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Value for Money? Lack of available information leaves the benefits of Sudbury's Amalgamation unclear

INSTITUT DES POLITIQUES

DU NORD

July 14, 2016 – Key findings of a new commentary from Northern Policy Institute leaves more questions than answers on the overall effect of Sudbury's 2001 amalgamation.

Many argued the amalgamation, which saw seven lower-tier communities and several other unincorporated townships form the Greater City of Sudbury, would result in more efficient service delivery, thereby reducing costs.

While findings of the report reveal the consolidation triggered a spike in some service expenditures, and lowered spending in other places, author James Cuddy found he was only able to tell half the story. A lack of data and transparency on the quality of services being provided prevented a closer look at the increase in overall efficiency.

"Until municipalities increase their transparency around reporting on service levels and quality, this type of analysis will remain incomplete, asserted Cuddy. "Tracking and releasing this information would greatly enhance the ability of municipalities and individual taxpayers to assess the effectiveness, efficiency, and equity of local service delivery in communities, ultimately enhancing the sustainability of municipalities across the province."

Despite these roadblocks, Cuddy was able to pull out several key findings relating to expenditures of seven municipal services.

Not surprisingly, amalgamation resulted in considerable savings on general government expenditures, as seven councils and mayors were consolidated into one. Households went from paying \$587 a year in 2000 to \$380 in 2001. On the other end of the spectrum, library expenditures per household went up slightly from \$77 in 2000 to \$92 in 2001.

"In every case of municipal services that were provided solely by lower-tier municipal governments (with the exception of street lighting which remained steady at \$20 per household), expenditures per household in Greater Sudbury had a distinct upward spike after amalgamation in 2001," stated Cuddy. "The clear rise of expenditures per household after the consolidation, suggests the move increased the cost of centralizing these services."

Other findings revealed persistently growing costs per household with respect to fire services and garbage collection. Cuddy acknowledges amalgamation may have impacted these expenditures in the years following 2001, but attributes the ongoing rise in costs in part to increased labour costs and costs for contracted services.

To read the full commentary, including all key findings and recommendations, click here

Media Interviews: Northern Policy Institute Economist, James Cuddy is available for comment. To arrange an interview, please contact:

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About Northern Policy Institute:

Northern Policy Institute is Northern Ontario's independent think tank. We perform research, collect and disseminate evidence, and identify policy opportunities to support the growth of sustainable Northern Communities. Our Operations are located in Kenora, Thunder Bay, Sault Ste. Marie and Sudbury. We seek to enhance Northern Ontario's capacity to take the lead position on socio-economic policy that impacts Northern Ontario, Ontario, and Canada as a whole.

