

A "Big City Charter" for Edmonton and Calgary: Explaining the Role of Municipalities in Canada's Federal Framework

Introduction

Edmonton and Calgary's relationship with the province of Alberta will be redefined with the signing of the province's first-ever civic charter – the "Big City Charter." On June 18, 2012, Minister of Municipal Affairs Doug Griffiths signed a Memorandum of Understanding (MOU) with Edmonton Mayor, Stephen Mandel, and Calgary City Councillor Jim Stevenson on behalf of Mayor Naheed Nenshi.[\[1\]](#) The MOU announces a commitment amongst the three governments to create a charter and establishes a general timeline for negotiations.

Constitutions, in dividing power, define micro-communities within a single macro-community. Canada is a federal state, which means that both provinces and the federal government have a defined set of issues that are "theirs" exclusively to legislate. This relationship is defined in detail in the *Constitution Act, 1867*.[\[2\]](#)

But what role do municipal governments play in Canada's constitutional structure? The *Constitution Act* sets up a two-level system of government, with provinces controlling municipalities. This means that individual cities are treated differently across the country. Moreover, provinces often give big municipalities more powers than small municipalities. The use of civic charters for big cities is on the rise, though smaller municipalities will not receive these broad grants of authority.

Municipal Government Roles

Municipal governments in Canada administer many services, within three general categories: infrastructure and utilities, policing powers, and programs for citizens and property owners. They administer infrastructure and utilities, like roads, bridges and sewers. They have policing powers with respect to health, safety and general welfare. To this end, municipalities remove snow from streets and run emergency response services. Finally, they implement other programs that benefit property owners, citizens, and businesses. For example, they may set up cultural events in the city, run public libraries, and administer public housing. The Alberta Urban Municipalities Association (AUMA) provides further understanding of municipal duties [here](#).[\[3\]](#)

These typical responsibilities have increased, for reasons explained below. Still, Canadian cities generally have only three ways to raise revenue – property taxes, development

charges, and user fees[4] – which, critics argue, are restrictive and inflexible compared to the powers of many cities in the United States and Europe.[5] The Big City Charter, as with other city charters, seeks to address the gap between the many duties of governance and the limited revenue sources that cities have to implement these duties.

What is a Civic Charter?

Civic charters are different in every city, but a “charter city” (a city with a civic charter) has its own stand-alone legislation, rather than following the general municipal government acts of the province. It is a special agreement between a province and city designed to meet the demands of city governance, usually by giving a city more tax-raising powers, along with more autonomy to set policy that will allow it to meet its individual needs. The Federation of Canadian Municipalities proposed a template for civic charters, saying they should be akin to “plain language constitution[s].”[6]

While city charters are typically established – in big cities, at least – for the purpose of increasing autonomy, a city with a civic charter will not necessarily have more powers than a city without one. Civic charters simply distinguish the relationship of a city to its province as separate from the laws that govern other municipalities. Sometimes city charters are meant to recognise unique circumstances, without granting a municipality more powers. Lloydminster, for example, has a “city charter” because geographically it is located in both Alberta and Saskatchewan.[7]

Why is there a need for city charters now? Calls for a civic charter for Alberta’s two big cities have increased as the province has changed, much like the rest of Canada has. Significantly, urbanisation has increased in Canada: according to the 2011 Census, 81% of Canadians live in urban areas.[8] Calgary and Edmonton are growing rapidly, especially in the region that Statistics Canada calls the “Edmonton-Calgary” corridor. In the next ten years, Alberta’s population is expected to increase by another 1 million people;[9] many of these newcomers will reside in that corridor.

The Big City Charter is necessary in Alberta because Edmonton and Calgary have grown, creating different needs for these two cities than the other, smaller Alberta municipalities. Therefore, the province is looking to negotiate legislation to reflect these differences, separating Edmonton and Calgary from the [Municipal Government Act](#)[10] and devising a civic charter for the two cities.

Civic charters recognise that especially large communities deserve more power than small municipalities. Large urban governments have the capacity to do more than small municipalities, because they have larger administrations. For example, Toronto has the sixth largest administration among *any* government in Canada.[11] This institutional capacity is coupled with an institutional need for the power to raise revenue and set policy to meet the needs of a growing city.

