

Toronto's Quiet Crisis

The Case for Social and Community Infrastructure Investment

Peter Clutterbuck and Rob Howarth

A Research Initiative of the Toronto Civic Action Network

Research Paper 198

Centre for Urban and Community Studies

University of Toronto

November 2002

ISSN 0316-0068; ISBN 0-7727-1419-3

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Research Paper 198
November 2002, vi, 60 pp.
ISSN 0316-0068
ISBN 0-7727-1419-3

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Abstract

In the debate over the future of cities in general and the future of Toronto in particular, attention has so far focused on the crisis in physical infrastructure, including the need to improve public transit, build affordable housing, and keep roads and sewers in good repair. But equally important is the state of a city's social and community infrastructure – including child care, public libraries, neighbourhood centres, old age homes, public health units, environmental protection initiatives, settlement support for immigrants and refugees, and recreation programs. These programs benefit families, help vulnerable individuals, build skills and community capacity, and contribute to the quality of life for all community members. This vital but often-overlooked part of Toronto's infrastructure is struggling to survive in the face of budget cutbacks, which have led to understaffing, higher fees, long waiting lists, the elimination or reduction of programs, and the persistence of unequal levels of service in different parts of the City. If the City succeeds in securing new financial arrangements with senior levels of government to pay for physical infrastructure, it must commit to redirecting revenues from property taxes to restore social and community infrastructure. Those funds could be used to eliminate waiting lists and staff shortages, do away with user fees, restore cuts to essential services, and provide new or expanded programs required to ensure equitable access for all Toronto communities. At the same time, senior levels of government should share the costs of repairing Toronto's fraying social and community infrastructure or allow the city new tax revenues to support social infrastructure. This paper estimates the costs of meeting pressing needs in selected areas of Toronto's social infrastructure, including children's services, parks and recreation, public health, public libraries, environmental protection, public shelters, and program grants to not-for-profit community agencies.

Acknowledgements

This paper is a research initiative of the Toronto Civic Action Network.

Our sincere thanks to Matt Cooper for his search and review of documentation and the interviews he conducted, which served as the base research for the report. Additional contributions were made by Johanna Brand, Sean Meagher, and Tanya Gulliver. Our thanks to this entire team for their help in moving the report to completion.

The research committee that provided ongoing guidance and consultation, research assistance, and review of drafts included Michael Shapcott, David Hulchanski, Jane Mercer, Peter Clutterbuck, Rob Howarth, Johanna Brand, Sean Meagher, and Tanya Gulliver. Thanks also to Councillor Olivia Chow, and Bob Gallagher for their assistance to our principal researcher as well as input to the research design.

This report was made possible by the funding assistance of the United Way of Greater Toronto and the organizational sponsorship of Toronto Neighbourhood Centres. Our thanks as well to the Centre for Urban and Community Studies (CUCS) at the University of Toronto for the production of this report as well as the research bulletin based on preliminary findings and analysis released at the People's Summit in June 2002. Special thanks to Philippa Campsie of CUCS for her final editing of the report.

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November 2002

Table of Contents

EXECUTIVE SUMMARY	1
1. THE QUIET CRISIS IN SOCIAL AND COMMUNITY INFRASTRUCTURE	5
1.1 Cities Are Focusing on Urban Physical Infrastructure.....	5
1.2 The Importance of Social and Community Infrastructure Has Been Overlooked	6
1.3 Will New Funding Arrangements Take Social Infrastructure Into Account?	6
1.4 The Social Sector Struggles for Recognition and Resources	7
1.5 What Is Required to Restore Stability?	8
1.6 Minimal Operating Requirements.....	13
1.7 Minimal Capital Requirements	15
1.8 Conclusion.....	15
2. CHILDREN'S SERVICES	17
2.1 Toronto Has an Established Range of Children's Services	17
2.2 Demand for Child Care Is High	18
2.3 Off-Loaded Child Care Responsibility Has Led to Severe Underfunding	19
2.4 Minimal Investment Required.....	20
2.5 Conclusion.....	21
3. PARKS AND RECREATION SERVICES	22
3.1 Strong Recreation Programs Have Important Health Benefits	22
3.2 The City Has Erected Barriers to Recreation Access	23
3.3 Regional Disparities Exacerbate Access Issues	26
3.4 Declining Physical Plant Causes Closures and Service Interruptions	26
3.5 Minimal Investment Required.....	26
3.6 Conclusion.....	28
4. PUBLIC HEALTH	30
4.1 Public Health Plays a Central Role in the City's Social Infrastructure	30
4.2 The Capacity of Public Health to Respond to Needs Has Been Reduced.....	31
4.3 Minimal Investment Required.....	33
4.4 Long-Term Capacity Targets.....	34
4.5 Conclusion.....	34
5. PUBLIC LIBRARY SERVICES	36
5.1 Libraries Face Cuts While Demand Increases.....	36
5.2 Libraries Are Understaffed	37
5.3 Collections Are Falling Behind	37

5.4	Funds for Repairs and Information Technology Are Needed.....	38
5.5	Minimal Investment Required.....	38
5.6	Conclusion.....	39
6.	PUBLIC SHELTERS	40
6.1	Homelessness Has Reached Crisis Proportions	40
6.2	Shelters Are Almost at Capacity.....	41
6.3	New Shelter Standards Have Been Proposed	41
6.4	Minimal Investment Required.....	42
6.5	Conclusion.....	42
7.	ENVIRONMENT	44
7.1	Public Transit Contributes to Cleaner Air	44
7.2	The City's Environmental Plan Remains on the Back Burner	45
7.3	Waste Diversion Is Now the City's Sole Responsibility.....	46
7.4	The Wet Weather Master Flow Plan Needs to be Implemented	46
7.5	Minimal Investment Required.....	47
7.6	Conclusion.....	47
8.	SETTLEMENT SUPPORT	49
8.1	The Social Exclusion of Newcomers Is Growing.....	50
8.2	Programs that Help with Successful Settlement Have Been Compromised.....	50
8.3	Program Cuts and Restructuring Affect Immigrants Disproportionately	51
8.4	Funding for Immigrant Settlement Programs Has Been Cut Back.....	52
8.5	Lack of Coordination and Shifting Responsibilities Cause Instability.....	53
8.6	What Is Needed.....	53
8.7	Conclusion.....	54
9.	COMMUNITY CAPACITY	56
9.1	Toronto's Community-Based Not-for-Profit Sector Offers Unique Services	56
9.2	Civic Participation Fosters Community Cohesion	57
9.3	Municipal Grants Support Community Not-for-Profit Organizations	58
9.4	Destabilizing and Inequitable Conditions Affect the Community Service Sector	59
9.5	Minimal Investment Required.....	59
9.6	Conclusion.....	60

Executive Summary

As a result of government actions, Toronto is in a financial straitjacket, unable to stop the accelerating erosion of its social infrastructure or to deal adequately with the entrenched and increasingly racialized levels of inequality, social exclusion, and poverty across the city.

As a result of the downloading of the 1990s, and especially since amalgamation, Toronto's social infrastructure has suffered from the drive to reduce deficits and a "leveling down" of services as they are harmonized across the City. City Council has focused on achieving a zero or minimal property tax increase and applied unrelenting pressure to find savings in the City's social and community service budget areas. The results have been reductions in service, increased user fees, and the persistence of unequal levels of service in different parts of the City.

Services and standards decline every year. Staff are discouraged from serious planning for enhancement and expansion of social supports. Protection and preservation of what remains becomes the order of the day in the annual budget cycle.

The future of Canadian cities is now a major political debate in this country. Municipalities are advocating for expanded municipal powers and new revenue sources to meet pressing needs and increased responsibilities that cannot be sustained by property taxes alone.

This debate focuses largely on the crisis in urban physical infrastructure. Transit, housing, and physical plant in good repair all contribute to the quality of urban life and all require urgent attention and support, especially in larger cities such as Toronto. However, except for the issue of homelessness and affordable housing, there is little public or political profile in the current debate for equally important components of city life—social and community infrastructure.

Social and community infrastructure is a critical part of the everyday life of Toronto's residents. Child care and family resource centres, seniors' homes, libraries, recreation programs, language and settlement services for new immigrants, community agencies that provide services to individuals and families—all are important elements in making Toronto a good place to live.

A debate on our civic future that doesn't take into account the importance of the city's social and community infrastructure will miss the mark. Financial strategies that address only the "big-ticket" items are not enough. Any new municipal financing arrangements should ensure a strong social and community infrastructure for Toronto.

Planning for the long-term operational costs of strong social and community infrastructure should become as regular a practice as financial planning for public transit, roads, sewers, and other physical infrastructure. Initiatives such as the City's Social Development Strategy, the Plan of Action for the Elimination of Racism and Discrimination, and Environmental Plan should be costed out and implemented, not just approved in principle and promptly shelved.

It is time for City politicians to pay attention to the state of Toronto's social and community infrastructure. After a decade of cutbacks and losses, the City must establish some benchmarks for recovery and create a baseline for future planning and development of its social and community capacity.

We estimate that at least \$117 million in annual operating funding, and \$533 million in capital investment is required to bring some degree of stability in conditions and standards to major areas of the City's social infrastructure (see Tables 1 and 2). This includes the restoration of service cuts that have occurred since amalgamation, additional funds to establish adequate service levels, and the equitable expansion of programs across all communities in Toronto.

If new financing arrangements with senior governments result in physical infrastructure improvements only, the City will still have to fund social and community infrastructure needs from the property tax base. If these arrangements take some pressure off the City's capital budget, we recommend that the City redirect property taxes previously committed to the capital budget (more than \$145 million in each of the last two years) to the operating needs of Toronto's social and community services and agencies.

TABLE 1: Summary of Current Operating Needs (in \$millions)

Municipal Service Areas	Additional Operating Budget Requirements			Explanation and Commentary
	Total	City Share	Fed/Prov Share*	
Children's Services	49.0	9.9	39.1	About \$29M for one-time expenses such as pay equity, playground replacement, and upgrades. Another \$20M to reduce the subsidized waiting list by 2,000 and maintain current service levels. Eliminating the waiting list of 17,000 for subsidized spaces by 2010 would cost \$105M, or about \$15M net annually.
Parks & Recreation	24.2	24.2	—	Includes eliminating \$20.5M in user fees, funding \$2.7M in planned program expansions for children, and \$1M for playground replacement.
	11.3	5.7	5.6	To maintain school pools and swimming programs requires an additional \$11.3M.
Public Health	15.2	10.2	5.0	Includes more than \$11M in program cuts since 1998, plus \$4.1M to eliminate staff shortages.
Public Libraries	5.8	5.8	—	\$2.1M for the resource collection budget; \$3.5M to eliminate current staff shortages; \$152K to expand youth programs.
Public Shelters	3.4	1.2	2.2	Projected annual additional cost to expand the shelter system by 2,473 beds over ten years. The full additional annual operating cost would be \$34M in ten years (\$12.0M net increase to the City).
Environmental Protection**	2.3	2.0	0.3	Includes restoring cuts to programs for healthy air and water, composting and recycling, planning and development for sustainable energy use and education programs. The suggested one-third coverage by senior governments follows pre-1995 practice for the blue box program.
Settlement Services	To be determined		(100%)	The City should take a lead role in advocating for comprehensive labour market and immigration policy agreements that address Toronto's settlement needs.
Community Capacity 1. Program grants 2. Stable core funding 3. Community space	5.9	5.9	—	\$5.9M is a very conservative estimate of the cost of achieving basic "program equity" across the City and would not address the stable core funding needed by the agency network.
	To be determined			City and community planning is also required to develop accessible and affordable space for community programs and activities.
	To be determined			
Civic Participation	To be determined	(100%)		Funds to promote on-going active participation in policy development and budget decision-making process ensuring access for all community voices.
TOTALS	117.1	64.9	52.2	

* This column includes service areas in which one or both senior governments should cost-share with the City or provide other tax revenue sources (e.g. share of gas, sales, and/or income taxes).

** Public transit operating and capital needs are not included in Tables 1 and 2.

TABLE 2: Summary of Capital Needs in Selected Areas of Social Infrastructure (in \$millions)

Service Areas	Capital Requirements, 7 to 10 years (Facility repair & construction)			Explanation and Commentary
	Total	City Share	Fed/Prov Share	
Children's Services	224.0	44.8	179.2	Eliminating the subsidized childcare waiting list over a seven-year period at 2,000 per year for an annual capital cost of \$32M, resulting in 242 new facilities at \$930,000 estimated cost for each.
Parks & Recreation	52.4	26.2	26.2	Construction on one of five City recreation centres proposed in the current capital budget will start in 2002. Four are deferred until 2006.
	100.0	50.0	50.0	Shared cost for bringing existing facilities into a state of good repair.
Public Health				Information not available
Public Libraries	21.2	10.6	10.6	This amount refers to the accumulated backlog in maintaining the existing libraries in a state of good repair and does not include construction of any new library facilities.
Public Shelters	124.0	62.0	62.0	Expansion of facility capacity by 2,500 beds over ten years at an annual capital cost of \$12.4M (\$6.2M net annual capital cost to the City).
Environment	11.6	7.7	3.9	Trucks and equipment for a major composting and recycling program deferred in capital budget (Waste Diversion Program).
Community Program & Activity Space	To be determined			The availability of accessible, no- or low-cost community space is a major issue for community agencies funded by City grants. The need to find space puts pressure on their limited resources, as reported in a recent City/United Way survey on community space needs.
TOTALS	533.2	201.3	331.9	

1. The Quiet Crisis in Social and Community Infrastructure

1.1 Cities Are Focusing on Urban Physical Infrastructure

The future of Canadian cities has become a major political debate in this country. The focus is largely on the crisis in urban physical infrastructure, such as public transit, affordable housing, roads and sewers, water quality, and waste management. Significantly, there does appear to be some likelihood that senior levels of government will respond to the physical infrastructure needs of cities, although current initiatives are commonly judged to be inadequate.

