

BRIEFING NOTE

Summary of Changes in Approved Positions from 1998 through 2003

Issue/Background:

For most City programs, staffing costs often comprise 80 to 90% of their gross expenditures. Because of its significance, the CAO prepared a comprehensive report for the Budget Advisory Committee in January 2003 that summarized changes in approved positions for the first five years of the City of Toronto, from commencement of operations on January 1, 1998 through to 2002.

In order to provide some background to 2004 budget discussions, this analysis (Attachment A) has been updated to incorporate 2003 position changes and now covers the six-year period of 1998 through 2003.

Since the amalgamation of the City of Toronto on January 1, 1998 through to the end of 2003 there have been some significant changes to staffing levels in various City programs. These changes have arisen from a combination of influencing factors including downsizing from amalgamation, service level harmonization, program efficiencies realized, local services realignment/provincial downloading, volume increases, increased community needs, service level enhancements directed by Council and provincial funding for new initiatives.

In order to examine the impact these different factors have had on the change in the number of approved positions over this six-year period, City operations have been separated into the following two categories of programs and two distinct time periods.

- Amalgamating Programs
 - Three-year amalgamation period (1998, 1999 & 2000)
 - Post-amalgamation period (2001, 2002 & 2003)
- Previously Amalgamated Programs
 - Three-year amalgamation period (1998, 1999 & 2000)
 - Post-amalgamation period (2001, 2002 & 2003)

Amalgamating programs at the end of 1997 coming into amalgamation, represented only 27% of total gross expenditures and 46% of the total approved positions for the newly amalgamated City of Toronto. During the three-year amalgamation period of 1998 through 2000, 10% expenditure and staffing reduction targets were established for amalgamating programs and in total, an actual reduction of 9% was achieved in both areas. Executive management positions (down to director level) were reduced by 60% and all management positions (down to the supervisor level) were reduced by a total of 34%.

The City's previously amalgamated programs continued to experience normal and increased service demands and budget pressures over this time period, and no similar reduction targets were established. This period also coincided with the provincial downloading of responsibility for the provision and staffing of additional functions in the City's social programs that were previously a provincial responsibility.

In the post-amalgamation period of 2001 through 2003 no further amalgamation-related reduction targets were established and budgets for amalgamating programs were developed under the same guidelines as all other City programs.

Key Points:

Attachment A, provides details of the change in approved positions for 1998 through 2003 and shows a net increase of 1,205 positions as summarized below:

Change in Approved Positions	All City Programs Change in Approved Positions by Time Period		
	Amalgamation Period 1998, 1999 & 2000	Post-Amalgamation Period 2001, 2002 & 2003	Six-Year Period 1998 through 2003
Amalgamating Programs			
Increases			
• Prov. Mandated/Cost Shared	212	355	567
• Council Discretion	154	732	886
Decreases	<u>(2,023)</u>	<u>(767)</u>	<u>(2,790)</u>
Net Increase (Decrease)	(1,657)	320	(1,337)
Previously Amalgamated Programs			
Increases			
• Prov. Mandated/Cost Shared	486	760	1,246
• Council Discretion	782	799	1,581
Decreases	<u>(90)</u>	<u>(195)</u>	<u>(285)</u>
Net Increase (Decrease)	1,178	1,364	2,542
All City Programs			
Increases			
• Prov. Mandated/Cost Shared	698	1,115	1,813
• Council Discretion	936	1,531	2,467
Decreases	<u>(2,113)</u>	<u>(962)</u>	<u>(3,075)</u>
Net Increase (Decrease)	(479)	1,684	1,205

In addition to the position reductions noted in Attachment A, there are likely further efficiencies that have been achieved by programs. However, they have not always translated into position reductions that could have been made and reflected on this schedule. These efficiencies have often been utilized to absorb additional work demands with the existing staff complements.

It should be noted that the figures in Attachment A relate to approved positions that have been added or reduced for the City as a whole. The transfer of staff positions from one program to another made for operational reasons have not been included as additions or reductions when there is no net change in the number of positions to the City.

