



Feb 7th, 2025

## **MPB27.1 - 2025 Operating and Capital Budgets**

To the Office of Mayor Olivia Chow and Councillors,

The Toronto & York Region Labour Council writes today in support of the Mayor's 2025 budget released last week. This year's budget comes after another year of democratic renewal in our city, which saw the engagement of thousands of Torontonians, from Etobicoke to Scarborough and Old Toronto to North York, in development of the budget. Civic engagement like this was largely missing in our City, and we appreciate its return.

Like the diverse group of Torontonians that took part in crafting this budget, we are pleased to see that it contains no cuts to the desperately needed services which keep our city running. We are also pleased that some of the workers behind those city services have had successful negotiations with the city in the lead up to this budget's release - a trend we hope to see continued in the ongoing negotiations.

Enhancements to programs like the TTC mean that working people are going to be able to make it to work on time, and the fare freeze means they won't have to break the bank to do it. Other affordability measures like more supports to renters and tax relief for those on a fixed income means support for thousands more in our city. There are also enhancements to needed programs for youth and especially racialized youth. Programs and services like these make Toronto a more caring and livable city for working people, and ensure it is not just a playground for the rich.

Councillors should be confident in their decision to approve this budget, protect city services, and continue to work for a city which serves working people - not just the wealthy few. It's what working people want, and it's what our city needs.

That doesn't mean this budget could not be improved. The protections and enhancements we're seeing now are not enough to undo the long years of austerity from prior administrations - and that's just to get back to where we were, when really our services must grow even more to support our needs, growing population and economy.

The urgent need to take action to undo those years of austerity has also meant an above-average increase to the property tax again this year. It is true that this will add a relatively small financial burden to most households, but many Torontonians believe the expense is more than worth it.

Furthermore, the property tax increase is a better option than the alternatives being proposed by some. Some councillors are musing about wage cuts to city workers, program cuts, and increases to TTC fares to lower the property tax increases. These are not the answer to the problems faced by the city, and would only make life harder for working people.

The Toronto Region Board of Trade recently advocated for the sell off of public assets or their operations in an attempt to fund the city. Wealthy corporations represented by the Board of Trade have already saddled working people with the cost-of-living crisis their historic profits created, now they want to "solve" the problem they created by trying to buy public assets which should not be for sale.

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Toronto has experience with what happens when public lands and projects go into private hands, the most glaring recent example being the Eglinton Crosstown debacle. What's clear is this: when the private sector gets their hands on public assets, Torontonians suffer. We ask council to continue firmly rejecting the privatization of any public assets, and avoid considering giveaways to corporations disguised as "solutions."

Ultimately, the long-term solution to the under-funding crisis being faced by Toronto can not be at the expense of working people and our communities, either through regressive taxation or through the sell off of public assets. It takes money to produce a great city. The real long term solution to this crisis is a new financial deal for municipalities which sees them funded enough to provide dignity to all their residents. Ideally this would be through new permanent revenue powers or through statutory transfers from higher orders of government who have progressive taxation abilities. Any new deal must also ensure municipalities have genuine democratic control of their affairs.

In the meantime, we believe there are steps which can be taken in the near future to improve city finances which are not at the expense of working people. In particular, the Labour Council has long advocated of the Commercial Parking Levy, unfortunately recently delayed, and we believe the City should be pursuing it more aggressively. Tools like these are within our power, and raise their money from the wealthiest corporations as opposed to working people.

If cuts to the city operating budget are made for any reason this year, we believe they should be offset through reductions to the Toronto Police Services budget. For the second year in a row, by an overwhelming margin, the police were at the top of the list of services which should be cut according to Toronto residents.

Developing a city budget that adequately serves the needs of working people in the city under such enormous pressures and shortfalls is a difficult task. But in the end, the same working people who took time out of their busy schedules to participate in discussions, town halls, and focus groups will be the ones most affected by the city budget. They use the services, they use the programs, and the work they do makes the city run.

It is the wants, needs, and aspirations of working people that the budget should serve first. While there is much more work to be done, we believe that the Mayor's budget is another step in the right direction, and we encourage Council to pass it.

Andria Babbington  
President  
Toronto & York Region Labour Council

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**The Toronto & York Region Labour Council represents over 200,000 workers from diverse sectors across the Toronto region. Committed to fighting for economic, social, racial and climate justice, the Council works tirelessly to create a fair and equitable future for all.**