

WHY INVESTMENT MATTERS CONFERENCE, JUNE 24, 2005

NOTES FOR FRANCES LANKIN WHY INVESTMENT MATTERS FOR COMMUNITY

It is a pleasure to be with you today, and I salute the organizers of this forum for recognizing *the community* as an important target for investment.

How many of you just asked yourself, “what the heck is community?” I ask the same thing myself – this word community has become close to meaningless. My first task this morning is to make this tired and overused phrase mean something to you; and then to talk about the consequences of underinvestment in community infrastructure.

One of the things that make community infrastructure difficult to describe is the extraordinary diversity of models, funding sources, and delivery agents. What category is big enough to include your daughter’s soccer league, the fitness centre at the Y, your son’s boy scout troupe, a homeless shelter, employment counseling, ESL classes for the Somali immigrant, a foodbank for the hungry, meals on wheels for your mother-in-law, the homework club, abused women’s shelters, family supports for the developmentally disabled, post-natal counseling...believe me, I could go on and on and on.

If you think of that list, you could see the diversity of funding models. A foodbank relies almost exclusively on charitable giving by individuals and corporations. Employment counseling is delivered – by contractual arrangement with the Government of Canada – by a non-profit or for profit organization – and many of these agencies are large, sophisticated operations. When you join the fitness centre at the Y, you are joining an organization that is both a charity and a market-influenced enterprise. A homeless shelter in Toronto could be delivered by a charity – or directly by the municipal government.

The diversity of delivery models and delivery agents makes it tough to quantify the investment deficit, and difficult to describe the consequences of underinvestment. But this is beginning to change.

Next week, Mayor Miller and I will be releasing the report of the Strong Neighbourhoods Task Force. About a year ago, United Way and the City of Toronto launched the Task Force, in response to the recommendation of the Toronto City Summit Alliance. The Alliance recommended that the three levels of government enter into a tripartite agreement to improve access to community services, particularly in high needs neighbourhoods.

The mandate of the Task Force is to advise governments on how to coordinate their investments, and where they should be investing.

We started with *Poverty by Postal Code* – the United Way report we released in April 2004. In summary, this report documented the growth in high-poverty neighbourhoods, and particularly the changing nature of Toronto’s inner suburbs.

Let's have a quick look at how our City has changed. These maps show the location of high-poverty neighbourhoods in 1981, 1991, and 2001. Let's see how poverty in Toronto evolved.

[Powerpoint – slide 1 (poverty map, 1981); slide 2 (poverty map, 1991) and slide 3 (poverty map, 2001)]

The second thing we did – we took a look at the neighbourhoods that are facing the most serious challenges. And we wanted to look at more than just income – we examined a whole range of indicators: income and unemployment rate; health indicators, such as the teen birth rate; educational attainment; high levels of recent immigration; and high proportion of people who do not speak English. We did this to find those neighbourhoods most in need of specific services that mitigate the effects of poverty, connect people to the labour market, and help those in need.

The next thing we needed to examine was access to local services across the City. Using the neighbourhood mapping developed by the City, we divided this term 'community infrastructure' into 11 different types of locally delivered services. This includes those services delivered by the City of Toronto – your local library, school, and recreation centre, for example – which are fairly well-distributed across Toronto's neighbourhoods. And we added services often funded by government but delivered by others -- often the voluntary sector; these include targeted services such as programs for youth, or seniors, or immigrants.

We can now describe – on a neighbourhood by neighbourhood basis – the varying levels of access to key local services across Toronto.

There is, as you might expect, an enormous range of access to local services. Generally, the further you move from the downtown core, your access to services diminishes. The most poorly served part of Toronto – when we look at a composite map – is clearly the former City of Scarborough. Let's take a look at this composite map:

[Powerpoint slides: Community/Rec Centres, Seniors' Services, Youth Services, Seniors Services, Employment Services, Foodbank access by LICO, and Community gardens and markets]

These colour represent the number of service areas where access to local services is – relatively speaking – weak. The best-served communities are in the dark green – and all of the former City of Toronto is well-served.

Toronto has changed a lot over the past couple of decades. Local services have not.

Investments in community infrastructure have not kept pace with population increases or changes in demographics. It means that the profile of services being funded in Scarborough – and the *level* of service – is designed for the Scarborough of 1985, not 2005.

This applies to investment both of governments, and the voluntary sector. Let me give you an example.

Community health centres are fantastic facilities – financed by the Province, delivered by the community. One of the key mandates of the community health centres is to provide primary care to those without OHIP coverage: all new immigrants, and undocumented immigrants. There are 14 CHCs in the former City of Toronto – and I can assure you they all do a roaring business. In the former municipality of Scarborough, there is one – although there are plans to open two new satellite offices. This reflects a view of our city that is decades out of date – a city where new immigrants settled first in places such as Kensington, or Regent Park. Once they were more settled, they might have moved out to Scarborough.

This is simply not the city we live in. Many Scarborough neighbourhoods are areas of high immigration, and large *recent* immigration. But in large parts of Scarborough, services for newcomers – language training, settlement programs, supports to enter the workforce, and the health services delivered by community health centres – just aren't there.

Why has this been allowed to happen? Well, there were certainly decisions to reduce or eliminate public investment – in the area of affordable housing, for example. But there was also underinvestment – and this means that local institutions and governments were so busy surviving from one day to the next – they did not have the ability to adapt to the changing circumstances of neighbourhoods.

While cities change, the programs and services have no capacity to expand or adapt. Many of the new programs funded by United Way are responses to emerging needs in the inner suburbs – to community agencies who find themselves serving an emerging community from Sudan, or Afghanistan, or a large youth population.

But the charitable sector cannot do it alone. Underinvestment makes it very difficult to respond effectively to the needs of new communities, facing new and distinct challenges. Disinvestment in community infrastructure – in all its diversity – also translates into diminished quality of life for everyone.

Let's go back to my very first example – your daughter's soccer league. Clearly, there will be no soccer played unless someone – usually government – makes sure there are sufficient investments in playing fields. This cannot be taken for granted. In the late 1990s, changes to the education funding formula resulted in massive increases in the user fees for the playing fields next to schools. These increases led to a reduction in community programs. Community organizations like United Way organized to bring attention to this development. The current government has made an investment to reverse this trend. But it is clear that public policy and public investment plays a key role.

But there also won't be a soccer league unless there is another crucial ingredient: sufficient social capital to bring communities together – to promote volunteerism, to nurture full participation. Social capital refers to the value of social networks – there is a value to the contribution the soccer coach makes to the quality of life of your family.

High levels of social capital are strongly associated with communities where investments in community infrastructure are strong. In other words, the very vibrancy of a community is connected to investments in public spaces, services that promote full inclusion, and programs to meet the needs of those who are most disadvantaged.

This is the connection between investment in communities and quality of life. Richard Florida, for example, points out that the increasing mobility of highly-skilled labour has changed the way we look at communities. This has elevated *quality of life* – it is no longer some sort of extra livability index that makes us feel good about where we live; a high local quality of local life is now an absolutely fundamental characteristic of a strong urban economic region.

This is the reason why our concept of infrastructure needs to be extended beyond roads, pipes, and transit. We need to start thinking about how community investments can improve life for everyone; and we need to clearly document the consequences of underinvestment for all our communities.

Thank you very much.