Municipal Power and Democratic Legitimacy in the Time of COVID-19

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Alexandra Flynn¹

Abstract
As COVID-19 swept through Canada, cities were at the front lines in curbing its spread. From March 2020, municipalities introduced such measures as restricting park access, ticketing those lingering in public places, and enforcing physical distancing requirements. Local governments have also supplemented housing for the vulnerable and given support to local “main street” businesses. Citizens expected their local governments to respond to the pandemic, but few people know how constrained the powers of municipalities are in Canadian law. Municipalities are a curious legal construct in Canadian federalism. Under the constitution, they are considered to be nothing more than “creatures of the province.” However, courts have decided in many cases that local decisions are often considered governmental and given great deference. This chapter focuses on the tensions in this contradictory role when it comes to municipal responses to COVID-19, particularly when those responses take the form of closure of public spaces, increased policing by bylaw officers, and fines. I conclude that municipalities serve an important role in pandemic responses, alongside provincial and federal governments. Provincial law should be amended to capture the important role of municipalities in Canadian federalism, especially in the area of municipal finance.

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Introduction

Municipal councils have a perplexing role within Canada’s federal system, stemming from the constitution. On one hand, under s. 92 of the Constitution Act, “In each Province the Legislature may exclusively make Laws in relation to Matters coming within the Classes of Subjects next hereinafter enumerated,” which includes “Municipal Institutions in the Province.” Provincial governments and some courts have interpreted this section to mean that provinces alone set the rules regarding what municipalities can and cannot do. On the other hand, much jurisprudence from the Supreme Court of Canada (SCC) has referenced municipalities as “governments,” giving deference to municipal decision-makers on the grounds that local governments are closest to the people and thus aware of the on-the-ground realities that residents face.

This chapter focuses on the conflicting legal position vis-à-vis municipal authorities and puts it in the context of the role municipalities have played in addressing COVID-19. First, I situate municipal authority within Canadian federalism based on jurisprudence and legislation. Next, I discuss how selected Canadian cities have responded to the crisis, focusing on the closure of public space, fines for violating physical distancing bylaws, and increased policing. I conclude that despite lacking proper authority and proper stable funding, municipalities are playing a governmental role in response to the pandemic within a complex intergovernmental landscape that includes federal and provincial governments, First Nations, and public bodies like health authorities. Moving forward, cities must be granted clear authority within provincial legislation, including powers to declare emergencies and secure revenue, in part to ensure the needs of the most vulnerable are considered.

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3 Constitution Act, 1867 (UK), 30 & 31 Vict, c 3, reprinted in RSC 1985, Appendix II, No 5, s 92(8).
Municipal Authority in Canada

The Constitution Act, 1867 provides that municipal institutions in a province are within that province’s exclusive jurisdiction, which legally speaking makes them administrative bodies subject to judicial review.⁴ Provinces set out municipal authority in legislation, often a general act that applies to all municipalities, and retain the power to override local decisions. Many larger cities, such as Montréal, have been granted more expansive powers, including more options for raising revenue and greater oversight in such matters as infrastructure and housing.⁵ In addition to municipal acts, numerous other pieces of legislation enable local governments.⁶ Legislation may also empower such bodies as health authorities or school boards, which overlap with municipal power.

Municipalities must act within jurisdictional limits or courts will “quash municipal action as ultra vires, or beyond its legal competence.”⁷ The notion of cities as “creatures of the province” was articulated by the Ontario Superior Court in East York v Ontario (AG), a challenge to the unilateral amalgamation of six municipalities into the “megacity” of Toronto, which set out four principles regarding the constitutional status of municipalities: (i) municipal institutions lack constitutional status; (ii) municipal institutions are creatures of the legislature and exist only if provincial legislation so provides; (iii) municipal institutions have no independent autonomy and their powers are subject to abolition or repeal by provincial