In Toronto, the provincial government provided capital funding support for public transit of \$110 million a year for 10 years. The federal government recently added \$76 million of its own funding to public transit.

A \$680 million federal affordable housing initiative was announced in June 2002. Although the provincial contribution to the program is insufficient, housing advocates see the initiative as an important first step towards the re-engagement of senior governments in an affordable housing strategy.

The City of Toronto has benefited from other joint federal-provincial initiatives. The \$262 million announced in the spring of 2002 for the City's cultural institutions was welcome support to maintain and enhance Toronto's status as a major arts and cultural centre.

However, this "joint funding" approach has been problematic in all of these initiatives. Shared funding programs, important as they are, are available only on a discretionary basis and provide no long-term security or stability to allow cities to fulfil their expanded mandates. Furthermore, the City must wait anxiously on the sidelines while the senior governments come to an understanding on mutually acceptable terms and conditions. Now cities are advocating for a combination of expanded municipal powers and new revenue sources to meet pressing needs and increased responsibilities that cannot be sustained by property taxes alone.

1.2 The Importance of Social and Community Infrastructure Has Been Overlooked

Transit, housing, physical plant, cultural institutions—all contribute to the quality of urban life and all require urgent attention and support, especially in large cities like Toronto. One essential component of urban infrastructure, however, remains neglected in the current debate. Except for the issue of homelessness and affordable housing, there is little discussion of the social and community infrastructure of cities, such as public health, recreation, children's services, libraries and the network of non-profit agencies that provide community services.

Social and community infrastructure affects the lives of Toronto's residents in thousands of different ways every day. For example,

- community child care and family resource programs offer important learning opportunities and developmental growth for children as well as support for working parents;
- language training and settlement programs help newcomers find housing and jobs and seek out other social and health supports;
- recreation facilities and activities for youth and seniors contribute to the health and well-being of participants;
- local health units provide important infant care instruction and guidance for new mothers;
- seniors' homes run by the City offer care and comfort for the elderly;
- public libraries offer residents of all ages access to information and knowledge from around the world through books and modern communications technologies;
- non-profit community service agencies and community health centres provide essential health, education, and social supports to individuals and families, reduce social isolation, and engage residents in volunteer activities.

These forms of social and community infrastructure in the city are not as obvious as physical infrastructure, but they play an important part in maintaining the quality of life for Toronto residents. Social and community infrastructure should be a central part of the debate surrounding the future of our cities.

1.3 Will New Funding Arrangements Take Social Infrastructure Into Account?

"Big-ticket items"—roads, highways, water and sewer pipes—are often the first priorities to be addressed through joint funding programs, direct transfers from senior governments, or new municipal tax sources. But where is the provision for social and community infrastructure?

We must ask the following questions:

- Will new municipal financing arrangements ensure strong social and community infrastructure in the City?

- Will senior governments recognize their responsibilities for supporting the City's social and community infrastructure in areas such as child care, public health, or support for community-based not-for-profit organizations?
- Will senior governments' contributions to transit and other urban physical infrastructure allow for the reallocation of property tax revenue to restore and enhance social and community infrastructure? Or will the relief on the City's capital budget be absorbed as cost savings or converted into property tax reductions?

The demands for more municipal autonomy and access to new sustainable revenue sources are encouraging and merit public support. A debate on our civic future, however, that fails to restore and strengthen the City's social and community infrastructure will be incomplete.

1.4 The Social Sector Struggles for Recognition and Resources

Another advantage of the “big-ticket items” under consideration in the current debate is the apparent precision of the dollar figures attached to, say, the TTC's needs or to an affordable housing strategy. The TTC has a multi-year capital expenditure plan of almost \$4 billion; its annual operating needs for the transit system are more than \$650 million, of which about 82% is recovered from fares. Because these figures are well known, the City can immediately calculate the impact on its capital plans or fare rates for the TTC, when provincial or federal funding is forthcoming or not.

Similarly, affordable housing groups across the country for several years have estimated that just 1% of the budgets of all levels of government could end homelessness in Canada. When the recently announced national housing initiative of \$680 million was made, housing advocates across Ontario could translate the amount into potential numbers of affordable units in their communities. Furthermore, they knew that unless the Ontario government provided a larger contribution to bring the funding up to \$50,000 per unit, the new housing would still not be affordable for people on low incomes.

No single dollar figure has been cited as a target to ensure strong, stable, and high-quality social and community infrastructure. This infrastructure is made up of a web of services and supports—some provided directly by the city, others in partnership with not-for-profit community agencies, still others by public authorities such as school boards. It is much harder to assemble one clear, precise budget figure.

During the downloading of the 1990s, and especially since amalgamation, the social sector has struggled to hold its own during the annual city budget cycle in Toronto. City Council has attempted to maintain property-related services and protection services, like police and fire-fighting, while at the same time ensuring little or no increases in property tax. This process has resulted in unrelenting pressure to find savings in the City's social and community services budget.

Not only are social services and standards eroding, but budget constraints have also discouraged planning for enhancements or expansions in social supports. Staff can only struggle to protect and preserve what remains during the annual budget cycle. Expansion or enhancements are usually proposed on a very limited basis. Although the City has produced

and approved—in principle—a Social Development Strategy, an Environmental Plan, and a Plan of Action for the Elimination of Racism and Discrimination, these plans have no associated financial recommendations and little implementation has occurred. The annual budget crisis always takes precedence over any of these statements of principle. Social and community development are not City Council priorities.

1.5 What Is Required to Restore Stability?

It is time for City Councillors to pay attention to the state of the City's social and community infrastructure. It is time to establish some benchmarks for recovery from a decade of cut-backs and losses and create a baseline for future planning and development of the City's social and community capacity. To get some sense of the scope and scale of need in this sector, we selected nine areas for a preliminary review—six areas of city programming and three of community capacity-building.

Tables 1 and 2 provide a very preliminary perspective on the *minimal requirements* for restoring stability to these areas of social and community infrastructure in the City of Toronto. These figures are neither definitive nor exhaustive, but indicate what is required merely to restore the social and community capacity of the City for future growth and social development. The selected areas are:

City Programs

Children's Services

These services include child care, family resource programs, and social and recreational supports to children and families. This is the one area of City service that has maintained a planning and development orientation because of the official designation of a Children's Advocate and the establishment of a Children's and Youth Advisory Committee with both City Councillor and community membership.

Parks and Recreation

Parks and Recreation is especially important in a large city. Many city dwellers depend on access to recreational space and structured programming to keep fit, meet other people, or learn new skills. Research shows that structured recreational programming provides tremendous social, health, and learning benefits to community participants.

Public Health

Public health comes to media attention when regulatory issues such as restaurant ratings or smoking by-laws are debated. Less well-known are the important public health programs directed at vulnerable populations such as single-parent and low-income families, youth, infants, seniors, newcomers, and others. The City's public health department sets critical health standards, monitors community practice, and provides both central and direct field support to protect community health, eliminate health hazards, and prevent health risks.

Public Libraries

Public libraries constitute one of the most important community institutions in the information age. Yet libraries are often taken for granted, and defended only when residents notice cut-backs in hours of operation, the unavailability of current publications, or poor upkeep and maintenance of the buildings. Along with community centres, parks, and local schools, libraries are part of a network of public spaces and community meeting places that are increasingly at risk for lack of resources.

Public Shelters

The need for public shelters indicates Canada's failure to provide adequate levels of affordable housing. Ideally, this area would diminish in importance if the city had enough housing that was accessible to low-income families and individuals. In the short run, however, more public shelter beds and more decent shelter living conditions are desperately needed.

Environmental Protection

Environmental protection programs highlight the important connection between the physical and social environments of urban life. While affordable public transit systems that increase ridership and reduce automobile traffic have obvious environmental and energy benefits, many other important City programs also contribute to clean air, water, and the development and use of green space. In an extensive series of focus groups conducted for the City's Social Development Strategy in late 2000, residents frequently mentioned the quality of the physical environment as a defining characteristic of a "supportive community."

Building Community Capacity

Another three areas relate to the City's role in building community capacity by providing support to a wide network of community-based non-profit organizations.

Settlement Support

Given Toronto's growing diversity, the future vitality, social well-being, and economic health of the City will be determined to a large degree by efforts to counter the harmful effects of government downloading and restructuring on immigrant settlement. All levels of government must commit to improving the coordination, planning, and effectiveness of the settlement process, and to working collaboratively with all stakeholders.

Community Grants

The City provides grants to more than 900 programs and projects run by community-based, not-for-profit agencies. A core group of about 500 agencies constitutes a vital network of both service provision and volunteer engagement. Participants in the Social Development Strategy focus groups in 2000 identified the stability and security of the community not-for-profit sector as a critically important condition for strong and supportive communities in Toronto.

Civic Participation

Community capacity-building is more than just a matter of providing services and programs. Sustaining Toronto's status as a liveable city depends on opportunities for collective citizen action through neighbourhood associations, issue-oriented groups, and grassroots coalitions. Nurturing such groups is part of building "community capacity." The 1995 Copenhagen Declaration of the United Nations summit on social development defined community capacity as strengthening "the capacities and opportunities of all people, especially those who are disadvantaged and vulnerable, to enhance their own economic and social development, to establish and maintain organizations representing their interests, and to be involved in the planning and implementation of government policies and programs by which they will be directly affected."

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TOTALS	533.2	201.3	331.9	

1.6 Minimal Operating Requirements

City Programs

Table 1 shows that more than \$117 million of additional operating funding would be required to bring some degree of stability in conditions and standards to these nine areas of the City's social infrastructure.¹ The explanatory notes summarize the costs of restoration and recovery for important services and programs and of essential improvements in the capacity for service delivery (such as eliminating staff shortages). The remaining sections of this report discuss these figures in more detail.

Service expansions or enhancements included in Table 1 primarily address pressing needs, such as reducing the waiting list of 17,000 for subsidized child care by 2,000 spaces a year over seven years, or starting a 10-year program of expansion of public shelter beds for the growing homeless population.

Restoring and stabilizing municipal services and maintaining community capacity would be the first step in a process of strengthening social and community infrastructure. This step must be followed by planning, program development, and an assessment of the financial implications of meeting needs in all areas of health and social support. Planning for the long-term operational costs of strong social and community infrastructure should become as routine a practice as financial planning for public transit, roads, sewers, and other elements of physical infrastructure. Initiatives such as the Social Development Strategy, the Plan of Action for the Elimination of Racism and Discrimination, and the Environmental Plan should be costed out and implemented, not just approved in principle and shelved.

Table 1 also indicates cost-sharing arrangements with the federal and/or provincial governments.² In several areas, the cost-sharing splits are based on past practice, such as 80%–20% for children's services. Senior governments have traditionally shared heavy social costs in child care, public health, the environment, and housing, whereas recreation and public libraries have traditionally been municipal responsibilities. The assumption of responsibility for school swimming pools by the City in the recreation service area is an exception, since the school board previously covered these costs.

Cost-sharing agreements with senior governments based on need and demand are better arrangements for the City than discretionary grants, which usually depend on annual renewal. Cost sharing also requires the City to make its own financial commitment. The City should maintain a stakeholder interest when it is delivering the service.

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1. An interim report on this research (Centre for Urban and Community Studies Research Bulletin #8, June 2002) suggested \$110 million as the minimal new operating requirements for community and social infrastructure. However, when we completed our research, we found that a net additional \$7 million was needed, made up of adjustments in the amounts for recreation (+\$9.3 million after factoring in the budget pressures on school pools), public health (–\$100,000), and environmental protection (–\$2.9 million, which was transferred into Table 2 as an additional capital cost for Waste Diversion).
 2. The variation in figures here from Research Bulletin #8 is +\$2.3 in the Federal/Provincial share. This results from a reduction in the Federal/Provincial share for environmental protection (\$2.3 transferred to the capital needs of Table 2), and the addition of \$5.7 million to recreation to cover school pools.

The City argues that federal and provincial governments should give it access to new tax revenue sources as a viable and more sustainable alternative to cost-sharing agreements. Again, except for housing, this argument is advanced for assistance with physical infrastructure, not social infrastructure. Help with social infrastructure costs is not yet part of the City's agenda in its discussions with senior governments for new programs or financing arrangements—although it should be.

If new financing arrangements with senior governments result in agreements only on assistance with physical infrastructure, the City will still be responsible for providing for social and community infrastructure from its own resources. Clearly, if senior governments remove pressure on the City's capital budget, the City would be in a position to redirect property taxes previously committed to the capital budget (more than \$145 million in each of the last two years) to the operating needs of the City's social and community capacity.

Community Capacity-Building

Table 1 identifies several key areas of community capacity-building that the City can and should support. Only in the area of community program grants has any assessment been done on the funding needed to move towards equitable standards of program delivery across the City through grant-funded agencies.

