

A CITY LEFT BEHIND:

Poverty Reduction, Election Promises, and the 2019 Budget

PROGRESS ASSESSMENT: YEAR 1 OF 4

FEBRUARY 2019

EXECUTIVE SUMMARY



ABOUT SOCIAL PLANNING TORONTO

Social Planning Toronto is a nonprofit, charitable community organization that works to improve equity, social justice, and quality of life in Toronto through community capacity building, community education and advocacy, policy research and analysis, and social reporting.

Social Planning Toronto is committed to building a “Civic Society,” one in which diversity, equity, social and economic justice, interdependence, and active civic participation are central to all aspects of our lives — in our families, neighbourhoods, voluntary and recreational activities, and in our politics.

To find this report and learn more about Social Planning Toronto, visit socialplanningtoronto.org.

REPORT AUTHOR

Beth Wilson

CONTRIBUTORS

Devika Shah, Lisa Ferguson

A City Left Behind: Poverty Reduction, Election Promises, and the 2019 Budget

ISBN: 978-1-894-199-50-6

Published in Toronto
February 2019

by Social Planning Toronto
2 Carlton St., Suite 1001
Toronto, ON M5B 1J3

ACKNOWLEDGEMENTS

Many thanks to City staff from the Affordable Housing Office and Children's Services Division for their quick and helpful responses to our requests for information regarding the budget.

FUNDING SUPPORT

Our thanks to our key funders, United Way Greater Toronto and the City of Toronto.



EXECUTIVE SUMMARY

In Toronto, one in five adults and one in four children live in poverty, with much higher rates among Indigenous, racialized, and newcomer communities.¹ Hundreds of thousands of people across the city are struggling to make ends meet. Toronto suffers from an ongoing housing and homelessness crisis. We have a critical lack of high quality, affordable child care, a costly and crumbling public transit system, and lengthy waiting lists for affordable recreation programs.

THE PROSPERITY PLEDGE: A 2018 ELECTION COMMITMENT TO TAKE ACTION ON POVERTY

In the lead up to the 2018 City of Toronto municipal election, Social Planning Toronto, Commitment TO Community, and Faith in the City asked candidates for mayor and City Council to sign the “Prosperity Pledge,” an election promise to follow through on actions to advance the City’s Poverty Reduction Strategy during the 2018–2022 term of Council. The Pledge included specific, measurable commitments to be met by 2022, with a focus on housing and homelessness, public transit, child care, and recreation.

19 of the 26 elected members of Toronto City Council, including Mayor Tory, signed the Prosperity Pledge — a total of 73% support from the new Council.

2019 CITY BUDGET SHOWS MAYOR AND COUNCIL NEED TO PICK UP THE PACE IN DELIVERING ON ELECTION PROMISES

The 2019 City budget offers the first opportunity for Toronto City Council to begin to make good on its election promises to act on poverty during the current term of Council. This report assesses their progress to date, and the news isn’t good. Our analysis of the preliminary 2019 City budget suggests that, **if Toronto City Council maintains its current pace of action, it is unlikely to deliver on six of the seven specific actions it committed to by 2022.**

POVERTY REDUCTION PROGRESS BEYOND THE PROSPERITY PLEDGE

In response to the hardship that many residents face, Toronto City Council unanimously adopted *TO Prosperity: Toronto’s Poverty Reduction Strategy* in 2015.² It is important to acknowledge that since the adoption of this strategy, Council has taken some important steps beyond the seven pledge commitments, including:

- providing free public transit for children under 12,
- introducing reduced transit fares for social assistance recipients,
- expanding nutrition and social-recreational programs for children and youth,

- contributing to the expansion of child care subsidies for low-income families, and
- committing City-owned lands for the development of new rental housing.

Despite these initiatives, the city's affordability crisis persists, requiring bold action now and over the next four years of this term of Council.

