

Speech to the Queen's Institute of Intergovernmental Relations

May 9, 2003

By Alan Broadbent

I was happy to accept Harvey Lazar's invitation to speak this evening, particularly so because it is the Queen's Institute of Intergovernmental Relations, which over its almost forty years has been pivotal in so much of what has happened in Canada. From its early days with Ron Burns at its head, the Institute has been the informal meeting place for those who have shaped Canada's governmental arrangements, the place where ideas can thrive away from the pressures of the negotiating table. At a time when many Canadians are thinking that we need to reconsider the place of cities in those arrangements, it is encouraging to see this body devote its annual conference to this topic.

I want to talk about three things tonight. First, Harvey has asked me to describe some activities which I've organized in recent years which touch on the place of cities in Canada. Second, I want to talk about some of the ideas which have under-pinned or emerged from these activities. And third, I want to talk about the role of citizens in public policy.

I'd like to begin with Jane Jacobs. For me, it started with reading The Death and Life of Great American Cities in the middle 1960's, The Economy of Cities in the early 1970's, and Cities and the Wealth of Nations in the mid 1980's. Jane's way of seeing what was happening in cities was acute, and often counter-intuitive. Her observation, for example, that farming probably started in cities. In particular, Cities and the Wealth of Nations struck me as being especially relevant to Canada, where we've had this active discussion about the relative importance of the cities and the hinterland. In that book, she described how large cities, supported by their surrounding supply regions, were the economic, social and cultural centres of societies.

ACTIONS

That interest in her work led me to organize an event in Toronto in 1997 called Jane Jacobs: Ideas That Matter. This was a week of talks, discussions, performances, meals, tours, and demonstrations that crossed the wide range of Jane's work. That work is broad, starting with her work on neighbourhoods and cities, through economics, to observations on the natural world and on ethics.

The following year, my colleagues and I convened a group of people to look into questions of the place of cities in Canada. This was a direct response to some of the interest, and urgings, which had come up at Ideas That Matter. I commissioned a few papers on issues like environment, finance, and government in the city, and we held a two day meeting at the Royal Alexandra Theatre in Toronto, which my friend David Mirvish donated for the purpose. We published a book of the proceedings of that meeting, called Toronto: Considering Self Government.

We also issued an invitation to those who wanted to continue these discussions to come to a meeting in my boardroom. About 25 people showed up, including Jane Jacobs, three former Toronto mayors (Crombie, Sewell, and Hall), journalists like Richard Gwyn, Michael Valpy, and Colin Vaughan, academics like Patricia McCarney, Meric Gertler, and Carl Amrhein, and people who had been around these issues for years in government like Don Stevenson and Richard Gilbert.

There was remarkable consensus on what the problems were, and a fairly quick identification of the need to broaden the awareness of them. After a few meetings the idea of a charter document arose, much like the ones on cities adopted by the European Union and the Federation of Canadian Municipalities, and subsequently by the City of Toronto. It is a statement of some basic principles of authority and accountability for the city region, as well as a description of some of the powers we thought the Toronto region should have.

It was not very difficult to come up with these powers; they are roughly the powers of a province, in the Canadian context. The problem was, what to do with it.

That was answered in part by a series of invitations we began to receive to discuss the Charter with local municipal governments. The first invitation was from the GTA Committee of Mayors and Chairs, chaired at that time by mayor Peter Robertson of Brampton. After tabling the document at a meeting, and asking Don Stevenson and me to comment on it, the Committee endorsed it. I was subsequently invited to other municipalities, and had the same experience, of a polite and interested hearing, and a council endorsement. While those endorsements don't actually mean much, they indicated that there is much more that unites people and governments across the Toronto region than divides them.

Still, while we had been able to put some principles and ideas on the table, nothing much had changed. So we began to wonder what we could do next. Jane and I had thought from the beginning that ultimately these matters would come down to politics. We had thought about various ways to excite the politics around cities. Colin Vaughan, the late CITY TV journalist, wanted some dramatic civil disobedience: he kept mentioning The Boston Tea Party. Good television, I suppose, and TV did miss the original.

We had talked at an early point about convening the big city mayors, but not gone far with the idea. But Jane was in Ottawa at the invitation of the Privy Council Office, talking about cities, and the idea was raised by a couple of PCO staffers. They noted that the federal government might pay a lot more attention to these issues if there seemed to be some political imperative behind them.