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⁴ See, e.g. R v Greenbaum, [1993] 1 SCR 674 at 688-689, 100 DLR (4th) 183; Shell Canada Products Ltd v Vancouver (City), 1994 1 SCR 231, 110 DLR (4th) 1; Nanaimo (City) v Rascal Trucking Ltd, 2000 SCC 13; 114957 Canada Ltee (Spraytech, Societe d’arrosage) v Hudson (Town), 2001 SCC 40 [Spraytech].
⁵ See e.g. Municipal Government Act, RSO 1990, c M-26; Charter of Ville de Montréal, RSO 2000, c 56, Schedule I, c C-11.4; City of Toronto Act, 2006, SO 2006, c 11, Schedule A at s 1(1).
⁶ See e.g. Planning Act, RSO 1990, c P.13 and Municipal Conflict of Interest Act, RSO 1990, c M.50, which apply to all Ontario municipalities.
legislation; and (iv) municipal institutions may exercise only those powers which are conferred upon them by statute.\(^8\)

Despite these purportedly blunt lines of authority set out in the constitution, the SCC has acknowledged numerous times that municipalities are democratic governments that represent their residents.\(^9\) The SCC has carved out a distinct role for local democracies, with municipal decisions almost always judicially reviewed on a standard of reasonableness.\(^10\) In interpreting municipal action through a deferential lens, however, the SCC has applied the language of the constitution as a “living tree”\(^11\) that must be “tailored to the changing political and cultural realities of Canadian society,” and “continually be reassessed in light of the fundamental values it was designed to serve.”\(^12\)

The SCC has applied the principles of co-operative federalism and subsidiarity in order to characterize municipalities as stewards of the local community.\(^13\) In *Canadian Western Bank v Alberta*, the SCC explained, “The fundamental objectives of federalism were, and still are, to reconcile unity with diversity, promote democratic participation by reserving meaningful powers to the local or regional level and to foster co-operation among governments and legislatures for the common good.”\(^14\)

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\(^9\) See e.g. *Pacific National Investment Ltd v Victoria (City)*, 2000 SCC 64, reconsideration/rehearing refused.  
\(^10\) *Catalyst Paper Corp v North Cowichan (District)*, 2012 SCC 2, recently referenced by the SCC in *Canada (Minister of Citizenship and Immigration) v Vavilov*, 2019 SCC 65 at para 108.  
\(^12\) Ibid.  
\(^13\) See e.g. *Canadian Western Bank v Alberta*, 2007 SCC 22 (CanLII) at paras 22-23.  
\(^14\) Ibid.
must not “invent municipal authority where none exists.” Spraytech, supra note 4 at 366. But once municipalities are created and empowered, constitutional principles imbue respect for their decisions.

The respect given to municipalities by the courts is rooted in the closeness of citizens to local governments and the democratic and representative nature of their decision-making. The SCC stated that subsidiarity operates as a principle affirming that “legislative action is to be taken by the government that is closest to the citizen and is thus considered to be in the best position to respond to the citizen’s concerns.” See Reference re Assisted Human Reproduction Act, 2010 SCC 61 at para 183. However, the principle may not be used to override the division of powers in the constitution. Even before COVID-19 came to cities across Canada, spatial poverty, discrepancies in racial diversity, and a lack of affordable housing across neighbourhoods and communities were evident in large urban areas. The SCC’s rationale for deference to municipalities is reflected in enhanced local aid for the most vulnerable during COVID-19.

**Municipal Responses to COVID-19**

Globally, COVID-19 was first felt in cities, which are home to over 50% of the world’s population and have dense populations living in close proximity to one another. In Canada, municipalities swiftly introduced strict measures to curb COVID-19’s expansion based on their spheres of authority, including closing playgrounds and increasing shelter beds. In contrast to the experience in the United States, Canadian cities have worked in partnership with federal and

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15 Spraytech, supra note 4 at 366.
17 Ibid at para 72.
provincial governments, and with public health agencies, throughout the pandemic. The following chart summarizes selected measures introduced by eight large municipalities in the country.

Table 1. Municipal responses to COVID-19 (to 11 May 2020)

<table>
<thead>
<tr>
<th>Municipal state of emergency</th>
<th>Physical distancing bylaws</th>
<th>‘Snitch’ line</th>
<th>Focus on fines and sanctions</th>
<th>Assistance for the most vulnerable</th>
<th>Projected deficit</th>
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</thead>
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<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes²⁶</td>
</tr>
<tr>
<td>Montréal</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>No²⁷</td>
</tr>
<tr>
<td>Ottawa</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes²⁸</td>
</tr>
<tr>
<td>Toronto</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes²⁹</td>
</tr>
</tbody>
</table>


20 Canadian Urban Institute, “City Watch Canada” (last visited 1 May 2020), online: City Watch Canada <https://citywatchcanada.ca>.

