

Can Toronto be Run Like a Business? Observations on the First Two Years of the Ford Mayoralty in Toronto¹.

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Mayoral candidate Rob Ford's speech at the National Ethnic Press and Media Council of Canada (August 9, 2010):

I come from the private sector, where my father started a labeling company....I'm proud to say that with the help of my brothers we have expanded to three locations in New Jersey, Chicago and Rexdale, and we now employ approximately 300 people....What I have seen in the last ten years is very disturbing at City Hall. I've seen taxes go up and services go down... In the private sector, we deliver, it's very simple. The first rule is, the customer is always right. The second rule is, repeat the first rule...In politics we should take the exact same attitude....The taxpayer is the boss of all the civil servants....I really take a business approach to politics...in that customer service is lacking at city hall. ...Customer service is number one.

Downloaded on May 10, 2012 at: <http://www.youtube.com/watch?v=QOBotCHFRZE>

Video interview with Rob Ford on the day before the 2010 election:

...[my brother and I have] run my father's business that he started in 1962. We've expanded into Chicago and New Jersey. That's the business approach I want to take to running the city. You have to have business people running the city. People knowing how to create a job. Knowing how to meet a payroll, and knowing everything about customer service. And customer service is number one in business, and it's missing down at city hall.....[Our family business is] doing very well now. ..It's teamwork with hundreds of employees. That's where my leadership skills come into play. I know how to build an empire with many different nationalities as you see.....

Downloaded on May 10, 2012 at: <http://www.youtube.com/watch?v=e7AgBEQferU>

From Mayor Rob Ford's speech to Empire Club, 14 October, 2011:

One key ingredient in any solution to Toronto's financial challenges will be a new relationship with our employees. Together with our Agencies, Boards and Commissions, the City of Toronto employs over 53,000 people. The vast majority of these are hard-working men and women who take pride in what they do for Toronto. But, the fact remains that it takes 37 homeowners to pay for each city worker.

The math is simple. The average city employee costs taxpayers just under \$90,000 – that's salary and benefits. The average homeowner pays the city \$2,400 in tax each year. So, it takes about 37 average homes to pay for each and every city employee. That's 37 taxpayers. That's 37 private sector jobs to pay for one public sector job.

We need to find better ways of doing business. We need to trim our workforce down to a sustainable, affordable size.

Downloaded on May 10, 2012 at:

http://www.toronto.ca/mayor_ford/speeches/2011/statement-14oct11.htm

City of Toronto Posting for Doug Ford, the councilor, and brother of Mayor Rob Ford:

President of Deco Labels & Tags that employs 250 people in Toronto, Chicago and New Jersey. In 1999 Doug went to Chicago to open Deco's first U.S. division. In the first 5 years Deco moved four times to larger facilities In 2008, we purchased a company in N.J. where Deco is experiencing tremendous growth. "I will take my 25 years of business experience to City Hall."

Downloaded on May 10, 2012 at: <http://www.toronto.ca/councillors/ford1.htm>

I. The Question

After a six-month campaign, Rob Ford was elected mayor of Toronto in October 2010, with 380,201 votes, or 47 percent of the total. His closest rival, George Smitherman – the former deputy Premier of the Province – received 36% of the votes. Ford's victory, which had not been expected at the beginning of the campaign, has been interpreted in many ways. But one of the more significant interpretive threads is his approach to running the Toronto City Council. As illustrated in the quotations and references above, and as he repeatedly stated during his campaign, Ford promised a "businesslike" approach to the management of the City Council, an approach which he claims is demonstrably different from what he has characterized as the "gravy train" approach of the previous administration under David Miller (2003-2010).

Since his formal inauguration in December 2010, Ford has attempted to both reconfigure and reorient the manner in which the City operates. Since his "business" model seems to be central to many of his proposals, it is worth considering as a serious approach to policy-making in a large, and very important, Canadian city. The central question we consider in this paper is the extent to which the city can be operated as a business, according to "business" principles, or the extent to which some of those principles are not appropriate in a democratically-elected local body.

2. The City of Toronto: A Political Institution with Strange Bedfellows

The City of Toronto, like other large cities in Canada and elsewhere in the developed world, includes both political (elected) and administrative (technical and appointed) components. As directed by various Acts of the Ontario government, the Mayor and the city's 44 councillors are elected every four years by the local population. Those who carry out the city's policies – the civil service and administration – are selected according to protocol and criteria defined by provincial legislation. Normally, the city administrators and civil servants work on a permanent basis, or until their positions are terminated according to agreement. Unlike the family business of the Ford brothers, which has revenue of approximately \$100 million and employs 300 people (according to Rob Ford¹), the City of Toronto has an annual revenue of close to \$12 billion, and employed 51,733 people in 2012 (City of Toronto 2012e). And although we do not know how the Ford business is actually structured, because it is a family-run, private corporation, we do know that the City of Toronto is a very complex organization.