CURRENT PACE OF ACTION

The table opposite is an illustrative exercise to demonstrate the number of years it would take to deliver on each election promise, based on the current pace of action. Our calculations are based on publicly available information included in City of Toronto budget documents and Toronto City Council minutes. Where information was unclear in the budget documents, we contacted senior City staff to request clarification of figures. All sources are cited in the text, and the appendix includes a clear description of our calculations.

This exercise illustrates Council's slow start in delivering on critical issues affecting Toronto communities that a majority of members of Council committed to during the election. Based on the current pace of action, commitments on affordable housing and child care, in particular, will take over a decade to fulfill.

It is important to note that these figures can change if:

- our governments at the municipal, provincial or federal level choose to invest, or make funding cuts, in the related areas. For example, the City of Toronto has made applications for funding through the federal government's National Housing Strategy. Similarly, any order of government may make funding decisions that impact child care access and the affordability of child care; or
- Toronto City Council chooses to either raise revenue or shift existing priorities in order to fully fund its own plans and deliver on its election promises to reduce transit fares and expand recreation spaces. We certainly hope those Council-approved plans will be fully funded and implemented on schedule. However, our calculations are based on the present state of funding, not stated intentions.

RELIANCE ON SENIOR ORDERS OF GOVERNMENT AND DELAYS IN COUNCIL-APPROVED IMPLEMENTATION PLANS

In areas of shared governmental responsibility, the City is largely relying on senior orders of government to come through with new funding to address the critical shortage in supportive and affordable housing and child care spaces and subsidies. Certainly, the provincial and federal governments have a responsibility to act. However, mounting crises, born out of political neglect over decades, show we ought not to put all of our eggs in that basket.

With regard to the expansion of shelter beds, City budget documents suggest that all 1,000 new beds will be added by 2020. That will be an important accomplishment. However, the reality is that all of those beds are needed right now. As City documents reveal, respite centres, Out of the Cold programs and 24-hour drop-ins are assisting over 1,000 people a night who can't access a proper shelter bed.³ Further, without increased investment in affordable and supportive housing, the homelessness crisis will continue to grow, putting more pressure on the City to respond through the further addition of shelters.

Prosperity Pledge election promise to be fulfilled by 2022	Based on Current Pace of Action		
	# Years it Will Take to Fulfill Election Promise	Year Election Promise Will Be Fulfilled	Age Mayor Tory Will Be When Promise Fulfilled
7,200 new supportive housing units	16.9	2035	81
At least 8,000 new deeply affordable rental housing units	14.1	2033	79
1,000 new shelter spaces	1	2020	66
Reduced TTC fares for an additional 157,000 lower-income adults	6.8	2025	71
11,500 new child care spaces	24.5	2043	89
5,000 subsidized child care spaces	26.3	2045	91
40,000 new recreation program spaces	5.3	2024	70

See appendix for details on these figures.

In areas where the City has a primary responsibility, such as increasing access to affordable transit for low-income residents and improving access to recreation programs, the City is delaying full implementation of Council-approved plans.

On the following two pages, we show the progress to date on each of the four areas.

HOUSING AND HOMELESSNESS

Supportive housing: Of the 7,200 new supportive units in the Pledge, 1,278 new units/supports will be provided over the next three years. There are no plans for the remaining 5,922 units/supports.

Deeply affordable rental housing: Of the 8,000 new deeply affordable rental housing units in the Pledge, 1,707 units/allowances will be provided over the next three years. There are no plans for the remaining 6,293 units/allowances.

Shelters: Of the 1,000 new shelter spaces in the Pledge, all 1,000 are expected to be completed in 2020.

CHILD CARE

Child care spaces: Of the 11,500 new child care spaces in the Pledge, 2,817 will be completed by 2024. There are no plans for the remaining 8,683 spaces.

