreements in Michigan; Simon Andrew (2008) found 390 public safety agreements in Florida. The amount of agreements in Canadian metropolitan areas pales in comparison.

The strongest explanation as to why we do not see similar levels of agreement formation in Canada is a clear provincial preference for "government" over "governance". In that context, provincial governments have tended to 1) construct regional institutions to facilitate coordination and 2) allow their largest cities to absorb urbanizing territory outside of their borders.

Provincial governments have attempted to find regional solutions to servicing problems. In many areas, rapid suburbanization forced provincial policy-makers to address infrastructure deficits and social demands that were accumulating in Canada's metropolitan areas. Consequently, many provincial governments saw the creation of regional governments as the solution to these types of servicing problems, largely ignoring local, decentralized solutions.

The Greater Toronto Area (GTA) has seen the most extensive use of regional government in Canada. From its incorporation, the City of Toronto has undergone 21 annexations. After the Second World War, Toronto emerged as a metropolis. Marked by high rates of suburbanization, Toronto quickly became a major centre in Canada for inward migration (Robinson 1991, 113). In 1941, Toronto and its immediate neighbours had a population of approximately 925,000 residents; however, by 1961, that figure had more than doubled to 1.9 million (Nader 1975, 230). The province had attempted to impose some type of regional government on the area for some time, with the first attempt taking place in 1924 (Frisken 2007, 55). In the 1940s, however, the rapid rate of suburbanization finally forced the province to pass legislation in 1953 that created a two-tier structure that would cover Toronto and its surrounding municipalities (Frisken 2007, 70). Known as Metropolitan Toronto, the two-tier structure consisted of the City of Toronto and its 13 surrounding suburban municipalities and held responsibility for regional services, such as planning, roads and public transportation (Kaplan 1965, 538).

In the 1960s, the province of Ontario began to realize that Metropolitan Toronto did not cover the entire metropolitan Toronto area, as growth began to spread beyond Metropolitan Toronto's borders. As such, the province began to explore the possibility of creating similar two-tier structures outside Metropolitan Toronto. After studying the issue, the province created ten new regional governments, largely in southern Ontario: Ottawa-Carleton, Niagara, York, Peel, Halton, Waterloo, Hamilton-Wentworth, Sudbury, Durham and Haldimand-Norfolk (Fyfe 1975, 360). The creation of these governments followed a predictable pattern: the creation of an upper tier unit, created for a large urban centre while its hinterland, commonly – although not universally – followed the old county boundaries, thereby reducing the number of local municipalities within the region to provide the urban centre with more control over its surrounding area (Fyfe 1975, 362).

In the 1990s and 2000s, many of these regional governments were restructured. In 1998, the provincial government amalgamated Metropolitan Toronto to create a large, single tier municipality (Frisken 2007, 251). The regional government of Hamilton-Wentworth followed suit some years later. The province has added to many of these regional institutions through the creation of individual initiatives intended to curb sprawl

and growth, such as the Greenbelt and the *Places to Grow*, which places strict limits on the growth of certain municipalities within the Greater Toronto Area.

In the 1950s, Manitoba experienced the same type of challenges associated with growth around Winnipeg that Ontario did with Toronto. Responding to local concerns of inefficiency and economic disparity within the metropolitan region, the province struck a committee to provide solutions (Kiernan and Walker 1983, 227). In 1959, the Greater Winnipeg Investigating Committee called for the establishment of a two-tier council (Higgins 1986, 235). The Metropolitan Corporation of Greater Winnipeg was created the following year in 1960 with ten lower-tier municipalities: Charleswood, Fort Garry, North Kidonan, Old Kidonan, the Town of Tuxedo, the City of East Kidonan, the City of West Kidonan, the City of St. Vital, the City of Transcona and the City of Winnipeg. Much like Metropolitan Toronto, Metropolitan Winnipeg was given authority for regional services, such as planning, zoning, assessment and sewage disposal and water. The regional government was later amalgamated to create a "unicity" – a sprawling single-tier government that encapsulated the vast majority of the province's population. By the late 1980s, the metropolitan region extended beyond the border originally delimited through the creation of Metropolitan Winnipeg. In response, the province created the Capital Region Committee to coordinate economic activities between the City of Winnipeg and the surrounding area (Sancton 2000, 62).

In Alberta, the provincial government has stopped short of creating the types of broad upper-tier governments seen elsewhere. Provincial interest in Calgary and Alberta piqued in the 1980s once it became clear that several rounds of annexation and outward expansion had seriously harmed the relationship between the cities and their neighbours (Sancton 2011, 130). In 1994, the province abolished some of the common institutions around these areas, including the regional planning commission, establishing a need for greater coordination between each city and their surrounding municipalities (Sancton 2011, 130).