One somewhat obscure, but very important aspect of the organization of the city is its collection of so-called ABCCs, or agencies, boards, commissions and

¹ According to Rob Ford's brother, Doug Ford, and as posted on the City of Toronto's website, the company employs 250.

corporations. These bodies, according to the City's reckoning, are numerous. In 2007, the City estimated their number to be 119, of which (at the time) 60 were Business Improvement Area (BIA) boards. At that time the City Manager's office estimated that they were responsible for fully 33% of all operating expenditures in the city, and for 47% of its capital expenditures. (City of Toronto 2007). Currently, in 2012, the City lists (without the BIA's) at least 76 on its website (City of Toronto 2012a). In addition it lists 72 BIAs.

ABCCs develop policy for, and administer important services for Torontonians. As is the case for other cities in Canada, many municipal services are administered through these "arms-length" or special purpose bodies – instead of being run directly through the central bureaucracy of the City – for a number of legal and historical reasons (Richmond and Siegel 1994). Each agency has its own history and narrative, but almost all include both elected councilors and citizen members.

The Toronto Public Library Board, for example, supervises 98 library branches throughout the city, which account for 17 million visitors per year. The Board consists of the Mayor (or his designate), 3 councillors, and 8 volunteer citizens. The Board meets at least monthly, on a regular basis. In the 2012 budget, the library system was projected to have 1,718 permanent positions, and to draw on \$158,881,000 in net operating revenue (City of Toronto 2012d). Another important agency in this group is the Board of Health. This particular Board, which reports directly to City Council without having to report first to a standing committee, consists of 6 councillors and 7 citizens. Its executive officer is the Medical Officer of Health of the City. The Board of Health will spend approximately \$228,226,700 this year on the operating side, with 74% of its funding coming directly from the Province of Ontario, the rest from user fees, property taxes, and other city divisions (City of Toronto 2012b). The Department disposed of 1,876 full-time positions in 2012. Other important ABCCs include the Police Services Board, the Toronto Transit Commission, the Toronto Hydro Corporation Board of Directors, and the Toronto Parking Authority Board of Directors.

Given the importance of these ABCC agencies, the politics of appointments to their boards of directors can be intense. The procedure in Toronto which regulates appointments to both ABCCs and regular "line" standing committees for councilors, is that they are selected by the mayor or his appointees. As for citizen members of the ABCCs, they are officially screened and then appointed by the Civic Appointments Committee. The Committee is currently made up of 9 councillors considered in the Mayor's "camp"; it is then further subdivided into 8 panels who meet to consider nominations for public appointments to the ABCCs. These meetings, and information on their deliberations are considered confidential, so that little or no information is released to the public. What we do know, however, is that there has been a great deal of public interest from the public in serving on committees when vacancies are available.

a. *The Case of the Toronto Public Library Board*

In 2011, the new Ford administration, using the Civic Appointments Committee, began in earnest to attempt to change the political complexion of citizen appointments. While we do not (and cannot) have a full picture of this process given its sensitive nature, we have some information from the Toronto Public Library Board. Clearly this is one of the major agencies of the City, more so because of the wide geographical distribution of the Library's 98 branches, the number of visits to libraries by Torontonians on a regular basis, the level of overall expenditure and the level of employment involved. The political importance of the Library Board was scaled up dramatically when, during the early months of Ford's mayoralty and during the run-up to public consultation of the 2012 budget, his brother Doug Ford – the newly-elected councilor in the ward which Rob Ford left to run for Mayor -- mused publicly about the possibility of shutting down some library branches in his ward in order to save money. When his proposals were opposed by Margaret Atwood in a Twitter message, he replied, "Good luck to Margaret Atwood. I don't even know her. She could walk right by me, I wouldn't have a clue who she is" (Church 2011). Claiming that there were five or six library branches within a two-mile area near his ward, he said he would close any little-used branch "[i]n a heartbeat". The exchange between the two sparked a public uproar over the Library issue, finally leading Rob Ford (the Mayor) to state, in a television interview, that he would not close any public libraries (CityNews 2011). This, statement, however, did not prevent the Library Board, like all other ABCCs and major agencies of the City of Toronto, from making a cut in its operating budget of close to ten percent for 2012.

While the public outcry over library closings was taking its course, the Ford administration was quietly working to change the political complexion of the Toronto Library Board. According to the Toronto Municipal Code, this Board is to be composed of 13 members – 8 citizens, and 5 members of City Council. Under Miller, the Library Board's citizen group had included a labour activist, a novelist, a writer/editor for an environmental charity, and an organizer for a non-profit that supports underprivileged youth. Eman Ahmed, the projects coordinator at the Canadian Council for Muslim Women, served as chair. Three more citizen members, and five councilors rounded out the membership. In 2011, during the early part of the budget deliberations, the Board attempted (without success) to defy a Council decision that required the Library to close down its Urban Affairs Branch (located in the New City Hall building). It was therefore not much of a surprise that, when it came time for the City to select who would sit on the Board for the renewed term (for which four citizen members were still eligible), the Civic Appointments Committee chose not to reappoint any of the sitting citizen members. Instead, it brought in a new slate of appointees more involved with business. The Board's citizen contingent now included two chartered accountants, two executives at public affairs firms, a senior lobbyist to the federal

government, and an optometrist who is described as having “entrepreneurial” experience (Kupferman 2011). While the new Board may be more to the right politically than the former Board (there are two avowed Liberal members on the new Board), it still must follow legal requirements under Ontario’s *Public Libraries Act*, and reflect its mandate as stated in its mission statement:

Toronto Public Library provides free and equitable access to public library services which meet the changing needs of the people of Toronto.