We decided then to try to convene a meeting of the mayors of Vancouver, Toronto, and Montreal, who at that point were Philip Owen, Mel Lastman, and Pierre Bourque. The trouble was, we didn't know if any of them would come. But we had read about the dynamic new mayor of Winnipeg, Glen Murray, so we called him for his assistance, automatically making our three city group into four.

Glen was delighted to hear Jane Jacobs on the end of the line, having been a devotee of her work for years, and was excited to help. He suggested to us that we also include Calgary in the group, partly because of Calgary's image of itself in the country, but mainly because they had a very bright and effective Mayor in Al Duerr. And so we were five.

Glen quickly recruited the other mayors, and I made visits to Bourque in Montreal, and Owen in Vancouver to give them more information.

We had our first meeting in Winnipeg on May 25-26, 2001, and meetings in Vancouver and Montreal have followed. An account of the Winnipeg meeting is available from the Ideas That Matter website, <ideasthatmatter.com>, which also has the Toronto Charter, and other materials related to these issues.

One of the strategies we adopted for this group, which we dubbed the C5, was to have each city be represented by the mayor **and by** people outside of the political or government sphere. Over time, these representatives have tended to include representatives of the United Way, as the proxy for the social sector, and the Board of Trade or Chamber of Commerce, as the business proxy, and either heads of regional labour councils or other recognized union leaders.

This turned out to be a good idea. We were scheduled to have a meeting in Toronto early this year, and the Toronto Mayor cancelled it abruptly. When we informed the mayors of the cancellation, there did not seem to be too many broken hearts. We had sensed the mayors becoming uncomfortable with the C5 for two reasons: its pointed agenda risked their supplicant relations with senior governments; and allegiance to the Federation of Canadian Municipalities which has been the traditional vehicle for the city voice.

What surprised us, though, was the immediate and sharp reaction from the non-mayor participants. They let us know that they considered the C5 initiative to be too useful to let the mayors run by themselves, and insisted on meeting anyway, which we did for two days in mid-January in Toronto. I know that several of the mayors were very nervous that their community leaders were meeting without them, and wondered what was going on. We dubbed this group of civic leaders the C5 Civil, short for C5 Civil Society.

Where is this all going? Back to Winnipeg, in a few weeks, where the FCM and Glen Murray have convened a discussion of the issues facing Canadian cities. There will be a linked meeting of the C5 Civil, the C5 Mayors, and the FCM Big Cities Caucus, and Paul Martin has been invited to address a luncheon audience.

The intent of this is obvious, if the course might seem erratic. It is to mount political pressure on senior governments to consider what must be done to enable Canadian cities, and to do it.

IDEAS

I've spent quite a bit of my time talking about what I've been doing, but maybe not enough on what should be done.

These are some of the ideas that underlie my activity, and that of the numerous colleagues I have in this work.

1. Canada's large urban regions are its principle economic, social and cultural engines.
2. Not all cities are the same. Size matters. The FCM has over a thousand members. It's Big City Caucus has over 20 members. The C5, as Glen Murray will agree, is probably a C3, maybe a C4. Jane Jacobs makes the point that we have too few large urban regions in Canada, and she is right. We surely don't have over a thousand cities, or over twenty big cities. Any public policy that tries to find one size to fit all is doomed. And this is a point only about size, not desirability or merit. Size increases complexity, and greater complexity often calls for more complex solutions.
3. Downloading has been devastating to our large cities. It may have balanced federal and provincial budgets, but it is a shell game. The TD Bank, in its report on these issues, says that senior governments should do "less with less" and should transfer to the cities the tax room they have vacated.

