

RE: EX21.2 - Mayor's Economic Action Plan in Response to United States Tariffs

Dear Chair and Members of the Executive Committee,

On behalf of Social Planning Toronto, we would like to thank the Mayor and the Economic Action Team for building a timely response to the tariff crisis. The trade tariffs enacted by President Trump have prompted the City to envision a transformative shift in Toronto's long-term economic resilience. We welcome the Action Plan's commitments to equity through immediate actions such as social procurement and redirecting day-to-day spending, as well as calls to action for the protection of affordability, expansion of affordable housing, and investments in public transit. The City's long-term vision for reducing reliance on US energy and supporting sustainable alternatives opens the pathway for a just transition in alignment with the City's Transform TO goals for reaching net zero greenhouse gas emissions by 2040. We offer here three additional ways that the City can respond to the current crisis: advancing community wealth building, centering workers, and strengthening nonprofits. By seizing this moment to build a bold commitment towards leveraging public wealth into community wealth building models that advance community ownership and worker power, the City can help create dignified jobs, preserve affordable housing, and stimulate the local economy to advance collective wellbeing and sustainability.

Advancing Community Wealth Building: At Social Planning Toronto, we have been researching and collaborating with partners to identify the critical elements required to meaningfully tackle the roots of poverty and build community wealth in Toronto. There has been a growing movement across Toronto's public and community sectors to confront the harms of our current economic system and plant the roots of more economically just approaches that build greater social, gender, racial, disability, and economic justice and equity, in solidarity with Indigenous communities. Community wealth building (CWB) is a transformative approach to community economic development that focuses on marginalized and local communities democratically controlling and stewarding assets in their own neighbourhoods, such as land, labour, and money. Examples of this approach include community land trusts, worker cooperatives, credit unions, and anchor institutions that leverage their economic power to invest in the health and wellbeing of their surrounding communities. This moment offers an opportunity to strengthen and advance community wealth building practices across Toronto in alignment with the ten-year Action Plan for Toronto's Economy and the City's Inclusive Economic Development Framework. Within the Action Plan, the City can advocate for stronger investments in community wealth building infrastructure, such as community land trusts, housing cooperatives, and worker cooperatives; ensure commitments to community benefits and green job opportunities within the proposed transit infrastructure and retrofit investments; and advance racial justice commitments beyond social procurement, such as equitable hiring and investment practices within the City.

Centering Workers: Our economy is built on workers and we need to ensure they are at the centre of our solutions. We support the workers-first agenda developed by the Justice for Workers campaign, which calls on all levels of government to take action on responding to the tariff-induced recession drawing on lessons from the pandemic. The City of Toronto can play a critical role in advocating with other levels of government to ensure the following protections are in place for communities: a moratorium on evictions and the implementation of a rent freeze along with rent control on residential and commercial properties; providing emergency benefits for impacted workers, such as a weekly income support of no less than \$600.00 per week, and emergency benefits for businesses as long as those benefits are not used to increase profit rates or issue dividends to shareholders; expanding investments in public and nonprofit services and infrastructure; introducing price controls on essential goods and shelter; and advancing fair taxation. We also support the Toronto and York Region Labour Council's three key principles for responding to the tariffs: a commitment to justice, dignity, and good jobs for all; a commitment to quickly invest in public and nonprofit infrastructure and services; and a recommitment that "Made In Canada" matters. As identified by the Labour Council, a good jobs approach should be embedded in the immediate actions that Toronto takes in response to the tariffs.

Strengthening Nonprofits: The nonprofit sector is a key actor in Toronto's economy that was not recognized within the action plan. The sector contributes at least \$14 billion in annual revenue and 8% to Toronto's GDP and plays an even greater role that is not fully measured through social impact. As identified by the Ontario Nonprofit Network, the sector is impacted by the tariffs in three ways: as employers, as procurers of goods and services, and as organizations supporting people impacted by inflation and the anticipated recession. The nonprofit sector is central to enhancing affordability and community resilience, such as increasing access to food, protecting and providing affordable housing, and offering enhanced training and reskilling of workers. Nonprofits can also play a critical role in convening emergency response tables and adapting their procurement strategies to enhance buy local and buy social strategies. Omitting the non-profit sector from the action plan was a significant oversight that should be addressed in strategies moving forward.

Rather than diverting funds to corporations simply because they are Canadian, this moment of change opens the possibility of building local economies that advance equity, resiliency, and community control. The City of Toronto is in a unique position as the largest economic hub in Canada to demonstrate what a more equitable and just economy can look like. The action plan offers a strong start to this vision, but a deeper commitment to centering the needs of workers, communities, and the organizations that support them will strengthen it further. Making these changes will help demonstrate that, contrary to the Trump administration, centering equity and sustainability is critical for creating a strong and prosperous City for all.

Thank you for your consideration,

A handwritten signature in black ink, appearing to read "MS", followed by a horizontal line.

Mercedes Sharpe Zayas
Program Manager, Community Wealth Building
Social Planning Toronto