

# NOTLRA POSITION ON THE SUBJECT OF AMALGAMATION IN NIAGARA!

## EXECUTIVE SUMMARY:

Several news sources between February 2025–2026 indicate that amalgamation is once again a live issue in the Niagara region. Much of the renewed momentum stems from:

1. Regional Chair Bob Gale’s push for governance reform (Feb 2026)

Regional Chair Bob Gale has called for “urgent” changes to Niagara’s governance structure, including:

- Potential amalgamation,
- Reduction of the current 126 municipal politicians, and
- Consideration of a four city or single city model.

Gale requested mayors’ feedback by March 3, 2026.

2. The response has been swift and negative from our local politicians and residents with Lord Mayor Gary Zalepa offering the following comments

“NOTL’s Lord Mayor Gary Zalepa has strongly opposed any forced amalgamation, citing:

- Lack of consultation,
- Threats to local identity and decision-making,
- Concerns over economic and tourism impacts.

He stated the town “will not support forced consolidation.”

## Signals from the Province

Reports suggest Premier Doug Ford may consider reducing Niagara’s 12 municipalities to four, though no formal announcement has yet been made. In his February 26<sup>th</sup> news conference in Niagara Falls, Premier Ford stated that [\*“It has to be from Niagara, by Niagara”: Doug Ford says he won’t prescribe change for region’s governance”\*](#)

## **Pros of Amalgamation (as argued by advocates)**

### 1. Cost Savings & Efficiency

- Streamlined administration could reduce duplication across the 12 municipalities (finance, IT, public works).
- Gale has stated efficiency and taxpayer protection are key goals.

### 2. Simplified Governance

- Fewer elected officials could lead to quicker decision making and clearer accountability.

### 3. Standardized Services

- A single-tier or reduced-tier system may improve consistency in service delivery across the region.

### 4. Potential for Long Term Fiscal Stability

- Advocates argue consolidation could counter rising taxes by removing administrative overhead and pooling resources.

## **Cons of Amalgamation (as expressed by opponents and local leaders)**

### 1. Loss of Local Identity & Voice

- NOTL leaders warn amalgamation would “strip local voice and decision making,” threatening the community’s distinct character and heritage.

### 2. Lack of Consultation / Democratic Legitimacy

- Several mayors, notably Zalepa, reported no meaningful consultation before proposals were floated.

### 3. Risk of Increased Costs

- Historical examples from other forced amalgamations have been linked to tax increases despite promises of savings, per NDP MPP Wayne Gates.

### 4. Community & Economic Disruption

- Tourism dependent communities like NOTL fear uncertainty could harm businesses, agriculture, and arts/culture sectors.

### 5. Concerns Over Forced Consolidation

- Multiple local leaders emphasize they support cooperation but not forced amalgamation without clear public benefit or transparent process.

## **Bottom Line**

The Niagara region is in an active period of debate on municipal restructuring. The Regional Chair and some provincial voices see amalgamation as an opportunity for efficiency and cost control, while several municipalities, especially Niagara on the Lake view it as a threat to local autonomy, identity, and economic stability.

The NOTLRA does not support amalgamation in any way. There is no clear upside for NOTL to even consider this and there is considerable downside should it be imposed on us.

## **So, let's dive a little deeper in this issue of amalgamation and see how previous amalgamations have fared out.**

Across nearly all major studies, the evidence shows a consistent pattern:

- Amalgamation in Ontario has generally not reduced costs or taxes, nor has it reliably improved government services.
- In most cases, costs went up, taxes went up, and service improvements were limited or uneven.

## **What the Research Shows**

### **1. Fraser Institute studies (2015–2026): No cost savings, taxes increased**

Multiple analyses by the Fraser Institute covering Haldimand Norfolk, Essex, and Kawartha Lakes found:

- No evidence of cost savings
- No reductions in property taxes
- Increases in long term debt and employee compensation
- Rising per household municipal tax burden

Examples:

- Haldimand County property taxes increased 50%
- Kawartha Lakes municipal compensation increased 52.8%
- Norfolk long term debt increased 111%

The research concludes that promised efficiencies and taxpayer savings largely failed to materialize.

## **2. Academic research on the Harris era restructuring:** Costs went up, not down

A McMaster University thesis analyzing the 1990s restructuring under the Harris government found:

- Policymakers lacked necessary expertise
- Restructuring was implemented too quickly
- Consolidation did not produce a more cost-effective system

Instead, operating costs often increased, contradicting the government's stated goals.

## **3. Historical analysis of service realignment:** More confusion, not less

Research on the Harris government's policies found that amalgamation:

- Was not based on a coherent plan
- Increased complexity and overlap in service responsibilities
- Did not protect against rising property taxes

Why do politicians think that things would be any different under Premier Ford? Clearly, they have not taken the time to read this analysis from highly respected sources.

## **4. Other analyses: Failure to deliver efficiencies**

A comparative analysis of amalgamations in Toronto, Ottawa, and Essex County found:

- Some service efficiencies in isolated areas
- But overall municipal budgets continued to rise post amalgamation
- No broad-based cost savings

## **5. Review of Ontario's rollout:** Poor planning contributed to failures

A governance review highlights key structural problems in how Ontario handled amalgamations:

- Lack of public input
- Forced amalgamations created hostility and dysfunction
- Unrealistic timelines
- Insufficient transition funding

These factors worsened costs rather than improving efficiency.