In 1998, the province commissioned a report that recommended that a "greater Edmonton partnership" be established encompassing the 21 municipalities in the metropolitan area (Lesage Jr 2005). This recommendation was written by former provincial Treasurer Paul Hyndman, who put a great deal of faith in voluntary partnerships: "partnerships are the best option for this region…the old style, centralized approach with command and control from the top is not the way to govern our region" (Sancton 2011, 130). This body would act as an extension of the Alberta Central Regional Alliance (ACRA), a voluntary inter-municipal body that had been in existence since 1995 (Sancton 2011, 131).

In 2006, Edmonton withdrew from ACRA, claiming that it was incapable of addressing important regional land-use issues that had implications for the fair sharing of fiscal resources in the region (Sancton 2011, 131). In January 2008, the province replaced ACRA with the Capital Region Board (CRB), a planning board in which all 25 regional municipalities were required to participate.

In Calgary, ACRA served as a model for the Calgary Regional Partnerships (CRP). The CRP has a very weak structure, but does hold authority for land-use planning. Because of Calgary's large population, it dominates the board of the CRP, which has caused tension between the city and its partnering communities (Sancton 2011, 132). In

September 2009, Rocky View County left the CRP, citing concerns about the governance and voting structure (Sancton 2011, 132).

Saskatchewan has not actively pursued a centrally imposed regional strategy for its two largest cities – Saskatoon and Regina. Instead it has slowly allowed the two cities to aggressively expand their borders and absorb surrounding territory. Regina has undergone 27 annexations since incorporation, enlarging its territory by 43,023 acres. In fact, the city's most recent annexation was recently finalized on January 1, 2014 and saw the city absorb an additional 8,500 acres of land from its surrounding communities. Saskatoon has undergone 30 annexations since incorporation, taking in over 53,000 acres from its neighbours. Annexations are not a thing of the past in either city. Since 2000, Saskatoon has completed four annexations totaling 17,841 acres, while Regina has absorbed 15,731 acres through six annexations.

Other provinces have pursued similar strategies. Edmonton has completed seven annexations, more than quadrupling its territory, and has proposed to annex an additional 38,400 acres from municipalities in its south. The application is currently under review. Calgary has undergone 44 boundary extensions since incorporation.[12]

Provincial involvement in municipal government is the likeliest explanation for the sparse use of inter-local agreements in Canada. As provinces have experimented with regional institutions and allowed their central cities to expand outwards, divergences between communities are entrenched. In that, urban areas are absorbed into central cities, which means outlying areas are either rural or suburban, which does not create a similar base of service demands and decreases the need for cooperation.

The institutional and cultural context between American and Canadian municipal government is the reason why American cities generally strike more inter-governmental agreements. American local government is generally more fragmented and resists regionalization.[13] While American cities did experience a wide-range of outward annexations to capture urban growth early in their history, the post war suburban boom led to greater resistance to annexation (Vogel and Imbroscio 2013). Suburban areas often oppose annexations because they fear tax increases and a loss of autonomy if they are merged with a larger city (Vogel and Imbroscio 2013). From an urban perspective, city residents often fear suburban domination of their politics and a dilution of their political power (Vogel and Imbroscio 2013). As a result, the kind of continuous, aggressive outward expansion experienced within Canadian metropolitan areas is not present within contemporary American metropolitan areas. The same trends have limited the presence of regional governments in the United States. As Vogel and Imbroscio argue, "In the United States, the political system and political culture provides no basis for a metropolitan tier of government" (2013, 319).

With limited chances to introduce metropolitan governments and a political resistance of annexation and other forms of restructuring, American municipalities must rely more heavily on inter-local agreements to fill service gaps and ensure policy continuity. Canadian provinces and municipalities have tended to see centralization as a better tool connect governments.

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[12] Calgary's rapid expansion was even the subject of a 2009 book, *Expansive Discourses* (Foran 2009).

[13] As of 2007, the United States 89,527 local governments (Vogel and Imbroscio 2013)

CONCLUSION

This study has explored the patterns of inter-local agreements in Canadian metropolitan areas. By collecting and examining all of the inter-local agreements signed between 1995 and 2013 in these areas, it was found that there is a very small number of agreements within these regions. In total, 223 agreements were identified – the bulk of which were in the Toronto CMA. Why is this? Why are there so few inter-local agreements? The likeliest explanation is the unique amount of attention these areas have received from provincial governments. Various institutional structures have been put in place in these CMAs. From the implementation of regional governments, to the creation of growth management strategies, Canadian metropolitan areas have undergone a vast amount of change, mainly directed at centrally managing and coordinating the relationships between governments within these areas. These central cities have also been allowed to constantly expand outwards and absorb urbanizing territory. As such, Canadian provinces have shown a clear preference for "government" rather than "governance".