Of the \$6.9 million program equity target set in 1998, \$5.9 million remains unfunded. A \$1 million increase toward an equity target set four years ago is not good progress. Even increasing the community program grants allocation by \$5.9 million would not deal with the major core funding requirements of the not-for-profit sector that would enable community agencies to continue to be effective service partners with the City. This deficiency requires long-term planning and commitment.

The City must engage with the community in building strong capacity in two other areas. One is the development of more effective planning and coordinating mechanisms for settlement services and supports, particularly critical in a City in which immigration is the source of almost half the resident population. Federal funding is available and is being used, but there is no clear strategy or coordination for using existing funding to build the capacity of immigrant-serving agencies systematically and integrate labour market and social policies that affect successful settlement. The City must establish a clearer role for itself in this area.

A second concern is the lack of opportunity and support for community members to become actively engaged in the civic planning and decision-making process for setting social policy and associated budgets. In 2001, people who participated in consultations on the Social Development Strategy expressed frustration with the amalgamated City. Many felt that the establishment of a large unified corporation for "service efficiencies" had sacrificed the local democracy that had prevailed before amalgamation. Again, both careful planning and resource commitments are necessary to address this issue. These costs should be borne by the City as an expected and budgeted cost of promoting civic participation and democratic practice.

1.7 Minimal Capital Requirements

Table 2 summarizes the capital needs in the selected areas of social and community infrastructure.³ For child care, there is a precedent for provincial sharing of the cost of new facilities. Before 1995, the province covered 100% of these capital costs. Eliminating the current waiting list of 17,000 for subsidized child care would require the construction of 242 new centres at a cost of about \$930,000 each over seven years.

Similarly, a 10-year program to expand shelter beds at \$112 million would be cost-shared evenly with the province. Better still, an aggressive affordable housing program could provide permanent housing for those who are currently homeless and reduce the need to expand emergency shelters.

There is no similar recent precedent for cost sharing with senior governments for community recreation centres and public libraries. City Councillors must make the case for senior government contributions to these public facilities as part of any physical infrastructure assistance in direct funding or tax revenue. It is not acceptable that of five community recreation centres scheduled for construction, only one will start this year (the remaining four have been deferred until 2006).

Finally, planning and financing for the creation of public space for municipal services should take into consideration the community sector's needs, which have been well documented in a recent survey done jointly by the City and the United Way of Greater Toronto.⁴

1.8 Conclusion

City Council and civic leaders must recognize social and community infrastructure as a priority that is as important to the quality of life in Toronto as physical infrastructure. Resources to develop the City's social capacities should be included in the current debate on the future of the City and discussions of new financing arrangements with senior governments.

Discussions or negotiations with the federal and provincial governments that result in direct transfers, cost-sharing programs, or municipal access to new tax revenues should take into consideration the social infrastructure needs of cities.

In the absence of any new arrangements that directly contribute to Toronto's social programs and facilities, the City must commit its own resources to restoring acceptable standards of support in important service areas. Property tax revenue released from capital budget commitments by senior government funding for physical infrastructure could be used to support the social needs of Toronto's residents.

3. The total capital requirement figure in Table 2 is \$83.2 million higher than the amount stated in *Research Bulletin #8* because: (a) \$100 million for ensuring a state of good repair for existing recreation facilities had not been uncovered in the research and was left out of the interim report; (b) verifying the capital requirements for the five community recreation centres reduced the amount by \$19.2 million; and (c) \$2.4 million in cost requirements associated with the Waste Diversion Program as part of environmental protection were transferred from operating needs in Table 1 to capital needs in Table 2.

4. City of Toronto and United Way of Greater Toronto. *Community Use of Schools and City-Owned Space* (2002).

The sections that follow provide more detailed documentation on the specific funding needs of selected components of Toronto's social infrastructure. Taken together, these do not constitute a comprehensive assessment, but rather present a model of analysis that should be applied to all areas of social infrastructure if the City is to sustain the well-being of Toronto's communities.

2. Children's Services

In the *Final Report of the Commission on Early Learning and Child Care for the City of Toronto* (May 2002), Charles Coffey and the Honourable Margaret Norrie McCain state that “a comprehensive system of affordable, quality, early learning and child care programs” is a prerequisite to the policy goal of valuing and caring for children, to which Canadian federal, provincial, and territorial leaders committed themselves in *The National Children's Agenda*.

Coffey and McCain point to research showing that quality child care and early development programs:

- offer stimulating, learning environments critically important to the development of language, cognitive, and social skills of children in their early years;
- facilitate active parental involvement in children's early development and learning;
- help parents participate in the workforce and contribute to national economic growth and productivity;
- provide practical and emotional support to families struggling to balance the modern demands of work and child raising;
- reduce the future costs of youth on Canada's health, social welfare, and justice systems.

2.1 Toronto Has an Established Range of Children's Services

More than 45,000 children from infancy to 12 years of age are registered in 756 licensed child care centres and nursery schools across the City of Toronto. Most are operated by non-profit community organizations under purchase-of-service agreements with the City, but 116 are commercial providers funded by the City and parent fees and 58 are directly operated by the City. Non-profit groups run about half of these centres in public schools, indicating the close connection between the municipality, the community, and the board of education in

caring for young children and supporting families. In addition, about 5,800 licensed home child care spaces are funded by the City.⁵

The City subsidizes more than half of licensed child care spaces for parents who cannot afford the full fee (\$1,400 annually). Single-parent families use most (75%) of these subsidized spaces. About a third are single parents receiving social assistance through *Ontario Works*.

In addition to licensed child care, the City, the school board, and not-for-profit community organizations offer a myriad of supervised but unregulated programs for children.⁶ A 1998 survey reported that 126 City-funded family resource programs and recreation programs were provided by the City and community-based organizations.⁷ The Toronto District School Board operated an additional 75 family and children's programs of this kind. Since 1998, these programs have struggled as a result of pressure on both the City and school board budgets. For example, under current budgetary conditions, these programs have difficulty retaining low-cost or rent-free space in community schools and civic facilities.

2.2 Demand for Child Care Is High

Citing the City's *Child Care Service Plan* (2001), Coffey and McCain point out that 71% of Toronto's paid workforce depend on child care in order to work and support their families. The availability of child care, then, is even more critical for low-income families and for single parent families. Yet *Taking Stock*, the 1998 survey of children's services, and the *Child Care Service Plan* both show that only one in five of Toronto's children have access to licensed child care, while about 15% of families receive service from family resource and parenting centres. Child care usage is much lower for the six- to twelve-year-old age group (9%) compared to the infant to five-year-old age group (23%).

Less than one-quarter of Toronto's low-income families have access to child care subsidies, although child poverty levels increased from 25.8% in 1991 to 32.2% in 1999, or almost 90,000 children.⁸ The waiting list for subsidized child care in Toronto has increased from 13,000 in 1999 to 15,100 in 2002.⁹ There is clearly an urgent need for additional child care spaces in Toronto and for increased subsidies to reduce and eventually eliminate the waiting list.

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5. Toronto Children and Youth Action Committee with City of Toronto, Human Resources Development Canada, and the Community Social Planning Council of Toronto. *Taking Stock: The Status of Child Care and Children's Services in Toronto* (February 1999).
 6. Unregulated in the sense that there is not a set of common service standards applicable to all programs as there is for licensed child care.
 7. *Taking Stock*, pp. 7-11.
 8. City of Toronto. *Report Card on Children in Toronto* (1999); United Way of Greater Toronto and the Canadian Council on Social Development. *A Decade of Decline: Poverty and Income Inequality in the City of Toronto in the 1990s* (2002).
 9. According to the City's Children's Services Division, this is a conservative figure that assumes that the Province's eligibility criteria are rigorously applied. The actual waiting list of applicants for child care subsidy is 17,000.

2.3 Off-Loaded Child Care Responsibility Has Led to Severe Underfunding

Although provincial government downloading has placed child care responsibility squarely on the City, and although *Ontario Works* targets set by the Province for the City have increased the demand for subsidized spaces, provincial funding to reduce the waiting list has not been forthcoming. Every year since 1999, the City of Toronto has set aside its 20% share for an expansion of subsidized child care spaces; the Province, however, has not released its 80% share to allow the City to tackle the waiting list.

The federal government launched an Early Childhood Development Initiative in 2001, providing \$2.2 billion to the provinces over five years. The Ontario government has not, however, applied these funds (a total of \$267 million in the last two years) to expanding child care services. Toronto's share of the federal Early Childhood Development Initiative would be about 20%, based on the City's population of children under 12 years old. Therefore, the initiative could have provided the City with \$22.8 million in 2001 and \$32 million in 2002 for child care expansion. The Ontario government has not forwarded this funding to the City, and, therefore, child care expansion has not happened. The province has instead used the money to fund an Early Years Centre in every provincial riding. These Centres provide "a place where parents and caregivers can get answers to questions, information about programs and services that are available for young children, and an opportunity to talk to early years professionals, as well as other parents and caregivers in the community."¹⁰

Further, according to a report in November 1999 called *A Comprehensive Summary of Child Care Issues, and a Proposed Plan and Timetable for Action*, the City's assumption of almost complete responsibility for children's services since the mid-1990s has meant underpaying child care operators for the true costs of providing subsidized child care. The report notes that the City has not built the centres required to meet demand, because the Province withdrew capital cost funding in 1995. Additional funding pressures placed solely on the City as a result of the provincial government's withdrawal of funding support include:

- retrofitting and replacing playgrounds as required by licensing standards (about \$35 million cost over a seven-year period);
- health and safety expenditures required by licensing (about \$1 million annually);
- barrier-free child care access (\$20 million over several years);
- funding pressures associated with the downloading of wage subsidies, family resource centres, and provisions for children with special needs;
- responsibility for meeting pay equity (about \$25 million).

This report concluded in 1999 that the cost of addressing the most immediate needs in the children's services area would amount to \$43 million, including reducing the subsidized waiting list by 2,000 spaces. In 2002, the City's Children's Services Division estimates that this cost has increased to about \$53 million. Assuming an 80–20 provincial–municipal cost-sharing arrangement and using the more conservative and documented 1999 estimate, the

10. Early Years website <http://www.ontarioearlyyears.ca/oeyc.htm>.

City's share of a program to address the most pressing needs would be \$8.7 million.¹¹ This rises to \$9.9 million when the inflationary cost of maintaining service standards is added.

Based on the preceding, then, bringing up the City's existing children's services to a minimally acceptable standard as well as starting a multi-year plan to reduce the subsidized child care waiting list would require \$49 million, shared as shown below on an 80–20 basis with the Province.

2.4 Minimal Investment Required

Minimal Investment Required (in \$millions)			
	Total	Fed/Prov	City
Relieving current pressures on children's services	29.3	23.4	5.9
Reducing child care waiting list by 2000 in 2003¹²	13.7	10.9	2.8
Annual inflationary cost to maintain service levels¹³	6.0	4.8	1.2
Minimal requirement to restore service standards	49.0	39.1	9.9

Beyond meeting pressing needs and restoring minimum standards for children's services in the City, planning for children's services should aggressively tackle the waiting list for subsidized spaces, which is now 17,000 names long. Assuming that 2,000 children could be accommodated in existing, underused facilities, a seven-year plan to eliminate completely the waiting list would require the following capital commitments and annual operating allocation.

Estimate of Longer-term Planned Response to Child Care Need in Toronto (in \$millions)

	Total	Fed/Prov	City
Total new operating cost of eliminating child care waiting list by 2010¹⁴	105.0	84.0	21.0
Total capital cost to eliminate subsidized waiting list over a 7-year period¹⁵	224.0	179.2	44.8
Total new funding for childcare to meet long-term need <u>only</u> in terms of eliminating subsidized waiting list	329.0	263.2	65.8

11. The 1999 City Report *A Comprehensive Summary of Child Care Issues, and a Proposed Plan and Timetable for Action* estimated the City's share to be \$7.5 million, due to variations in the cost-sharing formula applied. For purposes of simplicity and a conservative approach to City demands on senior governments, the 80–20 cost sharing split has been applied to all children's services provisions, leading to the higher suggested City share of \$8.7 million before adding the estimated inflationary cost of maintaining service levels. This is still less than the \$10.6 million City share if the current Children's Services Division requirement of \$53 million were used.
12. There is existing underused child care capacity for 2,000 subsidized spaces over the next year, although a plan to continue reducing the subsidized waiting list will require capital investment to create new spaces.
13. Estimate provided by the Children's Services Division in interview.
14. Assumes a reduction of the list by 2,000 spaces a year over seven years and 80–20 provincial-municipal cost sharing. Operating costs of expanding the system by 2,000 subsidized spaces are estimated at \$15 million.
15. At an average of 62 children per centre, 242 new centres would be required to accommodate 15,000 children on the waiting list. The capital cost of one centre is estimated at \$15,000 per child or \$930,000 per facility.

2.5 Conclusion

Child care and children's services more broadly are a critical component of the City's social infrastructure. The delivery of children's services requires the collaboration of the City with other public institutions such as the school board and community-based, non-profit organizations. To maintain this essential infrastructure, however, the requirements indicated above must be met. The implications for policy and action are:

- The City of Toronto must commit itself to restoring standards for children's services and to planning for and implementing system expansion to meet the needs of children and families in Toronto. Part of this commitment includes an annual allocation from the City's own revenue basis (20% share) as its contribution to the expansion and enhancement of essential supports to Toronto's children and families.
- The provincial government must commit itself to using federal Early Years funding and its own resources for its share of the operating and capital costs required to meet child care demand in Toronto and other Ontario cities, based on a mandatory cost-shared agreement, rather than the annual discretionary decision to allocate direct grants.
- Failing a cost-sharing agreement with the provincial government, the City of Toronto and other Ontario cities should have direct access to federal funds or new sources of tax revenue to provide early childhood services and care.