Charters give big cities more power – and responsibility – to provide services and raise taxes. In this way, the Big City Charter will redefine the division of powers between Alberta

and its two major cities. Currently the power structure is akin to parental guardianship by the province over the cities. The Big City Charter will allow Edmonton and Calgary to make decisions that they currently cannot, or that currently require consent from the Province. In particular, Edmonton and Calgary are looking for more choices in their “fiscal toolkit.”[\[12\]](#) Limitations on the types of taxes that municipalities can levy constrain budgets and restrict the autonomy of cities to plan new infrastructure, as they have to rely on provincial grants that often carry restrictions and that are transient. As a result, cities are often unable to fulfill their duties effectively. A civic charter is meant to fix these problems.

Three Levels of Government and a Two-Level Constitution: Division of Powers and Municipalities

Cities occupy a nebulous place in the national order. Though they are exceedingly important to life in Canada, municipal powers are different within and between provinces and are constantly in flux.

Section 92 of the *Constitution Act, 1867*, sets out exclusive provincial powers, including control over laws relating to municipal institutions (section 92(8)) and the power to impose direct taxes to carry out provincial duties (section 92(2)).[\[13\]](#) Municipalities are controlled by provinces and can only collect revenue through means specifically granted to them by the provinces.[\[14\]](#)

Well before the *Constitution Act, 1867*, Lord Durham -- in 1839 -- advocated constitutional recognition for municipalities.[\[15\]](#) A century after Confederation, the Federation of Canadian Municipalities sought the recognition of municipalities as a “distinct level of government” in what would become the *Constitution Act, 1982*. The constitutional push for three-level government was motivated by “the belief that mentioning municipalities in the Constitution would help them solve the problem of how to finance the services imposed upon them by more senior levels of government.”[\[16\]](#) Prime Minister Trudeau expressed cautious support for this idea in 1978 when he declared: “Provided that the ultimate responsibility of the provinces is not in question, there could be merit in trying to describe in the Constitution the role which the “third level” plays in the total fabric of Canada.”[\[17\]](#)

The “third level” of government was not recognised in the *Constitution Act, 1982*,[\[18\]](#) chiefly because carving out any status for municipal governments would have meant reducing the power of provinces – thus, earning provincial disapproval. So, although there are three levels of government – even the smallest “summer villages” have legislated functions and structures! –municipalities derive powers from provincial statutes.

Powers of Municipalities across Canada

Though each province does it differently, each has at least one law that sets out the powers of its municipalities. Each structures its laws differently, though. Some provinces grant their municipalities broad, sweeping powers (“natural person powers”), while others constrain municipalities to a set of specific powers (“laundry list powers”). Some provinces have civic

charters for their large cities – giving them differential powers – while others prefer to treat all municipalities equally.

Since 1994, Alberta municipalities have had “natural person powers” under the [Municipal Government Act](#),^[19] which sets up the legal framework for municipal governance in Alberta. This change was the result of recommendations by a Municipal Statutes Review Committee, which wrote recommended legislation that included more power for local governments.^[20] Alberta’s municipalities, it proposed, should be treated more like corporations than subordinate government bodies. “Natural person powers” let municipalities in Alberta do anything which isn’t expressly prohibited by the Government of Alberta.^[21] Of course, the province sets out myriad limitations on municipalities, within this framework. “Natural person powers” are more expansive than “laundry list powers”, but they are not unlimited.

Most other provinces have given municipalities natural person powers as well, a trend identified by Donald Lidstone in his study of provincial laws regarding municipalities.^[22]

Compare this with Nova Scotia, Manitoba, and New Brunswick,^[23] whose general municipalities acts give local governments “laundry list powers” that are discrete and limited. Local governments in those provinces cannot exert powers that aren’t listed. Alberta had a “laundry list” system until in 1994, when the [Municipal Government Act](#)^[24] was significantly revised to include natural person powers.^[25]

Civic Charters are not new and each charter is unique. St. John, New Brunswick, is the oldest charter city in Canada, established before Confederation, in 1785. St. John was given natural person powers and broad authority, in contrast to other local governments in New Brunswick.^[26] British Columbia passed the [Vancouver Charter Act](#) in 1953. The *Charter of “Ville de Montréal”* was established in 1960.^[27] In addition to having the powers of other municipalities in Quebec, the City of Montreal has the authority to deal with assets (for example, it can raise money by mortgaging an asset), to raise money by issuing securities, and to use all other powers necessary to fulfil its obligations.^[28] [The City of Winnipeg Charter Act](#), 2002,^[29] gives Winnipeg wider responsibilities and revenue generation options than other Manitoba municipalities. As an example, it has an independent property assessment system^[30] (Alberta’s municipal governments also have this system, despite not having city charters).^[31]