Toronto Public Library preserves and promotes universal access to a broad range of human knowledge, experience, information and ideas in a welcoming and supportive environment. New technologies extend access to global information beyond library walls.

The Toronto Public Library upholds the principle of Intellectual Freedom.

Effective partnerships enhance library service throughout the city. Toronto Public Library is accountable for the effective management of library resources and for the quality of library service offered to the people of Toronto (TPL Mission Statement).

As the City proudly states on its website, “[t]he Toronto Public Library is the largest public library in Canada, and the busiest in North America....It has 17 million visitors a year” (Toronto 2012e). All this activity, involving members of the public, will not be easily reformulated or redirected in order to find “efficiencies” or more “businesslike” practices. Although the Board was obliged to cut its operating budget in the 2012 budgetary exercise – like all other City agencies both within the ABCC fold and within the city administration proper -- it did not close a single branch except for the small, specialized Urban Affairs branch, which was ultimately re-located at the main library building. This steadfast approach of the Library Board angered one of the new Board members to such an extent that he tendered his public resignation six months after his appointment. In his letter of resignation to Councillor Paul Ainslie, the Board chair, he said “[a]fter 6 months as a Director, I see that the Board has no will for needed change. TPL is...stuck with a bricks and mortar model when people now go online to search for books...The Branches have been turned into Community Centres offering programmes and services duplicating other Government Agencies ...Toronto already has 200 Community Centres. I could go on with a long list of other problems and misdirections...but won’t as you know of them” (Kupferman 2012)

b. The Case of the Toronto Transportation Commission (TTC).

The Toronto Transit Commission is a much different entity from the Library Board, as its budget and the scale of its operations rival that of a huge corporation; its current budget is \$1.5 billion, representing 14.4 per cent of the City’s operating costs (City of Toronto 2012 Budget, 2012). The TTC’s expenditure level, as a proportion of the total program expenditures of \$10.701B

of the City in 2012, is well ahead of the expenditures of the next largest agency, the Toronto Police Services Board (also an ABCC) at 9.5 percent. In addition, the TTC had 12,403 employees in 2012, easily outdistancing (at least in terms of employment) the Toronto Police Service, the City's second largest employer, at 7,869 (City of Toronto 2012e). The LinkedIn page of the TTC Chair proclaims, "[w]ith annual Greater Toronto Area ridership approaching 500 million people, the TTC is the third largest public transit system in North America, with a network of subways, streetcars, buses and Wheel Trans, a specialized service for people who require accessible transportation. The TTC is committed to meeting the growing needs of the region with subway and light rail expansion, carrying an additional 175 million riders by 2021." With 2,656,000 transit trips a weekday in 2011, the TTC is one of the very largest transit systems in North America (APTA 2012). Arguably, as a result of its scale of operations, the management of the TTC tends to be more contentious and subject to more public scrutiny than the running of the Library Board — at least most of the time.

But the issue of public transit also rose to a central place on the local political agenda partly as a result of prodding from such outside groups as the OECD, which said in a major study that the Toronto region was seriously congested and needed much more transit investment (OECD 2006, 23-26); the Province of Ontario, which set up a regional transport agency called Metrolinx in 2006; and the Board of Trade, which pushed for more attention to a regional transportation system "that holistically manages public transit, goods movement and personal vehicle travel to reduce congestion drag on business and to improve the quality [of] life for residents..." (Toronto Board of Trade 2010, 13).

Unlike the Library Board, the TTC has had no citizen members. However, in the wake of a recent dispute at City Hall, Council voted to change the composition of the Commission. By the end of 2012, four citizen members will be appointed to govern the TTC along with the seven councillors, including TTC Chair Karen Stintz, who already sit on the Board (Toronto Transit Commission — ABCCs, 2012).

A highly publicized fight over the future of transit in Toronto precipitated this shakeup. The immediate catalyst was the firing of Gary Webster from his position as chief general manager of the TTC. In February, Council summoned him to give his opinion on whether the City should revive a number of mid-town and suburban light-rail lines (LRTs) that were proposed under former-Mayor David Miller's administration (for which the Province was committed to pay for the full \$8.4 billion tab), or proceed with Mayor Ford's plan to concentrate on subways, or underground rapid transit -- a much costlier proposition (Kalinowski, 2012). In his testimony, Webster advocated the LRT option. He reasoned that the population density was too low to justify the construction of a Sheppard Ave. subway extension, and recommended against burying the entirety of a major LRT across Eglinton Ave. -- as the Mayor had proposed. Building an at-grade LRT, he argued, represented better value for money (Munro, 2012). That same

day Council voted 25-18 to resurrect plans for the Finch Ave. LRT, and recommitted to building the Eglinton Crosstown LRT above ground, as it had originally been conceived under the previous Mayor's plan. About a month later, Council voted to revive the Sheppard LRT (Kalinowski and Rider, 2012).