References for Children's Services

Documents

City of Toronto. *Action Plan for Children* (1999, 2001, 2002).

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United Way of Greater Toronto and the Canadian Council on Social Development. *A Decade of Decline: Poverty and Income Inequality in the City of Toronto in the 1990s* (2002).

Key Informant Interviews

Petr Varmuza, Children's Services, Director Service Planning and Support, City of Toronto

Jane Mercer, Executive Co-coordinator, Toronto Coalition for Better Child Care

3. Parks and Recreation Services

Parks and Recreation resources are essential, especially in urban centres where many people depend on recreational space and programs in lieu of access to a cottage or a commercial health club. Research shows that structured recreational programming provides tremendous social, health, and learning benefits to community participants.

Recent reports complement an already compelling body of evidence demonstrating that increased access to recreation is one of the most cost-effective interventions in improving the health and well-being of communities. Improving such access, however, requires ongoing investment. Unfortunately, over the last five years, not only has the City of Toronto failed to pursue investment strategies that enhance recreation facilities and program resources, but it has actually increased barriers to access and participation.

3.1 Strong Recreation Programs Have Important Health Benefits

More than a decade ago, research conducted by McMaster University showed that high-quality sports programs in public housing could significantly reduce the incidence of behavioural and emotional disorders in children and youth.¹⁶ Recent reports conclude that structured recreation programs help promote active citizenship among youth, improve both physical and mental health, and encourage better academic achievement.¹⁷ A 1996 report from the U.S. Surgeon General notes that there is:

Strong evidence to indicate that regular physical activity will provide clear and substantial health gains...Because physical activity is so directly related to preventing disease and premature death and to maintaining a high quality of life, we must accord it the same level of attention that we give other important public health practices that affect the entire nation. Physical activity thus joins the front ranks of essential health objectives, such as sound nutrition, the use of seat belts

16. Jones, M.B., and D.R. Offord. "Reduction of Antisocial Behaviour in Poor Children by Non-School Skill Development." *Journal of Child and Psychology and Psychiatry* 30 (1989): 737-750.

17. Beauvais, C. McKay, L., and Seddon, A. *A Literature Review on Youth and Citizenship*. Canadian Policy Research Networks Discussion Paper No. CPRN/02 (June 2001).

and the prevention of adverse health effects of tobacco... Being inactive is as risky to one's health as smoking.

Numerous studies have evaluated the impact of recreation programs on socialization and skill development among young people. These programs have been found to improve youth employment prospects and decrease the incidence of youth violence and crime.¹⁸

An analysis of the benefits of physical activity and recreation on Canadian youth at risk, conducted cooperatively by the Inter-Provincial Sport and Recreation Council, the Fitness Directorate of Health Canada, and the Canadian Parks/Recreation Association, found that physical activity helped youth at risk by:

- improving self-esteem and promoting self confidence;
- providing positive role models;
- teaching teamwork and social skills;
- providing a sense of belonging;
- reducing risk factors for disease;
- providing a means of releasing stress;
- promoting positive morals and values;
- teaching cognitive, leadership, and life skills;
- providing a sense of community;
- fostering family support.

In studies titled "When the Bough Breaks" and "Benefiting all the Beneficiaries," Dr. Gina Browne of McMaster University observed that the cost of offering single mothers on social assistance an array of support services, including access to recreation programs, was recovered within two years as a result of a lessened dependence on welfare, public health services, and other programs. When funding for the research ended, the City of Hamilton took over the project to continue both the cost savings and the social benefits.

3.2 The City Has Erected Barriers to Recreation Access

Over the last five years, despite high demand for recreation, broad public acceptance of the importance of recreational facilities and programs, and proposals for improving recreation services, the City has failed to make investments that would optimize participation in recreation.

Service Demands Exceed Supply

Demand for recreation services is high in Toronto. More than 150,000 Toronto residents participated in registered programs in 2001, signing up for 384,659 spots in 44,360 programs at

18. Krichbaum, D., and Alston, M. A. "Youth Restitution and Recreation: A Successful Mix" *Parks & Recreation*, vol. 26, pp. 42-45 (1991).

440 locations. In addition, Toronto residents joined in almost 10,000 drop-in programs from parent-and-child play groups to “pick-up” sports. Despite these impressive numbers, the demand for recreation significantly exceeds the supply. Many popular programs, such as skating and swimming classes, are oversubscribed.¹⁹ Long line-ups, jammed phone lines, and immediate over-subscription are common occurrences when registration opens at the beginning of each season.

Toronto City Council has not pursued proposals to ease over-subscription problems. A motion to ease over-subscription of free programs by adding \$600,000 to the Parks and Recreation budget in 2000 was cut by 50%, leaving 11,000 registrants on waiting lists for that season. A similar motion to eliminate over-subscription in free programs the following year, by adding \$900,000 to the Parks and Recreation budget for 2001 was defeated. Waiting lists continued to rise. By 2001, the full-year total for registrants left on waiting lists was 92,577.²⁰

Income Remains a Barrier to Access

With amalgamation came the harmonization of recreation user fees. The former City of Toronto imposed no recreation fees at all. Other former municipalities had a range of fee schedules and fee policies. The initial harmonization model, implemented in fall 1999, imposed fees on all adult programs and lifted fees for most children and seniors. Subsequently, in winter 2001, the City imposed fees on all but the most casual drop-in services. The imposition of fees has had a noticeable impact on program participation rates.

When the old City of Toronto began to charge fees, participation levels plummeted. Registrations in that area fell by 9,000 users between winter 1999 and winter 2000, a drop of almost 33%. Scarborough, which had charged user fees until 1999, experienced a huge increase in participation as free programs were introduced. Participation in recreation rose by 8,579 registrants in Scarborough between winter 1999 and winter 2000, a 45% increase.²¹

The principal barrier to achieving improved access by reducing user fees is the expense. Expanding access to the “priority centres” (recreation centres in low-income neighbourhoods) to cover all low-income neighbourhoods would require \$1.1 million.²² Retaining the exemption for children and seniors would cost \$5.1 million. A complete elimination of user fees would cost \$20.5 million.²³

Council's preferred compromise is to offer free recreation to individuals demonstrating an inability to pay, an approach known as the “Welcome Policy.” This has met with strong resistance, as low-income residents consider the need to declare their poverty to get access to

19. Report of the Commissioner of Economic Development, Culture, and Tourism to the Economic Development and Parks Committee, March 13, 2000, Attachment No. 1, p. 4.

20. Interview, Parks and Recreation staff, July 18, 2002.

21. Report of the Commissioner of Economic Development, Culture, and Tourism to the Economic Development and Parks Committee, March 13, 2000, Attachment No. 1, pp. 3-4.

22. Commissioner of Economic Development, Culture, and Tourism, High Needs Community spreadsheet, issued to Toronto City Council, July 1999.

23. Report of the Commissioner of Economic Development, Culture, and Tourism to the Economic Development and Parks Committee, February 6, 2001, Attachment No. 2, p. 2.

service demeaning, not welcoming. Less than 1% of recreation registrants have taken advantage of this offer.²⁴

Proposals to make recreation programs in priority centres free have met with mixed success. Council has repeatedly rejected efforts to ensure access to free recreation in neighbourhoods in which 25% or more of the households have incomes below the Low Income Cut Off (LICO) level, but has allowed free recreation in areas in which 40% or more people have incomes below the LICO level. The designated "priority centres" have experienced an 80% increase in registrations; only 12% of that increase can be attributed to registrants from outside the community travelling in to get the free services.²⁵

Response to Key Populations Is Inadequate

The City of Toronto has adopted several service objectives that involve recreation. Among them are its stated intentions to reduce the isolation of seniors, support healthy child development, and increase services to latch-key children. Council has so far rejected proposals that would enable the Parks and Recreation Department to play an effective role in realizing these goals.

The City's user fee policy originally waived fees for children, youth, and seniors. That exemption has since been eliminated (increasing user fee revenues by \$5.1 million yearly).

In 2000 and 2001, Council rejected requests from the Children's Action Committee to continue ongoing investments in programs identified by the Parks and Recreation Department as effective tools for serving latch-key children and pre-school children in high-needs neighbourhoods, and cut \$1.7 million in planned expenditures.

In 2001, Council curtailed funding for playground equipment for children attending City-funded daycare facilities, cutting \$1 million in planned expenditures.

Access to Facilities Is Decreasing

Provincial downloading has generated a downward pressure on recreation budgets, which has been compounded by a phenomenon known as "sideloading." Over the past seven years, the Government of Ontario has changed the funding of the education system in Toronto, tightening budgets and restricting the range of services for which schools receive funding. These changes have affected the provision of recreation facilities.

The City of Toronto not only owns and operates many community centres and indoor swimming pools, but also offers programs in gymnasiums, multi-purpose rooms, and 47 indoor swimming pools owned and operated by the public school system. As provincial funding for schools was gradually reduced, the school system faced the choice of closing these facilities or funding them from user fees. The City of Toronto absorbed the effects of cuts to school

24. Report of the Commissioner of Economic Development, Culture, and Tourism to the Economic Development and Parks Committee, March 8, 2000, pp. 3-4.

25. Report of the Commissioner of Economic Development, Culture, and Tourism to the Economic Development and Parks Committee, March 13, 2000, Attachment No. 1, pp. 3-4.

funding in part by paying rent for the facilities. Toronto pays \$5 million for access to gymnasiums and multi-purpose rooms each year and has recently settled a dispute over access to pools that set the new rental rate at \$6.3 million. Since Parks and Recreation budgets are not increasing, the imposition of new rental fees puts added pressure on other programs. As well, community programs displaced from school facilities because of the newly imposed rental costs have turned to local recreation centres for time and space, adding to the demand for access to recreation facilities. Despite these added pressures, Council has not pursued the planned program of capital expansion outlined below.

3.3 Regional Disparities Exacerbate Access Issues

The distribution of recreation services is also an issue. Although some areas are well served, there are no recreation centres whatsoever in the former City of York. Other communities, because of high demand and limited services, require new facilities.

City Council planned to address this issue by developing five new recreation centres in high-needs communities. The Department of Parks and Recreation conducted a formal needs assessment in 1999 and adopted a program for expansion that included new facilities in St. James Town, York, Parkdale, Western North York, and South Etobicoke. However, in the 2002-2006 capital budget, Council deferred spending on all of these projects except St. James Town until after 2006. As well, the St. James Town allocation was cut by one third, from \$15 million to \$10 million, eliminating the funds needed to construct a community pool that had been identified as a required recreational component for the community in the needs assessment.

3.4 Declining Physical Plant Causes Closures and Service Interruptions

The recreation facilities in Toronto are aging, but capital expenditures are not keeping pace with increased maintenance costs. Investment in “state of good repair” projects is below the industry standard by as much as \$100 million per year.²⁶ Some facilities, such as the pool at S.H. Armstrong, have been taken out of service because the Department cannot maintain them, while others, such as the gym at Jimmie Simpson Recreation Centre, see frequent interruptions in service due to ongoing deterioration.

3.5 Minimal Investment Required

Minimal new operating requirements

The City's inability to implement an effective, inclusive recreation strategy will continue to create burdens for low-income families, deprive children of access to skills development, and

26 The 2002 Parks and Recreation 10-year capital plan states: “When using the industry standard for state of good repair, the City should be spending approximately 2% of the value or \$120.32 million on state of good repair in its capital budget. The 2002 request for new state of good repairs is \$17.630 million.” Interview with Parks and Recreation staff, May 30, 2002: “The backlog is a huge number for pools, community centres, etc., already probably over \$100 million.”

reduce the recreational options available to urban youth. The following resources are required to restore in part the base capacity for the City to plan and develop more adequate and accessible recreation services and realize the attendant health and social benefits to the residents of the City.

Minimal New Operating Requirements (in \$millions)	
Item	Cost
Eliminate user fees	20.5
Fund recreation programs for school-aged children	1.1
Fund playground replacement	1.0
Expand programs to eliminate waiting lists	0.9
Fund preschool recreation programs	0.6
Fund children's physical activity project	0.1
Total	24.2

Community Pools and Cost-Sharing

Recreation services have traditionally been a municipal responsibility in Ontario, although the provincial government does provide some project and program funding. In this research, however, we assumed no provincial or federal contribution towards the operating costs of recreation services. We recommend that the City use new revenue sources or increased provincial and federal funding to other areas that provide relief on the property tax base to provide accessible, high-quality recreation services.

One exception should be made for recreation budget pressures on the City resulting from the "sideloading" of operational and facility costs for school swimming pools. Provincial funding cuts to the Toronto District School Board will lead to the closure of school swimming pools. Despite the evidence of the skills development and health benefits to children of swimming programs, the Ministry of Education does not consider school pools and swimming programs to be within its narrow definition of "classroom spending." These costs should really be borne by adequate education funding, but a conservative compromise would be for the Province to ensure funding for at least half of the cost of maintaining school pools and swimming programs across the City.