The newest city charter, the [City of Toronto Act](#), was passed in 2006.^[32] As with other civic charters, revenue generation and municipal autonomy were major themes of the debate that lead to the passing of the Toronto Charter. The *Joint Ontario-City of Toronto Task Force to Review the City of Toronto Acts and Other Legislation* final report, which preceded the 2006 Act, acknowledged Toronto as the economic hub of Ontario, driving much of the province’s growth.^[33] Autonomy over revenue generation (taxation) and planning were both increased by the *City of Toronto Act*. Toronto’s Charter underwent its first public review in 2009. Some members of the public expressed concerns about new tax levies such as a municipal land transfer tax and a municipal tax on alcohol. ^[34]

Inconsistent Support: “Downloading” and Support from Higher Levels of Government

Another reason that cities want charters is that municipalities have been doing more for less. Federal and provincial governments pledge support for services, infrastructure, and programs, but often are not there with the funding, when confronted with their own budget difficulties. Meanwhile, through “downloading” and new social challenges, the governments of large cities have accumulated responsibilities without a larger toolkit for collecting revenue.

First, municipalities have, generally, faced increasing responsibilities since the 1980s as a result of “downloading.” This happens when one level of government passes a sphere of governance it has traditionally controlled onto a subordinate level of government.[\[35\]](#)

Downloading can occur in two ways: 1) the government mandates that another level of government provide a specific service and does not give compensation for it doing so, or 2) the government simply stops providing a service, leaving another level of government to fill the gap.[\[36\]](#) Donald Lidstone argues that there has been “widespread acceleration of federal and provincial delegation of duties and responsibilities to local governments (e.g., airports, harbors, policing, health, welfare, highways, bridges, economic development, public transportation, affordable housing, environmental protection, etc.) without consultation or adequate legislation or financial tools to deal with these duties and responsibilities.”[\[37\]](#)

Downloading is compounded as municipalities – especially cities – also face challenges resulting from technological and social changes they are not equipped to solve. These include “industrial restructuring, the destabilising pressures of globalization, international immigration and associated issues of settlement and integration, gaps in the financing of infrastructure, and new commitments to sustainable development.”[\[38\]](#)

It would nonetheless be inaccurate to characterise the federal and provincial governments as totally abandoning municipal governments. For instance, as part of Liberal Prime Minister Paul Martin’s “new deal” for cities and with Stephen Harper’s Conservative Government’s support for continuation of this revenue-sharing, the federal government has dedicated a portion of gas tax revenues to cities since 2004.[\[39\]](#) As well, Canada’s Economic Action Plan recently celebrated its tenth anniversary. The program has dedicated money from all three levels of government, to go towards infrastructure projects. From under one billion dollars dedicated to the program in its inaugural year, the Economic Action Plan has grown, to over eight billion dollars in 2010.[\[40\]](#) In its annual report, the Federation of Canadian Municipalities characterised infrastructure investment as a major boon for Canada’s cities, a significant achievement.[\[41\]](#)

Toward a Civic Charter in Alberta

Because an MOU has recently been signed, it isn’t clear what the “Big City Charter” in

Alberta will look like. The MOU announced the initiative and established an aggressive timeline for negotiation, but it does not discuss the potential content of such a Charter.

Some smaller municipalities in the Edmonton and Calgary metropolitan regions have also sought involvement in the process[\[42\]](#) - asking for a “regional charter”, of sorts.[\[43\]](#) The Chief of Staff for Doug Griffiths, the Minister of Municipal Affairs, says that, instead, a “complete re-write of the Municipal Government Act” is in the works and will feature extensive consultation, with the aim of empowering municipalities across Alberta to “make more decisions.”

Why a Big City Charter in Alberta?

The impetus to redefine Edmonton and Calgary’s relationship to the province has to do with how Alberta - and Canada - is changing because of the “downloading” of service provision to municipal governments, population growth, and Edmonton and Calgary's position as “hubs” for people from the smaller communities that surround them.

