



BU 3.1 2023 Capital and Operating Budgets

January 23, 2023

Dear members of the Budget Committee,

The Toronto & York Region Labour Council is a central labour body that represents 220,000 working people in every sector of the economy. We represent their interests as workers and as members of the community.

Toronto in 2023 is a place of sky-high real estate prices, rapidly rising inflation, a growing and diversifying population—and a growing wealth gap. We are three years from the start of the COVID pandemic and over 20 years from amalgamation. We're thirty years into an era of austerity government.

The choices our city government makes each year are not only a reflection of the context of our city; they actively shape our context for years to come.

And for years, city budgets have been treated like a relay race with a stick of dynamite: rush to the next marker and pass that baton before you get burned. Do nothing to put out the flame or prevent impending disaster.

This budget was always going to be about making tough choices. Unfortunately, we're getting:

- Higher taxes and fees for less service—especially on the TTC;
- Crumbling infrastructure;
- Minimal enhancements for the Poverty Reduction Strategy;
- Little attention to equity and anti-racism, after marginalized communities bore the brunt of COVID;
- Prioritization of policing;
- A doubling of the state of good repair backlog;
- Firm commitment to funding the hybrid Gardiner rebuild;
- Low to no new commitments toward TransformTO goals, despite the massive fight ahead of us.

Pay more, get less.

When we talk about the affordability crisis in Toronto, it's not a theoretical exercise. You know the numbers, and you also know that racialized people

bear the brunt of bad socioeconomic and health outcomes. The choices you make can help or hurt.

We also know that less service means less safety. We have seen the evidence of this in recent tragic and alarming situations. Why is there less service available in Toronto?

The Labour Council is concerned about the way that city jobs are used as a tool to balance the budget. We heard two weeks ago that 10% of staff jobs are still unfilled; that is 4,000 positions. 10% job vacancy means 10% of the work of this city just isn't happening. It means a cut in service, maintenance, and program work.

The vacancies result from a combination of factors.

- There is always some job churn as workers retire or leave for another job, so some vacancies are always anticipated. During David Miller's time as Mayor, the vacancy target was three percent.
- City staff say their current vacancy target is five to eight percent. This means there is PLANNED vacancy in the city workforce, which some call "gapping". Gapping is typically a strategy intended to save money.
- The difference between the city target (5-8%) and the city reality (10%) is likely due to the challenge in filling some positions. The problems in staffing the planning department are well known. Planners move elsewhere so they can afford to live where they work. This summer and fall, many parents learned that recreation programs were cancelled, due to a shortage of part-time staff willing to work at the wage offered.
- Vacancies exist in many other departments, where programs and services run short-staffed.

CUPE 79's President, Casey Barnett, points out that "Toronto's slow response to ensure adequate staffing levels has increased workplace stresses, while wages have fallen behind." She goes on to say the City "is no longer being seen as an employer of choice."

We're concerned about the proposed 9% reduction in TTC service. That reduction represents 457 transit operator jobs. It represents a rush-hour crush and off-peak delay that will push riders away from public transit in a time when ridership levels must be recovered.

City of Toronto jobs tend to be good jobs: they are likely to be permanent, full-time, with benefits, and often unionized, thereby offering some protection that collective security brings. If the city isn't showing leadership on providing good jobs (and the good services the workers provide), it is easy for other employers to offer even less.

In the non-profit sector, there are also gaps and overworked staff. Presenters to the Budget Committee and Subcommittees talked of burnout among those who are working harder because of downloading of responsibilities onto non-profit staff. But there is no additional funding for these additional time-consuming responsibilities and not even a cost of living increase on offer in the budget.

Other organizations talked about the positive job implications of their services if the city adequately funds their program areas. For instance, we heard from the Toronto Environmental Alliance about the jobs that will be created if investments are made to retrofit homes and buildings in order to reduce GJG emissions. We heard from the Toronto Arts Council that they help youth from marginalized communities find stepping-stone jobs in creative industries.

These and other jobs that the City directly or indirectly helps to create are pathways that support other city strategies and priorities, that help with the local economy, that provide needed services, and that give individuals hope for their future.

We're concerned about creeping privatization and "alternative financing" schemes that are already damaging Toronto's commitment to being a good employer. We must avoid further contracting out of City jobs.

We want working people and their families to continue to live, work, and play, right here.

As it turns out, Torontonians for the most part do share the vision of a city in service of its people. In October 2022, Labour Council commissioned a poll of over 2,500 residents city-wide. The results showed that Torontonians of all income levels want a more liveable city now—even if the wealthiest need to pay a little more. 73% of respondents in the highest income bracket agreed.

We urge you to use more revenue tools, particularly progressive ones. We support, for instance, the proposed commercial parking levy and a luxury home tax.

There is social unity on the question of whether we can collectively pay more in order to invest in a livable city:

We agree on the vision: a healthy, happy, and prosperous population.

Our guiding principle is that what we want for ourselves, we want for others.

And the way we'll achieve this is together: public services, publicly delivered.

At last week's Budget Subcommittee presentations we heard about a number of priorities that Torontonians want:

- Fund the TTC
- Address housing and homelessness
- Spend \$48.3 million on services people need rather than on more police
- Fund community programs
- Fund mental health service pilot projects
- Fund Toronto's climate action plan
- Use additional revenue tools especially the commercial parking levy

These are all viable options.

Let's stop treating the budget like a stick of dynamite. Instead, view it as the tending of a perennial garden. The better we take care of Toronto—its infrastructure, its services, and ultimately, its people—the better it will take care of us.

Thank you for your work.

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