Cost Sharing of Community Pools (in \$millions)			
	Total	Province	City
School pool rentals	6.3	3.2	3.1
School facility rentals	5.0	2.5	2.5
Total	11.3	5.7	5.6

Capital Requirements

The capital requirements for bringing recreation facilities into a state of good repair and building high-priority recreation centres in the communities identified in the long-term capital plan include a proposed federal/provincial share, because community recreational facilities are important and legitimate forms of physical infrastructure for city residents, just like public transit equipment, roads, bridges, and sewers. Community recreational facilities should qualify for capital funding from physical infrastructure programs set up by the senior levels of government.

Long-Term Capacity Targets (in \$millions)

	Total	Fed/Prov	City
Fund state of good repair	100.0	50.0	50.0
Fully fund development of identified priority community centres			
St. James Town	5.0		
Parkdale	12.6		
South Etobicoke	3.8		
York	15.4		
Western North York	15.6		
Subtotal for community centres	52.4	26.2	26.2
Total Capital Requirements	152.4	76.2	76.2

3.6 Conclusion

Research consistently shows that access to recreation services is an integral part of any effective health promotion and community-building initiatives. Toronto's shrinking recreational infrastructure and increasing barriers to recreation suggest that realizing these objectives is becoming a more distant goal. The imposition of downloading, sideloaded, and the City's own choices regarding budget priorities have all contributed to the erosion of a significant component of our communities' social infrastructure.

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Kelvin Seow, Parks and Recreation, Operations Support Coordinator, City of Toronto

Neil Zaph, Economic Development, Culture and Tourism, Policy and Development, City of Toronto

Claire Tucker Reid, Parks and Recreation, General Manager, City of Toronto

Janet Balfour, Community and Neighbourhood Services, City of Toronto, and researcher for *Community Use of School and City-owned Space*

4. Public Health

Toronto's Public Health Department sets critical health standards, monitors community practice, and provides both central and direct field support to protect community health, eliminate health hazards, and prevent health risks. This municipal service provides an essential line of health protection to all City residents.

Included in Public Health's current activities are initiatives such as restaurant rating, smoking by-laws, testing the water at City beaches, issuing smog alerts, and monitoring the West Nile virus. The department also works to improve the health status of populations that are vulnerable as a result of poverty and other conditions, including single-parent and low-income families, youth, seniors, and newcomers.

Toronto has a long and impressive record in the public health field, dating back to the 19th century. High mortality rates in the early 1800s, resulting from poor sanitary conditions, became a concern for Toronto's lay and medical activists. When they realized that local councils were not willing to use their taxes to improve these conditions, they lobbied for provincial support. Provincial governments responded by creating local boards of health, particularly to address the spread of cholera in the 1830s. Toronto's board of health pioneered many North American initiatives aimed at improving urban health conditions including the reduction of typhoid outbreaks through the compulsory pasteurization of milk (1914), and efforts that saw Toronto become one of the first cities in North America to chlorinate drinking water (1919).

4.1 Public Health Plays a Central Role in the City's Social Infrastructure

Public health is a key part of the network of public, private, and volunteer services that make up the social infrastructure of the city. Like the physical infrastructure, investments in the social infrastructure today cannot be deferred indefinitely without incurring increased health, social, and economic costs in future (*State of the City's Health*, 1998). Nowhere is this truer than in the case of the responsibilities of the City's Public Health Department. Examples of this preventive work include:

- Investment in comprehensive pre-natal programs to relieve the effects of poverty on pregnant women (including poor nutrition, stress, and isolation), resulting in the improved birth weights of children. This investment is recouped many times over in the

reduced use of neo-natal care units and medical supports for lifelong disabilities associated with low birth weights.

- Educational activities and harm reduction programs to reduce the spread of infectious diseases.
- Direct observation therapy and support for individuals suffering from tuberculosis.

Reductions in public health programs immediately affect individual and community well-being. Many of these effects are irreversible. Restoring adequate public health funding will improve the health of all Torontonians, but it will not redress the deteriorating health conditions engendered by short-sighted budget cutting in a previous period.

4.2 The Capacity of Public Health to Respond to Needs Has Been Reduced

Before amalgamation, the City of Toronto had achieved some success in fulfilling basic public health objectives, but required enhanced resources to realize the full potential of preventive health initiatives. Since amalgamation, the City has not achieved even a modest level of harmonization in terms of service levels and access across the new City. For example, the old City of Toronto's dental program is now formally available to residents throughout Toronto—but residents must travel downtown to take advantage of the program.

The pressure of rising needs, periodic health emergencies that divert resources from routine activities (such as heat waves, outbreaks of meningitis, or perceived threats of bioterrorism), and the impact of provincial service directives have together reduced the Department's capacity to pursue effective public health initiatives in all City communities. Particular resource concerns in public health include the following:

1. Almost \$5 million in cuts to 18 Public Health program areas from 1998 to 2002. Examples include:
 - \$640,200 less for programs for vulnerable adults and seniors;
 - \$508,000 less for local education in physical activity, workplace health, and car seat clinics;
 - \$560,000 less for applied research, library networks, and student teaching;
 - \$249,000 cut through the centralization of Community Health Status policy and advocacy functions;
 - \$186,200 cut through the elimination of Health Information Analyst and reduced support to city-wide community coalitions;
 - \$200,000 cut through the elimination of Dental Group Education.²⁷

27. Compiled from City of Toronto Department of Public Health Operating Budgets 1998-2002.

2. An additional \$4 million in unmet staffing needs (“gapping” or not replacing vacant positions) has severely reduced program capacity and effectiveness. These unfilled permanent staff positions have had the following effects:
 - reduced pre-natal classes across the city, affecting 1,500 clients;
 - decreased number of parenting classes affecting 600 at-risk clients;
 - reduced support to elementary schools for programs on tobacco control, substance abuse prevention, injury prevention, violence prevention, and physical activity and nutrition promotion;
 - reduced participation with community partners in addressing community health issues such as food access and elder abuse;
 - 100 doctors’ offices not visited to ensure flu vaccines are stored correctly;
 - fewer flu clinics offered;
 - 870 fewer individuals followed up after exposure to tuberculosis;
 - 1000 fewer individuals not seen for treatment of sexually transmitted diseases.²⁸
3. No new resources have been allocated for the expansion of public health services in essential areas including:
 - programs for violence prevention in schools,
 - assistance for isolated seniors,
 - mental health supports for homeless and under-housed individuals and families.
4. Children’s programs not funded include:
 - \$725,000 for Early Child Parenting programs;
 - \$520,000 Prenatal Group Education for at-risk and high-risk women, both eligible for 50% Provincial contribution.²⁹
5. Other unfunded requests include:
 - \$150,000 Hot Weather Alert;
 - \$628,000 Public Health research and education activities;
 - \$378,000 retirement home programs;
 - \$165,000 sexual health clinics and promotion;
 - \$103,900 West Nile virus outbreak study.

Most of these unfunded programs are eligible for 50% Provincial contribution.³⁰

28. City of Toronto Budget Advisory Committee Briefing Note, February 7, 2002.

29. City of Toronto, *Children and Youth Action Plans and Report Cards*, 2001-2002.

30. Compiled from City of Toronto Department of Public Health budget requests 1998-2002.

6. Emerging concerns of a reduced access to affordable and nutritious food, an area of central importance to community health, have not been acted upon, despite extensive study and documentation of this need by the City's Food and Hunger Action Committee's 2000 and 2001 reports.³¹
7. Inequalities in service standards and program accessibility across the City have not been addressed.

The Public Health Department's capacity to provide proactive leadership to the City on health policy has been adversely affected by these trends. Over the past years, program development has shifted to a more crisis-driven model, providing programs in times of urgent need and moving away from work that would prevent the initial emergence of significant health concerns. This has resulted in more reactive and less cost-effective planning.

4.3 Minimal Investment Required

Minimal New Operating Requirements (in \$millions)

	Total	Fed/Prov ³²	City
Restoring selected cuts 1998-2002 unadjusted for inflation	5.0	1.2	3.8
Eliminating staff shortages³³	4.1	.9	3.2
Expansion of child-related programs	1.2	.6	.6
Expansion of other preventive services	3.7	2.3	1.4
Food and Hunger Action Committee's 2002 Recommendations	1.2	—	1.2
Totals	15.2	5.0	10.2

Redressing the capacity deficit in Toronto's public health department to implement programs and preventive health strategies across all communities in Toronto will require significant re-investment in this core component of the City's social infrastructure:

- A minimal requirement of \$9.1 million is needed to restore key program reductions and unmet staffing needs sustained over the past four years.
- An additional \$5.0 million is needed to enhance program levels in the areas of pre-natal and early childhood programs, research, and planning.

31. City of Toronto, *The Growing Season; Phase II Report of the Food and Hunger Action Committee*, February 2001.

32. Provincial funding is not available for all public health programs provided by the City, but on average, the provincial share amounts to about a third of total program budgets. When the City cuts or eliminates certain public health programs, it loses this provincial funding.

33. This reflects the costs of "gapping" (that is, leaving positions vacant), which City Council has set at 4.6% for the department. Actual emergency demands related to an increase in cases of tuberculosis have reduced this to 1.8% in practice. To permanently eliminate staff shortages in the department from the City target of 4.6% would require bringing the base budget up to just over \$4 million, shared 50–50 with the Province.

- An additional \$1.2 million is needed to implement the initial recommendations of the City's Food and Hunger Action Committee to ensure that "every Toronto resident has access to an adequate supply of nutritious, affordable, and culturally appropriate food."³⁴
- Additional resources still to be determined will be required for violence prevention in schools, assistance for isolated seniors, and mental health supports for homeless and underhoused individuals and families.

4.4 Long-Term Capacity Targets

Currently Toronto Public Health program standards are not fully compliant with the Province's *Mandatory Health Programs and Service Guidelines*. Of 17 provincially mandated programs delivered by the City, only five achieved 100% compliance, according to the Province's *Mandatory Program Indicator Questionnaire* (MPIQ) data for 2000. This included only a 33.3% compliance rate in the area of equal access, 69.4% for child health, 68.9% for injury prevention, 65.0% for early detection of cancer, 57.1% for reproductive health, and 60% for tuberculosis control.

A report published October 21, 2001, by the Medical Officer of Health concludes that the City will continue to fall short of these compliance standards in 2002 as a result of expanded provincial requirements combined with "city budget pressures, the consideration of service cuts to accommodate base budget adjustments, the ever-increasing needs of our clients, and the escalating public health challenges since the spring...These are serious concerns for the Board of Health and our mandate to protect and promote the health of people who work, live, play, and visit in Toronto."

There is an urgent need to restore needs-based budgeting to comply fully with provincial standards and to enhance the City's capacity to identify needs, assess different treatment and preventive options, ensure access to programs in all communities across the city ("harmonization"), and support program adjustments based upon comprehensive evaluation.

4.5 Conclusion

Despite the essential nature of public health services, the growing population of Toronto, and increasing levels of poverty that adversely affect the health of more and more residents, the City has failed to allocate adequate resources to support effective public health programming in many areas.

34. City of Toronto, *Toronto's Food Charter*, 2001.

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- Jack Lee, Ontario Board of Health
- Mary Graham, Public Health, Director of Support Services
- Carol Timmings, Public Health, Director, Family Health and Healthy Lifestyles (East Region)
- Hazel Stewart, Public Health, Director, Dental and Oral Health Services
- Sue Makin, Public Health, Director, Family Health and Healthy Lifestyle (North Region)
- Fran Scott, Public Health, Director of Planning and Policy

5. Public Library Services

Public libraries constitute one of the most important community institutions in the information age. Yet libraries are often taken for granted, and defended only when residents notice cut-backs in hours of operation, the unavailability of current publications, or poor upkeep and maintenance of the buildings.

Libraries are at the heart of the communities they serve, giving people of all ages and social backgrounds access to the widest possible range of information, knowledge, and services. Libraries support formal education, literacy, and lifelong learning. Public libraries have a special role in helping to establish and sustain the flow of information within excluded groups and communities.

The Toronto Public Library system (TPL), with its 98 branches, is an amalgamation of six municipal library systems and the Metro Reference Library. These systems had diverse operating philosophies and varying funding support. Before amalgamation, libraries in some of the former cities were underfunded and in a relatively poor state of repair. There were also significant disparities in staffing levels, rates of pay, hours of service, and collection budgets. These inequities have carried over to the new library system and determine many of the funding and organizational challenges that need to be addressed.

5.1 Libraries Face Cuts While Demand Increases

Since 1991, the operating budgets for library systems have been cut by \$13.8 million, or 11%. The collections budget alone has been reduced by 13% or \$2.1 million—adjusted for inflation, this represents a 25% decline. Staffing levels have decreased by 535 full-time equivalent positions (FTE) or 23%.

These reductions have occurred despite increasing levels of library use. In 2001, public visits increased by 7% or 1.13 million visits. Use of the library's electronic services increased by 53% or 2.859 million e-visits. The number of holds (books on reserve) filled increased by 25% or 500,000 in 2001, after a 40% increase in 2000. At present the library moves about 105,000 books and other materials around the City each day, or over a million boxes of books a year.

5.2 Libraries Are Understaffed

At the beginning of 2002, unfilled vacant staff positions in the library system stood at 4.9% of the full-time staff complement. With a total staff of 1,811 FTE's in 2001, this means that at any given time 89 staff positions were unfilled (representing \$4.5 million of an annual salary budget of \$92.5 million).