In contrast, American metropolitan areas are more fragmented and resist the imposition of centralized regional initiatives and annexation attempts from central cities. These metropolitan areas are also becoming multi-centred and diverse. This situation leaves inter-local agreements as the primary tool to fill service gaps.

In a way, it is understandable that Canadian provincial governments would get so involved in the governance of their large metropolitan areas; these areas contain their largest cities and the bulk of their populations. For example, the Toronto CMA contains 43% of the entire population of Ontario. The Edmonton and Calgary CMAs account for over 65% of Alberta's total population. The Saskatoon and Regina CMAs similarly account for 45% of Saskatchewan's population. Finally, Winnipeg accounts for more than 60% of Manitoba's total population.

In Canada, servicing dilemmas are, largely, solved through centralization, as opposed to inter-local cooperation. Indeed, some provincial governments have even actively dissuaded the use of inter-governmental agreements to solve servicing problems. For example, a 1987 Ontario government report, entitled *Patterns for the Future,* described the use of inter-local agreements as problematic. Noting that inter-local agreements can be "time-consuming to negotiate, can foster dispute, and can create confusion about accountability", the report argues that these agreements create uncertainty about lines policy-making responsibility (Ontario 1987, 62). Inter-local agreements, the report continues, do not necessarily provide stable administration since their terms and conditions are subject to periodic re-negotiation (Ontario 1987, 65).

Overall, the institutional changes put in place by provincial governments have decreased the need for inter-local agreements. While some provinces, such as Alberta, have shown more faith in voluntary partnerships, they have still allowed numerous rounds of annexation. Density in governments in these CMAs is quite low mainly because consolidation and restructuring have been the main tool of provincial authorities to address servicing dilemmas.

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Appendix A

Composition of CMAs Included in Study	
Census Metropolitan Area	**Municipalities**
Calgary Census Metropolitan Area	Cities: Airdrie, Calgary
	Municipal District: Rocky Mountain County
	Towns: Chestermere, Cochrane, Crossfield, Irricana
	Village: Belseker
	Hamlet: Langdon
Edmonton Census Metropolitan Area	Cities: Edmonton, Fort Saskatchewan, Leduc, St. Albert, Spruce Grove
	Specialized Municipality: Strathcona County
	Municipal Districts: Leduc County, Parkland County, Sturgeon County
	Towns: Beaumont, Bon Accord, Bruderheim, Calmar, Devon, Gibbons, Legal, Morinville, Redwater, Stoney Plain
	Village: Spring Lake, Thorsby, Wabamun, Warburg
	Summer Village: Betula Beach, Golden Days, Itaska Beach, Kapasiwin, Lakeview, Point Allison, Seba Beach, Sundance Beach
Regina Census Metropolitan Area	City: Regina
	Regional Municipalities: Edenwold No. 158, Lumsden No. 189, Sherwood No. 159
	Towns: White City, Pilot Butte, Balgonie, Regina Beach
	Villages: Grand Coulee, Pense, Buena Vista, Pense No. 160, Edenwold, Disley, Belle Plaine
	Resort Village: Lumsden Beach
Saskatoon Census Metropolitan Area	Cities: Martensville, Saskatoon, Warman
	Towns: Allan, Asquith, Colonsay, Dalmeny, Delisle, Dundurn, Langham, Osler
	Villages: Borden, Bradwell, Clavet, Elstow, Meacham, Vanscoy
	Resort Villages: Shields, Thode
	Rural Municipalities: Blucher No. 343, Colonsay No. 342, Corman Park No. 344, Dundurn No. 313, Vanscoy No. 345.
Winnipeg Census Metropolitan Area	City: Winnipeg
	Towns: Richot, Tache, Springfield, East St. Paul, West St. Paul, Rosser, St. Francois Xavier, Headingley, St. Clements
Toronto Census Metropolitan Area	Cities: Toronto, Mississauga, Brampton,

	Vaughan,
	Regional Governments: Peel Region, Halton Region, York Region, Durham Region
	Towns: Markham, Richmond Hill, Oakville, Ajax, Pickering, Milton, Newmarket, Caledon, Halton Hills, Aurora, Georgina, Whitchurch-Stoufville, New Tecumseth, Bradford West Gwillimbury, Orangeville, East Gwillimbury, Mono
	Townships: Uxbridge, King