4. The cities need new revenue sources. You know the numbers: Canadian cities rely on property tax for about 50% of their revenue; in the US it is about 15%; in Europe it is just over 5%. With all sorts of new responsibilities piled on the cities, they need a share of consumption and income taxes.
5. There needs to be a better match between what we ask cities to do, and their authority to do it. As you know, cities are creatures of the provinces, and anything they do can be undercut or overcalled by a provincial government. But we end up holding cities accountable for things for which they have to go to the province for funds. Or, as in the case of homelessness and lack of affordable housing, of having to pay for symptoms (through policing, shelters, social services) without having the capacity to put the better policy (housing) in place.
6. This may be a stake through the skeptic's heart, but this is not just about the Federal Government or the Provincial governments. The fundamental question is what must we do to maximize the potential of our metropolitan regions for the good of the nation? It is not just a question of what federal-municipal arrangements permit, or provincial-municipal arrangements permit. It is not even a question of what the federal government and provinces can agree upon about cities. It really has to start with the question of what the cities need, and then proceed to figure out how to make it work. And it certainly is not about getting credit for things, which seemed to be an initial concern of the Sgro commission, which the chair quickly dropped when she saw how poorly that was playing outside of Ottawa.
7. Politics may be the path to change. The population of the C5 is over 40% of the Canadian population. The C9, adding Ottawa, Edmonton, Quebec City and Hamilton, is well over 50%. In post- amalgamation Toronto's first election, the winning candidate got more votes in an election for public office than anyone ever in Canada. The losing candidate got the second most. I've argued that if that winning candidate had a discernible attention span, and was prepared to use the mayoralty as a bully pulpit, we would not have the timid Toronto Federal Liberal caucus we've had. Former Toronto Mayor Phil Givens used to complain that Toronto MP's, some of them former city aldermen, went to Ottawa and talked about nothing but "wet wheat and salt cod". Former Toronto Mayor Art Eggleton only found his voice on Toronto issues in caucus a few weeks ago, in the light of both SARS and Chretien's departure.

Internationally renowned urban planner Joe Berridge did a study of the federal Hansard last year, and looked for the occurrence of certain words and phrases which he thought epitomized either urban or rural issues. He wanted to see what they talked about in Parliament. He found they talked about the "farm income crisis" over 700 times, and housing 119 times: foot and mouth disease 172 times and HIV/AIDS 50 times; the Farm Credit Corporation 252 times, and urban transportation 31 times, etcetera. He concluded, memorably, "A country will pay a high price for having a political system so comprehensively irrelevant to its future challenges."

I sometimes start to think when I listen to people like Berridge that something will change. Or when I read that Paul Martin is thinking about a few points on the gas tax for cities, or that Jean Charest has appointed two members of his cabinet who will have some responsibility for Montreal issues. But then I talk to people like economist David Nowlan, or I listen to the members of the municipal finance industry, and realize that

these issues have been talked about for at least forty years, and nothing much has changed. Our cities have had to rely on the kindness of strangers, of being the beneficiaries of what Jane Jacobs calls “opportunistic beggary”. Which is what has led to the timidity of so many of our mayors, who don’t want to blot their ledger with Mr. Cratchett about to come back into the room

And this to get their own money back. Toronto sends \$17 billion more to senior governments than it gets back in tax-paid goods and service. Montreal, Vancouver and Calgary are in the same boat, proportionally. For Toronto to be able to balance its post-downloading budget, it needs to keep about \$400 million of that, or less than 2 ½% of that \$17 billion. To be able to proactively enhance its assets, it could use say \$800 million, or less than 5%. One billion would allow for real city building, for the kind of robust public support for things that would make Toronto, or by turn our other metropolitan regions, magnificent.

Many of you are aware of the work of Richard Florida of Carnegie Mellon University in Pittsburgh. Florida has looked at what elements contribute to some cities having a flourishing information and design industrial sector, the lynch pins of modern economies. He has found that the workers in those fields flock to places where it is nice to live, where there is an agreeable lifestyle with lots of variety, a high degree of public safety and amenities, and lots of fun, what FCM President Jim Knight calls “quality of place”. It correlates to places with a high percentage of university graduates, a large immigrant population, a lot of artists, and a large gay population. In Canada, in work Florida has done with Meric Gertler at the University of Toronto, Toronto and Vancouver score very highly, and would score even more highly if they had included community college graduates in the education index. But a city needs to be able to invest in that kind of infrastructure, in making streets amenable to sidewalk cafes, in parks and recreation facilities, in bike paths and clean beaches. It should not have to filter such initiatives through, as a provincial politician said to me, what a single mother in Barry’s Bay will think about it.

A final thought about cities in Canada. Toronto, Vancouver, and Montreal need more powers, and they need more secure revenue sources. Mainly, they must stop being total wards of senior governments, at risk of the disinterest of people like Jean Chretien or the disdain of premiers like Mike Harris. They need more control of their destinies.