This budget practice of “gapping” erodes service standards and impedes accessibility. Understaffing results in reduced service to the public in the forms of longer waiting times for reserved books, lags in processing requests, longer lines at checkouts, and other problems. Several times during 2001, staffing shortages became so severe that the TPL came close to shutting branches to accommodate regular levels of staff absences caused by illness and vacation.

The practice of gapping also affects the morale of library staff who must take on tasks that would otherwise be shared by others. This leads to an increased incidence of illness, work-related stress and injuries, repetitive strain injuries, and Workers' Compensation claims.

In 2002, the City allocated \$1.2 million to partly reduce this persistent shortage, however, the Library Board had not yet allocated the full amount to reducing gapping as of spring 2002.

Before amalgamation, the wages paid by the different municipal library systems varied widely. This disparity in wage levels, which was higher in the library system than in other municipal departments, means that library budgets must be increased as wages are harmonized.

5.3 Collections Are Falling Behind

The library system collection includes books, magazines, newspapers, CDs, DVDs, and videos. The need to expand the collection results from the increase in demand after amalgamation and the need to catch up for several years during which the collections budgets remained static.

In 2002, TPL asked for \$700,000 to expand the collection budget, but this request was not approved. As a result, about 28,000 new items will not be acquired. As noted previously, the collection budget has declined by 25% over the past decade. In spring 2001, library research indicated that user satisfaction with the availability of new materials was 20% lower than all other major satisfaction levels.³⁵

TPL also did not receive sufficient funding to offer a complete range of reading programs recommended in the Action Plan for Children, 2002, or to fully fund its Teen Zone website.

35. City of Toronto, *2002 Operating Budget, Presentation to Budget Advisory Committee, City of Toronto* January 10, 2002, page 10.

5.4 Funds for Repairs and Information Technology Are Needed

TPL has accumulated a \$21 million shortfall in spending on repairs since amalgamation. The backlog will not be reduced in 2002. The system's total physical assets are valued at \$420 million and it needs \$10 million annually (2.5% of the total value) to maintain those assets in good repair. In 2002, TPL requested capital funding of \$17 million to maintain its building stock and to improve its information technology systems. Only \$11.8 million was approved, of which \$7.5 million was for repair work. TPL did, however, receive \$2.6 million for other building needs for a total of \$10.1 million. The greatest needs are in Scarborough and the old City of Toronto.

5.5 Minimal Investment Required

Minimal operating requirements

Like recreation services, libraries have traditionally been primarily a municipal responsibility paid for out of property taxes. For that reason, the \$5.75 million shown below as the budgetary requirement for bringing library operations up to a minimal standard does not include any contribution from the senior governments. The City should meet its commitment to a high-quality library system through its property tax revenues, especially if senior governments provide funding for other areas, thereby releasing part of the property tax base for other expenditures.

Minimal Operating Investment Required (in \$millions)	
Operating Investment	\$millions
Bring departmental gapping to zero	3.50
Adjusting collection budget for inflation since 1991	2.10
Expansion of reading programs	0.15
Total	5.75

Minimal capital requirements

As with capital needs for recreation centres, the case can be made that capital costs for maintaining library buildings should qualify for federal and provincial funds made available as part of any municipal infrastructure programs.

Minimal Capital Investment Required (in \$millions)			
	Total	Fed/Prov	City
Eliminate state-of-good-repair backlog	\$21.2	\$10.6	\$10.6

5.6 Conclusion

Along with community centres, parks, and local schools, libraries are part of a network of public spaces and community meeting places that are increasingly at risk for lack of resources. A regenerated library sector would help both individuals and communities develop skills, find needed social supports, and reduce inequities in the access to information and learning opportunities.

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Key Informant Interviews

Larry Hughsam, Toronto Public Library Senior Manager, Finance

Christina Duckworth-Pilkington, CUPE Local 416

Rob Rolfe, CUPE Local 416

6. Public Shelters

“...homelessness in Toronto has reached a level we have never seen in our history. This growing problem shows itself in many ways. More and more people live on the streets or sleep in shelters. The pressure on drop-in centres, food banks, and other emergency services is increasing all the time. Evictions are on the rise. Waiting lists for social and supportive housing keep getting longer.” (*Mayor's Homelessness Action Task Force, January 1999*)

6.1 Homelessness Has Reached Crisis Proportions

Despite the recommendations of numerous studies and reports, the crisis of homelessness in Toronto continues to grow. Experts argue over the precise numbers of homeless individuals who are sleeping outside. Estimates range from 200 to 1,000 on any given night. Certainly workers for various night-time street outreach services regularly check on hundreds of people.

Additionally 63,110 households were on the waiting list for subsidized housing as of November 2000.³⁶ At present there are few options for Toronto tenants looking for affordable rental accommodation.

Exacerbating the problem are the almost 2,300 eviction applications that are filed each month. The Ontario Rental Housing Tribunal sets 1,200 eviction hearing dates a month; about 85% of them are for rent arrears.³⁷

Low-income tenants typically spend between half and two-thirds of their income on rent.³⁸ In 1996, 37% of tenant households were in “core housing need” (a term coined by Canada Mortgage and Housing Corporation that represents housing need as the lack of adequate,

36. City of Toronto, *Report Card on Homelessness, 2001*.

37. Ibid.

38. Canada Mortgage and Housing Corporation, *Toronto Region Rental Market Survey, 2001*.

suitable, and/or affordable housing). Of these households, 91% faced affordability problems.³⁹ This situation has worsened since that time.

Experts agree that the only real solution to ending this crisis is to build affordable housing. Until that happens, however, the City must provide clean, safe, and good-quality shelters for its homeless residents.

6.2 Shelters Are Almost at Capacity

The City of Toronto's Report Card on Homelessness for 2001 estimated that 36,000 people will use emergency shelters in 2002, including 7,300 children. Although two-parent families with children and couples are the fastest-growing groups of shelter users, many young people and single adults also depend on the system.

There are currently 4,417 beds in use within the system including:

- 1,520 beds for single adult men;
- 538 beds for single adult women;
- 365 beds in mixed adult shelters;
- 532 beds in youth shelters;
- 18 beds in the Out of the Cold shelters (this number increases during the winter months);
- 1,444 family occupancy places, including 542 beds in motels on Kingston Road.

The occupancy rate of the adult and youth shelters was 95%, as of September 2002. City Council passed a resolution in April 2000 supporting the objective of maintaining the level of the emergency shelter system for adults and youth at no more than 90%.

6.3 New Shelter Standards Have Been Proposed

A current staff report on shelter standards⁴⁰ should help improve conditions in current shelters, and ensure that new shelters are built to proper specifications. If adopted, these new shelter standards would be implemented by December 31, 2003, replacing current standards approved in 1997.

A central recommendation of the report calls for a minimum sleep area of 3.5 square metres per person. This corresponds with the sleeping area required for United Nations refugee camps. The capital costs for implementing this standard is \$15,346 million with a cash flow distributed over five years, funded from City debt. The capital costs are included in previously approved \$35 million for shelter development approved by Council in 1999.

39. Canada Mortgage and Housing Corporation, Special Studies on the 1996 Census Data: Canadian Housing Conditions from the CMHC Socio-economic Series Issue 55-1 (1996).

40. City of Toronto, Staff Report, New Shelter Standards (October 24, 2002).

Other standards will include:

- one toilet for every 15 residents;
- one shower for every 20 residents;
- food safety and nutrition standards;
- age-appropriate recreational experiences for children and youth;
- mandatory training for staff and staff codes of conduct.

6.4 Minimal Investment Required

The City's Advisory Committee on Homeless and Socially Isolated Persons passed a motion on November 1, 2002, reaffirming the demand for 200 new shelter beds to be added on an emergency basis. The city estimates that it will need to add 2, 473 beds over the next ten years. The immediate cost would be \$3.4 million in operating costs to add the first 250 beds, with the City being responsible for \$1.2 million.

In capital expenditures, the annual cost would be \$12.4 million, cost-shared with the Province on a 50–50 basis. The net capital cost to the City would be \$6.2 million.

The City is not recouping the full costs of running shelters. While the Province funds shelters on an 80–20 basis, as of January 1, 2001, they have imposed a \$38 cap per person per day. In Toronto the cost of a shelter bed is closer to \$45 per day, which results in a shortfall to the City. In 2001, this shortfall totalled \$14 million.⁴¹

Minimal investment required (in \$millions)

	Total	Fed/Prov	City
Minimal New Operating Requirement: the annual additional cost to expand the shelter system by 2,473 beds over 10 years. The full additional annual operating cost would be \$34 million in 10 years.	3.4	2.2	1.2
Minimal New Capital Requirement (10 years): Based on expansion of facility capacity by 2,500 beds over ten years at an annual capital cost of \$12.4 M (\$6.2 million net annual capital cost to the City).	124.0	62.0	62.0

6.5 Conclusion

The need to spend additional resources on public shelters indicates Canada's failure to provide adequate levels of affordable housing. The demand for shelter beds would diminish in the long run if enough housing was created that is truly accessible to low-income families and individuals. In the short run, however, more public shelter beds and more decent shelter living conditions are desperately needed.

41. City of Toronto, *Report Card on Homelessness, 2001*.

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Canada Mortgage and Housing Corporation. *Toronto Region Rental Market Survey: Apartments with 3+ units* (2001).

City of Toronto. *New Shelter Standards*, Staff Report (October 24, 2002).

Ontario Non-Profit Housing Association website: www.onpha.org

Key Informant Interviews

Greg Sutter, Policy Development Officer, Social Development and Administration, City of Toronto

Noreen Dunphy, Housing Policy Analyst, Ontario Non-Profit Housing Association

7. Environment

The major areas in which the City can improve the physical environment are public transit, implementation of the Environment Plan, waste diversion programs, and making the City's beaches safe for public use.

7.1 Public Transit Contributes to Cleaner Air

There is widespread agreement that the expansion of public transit is one of the most important environmental initiatives that the City can undertake. Congestion, smog, and noise contribute to a declining quality of life in the City. Traffic congestion increases the cost of doing business in Toronto. Smog contributes to health care costs, by increasing the incidence of asthma and other lung disease, and leading to premature deaths for about 1,000 Torontonians each year. Poor-quality public transit also puts those who live outside of the central City at a disadvantage by limiting their access to jobs and services, including recreation.

However, since 1990 the quality of transit has decreased. Surface routes have been cut by 10 to 20% while fares have doubled.

Before 1992, the provincial government paid most of the capital costs for transit. In addition, the province contributed to operating costs, assuming that 67% of operating costs would come from fares. Today, transit riders pay for more than 80% of operating cost through the fare box. Therefore, since 1992 about 15% of public subsidy—\$100 million—has been lost. As well, the entire operating subsidy must come from the City, since the Province no longer contributes to operating costs.

In terms of capital costs, a temporary agreement has been reached whereby each level of government—federal, provincial, and municipal—will pay one third. However, the provincial share is capped at \$110 million and is contingent on participation by the other two partners. The federal government has provided one-time funding which must fit the requirements of the green municipal infrastructure fund. There is no guarantee that the funding will be available next year. These are temporary solutions only; budget problems will continue in the years to come.

Long-term, sustainable, predictable funding is needed for both the capital and the operating budget, and this funding must be matched to a level of service. The TTC will need an estimated \$80 million next year, close to \$100 million the following year, and even more the year after that. Although public transit is an essential part of the City's social and community infrastructure, it has some public profile and is getting some political attention. Therefore, the above figures are not presented in our Tables, which focus on less well-known areas of community and social infrastructure.

7.2 The City's Environmental Plan Remains on the Back Burner

In April 2000, the City endorsed an Environmental Plan, which envisions a "cleaner, greener, healthier and more sustainable future" and establishes directions in "many (but not all) key areas."⁴²

The Environmental Plan outlines:

- a vision for an environmentally sustainable future;
- a goal for sustainability;
- environmental principles to guide decision-making;
- recommendations to improve the health of the natural environment;
- interim indicators for monitoring environmental performance;
- recommendations on governance structures and processes that will help build environmental considerations into decision-making processes.⁴³

The City has taken little action on the priorities identified in the Plan. Coordination between departments has not improved and the Plan has not been integrated into the City's decision-making processes. Environmental problems and goals are not adequately monitored and information on the City's environmental performance is lacking.

Federal and provincial governments allocate a minimal amount to municipal environmental programs. Green infrastructure funding is inadequate. The City has to pay for its environmental plan out of property taxes.⁴⁴

Since it was developed, the Environmental Plan has remained on the back burner. There has been no consistent or substantive funding for implementing environmental initiatives.⁴⁵ Implementation seems to depend on the source of funding.

In August 2000, Toronto City Council approved a report titled *Resource Implications of the Environmental Plan*. This report's preliminary figures suggest that the City must spend

42. City of Toronto, "Environmental Plan; Clean, Green and Healthy, a Plan for an Environmentally Sustainable Toronto," Final Report: City of Toronto Environmental Task Force, (February 2000) available online: http://www.city.toronto.on.ca/council/environtf_clean_green.htm

43. Ibid. p vi.

44. Interview with Gord Perks.

45. City of Toronto, Audit Committee Report No.6 for City Council Consideration on June 18, 2002, page 34; interview with Gord Perks.