Municipal Affairs Minister Doug Griffiths [identified](#) population growth as a key catalyst for the Big Cities Charter:

“I know former Premiers have always mentioned how all the people that move to this province don’t bring their roads or their schools or their hospitals. But they also don’t bring their water or waste water or their sidewalks or their recreational facilities or all the other services that get provided by municipalities. And so it’s not just the province of Alberta that has challenges in adapting to the growth, it’s many of our municipalities from one end of the province to the other.”[\[44\]](#)

Edmonton and Calgary are growing rapidly, requiring new infrastructure. Also, both cities need to deal with the effects of migration and temporary workers. At the same time, municipal development around both cities means that they are used as “hubs” by residents of other municipalities. Commonly, residents of suburbs and towns outside of Edmonton and Calgary will work and use the infrastructure of these big cities.

Yet, Edmonton and Calgary face financial barriers to providing services for the public. They operate in climates of uncertain funding, which makes it difficult to consistently provide these services.

Sources of Revenue for Edmonton and Calgary

Municipal governments have operating and capital budgets. An operating budget concerns the expense and revenues related to activities -- from firefighting to restaurant inspection to planning to the administration of the city government -- that always occur. Capital budgets lay out infrastructure projects, taking place over a limited number of years.

Revenue sources for Edmonton’s 2012 Operating Budget are as follows[\[45\]](#):



The largest revenue source for a city's operating costs is property taxes. Calgary's operating budget draws 41 percent of its revenue from property taxes[\[46\]](#)

The only kind of direct tax that municipalities in Alberta can currently collect is a property tax on residences and businesses, so Edmonton and Calgary rely heavily on one source of revenue. But "the regressive[\[47\]](#) and restrictive nature of the property tax means that municipal revenues do not necessarily keep pace with economic growth or inflation, as do income taxes or even sales taxes."[\[48\]](#) Cities have to continuously raise property taxes to keep up with inflation, which is politically difficult. For example, although Calgary's property tax rates are the lowest of Canada's twenty-four largest cities, it has been politically difficult to raise property tax rates.[\[49\]](#) Moreover, small, rural municipalities get a much better yield from property taxes than [cities](#):

"Municipal Districts, which are large rural areas, on average have an equalized assessment

base per capita of more than double that of Alberta's cities, where most of our population lives. This means that our cities and towns have to do more with less when compared to rural municipal areas, as we have far less tax revenue per capita, but provide far more services."[\[50\]](#)

Because property taxes are barely able to keep pace with the operating budgets of cities, they are often inadequate to finance capital projects.

As a result, both Edmonton and Calgary have accumulated debt and infrastructure deficits. The City of Edmonton's total debt in 2012 was \$2.47 billion. [\[51\]](#) For Calgary's 2012-2016 capital budget, the second largest source of revenue will be debt, at 29 percent.[\[52\]](#) Aside from accumulating debt, Edmonton and Calgary have both refrained from building necessary infrastructure due to insufficient funding from the province and the federal government. The Federation of Canadian Municipalities views Calgary as exemplifying what it considers to be a national crisis: a \$123 billion infrastructure deficit in Canada's cities.[\[53\]](#)

Forty-two percent of Edmonton's three-year capital budget for 2012-2014 is from grants provided by the Governments of Alberta and Canada. The remaining 58 percent is funded through "investment earnings, developer/user fees, or general financing and debt."[\[54\]](#) Similarly, grants make up 36 percent of Calgary's capital budget for 2012-2016. Provincial and federal grants can often cover the full cost of infrastructure projects. However, there are problems with the current system whereby municipalities rely on the discretion of provinces and the Government of Canada for infrastructure funding that cities consider crucial.

Infrastructure Development Issues: Problems with Relying on the Province for Revenue

Edmonton and Calgary are seeking a Big City Charter predominantly as a means of establishing revenue stability for their increasingly strapped budgets. As it stands, cities are often reliant on provinces for money to fulfil obligations to its citizens, meaning that infrastructure development is sporadic and ultimately insufficient.

