

## Toronto misses out on stimulus funds

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Thanks to David Miller's bravado, John Baird's combativeness and the obduracy of CUPE Local 79, Toronto has scarcely received a dribble of national infrastructure money.

The city was eligible for approximately \$300 million of the economic stimulus in January's federal budget. All it had to do was submit a list of "shovel-ready" projects that weren't already slated for construction, created local jobs and could be completed by 2011. The deadline was May 1.

But the mayor chose to ignore the rules. Gambling he could get a special deal, Miller submitted just one proposal: that Toronto's entire allotment be dedicated to the purchase of a fleet of state-of-the-art streetcars, built in Thunder Bay and scheduled for delivery between 2011 and 2018.

The federal infrastructure minister responded with a two-word obscenity. Fuming that Toronto was the only city that flouted Ottawa's guidelines, Baird rejected its application.

The final blow came six weeks ago, when the city's inside workers – who issue building permits – went on strike. Ann Dembinski, president of CUPE Local 79, vowed the union would stay off the job until the city agreed not to roll back previous contract gains.

Since the work stoppage began, no building permits have been issued, jeopardizing even provincial projects (university and college improvements and green energy initiatives) within city limits.

In late June, Toronto filed a second infrastructure application, consisting of a long list of small projects – close to 500 – that meet Ottawa's criteria. "We haven't heard back," said Stuart Green, the mayor's spokesman. "It's still under review."

The construction season is half-over. Very few developers have broken ground. Very few workers have been hired.

There is still some residual activity – road paving, hydro upgrades, redevelopment of the West Don Lands and the waterfront – but most of that is ongoing, municipally financed work.

There is still hope the University of Toronto, York and the city's four community colleges will be able to get moving on their expansion and refurbishing plans next month. (Ryerson prudently applied for its building permits early.) Miller announced last week that the city aims to issue 500 building permits over the next two weeks.

And politicians are still making infrastructure announcements. Last Friday, federal Finance Minister Jim Flaherty and provincial Deputy Premier George Smitherman pledged to contribute \$305 million to the makeover of Union Station. But that is a long-term project. The money won't flow for months, possibly years.

For the most part, Toronto will sit out what federal Finance Minister Jim Flaherty billed as "one of the largest building projects in Canada's history."

All sides are to blame.

If Miller had played by the rules, Toronto's infrastructure application probably would have been approved this spring and developers could have applied for building permits before the strike began.

But he was determined to use the federal cash as he chose.

If Baird had shown a little flexibility, a way could have been found to use federal infrastructure funds for part of the streetcar project.

But he was determined to whip Toronto into line.

As for CUPE Local 79, it snatched the last prospect of recession relief away from Torontonians.

Even if the federal cash were to flow now, the city wouldn't be able to tackle its infrastructure deficit for weeks, possibly months. That means no new affordable housing, no transit repairs, no sewer and water main refurbishment, no economic stimulus and no additional construction jobs this year.

Eventually, the strike will end. Toronto will get some, if not all, of the infrastructure money for which it applied. And municipal officials will find a way to divert funds from federally subsidized projects to the streetcar contract.

But by then, the worst of the recession will be over.

So much for Flaherty's promise to take "immediate action to build infrastructure." (Jan. 27, 2009)

So much for Miller's pledge to "help ease the burden of this difficult period, while planning for recovery." (April 9, 2009)

So much for public service when Torontonians need it most.

*Carol Goar's column appears Monday, Wednesday and Friday.*