\$13,895,300 in operating and capital costs. The report also outlines more than 35 additional areas for which staff could not assign dollar figures. These uncosted areas represent considerable amounts of money and have significant long- and short-term capital and operating implications.⁴⁶

7.3 Waste Diversion Is Now the City's Sole Responsibility

Before 1995, one-third of the cost of operating the blue box program was paid by the province, the federal government, and specific industries. Today the City pays for 100% of the waste diversion program. Some funding for glass recycling comes from the LCBO, but the funding does not cover the complete cost of recycling wine and liquor bottles. The City receives revenues from selling blue and gray box materials. The City estimates that the current recycling program costs about \$10 million plus unspecified capital costs.

In June 2001, Mayor Mel Lastman announced the 2010 Waste Diversion plan with great fanfare. The program would introduce "three-stream recycling" across the City. In addition to continuing with blue and gray box recycling, residents will be asked to separate organic materials from other forms of waste. They would be provided with composting containers, which would be collected by the City so that the material composted centrally.

The new system is to start in Etobicoke in 2002, Scarborough in 2003, and the rest of the City through 2004 and 2005. Although Etobicoke will go ahead this year, Scarborough will be delayed because of the need to buy new trucks at a cost of \$9.2 million. Approval to go ahead with the purchase is expected in mid-2002. The City must also purchase composting carts for Scarborough residents (at a cost of \$2.4 million).

7.4 The Wet Weather Master Flow Plan Needs to be Implemented

Toronto's beaches are an important resource for the City and its residents. Until recently, the City's beaches were largely closed to swimming because of pollution from the City's storm sewers.

Many areas of the City have combined sanitary and storm sewers. As well, many residences have downspouts connected directly to storm sewers. During heavy rainfall, these systems are overloaded, and sewage and other pollutants are dumped directly into Lake Ontario.

The City has built two large stormwater retention tanks—one in the eastern part of the City and one in the west at a capital cost of \$55 million. As a result, beaches in these two areas are open for swimming more often. However, this system may not be able to handle the demands of higher population levels. Furthermore, in the last five years the City has allowed five beaches to revert to parkland because they were too polluted for public use.⁴⁷

46. Corporate Response to the Environmental Plan, Recommendations Identified During the 2000 Budget Process and Identified for Implementation by the City's Environmental Task Force in 2000, Appendix B.

47. Interview with Shelly Petrie.

The *Wet Weather Flow Master Plan* analyses alternative solutions, and a report is expected in fall 2002. Possible policy positions include:

- redevelopment charges;
- a downspout disconnection by-law phased in over three years (for the first two years, residents would get rebates for disconnecting their downspouts; in the third year, disconnection would be mandatory);
- decreases in pesticide use.

Implementing these programs will cost an undetermined amount of money.

7.5 Minimal Investment Required

Minimal new operating and capital requirements (in \$millions)			
	Total	Fed/Prov	City
Operating: Unfunded 2002 Environmental Plan	2.3	0.33	1.97
Capital: Waste Diversion Program	11.6	3.90	7.70
Total operating and capital	13.9	4.23	9.67

The preceding does not include public transit requirements, nor provision for the City's Wet Weather Master Flow Plan, for which there are no reliable cost estimates.

We have recommended a one-third share by the provincial and federal governments, for which the funding of the blue box program up to 1995 serves as a precedent. Certainly, environmental protection and preservation is an issue of broad public concern and a legitimate area for shared jurisdictional responsibility with senior governments.

7.6 Conclusion

Environmental protection programs highlight the important connection between the physical and social environments of urban life. Affordable public transit systems can reduce automobile congestion and smog. Waste diversion can reduce the amount of garbage going to land-fill sites. Sewer improvements can improve water quality along Toronto's shoreline. Above all, a commitment to implementing Toronto's own Environmental Plan will send the message to all residents that the City puts a high priority on ensuring that the city remains liveable for future generations.

References for Environment

Documents

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City of Toronto. *Audit Committee Report No.6 for City Council Consideration* (June 18, 2002).

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Key Informant Interviews

Gord Perks, Toronto Environmental Alliance

Shelly Petrie, Toronto Environmental Alliance

8. Settlement Support

Data from the 2001 census indicate that immigration has now become Canada's most important source of population growth: "With natural increase declining, immigration accounted for more than one-half of Canada's population growth between 1996 and 2001."⁴⁸

Average immigration levels between 1998 and 2000 were 197,000 persons a year, and these levels are projected to continue for 2002.⁴⁹ More than 70% of immigrants settle in Canada's three largest cities (Toronto, Vancouver, and Montreal⁵⁰), and 47.5% of those settle in the GTA.⁵¹ These rates result in estimated increases of approximately 60,000 to 70,000 new immigrants and refugees settling in the Greater Toronto Area every year. Conservative estimates for the percentage of these newcomers that will settle in the City of Toronto would be 20% of this total or 13,000 a year. Toronto's Draft Official Plan, released in June 2002, estimates that Toronto will grow by a minimum of 537,000 persons over the next 30 years, or 20% of an overall 2.7 million new residents in the GTA. More than 70% of these residents will be new immigrants and refugees.

The colour of Toronto has changed, and will continue to change dramatically as a consequence of these trends. In 1961, visible minorities made up only 3% of Toronto's population. By 2001 visible minorities composed the majority, at an estimated 53%.⁵² Toronto has become not only Canada's most ethnically diverse centre but ranks among the world's leading cities in cosmopolitan status.⁵³

48. Statistics Canada. *A Profile of the Canadian Population: Where We Live* (2002).

49. Citizenship and Immigration Canada. *Pursuing Canada's Commitment to Immigration: The Immigration Plan for 2002* (October 2001).

50. Organisation for Economic Co-operation and Development. *Trends in International Migration 2001* (2002), p. 144.

51. Shields, John. *No Safe Haven: Markets, Welfare and Migrants*. Paper presented to Canadian Sociology and Anthropology Association, Congress of the Social Sciences and Humanities, Toronto (June 1, 2002), p.8.

52. *Toronto Star*, May 25, 2002.

53. Shields., *No Safe Haven*, p 8.

8.1 The Social Exclusion of Newcomers Is Growing

Meanwhile, the social exclusion of newcomers is increasing. “The most prominent signs among immigrants are the high levels of joblessness and underemployment, polarization of income levels, expanding rates of poverty and the growing geographic isolation of ethnic and racial minorities. Dramatically weakened safety nets and publicly supported settlement services have served to deepen the tensions within the immigrant population.”⁵⁴

In Toronto, the association of poverty with minority ethno-racial status—that is, the racialization of poverty—has grown significantly. The 1996 census data indicated that non-European groups had family poverty rates more than twice the levels experienced by families of European and Canadian origin.⁵⁵

For families from East and Southeast Asian and the Pacific, the *least* disadvantaged non-European region, the incidence of poverty is *twice* as high as for European-origin families, 29.6 versus 14.4%. For Latin American ethno-racial groups, the incidence of family poverty is 41.4%, for Africans, Blacks and Caribbeans it is 44.6% and for Arabs and West Asians it is 45.2%—all roughly *three* times the European average.⁵⁶

8.2 Programs that Help with Successful Settlement Have Been Compromised

The ultimate goal of settlement is successful integration, usually defined as the ability to contribute, free of barriers, to every dimension of Canadian life, economic, social, cultural, and political.⁵⁷ A comprehensive set of settlement services would include labour market programs, social services, and general welfare supports, augmented by community services and language training. The common definition of settlement services, however, includes only community services and language training, and ranges from initial, short-term services that provide food, clothing, shelter, and orientation about the host country, to longer-term services such as language instruction, help in finding affordable housing, job search assistance, and skills upgrading. The three levels of government and the not-for-profit sector are involved to varying degrees in delivering these services.

Over the last decade settlement processes in Toronto have been severely compromised, for two reasons:

- Cuts and restructuring. Significant cuts have been made in provincial funding for settlement services. Provincial downloading has led to cuts in social assistance, social housing, child care and public health. The restructuring of unemployment insurance programs has affected newcomers, who face continued barriers to employment. Fi-

54. Ibid., p 22.

55. Ornstein, Michael. *Ethno-Racial Inequality in the City of Toronto: An Analysis of the 1996 Census*. Report prepared for City of Toronto, Chief Administrator's Office (2000), p. i.

56. Ibid., p. ii.

57. Simich, Laura. *Towards A Greater Toronto Charter: Implications for Immigrant Settlement*. Report prepared for the Maytree Foundation (September 11, 2002), Section 6.0.

nally, shifts to a more flexible “just in time” labour market have affected newcomers in the work force.

- Lack of coordination. The Ontario and federal governments have failed to establish agreements on sharing financial responsibilities for settlement or to negotiate appropriate roles for all stakeholders, including the City of Toronto and non-profit settlement service organizations.

8.3 Program Cuts and Restructuring Affect Immigrants Disproportionately

In Ontario, financial support for non-profit settlement service organizations probably peaked at about \$70 million in 1994. The Province contributed about 42% of this funding, 35% came from the federal government, 8% from the City, 7% from the United Way, and the remaining 8% from other charitable sources.⁵⁸

In 1995, the Province revamped its support to settlement services and other neighbourhood programs, cutting community settlement resources by at least 50%. These cuts included:

- Almost \$4 million in cuts to the Newcomer Settlement Program funding, including shifting funds from core to project funding and eliminating many useful programs.⁵⁹
- Closing three Ontario Welcome Houses in Scarborough, North York, and downtown Toronto; these houses had provided comprehensive settlement services, including translation and interpretation services that are now no longer readily available.
- Elimination of the provincial Multilingual Access to Social Assistance Program, which had helped clients receive social assistance.
- Unilateral cancellation of the Province’s contribution to the Community Neighbourhood Services Support Program, resulting in the closure of many small agencies that had provided settlement services, and significant program cuts to the surviving agencies.

Other across-the-board cuts to community service agencies have affected immigrants disproportionately as they often have more difficulty accessing non-settlement services that others take for granted.⁶⁰

Changes in education funding have severely reduced critical settlement supports in Toronto’s schools. According to the most recent data, Toronto has lost 60% of its ESL teachers in the past five years owing to shortfalls in the province’s funding formula. The City’s drop in ESL teachers is twice that of any other municipality in Ontario.⁶¹

Cuts to these services have taken place within the broader context of diminished support for essential social and health programs in Ontario (including social assistance, social housing, child care, and public health), and the downloading of responsibilities to municipalities with-

58. Richmond, Ted. *Effects of Cutbacks on Immigrant Service Agencies: Results of an Action Research Project*. Report prepared for City of Toronto, Public Health Department (September 1996), pp. 3-4.

59. Simich, *Towards A Greater Toronto Charter*, Section 6.0.

60. Ibid.

61. People for Education survey, *Toronto Star*. “Cuts hit ESL hard, survey finds.” (June 1, 2002).

out a corresponding transfer of adequate revenues. These program cuts affect all residents, but are particularly hard on vulnerable populations in our city, including immigrants and refugees.

8.4 Funding for Immigrant Settlement Programs Has Been Cut Back

Most funding for settlement services in Toronto is now provided by the federal government, and allocated by the Ontario branch of Citizenship and Immigration Canada in the form of two programs:

- Language Instruction for Newcomers to Canada (LINC), which provides language training in one of Canada's official languages to adult immigrants to facilitate their social, cultural, economic, and political integration into Canada;
- Immigrant Settlement and Adaptation Program (ISAP), which facilitates the adaptation, settlement, and integration of newcomers to Canadian systems.

In 1998–99, Ontario received more than \$5 million through ISAP and more than \$50 million for the LINC program.⁶² In the absence of an agreement between the federal and provincial governments on devolution of settlement services, federal settlement funds for Ontario have increase by about \$35 million annually. Because these funds are not permanent, most of the money has been allocated to information and education initiatives, as well as special and pilot projects.⁶³

Recent shifts in labour market structures and support are further undermining the settlement process. One recent analysis concludes that:

Growing immigrant inequality is largely the consequence of the absence of sufficient numbers of good jobs because of the expansion of “flexible” labour markets, growing ethnic and racial employment barriers, and the reshaping of welfare/social policy that has lessened its supportive role while promoting new labour market structures.⁶⁴

Federal changes to Employment Insurance eligibility and benefits have also adversely affected immigrants. Employment training and job placement services for newcomers facing significant employment barriers are scarce, although demand for these services is extremely high. Most newcomers do not qualify for the programs currently available under Employment Insurance programs.⁶⁵ The difficulties experienced by many newcomers in establishing the validity of their foreign trade or professional credentials remains a formidable barrier to effective settlement.

The Ministry of Training Colleges and Universities have allocated some additional Provincial resources to help newly arrived professionals employ their skills more quickly in Ontario. The

62. Simich, *Towards A Greater Toronto Charter*.

63. Mwarigha, M.S. *Towards a Framework for Local Responsibility*. Report prepared for the Maytree Foundation (January 2002), p. 19.

64. Shields, *No Safe Haven*, p. 21.

65. Simich, *Towards A Greater Toronto Charter*.

2001-2002 Ontario budget committed \$4 million a year for three years to “bridging” programs intended to provide foreign-trained professionals with the additional training they need to meet Ontario standards, without duplicating the training they received before coming to Ontario.⁶⁶

Since labour market integration is the single most important determinant of economic security in our society, it is not surprising that poverty rates have risen as many immigrant families are faced with increasingly restricted access to stable and well-paid employment.