Child care subsidies: Of the 5,000 new subsidies in the Pledge, 760 will be added by

2022. There are no plans for the remaining 4,240 subsidies.

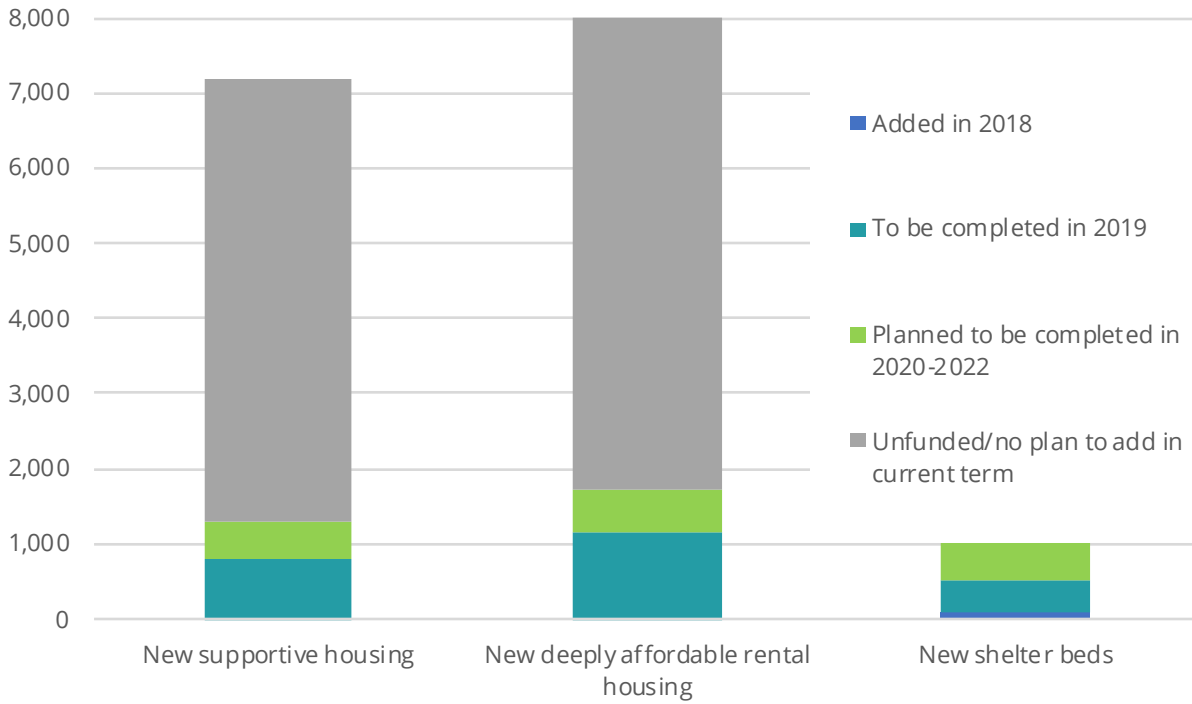
PUBLIC TRANSIT

Reduced transit fares: The Pledge called for reduced transit fares for an additional 157,000 lower-income adults. The 2019 budget expands eligibility for 23,000 adults. At present, funding to expand eligibility for the remaining 134,000 adults is not confirmed.

