

Communication to the Works Committee Meeting of 22/9/15

Chair and members of the Works Committee:

I respectfully ask that you adopt and recommend that Council adopt the staff report supporting the mixed or hybrid model of garbage collection---that is to say, retain the existing allocation between contracted out collection and in-house collection that is currently in place.

When former Mayor Ford and his Council supporters outsourced garbage collection west of Yonge Street in 2011, they created a competitive system between public and private collection that has delivered results. Both the city staff report and one from the respected firm of Ernst and Young says the City is better off with a mixed private and public model. No one should be surprised that competition works. Public service delivery completely in-house produces complacency, just as total private delivery would create the conditions for complacency and collusion. I learned that when I was the Chair of the former Metropolitan Housing Authority. We spread the property management function among big property management companies, while keeping a critical mass of in-house management expertise. Both groups knew the mix could be changed if either performed unsatisfactorily.

Under the current competitive system, neither private nor public waste collection providers can take anything for granted. If they do, they know someone else is there to take their contracts. The prospect of losing the contract hangs over both groups. It's in their self-interest---a great motivator--- to be the best they can be. This issue should not be an ideological battle about privatization; it's about delivering the best service for the best price for all taxpayers.

Remember there are no saints on earth, whether in the private or the public sector.

Giving exclusive power to either public or private providers is a mistake. Were the City to simply walk away from public waste collection it would lose much of its leverage over the private sector. In times of emergencies, the City would have no assets and no expertise to serve residents.

The history of municipal waste collection across North America is---euphemistically--- a checkered one. When I was on Council, I was disturbed to learn that collusion and corruption are not exactly foreign to the waste management business. According to a 2010 C.D. Howe Institute report [which should be required reading], Toronto and numerous other municipalities across Canada have arrived at a mixed model that works. I was ecstatic when Toronto then adopted it. Why put it at risk now? Why weaken the City? A private or public sector monopoly is nothing more than short term, unenlightened self-interest; whereas, a private/public sector allocation is long term, enlightened self-interest for the taxpayer.

As for arguing that the City needs to threaten its public sector unions or that it needs to hold a club over the union negotiators: nonsense. The staff report wisely suggests that the Committee receive the report and revisit the matter in two years. The City loses nothing. And instead of unnecessarily insulting its employees, Council tells its workers it respects their improvements and their work. This will likely be more productive in the upcoming negotiations.

John Tory's election was a godsend; however, no politician should be shackled to promises when new information demands a reconsideration. More than ever before, campaigns in this digital age are driven by punchy slogans. Simple promises are made to voters who lead frenzied modern existences. There is

often precious little time during a campaign to be absolutely sure that all the information is accurate or complete. As well, there is no political campaign, at any level, that doesn't massage its message for the audience ---the electorate---which craves simple, if not simplistic, solutions. Hence, hasty decisions are frequently made that turn out to be deficient in some respects. Out of necessity and good governance, not to mention wise stewardship of the purse- strings, often campaign decisions have to be revisited and recalibrated. Post-election, this produces political angst for the winner and buyer's remorse for the voters.

After a year of good stewardship, Mayor Tory should be accorded some latitude on substantive issues. Toronto taxpayers are winners with the existing model. The Public Works Committee should adopt the report and refocus on other important city priorities.

For his colleagues, or the voters, to insist on the Mayor or any Councillor to stubbornly stick to a campaign promise when it becomes patently obvious that there is no logical reason to do so, is simply unconscionable. As the Mayor has said, he wants the best value for the best service. The hybrid/mixed model has proven itself in many different venues across the country.

Unshackle the Mayor so that the best interests of the taxpayers retains your focus and primacy.

Respectfully,

Gordon J. Chong

Former Councillor