

Premier of Ontario Premier ministre de l'Ontario Legislative Building Queen's Park Toronto, Ontario M7A 1A1

Édifice de l'Assemblée législative Queen's Park Toronto (Ontario) M7A 1A1

April 30, 2019

His Worship John Tory Mayor City of Toronto 100 Queen Street West City Hall, 2nd Floor Toronto, Ontario M5H 2N2

Dear Mayor Tory:

Thank you for your correspondence dated April 29, 2019, and for the opportunity to respond. As you know, we inherited a \$15 billion structural deficit and the largest sub-sovereign debt in the world from the previous government, which puts the delivery of essential services like education and healthcare at risk — not just today but for future generations. Since day one, we have undertaken the necessary work to get our province back to fiscal sustainability in order to protect long-term funding for vital services.

I know we agree that public health services are incredibly important and that core services delivered by Toronto Public Health must be preserved. That's why our government is making the necessary changes to ensure that public health units are better organized, funded in a sustainable manner, and positioned to support the needs of people, families and communities across our province. This plan is part of our government's broader efforts to set clear priorities, modernize service delivery and ensure we protect what matters most.

As has been clearly communicated to the City of Toronto a number of times, the financial impact of our plan to modernize public health will not cost the city anywhere near \$1 billion. Instead, our government is slowly shifting the cost-sharing funding model to reflect an increased role for municipalities. Our government has budgeted \$114 million in funding for Toronto Public Health this year, an adjustment of \$33 million. That means that if you decide to fund this pressure, you would be required to re-allocate just 0.24% of your overall budget.

In 2020-21, there will not be a change to the updated cost-sharing arrangement. In 2021-22, with a cost-sharing change to 50% (provincial) / 50% (municipal), it is estimated that the City of Toronto's share for public health will increase to approximately \$84 million, which represents a \$42 million increase over the city's current share. Your team is fully aware of these facts, and we expect that you will refrain from further use of misinformation and drawn-out timelines, which only serves to conflate this issue.

I would also like to point out that Toronto Public Health has run years of consecutive surpluses. Over the past 10 years, Toronto Public Health has run a cumulative surplus of \$52 million, with a surplus of nearly \$12 million in 2011 alone. Knowing all of this, you continue to use misleading numbers that falsely raise the threat of Toronto cutting back on certain public health programs and services.

Your office has said that there is zero flexibility for adjustment and you are unwilling to look for other opportunities to fund these programs. This would imply that every program currently delivered by Toronto Public Health and across your administration provides optimal value for money, and there is no room for program review or priority-setting. I think anyone who has managed a budget would know that there are always opportunities to do things better.

The Auditor General for the City of Toronto's recent report clearly shows that there are numerous areas where additional efficiencies within the City's \$13.5 billion annual budget could be realized. The auditor also points to a number of past recommendations which have not been acted on, clearly showing that additional funding for Toronto Public Health could be found. We agree that Toronto Public Health delivers important services, which is why we implore you to undertake the same priority-setting that we are doing at the Province.

Furthermore, as you know well, the *Health Protection and Promotion Act* is abundantly clear that municipalities are responsible for funding public health. That fact is important context that is absent from your letter. Regardless, our government will continue to do our part with funding of hundreds of millions of dollars in the coming years and, so long as the City of Toronto does the same, there should be no impact to Toronto Public Health programs and services.

Lastly, our government recently unveiled our transit vision, including a \$28.5 billion expansion of the city's transit network. We are making the biggest investment in new subways in Canadian history with new money that will directly benefit the people of Toronto. I am very personally proud of this and look forward to the City of Toronto finally joining us to improve the city's transit network.

Our government has invited the City of Toronto to participate in technical working groups as we advance our health modernization plan. Our approach to every program we fund is to protect what matters most. This means challenging old ways of thinking, embracing new technologies and modernizing service delivery so that fewer dollars are wasted on back-office and administration, thereby allowing more resources to be focused on services for people in need. For far too long, this kind of modern progressive thinking has been missing at both the provincial and municipal levels of government. Tackling this shared challenge will require leadership from both levels. We are doing our part, and we invite you to join us by doing likewise.

To that end, I would hope you're interested in working collaboratively towards our shared objective of delivering a modernized public health system to the people.

Sincerely

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Doug Ford Premier