Webster's advice raised the ire of Ford and his allies on Council. Consequently, in a closed-door meeting, the TTC Board of Commissioners, on which Ford-allied councillors comprised a majority, voted 5-4 to oust Webster -- widely considered the best-qualified person for the job. Karen Stintz, the TTC Chair, voted against the dismissal (Kalinowski, 2012).

Webster's firing by the TTC Board enraged many centrist and left-leaning councillors. They argued that the move was unnecessary, expensive, and detrimental to the running of the TTC. Consequently, with others on the full Council, they voted to remove most of the Ford allies from the Commission, and to install (or reappoint) councillors who were cooperative with Stintz. Council also voted to reduce the number of councillors on the Board from nine to seven, and to add four citizen positions.²

While the struggle to control the TTC illustrates the difficulties which the Mayor has had in influencing its decisions, the Mayor and cooperative city staff have been able to influence the guidelines for the new TTC Board. These guidelines for appointments to TTC's citizen positions reflect a ongoing trend toward staffing ABCCs with individuals having a business management background. Here is a list of the qualifications the City is looking for in applicants to the TTC Board:

In addition to the general eligibility requirements set out in the Public Appointments Policy, citizen members of the Commission shall have directorship and executive-level experience and collectively represent a range of skills, knowledge and experience with one or more large organizations in the following areas:

- Strategic business management, including transformative change management;
- Financial management, accounting, law, engineering;
- Customer service or marketing management;
- Management or planning with a rail or public transit organization;
- Formulation and/or management of public-private partnerships;

² Michael Thompson, councillor for Ward 37 Scarborough Centre, put forward a motion make the TTC Board a nine-member citizen-only body. Ford publicly supported Thompson's motion, which was rejected by Council (Boesveld, 2012).

- Capital project/construction management or capital procurement/supply chain management;
- Operations and information technology;
- Labour relations/industrial safety management;
- Professional knowledge and working experience of urban sustainability, intersectionality and inclusive governance; and
- Understanding and/or experience with Toronto Transit Commission operations. (City of Toronto 2012a)

Other, less controversial changes to the management of the TTC suggest the organization is making an effort to enhance customer service, channeling the practices, or at least the rhetoric, of the private sector. In the spring of 2011, TTC created a new management position focused solely on customer service. In May, Chris Upfold, an Ontario native who “has held a variety of customer service posts at the London Underground over the last decade,” became the system’s first Chief Customer Service Officer. When asked about the “No.1 lesson” he had learned from working at the London Underground, he said, “You’ve got to figure out a way to measure customer satisfaction and make it a hard and fast number, and put in place the business-case stuff where you can show that improving customer service actually helps your bottom line in a lot of ways... If you don’t measure it, you can’t change it” (Alcoba 2012).

And in the fall, TTC Chair Karen Stintz announced two measures that would give greater opportunity for transit users to participate in the governance of the TTC: the first in a series of town meetings that would give users the opportunities to address their concerns about their experiences using transit; and the new Custom Liaison Panel, which will boast 11 transit-using public members (out of a total of 14 members) (Toronto Transit Commission 2011.) The role of the panel, according to its terms of reference, is to assist in developing and delivering the TTC’s strategic aims on customer service; to assist in understanding customer priorities; and to promote dialogue between customers and the TTC (Toronto Transit Commission 2012). Interestingly, though transit-using private citizens comprise the majority of its membership, the panel is arguably not a representative sample of the TTC’s ridership. For example, eight of 11 members are male, even though, according to the 2006 census, more females than males use transit to get to work by a ratio of about 3:2. In addition, at least seven of the panelists come from business and/or customer service backgrounds, a proportion not reflective of the city’s professional diversity (Toronto Transit Commission 2012).