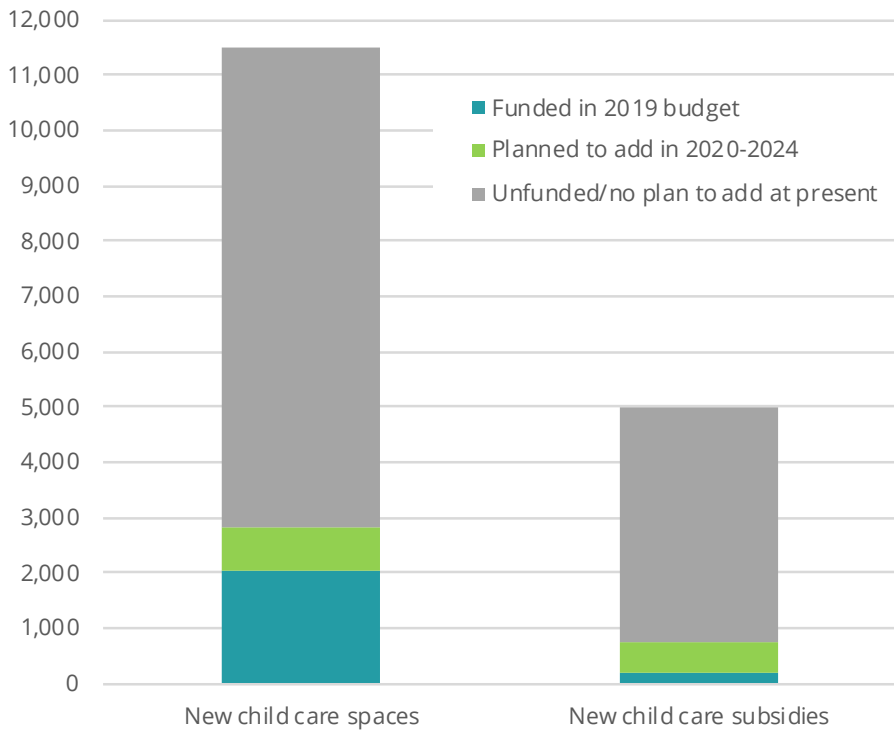
RECREATION

Recreation program spaces: Of the 40,000 new recreation spaces in the Pledge, 7,500 are included in the 2019 budget. The remaining 32,500 are unfunded.