Mayors have frequently expressed discontent with other levels of government and their often-capricious funding commitments. In 2007, then-Calgary Mayor Bronconnier was, reportedly, "feuding" with former Premier Ed Stelmach over "accusations that the premier had reneged on infrastructure commitments."[\[55\]](#) In 2011, after the federal government withdrew funding for a new Royal Alberta Museum, Edmonton Mayor Stephen Mandel said:

I'm so disappointed that something that was so important to the city can be snatched away without any consultation. It is an absolutely unconscionable act. It's not even about the money so much. It's about the disrespect this shows to the city and the people of Edmonton.[\[56\]](#)

Because cities rely on provincial and federal governments to fund capital projects, policy

may not reflect central priorities. Exciting new programs are often more enticing for provincial governments because they are high-profile and offer greater political dividends, so those programs are more likely to receive funding. For example, in Vancouver the Canada Line rail transit project (in preparation for the 2010 Olympics) eclipsed other traffic congestion priorities because federal and provincial funding focused on that project.[\[57\]](#)

In his *Alberta Views* [article](#), author Chris Turner gives some context for this problem:

Edmonton and Calgary are getting new ring roads in large part because the provincial government commissioned them and doled out the money. A new \$24.5-million pedestrian bridge spans the Bow River in Calgary—designed by celebrated Spanish architect Santiago Calatrava, in a process [Mayor] Nenshi repeatedly criticized in his election campaign—because the province earmarked the money for it in its Municipal Sustainability Initiative. An elaborate metal sculpture sits next to a Whitemud Drive on-ramp in Edmonton because the province obliges the city to spend 1 per cent of the budget for new road construction on an accompanying piece of art. And if it isn't the province calling the shots, it's the feds....[\[58\]](#)

The basis of the argument for giving Calgary and Edmonton more control over taxation is not simply need, but democracy, effectiveness, and efficiency: cities are closer to citizens and, thus, more responsive.[\[59\]](#) Moreover, the municipal level is where service delivery takes place. Because they are actually designing and delivering the services, the city is better able to monitor implementation and develop a clearer sense of where money needs to go. For these reasons, it is argued that cities should have more power to determine spending priorities.

Not everyone agrees that these benefits will occur. The Big City Charter will probably mean higher municipal taxes for Edmontonians and Calgarians, potentially in the form of targeted levies,[\[60\]](#) such as a hotel occupancy tax that goes to paying for municipal expenses associated with high visitor traffic. Charter supporters hope that local taxes will be offset by decreasing provincial taxes to reflect the decrease in its financial obligations.[\[61\]](#) However, the Canadian Federation of Independent Business (CFIB) is [concerned](#) that cities will have more tools for taxation without a corresponding increase in accountability. CFIB's position is that small businesses are being taxed unfairly already. The organisation is calling for the creation of a Municipal Auditor General for Local Governments.[\[62\]](#)

Alberta's Political Parties Weigh in on the Big City Charter

Because the negotiation process has just begun, it is not possible to describe what the Big City Charter may include. However, the suggestions that Alberta's political parties have advanced may provide helpful indications as to what will be discussed in negotiations. As such, the policy preferences of Alberta's political parties, vis-à-vis a Big City Charter, are provided below.

The Progressive Conservatives

In Alberta, the governing Progressive Conservative Party created the civic charter initiative, but has thus far shied away from describing specific policies that might end up in a Big City Charter, especially with regard to revenue generation. Minister Griffiths [emphasized](#) the need to lay out responsibilities first, adding, “Then we will know what sort of resources we need, then we can look at the full fiscal framework the province has and the best way to fund those needs.”[\[63\]](#)

The Liberal Party

Alberta’s Liberal Party has [proposed](#) that the Big City Charter should:[\[64\]](#)

- Recognise Edmonton and Calgary as an order of government.
- Clarify roles and responsibilities of the two cities vis-à-vis the province.
- Expand revenue-generation powers.
- Give Edmonton and Calgary full authority over the Community Revitalisation Levy (CRL) process. [\[65\]](#)
- Remove the debt carrying limit that is imposed on Edmonton and Calgary right now, “to allow them to rely more heavily on issuing long-term debt to meet their infrastructure needs.”
- Provide a one-time infusion of provincial money to transform “each city’s reserve fund into a true stability fund.”
- Give “Edmonton and Calgary full authority to deal with idle construction sites,” which the *Municipal Government Act* does not say anything about.