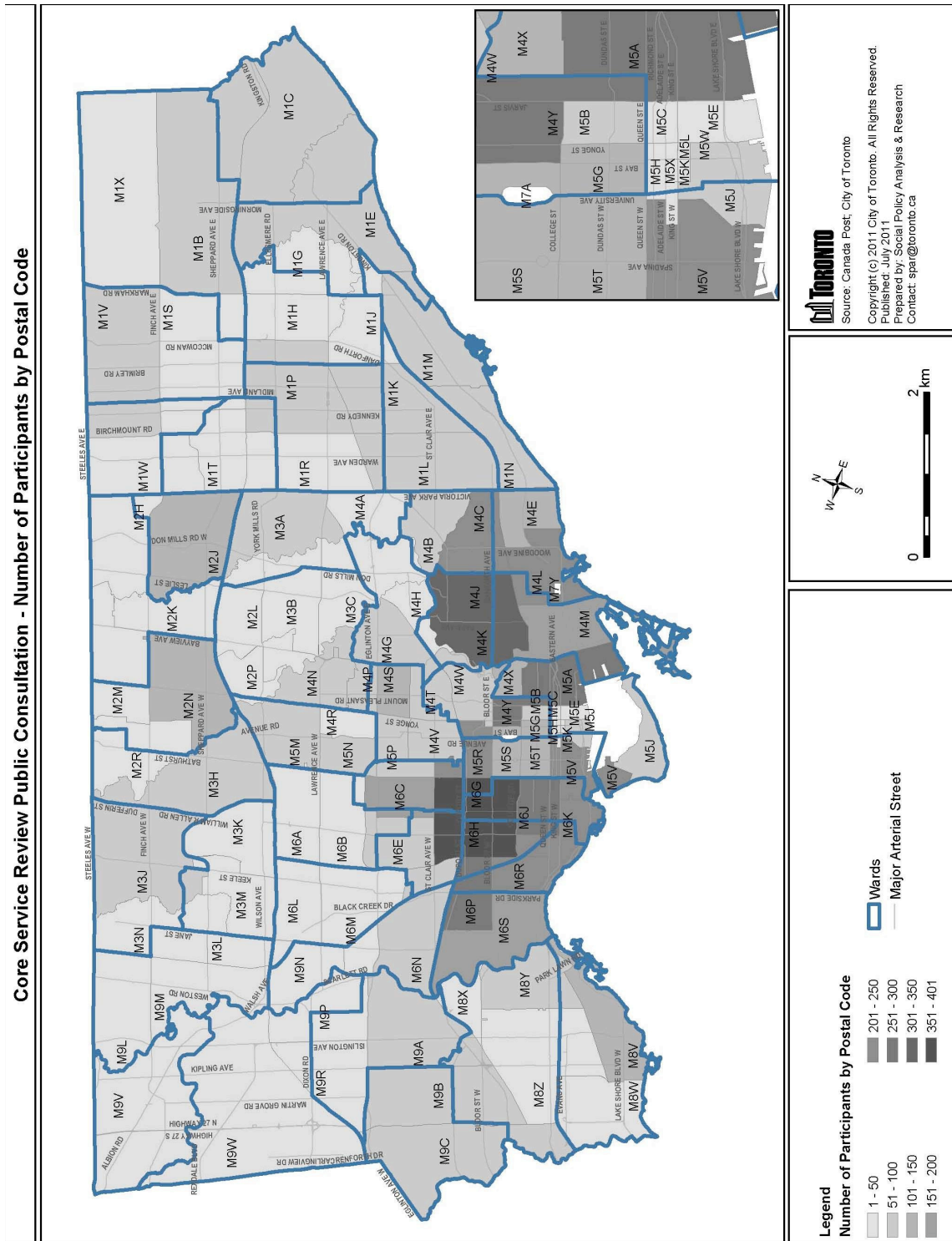
3. The Service Review Program, 2011.

As these battles raged over the budgets and policies of the Library Board, the TTC, and many other agencies of the City in 2011, the City administration undertook what it called a “Service Review Program”. Taking advantage of the inclination of the Mayor and his supporters to find “efficiencies” in the City’s budget, and their concern that the City was running a large operating deficit, the City Manager and his staff undertook a major review of services under the City’s purview. According to the City Manager, Joe Pennachetti,³ since Toronto had been amalgamated from 7 municipal governments into the new City of Toronto in 1998, services had never been reviewed. “Until we did it last year” he said in May, 2012, “the city had never done it before. And most municipalities are...terrified of...doing it because of the repercussions, the fallout either politically or [from] staff” (Janzen 2012). On the basis of a lengthy questionnaire on 35 city-run services, city residents were asked to reply as to whether services were necessary to the city, and if they were, how should they be funded in the event that the city needed to raise more money to maintain them. Although the questionnaire was so complex that few residents had the time or persistence to answer all the questions, and the respondents were by no means representative of the larger population of the city, in the end 12,955 people filled it out. The results were analyzed in a report presented to Council in July, 2011. Two of the more interesting findings from the responses were that (a) significant numbers of respondents said they were willing to pay higher fees/property taxes in return for maintenance or improvement of important services; and (b) out of 35 services, only 11 (less than a third) were ranked by more than 50% of respondents as being not absolutely “necessary for the city” to carry out. At the top of the list of service priorities for the city to support was public transit (the TTC), followed by fire services, water, emergency medical services and public health. Public libraries came 8th, city parks 9th, and police services came 10th – all in a ranking out of the 35 most important services (City of Toronto 2011a). The interview results were considered, along with results of an extensive evaluation by the consulting firm KPMG, by the City Manager’s office, with the result that only a few services were seriously cut in the end of the budgetary process.

In the final report on the Core Service Review presented to the City Council in July, there is an intriguing map which locates – using the postal codes of respondents – the residential areas associated with the respondents. In Figure 1, the map is reproduced. It shows very clearly that the epicenter of interest in the

³ Joseph Pennachetti was elevated as senior City manager in 2008, by then mayor David Miller. Before coming to the City of Toronto in 2002 as a Deputy City Manager, Pennachetti, who is a professional accountant, served for a number of years as treasurer and commissioner of finance for the regional municipalities of Peel and York, both of which are located in the Greater Toronto Area.

Figure 1. Toronto Core Service Responses, by Postal Code.



Source: City of Toronto 2011a, page 17.