## **Overall Assessment**

### Service Improvements

Mixed at best.

Some municipalities achieved minor service standardization, but most saw no meaningful improvement, especially where rural and urban systems were merged with mismatched expectations as is the case in Niagara-on-the-lake.

### **Cost Savings**

Did not occur.

Every major study found costs increased due to:

- Wage harmonization upward
- Higher service expectations in rural areas
- Increased administrative complexity
- Downloading of provincial responsibilities

### **Impact on Taxes**

Taxes generally increased, sometimes sharply.

### **Overall Benefits**

Minimal to none.

The majority of amalgamated municipalities did not experience improved efficiency, and the expected fiscal benefits failed to appear.

### **Bottom Line**

Ontario's experience with municipal amalgamation shows that larger municipal governments have not delivered the cost savings, tax reductions, or efficiency improvements that were promised.

**Most evidence suggests amalgamation has been a failure in fiscal terms, and service improvements have been limited or inconsistent.**

## Now let's look at a Niagara specific forecast and expected outcomes if amalgamation proceeds

Based on what has happened in other Ontario municipalities including Toronto, Ottawa, Hamilton, Haldimand Norfolk, Essex, and Kawartha Lakes the most reliable prediction for Niagara is:

### A. Costs will likely rise, not fall

Research on Ontario amalgamations repeatedly shows:

- No demonstrated cost savings even in best case scenarios
- Rapid increases after amalgamation in:
  - Property taxes (e.g., +50% in Haldimand)
  - Employee compensation (+52.8% in Kawartha Lakes)
  - Long term municipal debt (+111% in Norfolk)

Why this is likely in Niagara:

Niagara has 12 municipalities with very different wage scales. Amalgamation requires upward harmonization wages, benefits, training, service levels. ***This is the single costliest part of every amalgamation to date.***

### B. Property taxes are likely to increase

Studies show that amalgamation did not reduce taxes **anywhere** in Ontario; instead, taxes increased in nearly all cases.

Given Niagara's mix of urban, agricultural, rural, and tourism economies, harmonizing service levels will raise taxes in rural and small communities (NOTL, Wainfleet, West Lincoln, etc.).

### C. Service levels become standardized often meaning "higher cost, not better service"

Case studies show:

- Urban service levels become the baseline
- Rural and small communities pay more for services they don't need, use, or want
- Administrative complexity rises instead of falling

### In Niagara, this could mean:

- Higher firefighting, police, and EMS costs

- Urban style planning and bylaw enforcement across all communities
- Infrastructure upgrades in rural areas to match regional standards

#### **D. Loss of local identity and voice**

Historic towns like Niagara on the Lake would likely see:

- Fewer representatives
- Less influence over land use planning
- Greater pressure for density and development

This aligns with concerns noted in many Ontario towns where local decision-making diminished post amalgamation.

### **Bottom Line for Niagara Residents**

Based on what happened elsewhere in Ontario, amalgamation is unlikely to lower taxes, unlikely to reduce costs, and unlikely to improve services.

It is highly likely to:

- Raise property taxes
- Increase municipal spending and debt
- Reduce local influence on development
- Create service standards that don't fit community needs

No Ontario municipality studied has achieved the promised benefits of amalgamation. Niagara would almost certainly face similar outcomes.

### **Where is the pressure coming from to amalgamate:**

There is clear evidence that both Niagara Falls mayor Diodati and St Catharines mayor Matt Siscoe, long time supporters of Premier Ford are firmly behind the push to amalgamate and here is what they are proposing and why NOTL and the NOTLRA opposes It.

#### **What Diodati & Siscoe Want**

- Replace 12 municipalities with four larger cities
- Abolish regional council

- Move toward, eventually, a single unified Niagara
- Standardize services and planning to speed development
- Reduce the number of elected officials

### **What NOTL and the NOTLRA opposes**

- Loss of local control, planning authority, and heritage protection
- Higher taxes and increased service costs
- Unsuitable urban service standards applied to rural communities
- Loss of NOTL's distinct identity, character, and democratic voice
- Lack of meaningful consultation

### **Why Residents Should Care**

- Diodati and Siscoe's plan would eliminate NOTL as an independent municipality
- NOTL's tourism, agriculture, heritage, and small-town governance would be subsumed
- Their model is designed around urban priorities, not rural/tourism priorities
- This article clearly shows where both these mayors stand on this issue
  - <https://www.collingwoodtoday.ca/behind-the-scenes/behind-the-scenes-niagaras-rural-urban-municipalities-at-odds-over-amalgamation-8154744>

The two municipalities most publicly supportive of amalgamation — Niagara Falls and St. Catharines — are also the municipalities whose own Asset Management Plans show meaningful portions of their infrastructure past full-service life, with clear renewal backlogs in transportation, stormwater and parks assets. While balanced operating budgets are required by law, deferred capital obligations do not disappear; they accumulate. Any amalgamated structure would necessarily pool tax bases and borrowing capacity. The practical effect is that municipalities with relatively stronger asset positions would be underwriting those with larger renewal gaps. Before endorsing structural change, we should be candid about the fiscal reality: amalgamation is not cost-neutral. It risks redistributing infrastructure liabilities across the region, with Niagara-on-the-Lake residents helping fund capital shortfalls that originated elsewhere.