21 Ibid.

22 Ibid.

23 Alex Luscombe & Alexander McClelland, “Policing the Pandemic Enforcement Report, April 14 2020 - May 1 2020” (2020), online: Policing the Pandemic Mapping Project <www.policingthepandemic.ca>. “Snitch lines” refer to encouragement by municipalities to report alleged COVID-19 violations to a dedicated phone or online “snitch line”, or to general municipal information lines. COVID-19 violations may be municipal or provincial.

24 Ibid; Canadian Urban Institute, supra note 20.

25 Ibid.


<table>
<thead>
<tr>
<th>City</th>
<th>Yes</th>
<th>Yes</th>
<th>No</th>
<th>No</th>
<th>Yes</th>
<th>Yes30</th>
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</thead>
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<td>Yes</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
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<tr>
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<td>Yes</td>
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<td>Yes</td>
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<td>No</td>
<td>Yes</td>
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</tr>
<tr>
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<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes33</td>
</tr>
</tbody>
</table>

The following observations can be drawn regarding municipal responses to COVID-19. First, most municipalities declared states of emergency at a similar time to those introduced by federal and provincial governments.34 States of emergency permit governments at all levels to “prevent, reduce or mitigate a danger of major proportions that could result in serious harm to people or property” without the usual checks and balances of the political process.35 Municipalities must declare states of emergency within the limits prescribed by provincial limitations.36 Almost all local Ontario governments, regardless of size, have made declarations. In contrast, the Province of British Columbia suspended municipal states of emergency other than in Vancouver, which has its own charter, is a big city, and has highlighted vulnerable people

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35 Ibid.
living in the downtown eastside.\textsuperscript{37} British Columbia’s rationale was that the COVID-19 response required a consistent approach across communities, much to the chagrin of smaller municipalities who do not think provincial coordination is sufficiently responsive to local needs.\textsuperscript{38}

Ensuring a uniform regulation across the province was critical in the early days of the pandemic, especially given the close proximity of municipalities to one another in denser areas. However, municipal states of emergency may provide enhanced protection for local residents not captured at the provincial scale. This is especially important as prohibitions are lifted and smaller communities experience a greater influx of visitors. Some municipalities fear an influx of tourists and visitors, a concern that does not apply uniformly across the province and which has the potential to overwhelm local services.\textsuperscript{39} For example, over two dozen leaders of smaller coastal towns and First Nations urged the Province of British Columbia to limit outside travel “for fishing, hunting and other leisure activities” into their communities following COVID-19 infections in small towns elsewhere, a request that was not granted.\textsuperscript{40} Local states of emergency enable municipalities to address the specific needs of local communities, which differ


\textsuperscript{39} See e.g. District of Tofino, “COVID-19 Updates” (29 March 2020), online: District of Tofino <http://tofino.ca/blog/view/covid-19-updates>.

\textsuperscript{40} Natalia Balcerzak, “‘We Don’t Understand’: B.C. Coastal Communities Brace for Tourists as Province Opens Hunting, Fishing Season”, The Narwhal (28 April 2020), online: <https://thenarwhal.ca/coronavirus-bc-coastal-communities-brace-tourists-province-hunting-fishing-season/>.
dramatically from one another in geographic size, population, density, levels of tourism, and socio-economic disparity. Provinces may not be as aware of the needs of particular localities. Second, enforcement of physical distancing bylaws or rules made under provincial emergency powers differ across the country. Some local governments have focused on using “snitch lines,” where residents are encouraged to report transgressive behaviour to local authorities. And while cities have limited public amenities like playgrounds, local governments differ on their approach to outdoor movement. For example, Vancouver residents have been given greater use of parks, sidewalks and bike paths than those in Montréal, Toronto, and Ottawa. Municipalities also differ in their focus on sanctions. In some cities, residents who violate physical distancing rules—like sitting on park benches—are issued heavy fines or threats of imprisonment. In contrast, other municipalities focus on educating the public through signage and warnings rather than sanctions.

