

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

Executive Summary & Introduction

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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.

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November 2002

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

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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	

1.6 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.