The Wildrose Party

The Wildrose Party also expressed support for the creation of a Big City Charter, though leader Danielle Smith [opposes](#) new taxation powers for Edmonton and Calgary. Instead, “the Wildrose 10/10 plan calls for a single infrastructure transfer to municipalities called the Community Infrastructure Transfer. It would send 10% of provincial tax revenues and 10% of budget surpluses directly to municipalities with no strings attached.”[\[66\]](#)

The New Democratic Party

For its part, the Alberta New Democrats criticised the province for failing to restructure the property assessment system, in what they argue is a failure “to engage municipalities in a meaningful discussion about how to review legislation and address growing municipal challenges and responsibilities, many of which are closely tied to revenue.” The Alberta NDP [would like](#) to see the *Municipal Government Act* re-written but also supported the prospect of a city charter as one avenue for change. It called for three principles to be considered in negotiations:

1. “Municipalities must have clearly defined responsibilities.
2. They must have access to financial resources that allow them to meet

those responsibilities.

3. They must be accountable for their decisions to their voters and not to other orders of government.”[\[67\]](#)

All four political parties in the Alberta Legislature support the Big City Charter, though each has its own ideas about what should be included within the charter. As negotiations progress, each party will surely be a vocal stakeholder in devising the Big City Charter.

Challenges and Opportunities Ahead for the Framers of Alberta's Big City Charter

To succeed, the Big City Charter must reflect a balance between greater levels of local control to pursue local agendas and retaining enough provincial control to ensure that provincial objectives are met and that sufficient accountability mechanisms exist.

It is not always good practice to give cities more autonomy. Because cities and towns can vary drastically in population size, local governments are highly disparate, in terms of wealth and organisational capacity. Therefore, provinces can often administer more evenly distributed, stable funding than if all municipalities had high levels of financial autonomy.[\[68\]](#) Provinces can also insulate cities from the pressures of private interests and prevent municipalities from a race-to-the-bottom in competing against one another for investment, as happens frequently in the United States, where cities generally have much more autonomy from states and a greater array of powers. [\[69\]](#)

Civic charters tend to focus on only one city, so that the types of autonomy granted will be tailored to the specific needs of that city, within the institutional framework of the province. The Big City Charter seeks to deal with two cities simultaneously. It is not yet clear whether the intention was to devise one set of rules that will apply to both Edmonton and Calgary or to devise a different set of rules for each, simply inviting both to the same negotiating process. In any event, negotiations are sure to be long and trying. Neither city will be eager to pass up benefits that are given to the other city, nor can the process exclude regional considerations outside of the city. Both Edmonton and Calgary have smaller municipalities surrounding them;[\[70\]](#) these local governments will vie for a seat at the table. Businesses will want assurances that their taxes will not skyrocket. Finally, despite an enthusiastic start, the province may not be willing to give up certain powers.

The Big City Charter will re-define the relationship of Alberta's two largest cities to the province. City officials in both Edmonton and Calgary are hoping that this will be the answer to their financial and policy-planning troubles. With the ability to raise more funds and select policy independent of provincial and federal conditions, it is hoped that both cities will be in a better position to react to the demands of sustained population growth. However, the cities could end up receiving more financial autonomy than they would like. In any event, the Big City Charter will be a constitutive document in Alberta's provincial-municipal division of power.

*The author thanks Professor Judith Garber for her assistance with this article.

[1] [*Memorandum of Understanding*](#), Province of Alberta, City of Edmonton and City of Calgary, 18 June 2012.

[2] *Constitution Act, 1867* (UK), 30 & 31 Vict, c 3, s 91, reprinted in RSC 1985, App II, No 5.

[3] "Understanding Alberta's Municipal Governments" *Alberta Urban Municipalities Association (AUMA)* , online: Alberta Urban Municipalities Association (AUMA) .

[4] "Ottawa is Part of a Bigger Picture" *City of Ottawa* (n.d.), online: City of Ottawa.

[5] *Supra* note 7.

[6] Donald Lidstone, "[The Model Municipal Charter](#)" *Federation of Canadian Municipalities* (2005), online: Federation of Canadian Municipalities.

[7] *The Lloydminster Charter*, Alta Reg 43/1979. Saskatchewan has also passed a version of this.

[8] *Ibid*

[9] "Big City Charter" CTV News (18 June 2012), online: CTV News.