8.5 Lack of Coordination and Shifting Responsibilities Cause Instability

The federal government continues to devolve its responsibility from the direct administration and funding of settlement services to partners at the provincial or local level. Quebec has been given greater autonomy in settlement policy and more recently, negotiations for a transfer of responsibilities were successfully completed with other Canadian provinces, including Manitoba and British Columbia. To date, however, no agreement on sharing financial responsibilities for settlement services has been completed with Ontario.⁶⁷

This failure has caused funding instability and led to large gaps in service. Because the federal government cannot constitutionally deal directly with municipal governments, where most of the services are actually delivered, the lack of provincial approval has compromised settlement service support.⁶⁸

The federal government is currently undertaking its first review and evaluation of the ISAP program. Policy and funding changes emerging from this review must be monitored to ensure that they do not undermine the capacity and effectiveness of non-profit settlement organizations that are currently supported by these funds.

8.6 What Is Needed

Given Toronto's growing ethnic diversity, it is clear that the future vitality, social well-being, and economic health of the city will be determined to a large degree by the City's success in redressing the negative impacts of government downloading and restructuring on the immigrant settlement process.

At present, the City takes on only residual responsibilities for supporting newcomers to Toronto. For example, in 1999 the City spent about \$24 million to provide social assistance to refugees and immigrants whose sponsorship arrangements had broken down, and an additional \$1.9 million to house refugees in emergency shelters.⁶⁹ In addition, the City provides limited support through its Access and Equity grants to ethno-specific agencies (\$470,000 in

66. Ontario Ministry of Training, Colleges and Universities, *Business Plan, 2001-2002* (2001).

67. Mwarigha, *Towards a Framework for Local Responsibility*, p. 12.

68. Shields, *No Safe Haven*, p. 14, and Mwarigha, *Towards a Framework for Local Responsibility*, p. 12.

69. City of Toronto. Commissioner of Community and Neighbourhood Services. *Terms of Reference: Immigration and Settlement Policy Framework*. Report to City of Toronto Community Services Committee (May 1, 2000).

2002), but no program funding for settlement services generally, because such programs are considered the responsibility of the federal and provincial governments.

Even if municipal contributions were to increase substantially in these areas, the settlement needs of Toronto residents would not be adequately addressed by the City's filling of gaps caused by piecemeal federal and provincial policies and services.

Increased commitment from all levels of government to improve the coordination, planning, and effectiveness of the settlement process, and to work collaboratively with all stakeholders is essential. Stakeholders who should be directly involved in any planning and policy development include:

- non-profit settlement service organizations in Toronto, which can mobilize community expertise needed to ensure culturally appropriate service delivery and community development initiatives;
- community charities and private foundations that support the sector (including the United Way of Greater Toronto and the Maytree Foundation);
- government ministries with mandates related to the labour market, education and training, health, and social service components of the settlement process.

In many ways, the settlement process presents a relevant and urgent test case for figuring out how social infrastructure in our city should be appropriately supported by federal and provincial governments, enabled by integrated social and economic planning, and implemented at the local level through adequately resourced municipal services (such as housing, child care, or public health) and a strong community-based not-for-profit sector.

8.7 Conclusion

The City of Toronto has a key leadership role to play, working with all settlement stakeholders to:

- promote the significance and urgency of establishing effective settlement supports in our City, both with policy-makers and with the public;
- help strengthen the organizational capacity of Toronto's ethno-specific communities and non-profit settlement agencies by providing increased resources for networking and collaboration;
- reiterate demands for a federal/provincial agreement on settlement as a primary requirement for any "new deal" between the city with other levels of government;
- convene and manage a process with all stakeholders to articulate a coordinated framework that will support effective settlement in Toronto.

References for Settlement Support

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Key Informant Interviews

Ratna Omidvar, Executive Director, Maytree Foundation

Ted Richmond, Administrative Coordinator/ Business Officer, CERIS (Joint Centre of Excellence for Research on Immigration and Settlement)

9. Community Capacity

9.1 Toronto's Community-Based Not-for-Profit Sector Offers Unique Services

Government-run services and programs and not-for-profit community-based agencies work interdependently to deliver a full range of social infrastructure supports necessary for maintaining healthy, vibrant, and supportive communities.

Government services, though essential, are not sufficient to ensure strong, resilient, and inclusive communities. Families and individuals are also directly supported by the community-based not-for-profit sector across Toronto in numerous ways, through the delivery of accessible community-based services including day care, after-school programs, ESL, literacy, settlement counselling, social supports (e.g. drop-ins for isolated adults, seniors centres), employment readiness programs, parenting programs, crisis intervention programs, home visiting interventions, and support groups.

Toronto's large network of independent, community-driven, not-for-profit organizations is highly diverse in form and function:

- Agencies vary in size from emerging organizations with a few part-time staff to medium-sized and large organizations employing hundreds of staff.
- They provide a wide variety of community supports to specific population groups or whole communities.
- They are organized to deliver support to people in a particular geographic area (neighbourhood level to citywide), or with a particular affiliation (such as specific ethnic groups), or to provide a particular service (such as children's services, services to disabled people, or services to newcomers).

Led by community-based boards of directors, these organizations shape initiatives from the ground up, mobilize trained volunteers and skilled staff, and secure government funds and private donations to achieve community-defined objectives. As skilled and experienced practitioners in community building, these organizations are often most effective in addressing public social policy objectives "on the ground."

Community-based not-for profit organizations offer unique forms of support through their capacity to:

- develop appropriate responses to address poverty and social exclusion;
- involve diverse communities in building solutions to shared concerns;
- sustain community discussion, planning, and ownership;
- support local problem identification—the community's eyes and ears on trends and emerging issues;
- deliver services to populations who are most isolated and vulnerable;
- increase access and equity, bridging language and cultural barriers to institutions and public services;
- provide ongoing awareness of and timely response to changing community needs;
- generate innovative and appropriate program designs to meet unique local needs;
- promote preventive approaches to problems;
- connect the community with other resources, acting as catalysts to get other sectors (public and private) working together and responding effectively to local issues.

Community programs reduce social isolation, stress, and conflict, and promote increased knowledge, skill acquisition, self-confidence, and self-esteem. A growing body of research confirms that these programs support healthier individuals, strengthen families, improve the life chances of children and youth, and raise the overall levels of social cohesion in neighbourhoods. These impacts are cost-effective for society, as they reduce the demand for primary health care, incarceration costs, and more expensive interventions to disadvantaged community members.

9.2 Civic Participation Fosters Community Cohesion

In addition to its service role, community organizations also make critical contributions to community cohesion and economic well-being through the mobilization of volunteers and the promotion of civic participation.

A 1996 survey of 382 community agencies in Metro Toronto reported the involvement of 28,000 volunteers in direct helping roles, administration, fundraising, and organizational governance.⁷⁰ Using national data on average annual hours contributed by volunteers at a minimum wage rate (\$6.85), and extrapolating the volunteer levels of this survey sample across the sector, the estimated monetary value of this volunteer time would be more than \$150 million a year.

Not-for-profit organizations encourage community participation and leadership and provide an important forum for deepening democratic process and inclusion in local decision-making. This process in turn nurtures the fundamental practices that support active citizenship in our society.

70. Community Social Planning Council of Toronto, *Profile of a Changing World*, 1997.

A wide-ranging consultation in 2000-2001 on the City's Social Development Strategy that involved 260 people in 22 focus groups across the City concluded:

A major strategic direction of the social development strategy is to strengthen communities. This clearly is the cornerstone of civic partnerships. Civic engagement begins and is sustained in local community life. The focus group sessions revealed the depth of community stakeholder activity in all parts of the city. There is a strong core of active residents, sectoral leaders and committed workers on the front lines of community support. Together, they are the social glue connecting people of all backgrounds and circumstances to their communities.

Strengthening civic partnerships with local communities requires some serious rethinking by the city. In both policy and practice, the city must first recognize that community-based agencies, whether supporting local neighbourhoods or specific population groups, are essential resources for the social development of the city. Their role goes beyond service delivery to promoting civic engagement, leadership development, and community responsibility.

In all their diversity, community-based agencies are the hubs of social participation in the city. They enable people to find their own individual ways of contributing to social life. In reaching out and engaging more vulnerable and marginalized people, community-based agencies are the first source of civic order and public safety in Toronto.⁷¹

9.3 Municipal Grants Support Community Not-for-Profit Organizations

Almost 1,000 community-based agencies receive program or project funding from City grants to provide important support to individuals, families and communities.⁷² The community grants program is one way that the City works in partnership with a vital community sector that provides a wide range of essential services, such as:

- meals-on-wheels and friendly visiting programs helping elderly and disabled people stay in their own homes rather than move to institutions;
- skilled counselling and peer support groups for dealing with marital problems, helping keep families together, and assisting victims of domestic abuse and violence;
- youth services to steer young people away from the drugs and violence of street life and into structured social, educational, and recreational activities and programs that build job-related skills;
- language and settlement supports welcoming and assisting new Canadians to participate in the social, economic, and cultural life of the community;
- arts programs and activities that provide opportunities for the development of artistic talents and the celebration of diverse forms of cultural expression.

71. Community Social Planning Council of Toronto and City of Toronto. *Preserving Our Civic Legacy: Final Report of the Community Consultation on Social Development* (2001), pp. 32-33.

72. Acting Commissioner of Community and Neighbourhood Services, Report to Grants Sub-Committee (December 31, 2001).

At \$38 million, the City's grants program costs the average Toronto property tax-paying household less than \$2.00 a month (By comparison, police services cost the average Toronto property tax payer almost \$32.00 a month). Toronto's grants program is only 0.6% of the City's total approved budget, less than the grants programs of Vancouver (1.64% of approved City budget), Ottawa (1.6%), and Winnipeg (1.4%). Toronto's grants program provides funding support amounting to \$16.50 per person per year, which again compares unfavourably with Ottawa (\$32.87), Winnipeg (\$24.00), and Vancouver (\$18.00).⁷³

9.4 Destabilizing and Inequitable Conditions Affect the Community Service Sector

The community service sector in Toronto has contended with major destabilizing forces since the mid-1990s, including:

- agency closures, program losses, and staff reductions mostly resulting from federal and provincial funding cuts⁷⁴;
- restructuring in the public sector, which has increased costs to community agencies and affected the sector's service capacity (including user fees and new charges for use of civic and school space);
- competition from commercial operators targeting "profitable client populations," which threatens to undermine the not-for-profit service sector, sacrifice service quality, and preclude volunteer involvement.⁷⁵

There are also major inequities within the community sector that need to be addressed:

- some parts of the new City are less well served than others, even though they also have high needs;
- some particularly vulnerable communities receive few resources and have been hardest hit by federal and provincial funding cuts (including new immigrants and refugees, ethno-cultural and racial minorities, Aboriginal people, women, youth, and people on low incomes);
- less-well-established, newer, and smaller community agencies are struggling in this environment.

9.5 Minimal Investment Required

In the first year of amalgamation, the City of Toronto reviewed all its grant programs to determine the level of resources needed to create equitable standards in the grant programs across the City. The resulting "leveling-up" or "equity" requirement was calculated at \$6.9 million of new funding to the consolidated community grants budget. Although considered a

73. Ibid.

74. Community Social Planning Council of Toronto. *Profile of a Changing World* (1997); City of Toronto and Social Planning Council of Metropolitan Toronto, *1995 Community Agency Survey* (May 1996).

75. Community Social Planning Council of Toronto. *Merchants of Care? The Non-Profit Sector in a Competitive Social Services Marketplace* (1996).

conservative estimate based strictly on program delivery needs, community advocates accepted this target for an increase to the overall grants budget. In the 1999 budget process, they urged that City Council adopt a planned approach for achieving the \$6.9 million equity objective by allocating about \$1.4 million grants budget increases every year for a five-year period.

This advocacy campaign has been waged annually during the budget process since 1999, with the following results:

Requests for Funding and City Council Responses, 1999–2002

Budget Year	Community Sector Grants Increase Position	City Council Grants Decision	Balance on \$6.9 million equity objective
1999	Re-allocate ⁷⁶ \$1,300,000	Reallocated \$900,000	\$6.0 million
2000	Increase by \$1,400,000	Increased by \$500,000	\$5.5 million
2001	Increase by \$1,400,000	Flatlined grants budget	\$5.5 million
2002	Increase by \$1,400,000	Increased by \$250,000 but denied \$637,000 inflationary factor, resulting in \$387,000 net loss	\$5.9 million

9.6 Conclusion

The equity objective presented above applies strictly to the program delivery needs of community agencies to deliver more equitable services across the City. It does not take into consideration the core funding needs of the sector for maintaining stable operations in service to their communities nor planning for future demands.

A joint Community–City Work Group on Stable Core Funding has been established to re-search these requirements, which are being recognized internationally as central to the social fabric and participatory culture of cities.

References for Community Capacity

Acting Commissioner of Community and Neighbourhood Services. *Report to City of Toronto Grants Sub-Committee* (December 31, 2001).

Community Social Planning Council of Toronto. *Merchants of Care? The Non-Profit Sector in a Competitive Social Services Marketplace* (1996).

Community Social Planning Council of Toronto. *Profile of a Changing World* (1997).

Community Social Planning Council of Toronto and City of Toronto. *Preserving Our Civic Legacy: Final Report of the Community Consultation on Social Development* (2001).

76. The City discovered that the consolidation of all seven municipal grants programs in 1998 had resulted in under-allocating its grants budget by \$1.3 million during the year. The community argued that these funds should be reallocated into the grants budget in 1999 as a first installment on the \$6.9 million equity objective. City Council decided to reallocate only \$898,000 into the grants budget.