Core Service Review (at least from the point of view of filling out the forms) was the “old” area of Toronto before amalgamation, and in particular two areas in that former municipality: an area east of Bathurst Street north and south of Bloor, and an area south of Eglinton, and east of Bayview Avenue. The wards in the darkest shading (with the highest level of responses) are 17, 18, 19, 21 in the west, and 29 and 30 in the east. These correspond to the wards represented by Cesar Palacio, Ana Bailão, Mike Layton, and Joe Mihevc in the west, and Mary Fragedakis and Paula Fletcher in the east. Of these six councilors, only Cesar Palacio is a member of the Mayor’s Executive Committee. Among the six councilors representing the highest response wards involved in the service review study, Palacio was the only councilor who did not participate in a consultation with his constituents over service issues.

Consultations with the public over what they thought of city services, and which services might be subject to cuts drew a lot of interest. In the final report on these consultations, there is a section entitled, “Councillor-led consultations”. There are six meetings outlined in this section – but even the summaries in the report convey a strong impression that residents were not in favour of cuts to specific services. For example, a meeting held by three councilors at the East York Civic Centre

...brought together approximately 120 local residents who were "passionate about Toronto and the services they feel make it a vibrant and liveable city with opportunities for everyone."

- Participants at this meeting felt that "all City services were very important" and that these services were developed to meet community needs.
- In general, most participants did not like the idea of "ranking" City services; nevertheless, a number emerged as particular priorities including the expansion of transit and many others that support quality of life, social needs, and access to services and information.
- Some thematic priorities that emerged included considering long term benefits as opposed to just short term costs, keeping services delivered by the public sector, a need for the City to engage in more "lateral thinking", a need for improved and equitable revenue sources, and maintaining an ongoing open and democratic process.
- A full summary of this meeting including more details on service priorities was provided to City Manager, Joe Pennachetti, by the host Councillors (City of Toronto 2011a, 38).

And in another meeting, held by three councilors,

- Approximately 100 people from all three Wards participated...
- [The] overwhelming response was that public services should remain public.
- With few exceptions participants indicated that the 35 service areas were [all] considered “necessary”.

- Comments from participants noted concerns regarding adequate funding from other levels of government, the service review and consultation...(City of Toronto 2011a, 39)

As these, and other meetings were being held, the public responded both by filling in the forms (correctly or not, they were tabulated), and by writing letters to the City. In one letter (out of many) which was passed onward by Councilor McMahon to the City Manager's office, a resident (who formerly lived in Alberta) complains that – although he/she filled in the form -- the questions are too “simplistic” about city services; the option of privatization is not a sound option at all (especially with respect to daycare and housing); and finally:

The city isn't a business; it is an entity that was developed for the good of everyone in it. It has a very different role than a business and I think that all of the Councillors and the Mayor need to be reminded of that (Toronto 2011b).

4. The Architecture of Participation: Citizen Committees and Public Engagement.

The struggle of the City (influenced heavily, in the first instance by the new Mayor and his majority coalition of councilors) to reduce expenses in line with promises to “run the city in a more businesslike fashion” clearly came into conflict with citizens' notions of what were appropriate levels of service to be maintained by the City. On the one hand, the Mayor, his close associates and the City Manager were attempting to reduce global expenses in order to eliminate an anticipated budgetary deficit at a stated level of \$774 million. Even though this deficit figure began to decline over the budgetary year as unexpected savings and new revenues were uncovered, the Executive Committee pressed to reduce expenditures on as many fronts as possible. Matters both came to a head and were concluded with the consideration of, and final passage of the 2012 budget in a very contentious Council meeting in January of 2012. In this final budget, a combination of reserves, a small property tax increase, a TTC fare increase, and the arrival of unanticipated revenues had reduced the expected budgetary deficit to 0, in line with provincial guidelines that mandate that municipalities cannot plan for an operating deficit. Once the budget was passed, both the Mayor and the “centrist” councilors who were able to restore a number of cuts to the budget, claimed victory (Alcoba, January 17, 2012). But from this time forward (until the present) the Mayor has not been able to count on a majority of councilors to support his policy initiatives in major Council votes.

This brief political narrative illustrates a number of issues, not least the differing conceptions of how a city ought to be run under democratic rules and current popular expectations. While the Mayor and his allies were attempting to find “efficiencies” in the City's budget, and the City Manager (aided by the business consulting firm KPMG) was striving to find the most transparent way of reducing

service costs, citizens and their councilors were resisting on many fronts. It is not clear who won or lost, because these battles will continue, but in their efforts to cut services in order to reduce costs, the Mayor and his allies encountered a formidable array of both formal and informal organizations of citizens – citizens who, unlike the case for a typical business organization, could legitimately make the claim that they were not only clients of the city (with respect to services) but also voters and taxpayers and therefore stakeholders.

Some of these differences between governments and businesses are captured in the notion of “governance”. This concept, as it is commonly used with respect to private or public businesses, has a different meaning from the same concept as understood in government. In the modern corporation, according to a recent text,

The purpose of corporate governance is to safeguard the integrity of the promises made ... to investors....Generally, the baseline goal is profit maximization. Corporations are almost universally conceived as economic entities that strive to maximize value for shareholders (Macey 2008, 2).

A broader, political economic model of corporate governance defines it as “the juridical framework constituting the actors and interests within the corporate firm by allocating and structuring power and authority among capital, management and labour” (Cioffi and Cohen 2000, 314).