[10] (current version) *The Municipal Government Act*, RSA 2000, c M-26.

[11] Maria Horak, "Multilevel Governance in Toronto: Success and Failure in Canada's Largest City" in R Young and M Horak eds, *Sites of Governance: Multilevel Governance and Policy Making in Canada's Big Cities*, (Montreal: McGill-Queen's University Press, 2012) at 231-232.

[12] Federation of Canadian Municipalities, "[Will Canadian Cities Compete? A Comparative Overview of Municipal Government in Canada, the United States, and Europe](#)" *National Roundtable on the Environment and the Economy* (May 2001), online: Federation of Canadian Municipalities.

[13] *Supra* note 2.

[14] Michael Dewing, William Young & Erin Tolley, "Municipalities, the Constitution, and the Canadian Federal System" *Library of Parliament* (May 2006), online: Parliament of Canada.

[15] *Supra* note 14 at page 2.

[16] *Supra* note 14 at page 9.

[17] *Supra* note 14 at page 11.

[18] *Constitution Act, 1982*, being Schedule B to the *Canada Act 1982* (UK), 1982, c 11.

[19] (current version) *The Municipal Government Act*, RSA 2000, c M-26.

[20] Municipal Statutes Review Committee, *Municipal Government in Alberta: A Municipal Government Act for the 21st Century*, (Government of Alberta, March 1991).

[21] "Municipal Government Act" *Carr & Company Lawyers* (1996), online: Carr & Company Lawyers.

[22] Donald Lidstone, "[Assessment of the Municipal Acts of the Provinces and Territories](#)" *Federation of Canadian Municipalities* (April 2004), online: Federation of Canadian Municipalities.

[23] Daniel Bourgeois & David Gingras, "[Why Municipal Reforms are Necessary - Part 1: Permissive Legislation](#)" *Submitted to the Government of New Brunswick* (14 April 2011), online.

[24] (current version) *The Municipal Government Act*, RSA 2000, c M-26.

[25] "The Let's Resolve Program" *Alberta Ministry of Municipal Affairs* (n.d.), online: Government of Alberta, Municipal Affairs.

[26] "Powers of Canadian Cities - The Legal Framework" *City Solicitor, City of Toronto* (2000), online.

[27] *Charter of Ville de Montréal*, SQ 1960 c C-11.4.

[28] *Supra* note 23.

[29] *The City of Winnipeg Charter Act*, SM 2002, c 39.

[30] *Supra* note 23.

[31] "Guide to Property Assessment and Taxation in Alberta" *Alberta Ministry of Municipal Affairs* (updated 2012).

[32] *City of Toronto Act*, SO 2006 c-9, s 41.

[33] "Joint Ontario-City of Toronto Task Force to Review the City of Toronto Acts and Other Private (Special) Legislation" *Province of Ontario and City of Toronto* (2005), online.

[34] "City of Toronto Act Review" *Ontario Ministry of Municipal Affairs and Housing* (2009), online: Ontario Ministry of Municipal Affairs and Housing.

[35] *Supra* note 11.

[36] *Supra* note 11 at page 17; Igor Vojnovic, "The Transitional Impacts of Municipal Amalgamations" *Journal of Urban Affairs* vol.22 no.4, p412.

[37] *Supra* note 26 at p8.

[38] Thomas Hutton, "Multilevel Governance and Urban Development: A Vancouver Case Study" in *Sites of Governance* at 263.

[39] André Juneau, "The Federal Gas Tax Transfer to Canadian Municipalities: An Inside Perspective" *Public Sector Digest* (2012).

[40] "Infrastructure Canada Celebrates Ten Years" *Canada's Economic Action Plan - Government of Canada* (3 August 2012).

[41] "[The State of Canada's Cities and Communities 2012](#)" *Federation of Canadian Municipalities* (2012).

[42] Don Braid, "Braid: Smaller municipalities clamour for say in city charters" *The Calgary Herald* (20 June 2012), online: The Calgary Herald.

[43] Ryan Tumitty, "Province Starts to Work on Charters for Edmonton, Calgary" *St. Albert Gazette* (20 June 2012), online: St. Albert Gazette.

[44] "Video Title: Alberta Government Partners with Calgary and Edmonton to Develop Big City Charter" *Government of Alberta Ministry of Municipal Affairs* (18 June 2012), online: Alberta Ministry Municipal Affairs.