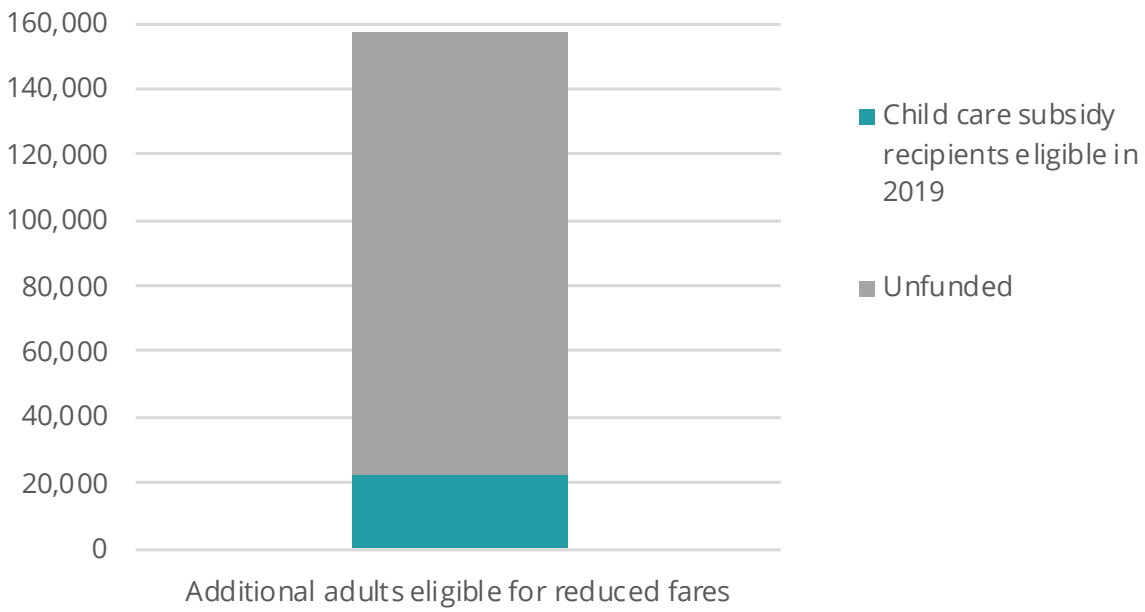
Housing and Homelessness



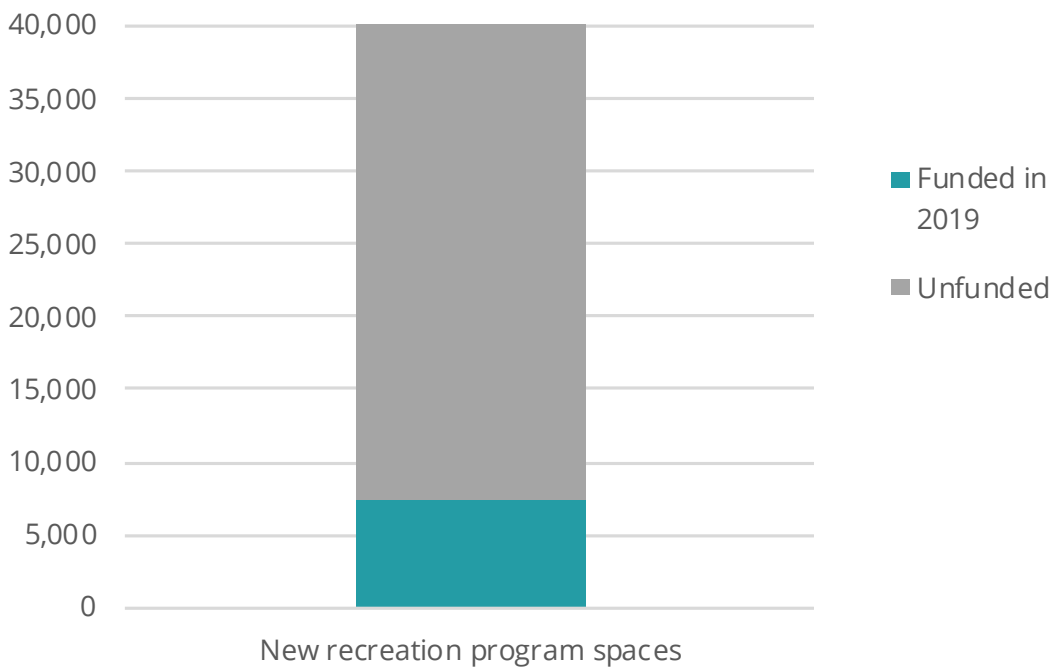
Child Care



Public Transit



Recreation



TORONTO THE GOOD? IT'S A CHOICE

Rather than fully funding Council-approved strategies and plans, the budget reveals the real priorities of Council — low property taxes that especially benefit the affluent, no new revenue tools (i.e., taxes from other sources), and expensive capital projects that don't deliver on the critical needs of Toronto residents. For example, the City's capital budget prioritizes unnecessarily expensive capital projects like the rebuild of the Gardiner Expressway, an option that breaks the bank to save drivers a few minutes on their commute while leaving precious little for affordable housing and other infrastructure needs. The current budget is designed to serve the most affluent Torontonians at the expense of everyone else, especially the poorest of our city.

TIME FOR THE MAYOR AND CITY COUNCIL TO GET THIS BUDGET BACK ON TRACK

The good news is the 2019 City budget process is not over.

There's still time for the Mayor and Toronto City Council to make real change for the hundreds of thousands of Toronto residents struggling in our city. The Mayor's Executive Committee meets on Monday, March 4, to review and make recommendations on the 2019 City budget. Toronto City Council holds the final vote on the budget at its March 7

meeting. At either meeting, the Mayor and members of Council have an opportunity to get this budget back on track.

We urge Toronto City Council to either raise new revenue or shift existing priorities in the 2019 budget in order to:

- fully fund Phase 2 of the Transit Fare Equity Program to extend eligibility for reduced transit fares to Toronto residents who receive housing supports,
- follow Council's original plan to expand recreation program spaces by 25,000 in 2019,
- fund all 760 child care subsidies in 2019 rather than phasing in the new subsidies over four years, and
- increase funding for deeply affordable rental housing, supportive housing, and child care spaces to ensure that Council is well situated to deliver on its housing and child care promises by 2022.

We also strongly recommend that Council recognize Toronto's homelessness crisis as a human rights disaster, affirm the human right to housing, and take immediate action with its provincial and federal counterparts that reflects the urgency of this life-and-death crisis in our city.

Now is the time for the Mayor and members of Council to show they're serious about making good on their election promises and to signal a strong commitment to action on poverty for the next four years.