By contrast, governance of a city or an urbanized region is a much more open-ended and relational concept. Broadly, governance involves “the relationship between civil society and the state, between rulers and the ruled, the government and the governed” (McCarney *et al* 1995, 95), while “urban governance” as a subset of governance and as distinct from governing, “... implies a greater diversity in the organization of services, a greater flexibility, a variety of actors, even a transformation of the forms that local democracy might assume, taking into account citizens and consumers, and the complexity of new forms of citizenship” (Le Galès 1995, 60).

The degree to which the City of Toronto is unlike a business or even a large public corporation can best be explained by the number of committees on which elected councilors and non-elected citizens participate. In a corporation, clients or customers, or their elected representatives, have if at all, a very minor role in the decision-making process. In a large City such as Toronto, there is an extensive array of actual opportunities for elected representatives and citizens to participate. For example, when the City Council met in December, 2010, just after the election, it allocated appointments to 21 “major City Boards and Corporations”, 66 Business Improvement Areas (BIAs), 8 Arena Boards of Management, 10 Community Centre Boards of Management, 43 External Boards and Committees, 5 Hospital Boards, and 13 additional agencies on which the Council made appointments “by right of office”. Almost all these organizations and agencies included a number of citizens as well as at least one councilor. In

addition, the Council made appointments of elected councilors to all its formal standing committees (City of Toronto 2010).

In a “Diversity Summary” made available by the City (City of Toronto, 2012c), the public appointment process is compared between the period 2007-2010 (when David Miller was Mayor), and the period after 2011 (when Rob Ford was Mayor). In the first period, there were 1316 civilian applicants for 125 positions; in the second period, there were (for a much shorter time) 1468 applicants for 167 positions. Clearly there is a high demand among the public – especially considering the fact that most positions are purely voluntary – for the few positions available (City of Toronto 2012c).⁴ A list of all the ABCCs, not including the BIAs (which contain mainly local businessmen with a single councilor in each case), shows a total of 431 civilian appointments.

The architecture of civic appointments in and around the City of Toronto does not stop with a description of the BIAs and the ABCCs, with their mix of elected officials and civilians. There are many advisory bodies – reporting indirectly to standing committees of the Council – made up of almost entirely civilians. Over the period from 2006 to 2010, during the second term of Mayor David Miller, 26 of these committees were set up. Examples are the “Bring Back the Don Task Force”, the “Cycling Committee”, the “Pedestrian Committee”, the “Youth Strategy Panel”, and many others. Each had a chairperson, met on regular occasions, had at least one contact person from the City who kept the minutes and could be reached for information, and drew from an engaged local community for their membership (City of Toronto 2011b). Under the new Ford regime, however, early efforts were made to rationalize and reduce the list of advisory committees, on the grounds that (a) they involved costly staff time for assistance; (b) their mandate had expired; or (c) they overlapped with other groups or activities already in operation. One of the advisory committees that was stricken from the support list was the Pedestrian Committee. The Committee still has a website hosted by the City, which shows two Councillors (one no longer in office), and a list of 13 civilians (one representing the Older Women’s Network; another representing Feet on the Street), as well as a representative from each of the Toronto District School Board, and the Toronto Catholic District School Board. According to the past co-chair, the members included someone who was visually impaired, a representative from each of the four Community Councils in the City, from two women’s groups, and from the cycling community. Eight of the fifteen on the list are women, 7 are men. Over many years the group met 10 times annually, in a committee room in City hall. They were assisted by two City staff, who gave them technical advice and

⁴ As for diversity, we learn from the same statistics that, under the last years of the Miller mayoralty, 53% of those finally appointed were men (compared with 70% under Ford), but that in all other measurable respects, the social composition of the new Ford appointees is approximately similar to that of the Miller years.

followed up with their issues (Dylan Reid, 2012). In a blog on the website of *Spacing* magazine, Reid argues that the City would make a mistake to eliminate this committee, since it represents “Toronto’s tradition of active citizenship”, one of the City’s “key assets” (Reid 2011). In his blog entry, he gives an example of how the Pedestrian Committee worked:

Citizens' advisory committees give citizens a greater voice in the affairs of City Hall in a couple of ways. First, the committees can talk directly to city staff and can send motions to council standing committees, putting issues directly on the city hall agenda. Without the committees, citizens are dependent on either finding a councillor who is willing to take interest in the issue and add it to their busy schedule, or hoping that city staff schedule some kind of consultation on the issue. Both councillors and staff already have their own issues, and both have to take internal political considerations into account that limit the number of initiatives they bring forward. Advisory committees make it possible for citizens to get issues on the agenda that are important to the city's inhabitants, but might not be at the top of the political agenda.

Another big advantage of citizens' advisory committees is that they can work with relevant staff over an extended period, in a public and transparent manner. Normally, citizen consultations are on a specific project, happen here and there, and then are over. There is not a lot of scope to work on an issue with city staff over the long term and make sure the issue stays on the radar and that there is continuous improvement. Advisory committees, by contrast, can track an issue, and can arrange meetings with staff in all relevant parts of the city bureaucracy.