Third, Canada’s large cities recognize that particular populations require proactive assistance, in particular those experiencing homelessness, who were identified as especially vulnerable in previous Canadian pandemics. Each city has introduced specific aid in the form of shelter space or hotel rooms. Missing are services for the vast number of low-income seniors, young people, and precariously employed persons, who have been most affected by library and community centre closures that deprive many of Internet access and a warm place to spend their

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44 McCarthy Tetreault, supra note 37.
45 Kristy E Buccieri & Rebecca Schiff, eds, Pandemic Preparedness and Homelessness: Lessons from H1N1 in Canada (Toronto: Canadian Observatory on Homelessness Press, 2016).
Cities are not yet responding to the broad range of needs experienced by vulnerable people, due to a lack of secure funding. Canadian pandemics such as H1N1 revealed great disparity in their effects on vulnerable people, especially low-income and racialized people. Researchers are tracking the policing of provincial public health and emergency laws related to COVID-19 in Canadian cities to see whether particular populations are disproportionately affected.

Fourth, all of the canvassed municipalities cite significant financial impacts from the pandemics. Most notable is a reduction in property tax payments, which accounts for 70% of municipal budgets. Local governments are also obtaining less revenue through fees, as many cities stopped enforcement of parking fees, have cancelled fee-paying recreation programs, and halted permits. Many municipalities have introduced layoffs to reduce operating expenses. While provincial and federal governments have also experienced a loss of revenue, they are able to run deficits. Municipalities cannot do so and are hence very limited in their ability to raise revenue. The financial impact of COVID-19 should be taken as a reason for provincial governments to change outmoded legislation that prevents even the largest cities from engaging in the same deficit financing practices that ordinary citizens with mortgages take for granted.

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48 Luscombe & McLellan, supra note 23.

Democratic Legitimacy in the Time of COVID-19

Cities are one of many responders in a federal model that includes federal and provincial governments, First Nations, and administrative bodies such as boards of health and school boards. Emergency legislation exposes the tensions in the municipal responses to COVID-19. Local governments are entrusted to bypass usual processes to immediately address matters of public safety if the matter can be addressed at that scale. For example, Ontario’s act provides that “A declaration of emergency should be made at the lowest level of jurisdiction.”50 It is up to the province alone to decide if a municipal order is valid.51 This leaves a great deal of discretion to provinces to override local expertise.52

In my view, municipalities should have greater protection in two ways in order to affirm their important role in Canadian federalism. First, the principle of co-operative federalism is not enshrined in legislation and thus stands on shaky ground. Certain matters require provincial or federal attention based on scale.53 However, legislative design can affirm local expertise in matters delegated to municipal governments without contravening emergency responses at the provincial scale. For example, the Province of British Columbia upheld Vancouver’s state of emergency based in part on the city’s unique legislative basis, the Vancouver Charter, and because it respects the city’s expertise in responding to the needs of particular populations.54 Other Canadian provinces have upheld municipal states of emergency on matters that do not conflict with provincial or federal orders.

50 Emergency Management and Civil Protection Act, supra note 36.
51 Ibid at s 4(4).
52 Note an upcoming leave to appeal that may impact provincial override of municipal decisions: City of Toronto v Attorney General of Ontario (2020) leave accepted by the Supreme Court of Canada (38921)
53 See Carissima Mathen, this volume.
54 Province of British Columbia, supra note 37.
Second, municipalities, which all across Canada enjoy good credit ratings and thus low interest rates, are also limited in their power to raise revenue, which will constrain their ability to introduce the measures that they identify as necessary. Despite the size of their governments, large cities may not carry deficits and thus will require provincial bailouts. Canadian cities have long advocated for legislative reform with respect to municipal finance and COVID-19 may be the impetus to do so. These reforms will enable municipalities to exercise their important role in pandemic response, particularly when it comes to the needs of the most vulnerable.

Conclusion

In their responses to COVID-19, the role of municipalities in taking action to represent the interests of their local communities has never been so clear. Local governments are acting as stewards of local communities, including working cooperatively with other governments to provide support for the most vulnerable. In the early days of COVID-19, provinces have generally reflected provincial respect for the local role. However, gaps have been exposed. To ensure a protected role within Canadian federalism, including securing enhanced funding tools for municipalities, provincial legislation must be amended to secure their responses to local emergencies and to raise revenue, particularly for larger cities. Legislative design of emergency legislation can ensure that municipal responses are tailored to their local communities and do not conflict with provincial action.