Amalgamating Programs

As outlined in Attachment A, over the six-year period of 1998 through 2003, amalgamating programs had a net reduction of 1,337 positions comprised of a decrease of 2,790 positions and an increase of 1,453 positions. When examining this data a number of observations can be made:

- The significant position reductions (2,023) achieved during amalgamation (1998 through 2000) have not been subsequently replaced in these same amalgamating programs. Any staff increases in these amalgamating program areas has resulted from subsequent increases in service levels requested by Council or were provincially mandated in the case of Public Health.
- Many amalgamating programs continued to reduce positions (767) in the post-amalgamation period.
- Public Health is unique among the amalgamating program, as it was the only program in this category that is provincially mandated and cost shared. In the post-amalgamation period of 2001 through 2003, if the net increase in Public Health staffing of 303 positions is excluded, there would have been a net increase of only 17 positions over this period in amalgamating programs, even with the positions added from the service level increases for this period noted below.
- Amalgamating program areas where new staff were added over the past six years for improvements in service levels include:
 - Parks and Recreation - 192 new positions for the opening of new facilities approved through the capital budget as well as positions resulting from new Council decisions in areas such as the Children's Report Card, the Mayor's Youth Task Force, Mayor's Action Plan, Children's Report Card, Trades, Community gardens program and the private tree by-law.
 - Urban Development Services - 101 new positions were added for more Planners, Building Plan Examiners and taxi trainers to improve service levels.
 - Solid Waste - 62 new positions were added for initiatives such as yellow bag, apartment recycling and three-stream collection.
 - Fire - Since 1999, 127 new positions have been added to improve service levels.
 - Public Health - 575 positions were added for new or expanded programs including the harmonization of programs such as TB, needle exchange, food safety and dental as well as new positions in 100% funded programs such as healthy babies/children and expanded access to prenatal nutrition. Over the past three years there have been expansion or improvement of the TB program, health quality assurance, food safety program, retirement homes, pre-school speech & language, infant hearing screening, injury and family abuse prevention, healthy pregnancy and child development, prenatal and child health survey strategies, high risk prenatal support, and healthy babies/ children. In 2003 new positions were added for SARS and West Nile Virus.

Previously Amalgamated Programs

As outlined in Attachment A, over the six-year period of 1998 through 2003, previously amalgamated programs have had a net increase of 2,542 positions comprised of a decrease of 285 positions and an increase of 2,827 positions.

The increases in staffing for these programs were completely unrelated to amalgamation but were primarily due to provincial downloading or increases in service levels such as:

- Children's Services- Net increase of 75 with positions related to provincial downloading, changes in age-mix of childcare spaces, provincially-mandated responsibilities and regulation changes, volume and caseload increases and resources for user fee collection.
- Shelter Housing & Support- Net increase of 269 positions related to an unprecedented increase in the City's homeless population and the increase in the number of bed nights required as well as social housing devolution, SCPI, and housing programs.
- Social Services- Net increase in staffing of 176 positions relating primarily to a caseload transfer of 11,000 cases from the Province in 2001.
- Emergency Medical Services- Net increase of 298 positions due to new programs approved by the Ministry of Health to address increased service times arising from hospital restructuring and emergency room crowding as well as increased call volumes and a response time reduction strategy.
- Police- Net increase of 450 positions attributable to a return to target policing levels, an increase in civilian staff and other initiatives such as the anti gang and the provincial court initiatives.
- TTC- net increase of 827 positions for increased service requirements and the opening of the new Sheppard Subway.
- Court Services- Net increase of 213 positions when the City assumed this downloaded function relating to the Provincial Offences Act. Some of these positions were subsequently transferred to other City programs.

Conclusion

During the first three years of the new City, savings from staffing reductions in amalgamating programs helped to negate the budget increases experienced by previously amalgamated programs and were a significant factor in achieving no property tax increases during the amalgamation period of 1998 through 2000.

In the post-amalgamation period of 2001 through 2003 some program efficiencies continued to be realized through staffing reductions however they fell far short of the new positions that were added.

Growth in the number of positions has come primarily in previously amalgamated functions, with the exception of Public Health, and has exceeded the significant reductions that were realized as a result of amalgamation. As a result there has been a net increase of 1,205 positions over the six-year period of 1998 through 2003.

Staff increases in programs were not attributable to amalgamation or due to a lack of program efficiency but instead were related to increased community needs, provincial downloading, increased service levels directed by Council and provincial funding for new services.

Staffing growth in the City has also occurred primarily in programs related to the safety and well being of citizens such as the following:

- Public Health
- Children's Services
- Shelter, Housing & Support
- Social Services
- Emergency Medical Services
- Court Services (downloaded from Province)
- Public Transit
- Police

In the 2004 operating budget it is important to note that only 19% of the City's gross expenditures are in program areas that are directly controlled with the balance in provincially mandated programs, special purpose bodies or capital financing and other.

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