An example from the Pedestrian Committee is the issue of clearing downtown main street sidewalks of snow and ice. Despite their heavy pedestrian traffic, for a long time clearing snow from the sidewalks of main streets downtown was left to property owners. The result was busy sidewalks that were intermittently blocked or icy, and huge puddles of melting slush at the corner of intersections with blocked drains after snowfalls. The Pedestrian Committee pressed staff on this issue during recent winters with heavy snowfalls. As a result, the city started systematically ploughing the sidewalks of main streets downtown soon after major snowfalls, greatly improving pedestrian safety (we still need to work on ploughing downtown residential streets) (Reid 2011).

On its website the (now defunct) Pedestrian Committee lists two very elaborate documents, which clearly required considerable time to discuss and develop. One is a Toronto Pedestrian Charter (developed by Jane Jacobs and adopted by the City Council in 2002) and another is the Toronto Walking Strategy (adopted by the City Council in 2009). In any case, when the Pedestrian Committee was cancelled by the City in April of 2011, it was in good company: eleven advisory committees were removed, ten were maintained. The rest were put off for future consideration. Undoubtedly, new advisory committees will emerge during the term of the current mayor, although their political orientation – considering the

current stalemate between the Mayor's group and the rest of the council – is unclear at the moment of writing.

As these advisory committees form and reform over time, with different civilian participants, they are part of a large, and relatively dense network of participatory structures at the local level in Toronto. Aside from the adjudication committees, which include elected councilors and deal with zoning and building issues in every ward, elected politicians can be involved with a bewildering variety of other local organizations. In Ward 27, a downtown Toronto ward, for example, Kristin Wong-Tam (the sitting councilor) lists 18 “committees and agencies” on her web page. These groups include 6 BIAs, but do not include 11 residents associations (whose meetings she attends on a regular basis), a Senior's organization of which she is the vice-chair, a number of small informal business associations that have not become formal BIAs, and numerous condo boards and tenants associations which often ask for her help or presence at meetings (Interview, February 28, 2012). Other councilors have large numbers of resident groups, if not necessarily so many as in downtown Toronto, although in 2010 the City estimated that there were 320 residents associations in its 44 wards. While the most active and effective of these local associations are found in affluent neighbourhoods, and those closer to the historical centre of the city, and while older residents typically dominate their activities, this is not always the case (Stren et al 2010, 14-15).

By Way of Conclusion

Coming back to the question, “Can Toronto be Run as a Business”, the short answer must be “no”. But the reasons why Toronto (the city) is not a business are not related to the financial management of the City's many and complex services. These services can be managed efficiently, or, as the expression goes, “in a businesslike fashion”, but only to the extent that they carry out their intended goals with a minimum of wasted resources. On the other hand, since a great number of these services are directly managed by boards and committees which include – often by legal mandate of the Province -- a diverse collection of elected politicians and “civilians” to determine policy, they cannot easily be pushed by the Mayor or any small group of politicians in a new direction. To put it another way, the *politics* of the City may change, but the City's *policies* – as influenced as they are by intense local groups of residents and other civic participants, and by the historical mandate which a wide range of agencies represent for their particular sector or function – are much less amenable to change.

While every city has its own political culture, Toronto's political culture is clearly influenced by the historical establishment of many ABCCs (since the creation of the Board of Health in 1906), pressure from citizens during the 1960s and 1970s for more local participation in both technical building and land-use planning issues, as well as in other issues involving communities. Although the resulting architecture, and efficacy of citizen participation in local government is a subject

of considerable debate, there is no question but that municipal governments across the country have now a wide and very diverse range of advisory bodies, committees, and boards which include important numbers of local people. Together with a change in public attitudes towards the involvement of private sector and even non-governmental groups in the implementation of policy (Osborne and Gaebler 1993), there has been, as Katherine Graham and Susan Phillips have pointed out, a major change in the philosophy of governance at the local level in Canada. Together with the widespread availability of the internet, e-governance, and new social media, we have seen a “thickening” of local involvement in politics beyond the ballot box, from “participation” to “engagement” (Graham and Phillips 1998, chapters 1 and 11).

If local participation becomes thicker, given the greater number and range of players on important local subjects, policy change or policy reform becomes more complex and “sticky”. This “stickiness” of urban policy does not rule out gradual change, nor does it mean that serious change or reform is impossible. Participatory structures are deeply engrained, but clever and determined political entrepreneurs can build coalitions to change public perspectives and ultimately to reorganize policy. Perhaps this is gradually happening in Toronto over transit policy, the field in which there has been intense political rivalry and over which there is a great deal of public interest. But the transit question (although always important) gained ascendance during the second year of Ford’s mayoralty as the Mayor attempted to push the TTC (an ABCC agency) to change its policy, and – at least initially – failed. As he attempted to induce a number of agencies to achieve “efficiencies” and new policy directions, the TTC and the Library Board became the focus of considerable public attention and pressure from numerous civic groups and individuals to maintain their existing direction. Unlike a family business, or even a large corporation, embedded participatory requirements were the focus of resistance to policy change. Citizens wanted their services to be delivered in a businesslike fashion, but they did not want them cut, and they wanted their voices to be heard. As the level of government “closest to the people”, the City was listening.

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