

February 7, 2019

Budget Committee
Toronto City Hall,
100 Queen St. W.,
10th floor, West Tower,
Toronto, ON M5H 2N2.

COTAPSA 2019 Budget Deputation

COTAPSA (City of Toronto Administrative, Professional Supervisory Association) remains Canada's oldest (53+ years) and largest municipal organization advocating on behalf of over 4,000 non-union City employees. We welcome the opportunity to participate in the 2019 budget process and offers the following for your consideration.

Alarm has been raised by members with regard to staff cuts as a tool to achieve net-zero spending changes in the budget. The possibility of this action was flagged in a Toronto Star article (March 12th, 2018) that referenced then City Manager Peter Wallace's long-term financial plan, and more recently in the January 28th, 2019 message from City Manager Chris Murray the *Launch of the 2019 Budget*, and in an article published in the Toronto Star on January 29th, 2019, entitled *Balancing the budget relies on \$79 million in 'magic money', one councillor charges as city budget talks get underway*. Each source references cuts or 'eliminating management positions' and 'other efficiencies' as a means of achieving long-term cost savings.

Toronto's challenges are obvious, and grow more evident with each passing year. For years our city has been coping with complex and urgent issues including: homelessness, affordable housing, mental health, drug addiction, unemployment, aging infrastructure, public transit, etc. Toronto is the most expensive city in Canada¹ and the 5th most expensive city in the world to live in². With these realities in mind, only Council can determine how to set a budget that is fair to taxpayers and yet keeps the City competitive. Balancing a portion of the Budget through cutting away the very non-union staff it counts on to run the City is not the answer.

¹ June 26th, 2018, Daily Hive Toronto Staff, *Toronto named most expensive city in Canada according to global survey*

² November 2018, blogToronto, Lisa Power, *Toronto is now the 5th most unaffordable city in the world*

City Manager Chris Murray, like his predecessor Peter Wallace, has flagged that there is a gap between the cost of delivering services and the revenue the City collects to provide those services.

COTAPSA has contended for years that the City cannot achieve long-term fiscal sustainability **and** meet current and future service demands through

- expenditure reductions,
- staff reductions,
- one-time fixes, **or**
- the ongoing belief that "*yet to be found*" service efficiencies will solve our long term fiscal problems.

Every year we make budget recommendations, but this year, the staff, your frontline workers, who are dealing with a myriad of issues are being forgotten. The City continues to grow and demands on services mirror this growth. Non-union employees feel like *sitting ducks* during budget deliberations. They are an employee group affected directly by budgetary decisions, as they have neither contracts to protect them, nor automatic sliding salary scales which advance yearly. Their terms of employment change as gapping widens and they are asked to do more with fewer resources. Yet, the City grows by tens of thousands every year and with it the demand for critical services. As previously stated, this year the City Manager has spoken directly of non-union position reductions³ to this group at a time when their leadership is needed most, particularly with union contracts set to open later in 2019. These are the very people that will stand up and work to make the City run if there are labour disruptions in the months following.

Our members are experiencing tremendous stress, many hold two positions due to gapping, they are exhausted, frustrated and under phenomenal pressure, yet they remain loyal. Last year, and again this year, they ask the question -- *When cuts demand employees cover for eliminated positions, to whom are they supposed to delegate?* If more cuts come to non-union staff, this issue will grow. As one member offered, reflecting a concern that is widely held, *"with cutbacks there needs to be an understanding as to the effect it has on staff who are delivering services and the limitations of the services themselves."* These employees are part

³ <http://www.toronto.ca/legdocs/mmis/2019/bu/bgrd/backgroundfile-124045.pdf> Page 30 of the presentation that the City Manager made on January 28th lists the \$10 M of savings which he stated would **come from non-union position reductions**.

of the back bone of the City and they are becoming demoralized – especially when they see there is a chopping block for some up ahead and they have no protection.

We can no longer depend on the Municipal Land Transfer Tax which is expected to be down by \$83 million from 2017. We encourage Council to address the budget shortfall through measures that do not affect service delivery, including but not limited to:

- A Sales Tax as outlined in the paper released on January 25th by the Canadian Centre for Policy Alternatives (CCPA) entitled – *A New Revenue Tool, the case for a Greater Toronto and Hamilton sales tax* by S Block and D Macdonald. The authors propose that a 2% increase could solve the City's budget issues. This step would include lobbying the provincial government and is supported by other cities in Ontario, including Mississauga, and
- Higher order of government support for the TTC Operating Budget as it is essentially a regional service.

COTAPSA's motto is "*Our City, Our People*". Toronto needs its non-union employees – a group that is loyal, well-educated and experienced, to do demanding and critical jobs. These employees – your employees - are people who need to feel supported and respected by Council.

Thank you for your time.