[45] (chart re-created from) "2012 Proposed Operating Budget" *City of Edmonton* (2012), online: City of Edmonton. [As of 2020, the image originally linked to this article is no longer available. The image here is from: "2012 Revenue and Expenditures" 2012 Operating Budget City of Edmonton: online: City of Edmonton].

[46] (chart re-created from) "City Revenues/Expenditures and Operating Budget" *Our City Our Budget Our Future* (2012), online: City of Calgary. [As of 2020, a sentence linking to this resource was removed, as the link no longer works. Because of this, the author's original citation for Calgary's operating budget cannot be located. However, information about Calgary's approved budget for 2015-2018 can be found here: The City of Calgary, *Action Plan 2015-2018* at XXVI, online: < <https://www.calgary.ca/cfod/-/finance/plans-budgets-and-financial-reports/plans-and-budget-2019-2022/service-plans-and-budgets.html>>. The Centre for Constitutional Studies also has an electronic copy of this document. This document indicates that the property taxes revenue accounted for 48% of the approved 2018 budget.]

[47] Other potential sources of revenue share some of these problems as well. For example, consumption (sales) taxes are regressive in the short term (because people spend most and make the least when they are young), though they are not in the long term (because people make more as they get older but don't spend more).

[48] *Supra* note 10 at page 3.

[49] Byron Miller and Alan Smart, "Ascending the Main Stage?: Calgary in the Multilevel

Governance Drama” in *Sites of Governance*.

[50] “An Education on Property Taxes” *Albertan Urban Municipalities Association* (n.d.), online: Albertan Urban Municipalities Association.

[51] “Council Approves Infrastructure Upgrades and New Facilities in Three-Year Capital Budget” *City of Edmonton* (8 December 2011), online: City of Edmonton.

[52] “Capital Budgets” *Our City Our Budget Our Future* (2012), online: City of Calgary.

[53] Saeed Mirza “[Danger Ahead: The Coming Collapse of Canada’s Municipal Infrastructure](#)” *Federation of Canadian Municipalities* (November 2007), online: Federation of Canadian Municipalities.

[54] *Supra* note 40.

[55] *Supra* note 38 at 31.

[56] Chris Turner, “[Mind the Gap: In Canada the City is a Poor Cousin, an Afterthought, a Beggar](#)” *Alberta Views* (2012), online: Alberta Views.

[57] *Supra* note 31 at 275.

[58] *Supra* at note 45.

[59] *Supra* note 39.

[60] *Supra* note 48.

[61] *Supra* note 48.

[62] “Small Business Fears City Charters Mean More Taxes” *News Advertiser* (19 June 2012), online: News Advertiser.

[63] Gordon Kent, “Big Cities Try to Chart New Course with Province” *Edmonton Journal* (18 June 2012), online: Canada.com.

[64] “Edmonton and Calgary Deserve their own City Charters Say Alberta Liberals” *Alberta Liberal Caucus* (2012), online: Alberta Liberal Caucus.

[65] “Community Revitalisation Levy” *The City of Edmonton* (n.d.), online: The City of Edmonton. Under the status quo, a city government may want to revitalise an area, such as by building a new downtown hockey arena, as Edmonton is planning to do. The city anticipates that “a new arena will spark new business development in the area around the proposed site, which would result in new tax revenue for the City.” A portion of this new tax revenue is set aside (in a CRL) to pay some of the costs of construction. Right now, all CRLs must first be approved by the Government of Alberta.

[66] “City Charters a Good First Step: Smith” *Wildrose Party* (18 June 2012), online:

Wildrose.ca.

[67] [“Alberta NDP’s Response to Question 01”](#) *CitiesMatter.ca* (2012), online: CitiesMatter.ca.

[68] Judith Garber and David Imbroscio, “The Myth of the North American City: Local Constitutional Regimes in Canada and the United States” *Urban Affairs Review* vol 31 (1996) at 606.

[69] *Ibid.*

[70] Edmonton faces more challenges in this regard, however. Calgary comprises the vast majority of its Census Metropolitan Area, while Edmonton isn’t. Edmonton has had a difficult relationship with its surrounding communities, at times. In 2009, the Government of Alberta established the [Capital Region Board](#), mandating participation after cooperation amongst these municipalities had broken down.