There are a number of ways this can be done in the context of the constitution. The provinces, of course, can do whatever they want. The Federal Government can do three things: it can deal directly with people, can deal through intermediaries, or can act within the realm of foreign affairs and international trade.

So, dealing directly with people it could do many things through the tax system, like the deductibility of public transit passes or the creation of a refundable tax credit for rental or mortgage payments for low income Canadians, which would by turn assist transit and housing. There are many such ideas.

It could deal through intermediaries like it has on the environment with the FCM. Or it could participate in new bodies, like **local immigration settlement councils**. We are in the process of creating such a council in Toronto, as a result of some work we have developed at The Maytree Foundation, and subsequently through the Toronto Summit Alliance. We’ve been of the view that immigration settlement policy and programs need much stronger local input, where the experience is rich and deep. The federal government

is too remote from what is playing out on the ground. The new council will not decide who gets in to Canada, which is properly the federal role, but will help design programs and policy for newcomer settlement. Federal minister Denis Coderre has signed on for federal participation, as has the province and the city. We are also bringing to the table agencies serving immigrants, educational institutions, unions, and employers, in recognition that work is the key success factor in settlement. Coderre knows that this makes sense, and is prepared to cede some of the federal role to the new council. It is the type of thing that needs to happen to give cities an appropriately stronger role, and to capitalize on things they do well.

And recognizing the key role cities play in international trade, the federal government can work directly with cities in the development and promotion of trade with other city regions.

What is lacking right now is will at the political level. Maybe the rise of interest in city issues will take a political form, and those of you now working within senior governments will begin to have your political masters come to you with a new urban imperative.

THE CITIZEN ROLE

Finally, Harvey has asked me to say a few words about the role of citizens in public policy and public discourse. I have had, on more than one occasion, politicians, academics, and public servants ask me what the hell I think I'm doing messing in this stuff. There is a distinct "don't try this at home" attitude afoot.

I take some counsel on this from Jane Jacobs, who has a well know disdain for what she calls "credentialism". She thinks an ability to watch and listen, along with a healthy attention span, can make up for a lot of training.

Another motivation is my concern about the state of our democracy. We have seen an increasing centralization of power, and a narrowing of the field of view. I won't spend much time making that argument, for it has often been made better than I could. You may agree with it or not. But it concerns me, and I fear that we are losing the voice of the citizen in the public discourse. Its access to power is being limited, and it is being intermediated out of meaning. CBC Townhalls and the like may be interesting, but they are heavily mediated, so that any argument that can't be made in a sentence or two cannot be heard.

When the public discourse is the product of so few voices, what wonder is there that the public turns off? When it is so "comprehensively irrelevant" to what Canadians think about, and value, as Eddie Greenspon, Darrel Bricker, and Michael Adams point out in recent books, what is the state of our democracy? (Darrell Bricker and Edward Greenspon, Searching For Certainty, 2001; Michael Adams, Fire and Ice, 2003).

I read something recently about that television show *Who Wants To Be A Millionaire*. For those who haven't seen it, it is a quiz show that asks contestants general knowledge and trivia questions, giving them a choice of four answers. They offer "lifelines" for the stumped. One lifeline is the chance to make a phone call to an "expert"; another is polling the studio audience. Far and away, statistically, the best choice is to poll the audience. They get it right a staggering 90% of the time, while the experts are right about 60% of the time. The essay also noted what it called a business school professor's trick of getting students to guess how many jelly beans were in a jar. Guesses

ranged wildly, from 25% of the actual total to 5 times the total. But if there were more than 20 students in the class, the average of their guesses was within 3% of the actual amount.

I don't know exactly what that tells you. Clearly we need expertise. But we should also trust citizens to make sound collective decisions, and not narrow the range of chances they have to do so. Cities have been built by the accumulation of thousands upon thousands of choices, a piling up of fractals in an apparently chaotic process. The more chaotic it has appeared, the more creative and dynamic the city has usually turned out to be. Those very features are a great reason to rejoice in the fruits of collective activity, and to trust that somehow citizens will manage to get it right. Or at least, right enough.

And the fact that in our country the vast majority of them choose to spend their lives in cities is enough reason to step back from our governmental arrangements and ask what we can do to empower cities to serve their citizens better.

Thank you.