



The POSO Post

A newsletter for Province of Ontario Savings Office Staff

Issue #1 November 2001

Ministry discloses POSO sale plans

OPSEU is keeping close watch on the Ministry of Finance as the Ministry unveils its process for “divestment” of the Province of Ontario Savings Office (POSO).

The Ministry has finally disclosed new information about the proposed sale of the POSO. As well as retaining CIBC World Markets, Inc. as its financial advisor to assist in the sale of the operations, the Ontario Superbuild Corporation has also retained the legal firm of Goodman for this transfer.

A Request for Expression of Interest will be issued soon, probably before December 2001. A Request for

Proposal (RFP) will be issued once CIBC World Markets has qualified the bidders. The RFP is expected to be issued early in 2002.

The Ministry of Finance suggests a closing date of March 2002, provided the document is released as quickly as expected.

Please contact Judith Marion, job security officer at OPSEU (1-800-268-7376 x 370) or your steward if you require any further information. You are welcome to contact Judith if you wish to volunteer for the Reasonable Efforts Committee during the pre-transition period.

Union working with Opposition to fight privatization

OPSEU is working with groups including the Liberal and NDP Opposition against the privatization of the POSO. Howard Hampton, Leader of the Ontario NDP has written to Finance Minister James Flaherty and has asked the government to stop this scheme. Many people have circulated petitions such as the one posted on the internet on our web site at opseu.org MPPs including Sean Conway, the veteran Liberal, have spoken out on the issue in the Legislature. Many citizens and customers of the various branches have written to their MPP or to the editor of their local paper.

Please copy the attached petition or download it from the internet. Make as many copies as you can, and have your friends and neighbours sign it. You can send completed petitions to Mr. Conway or Mr. Hampton at Queen's Park.

We can do more: talk to your friends and neighbours; call your MPP; write to the newspapers.

Just what was said: Sean Conway MPP - Oct 22, 2001 from the Ontario Legislative Record (Hansard):

We have in the city of Pembroke one of the oldest Province of Ontario Savings Offices in this great province of ours. I've got to say to the Minister of Finance that many people, particularly older people and people from the farm community in Renfrew county, are very upset at this scheme to basically privatize the farmers' bank, the Province of Ontario Savings Office. I have been stopped more times than I can recall since the budget was introduced this spring with this plan to privatize POSO. . . In fact, one of my constituents, Mr Donald Broome of Cobden, (said) that not only should the province of Ontario not close its savings office, but according to Mr Broome, it should be maintained and expanded and given more of a mandate to compete with the chartered banks.

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The POSO Post is sent to keep you informed of news from your Union and issues of concern to you at your workplace. You are invited to contribute to future issues. Please contact David Cox at 416-443-8888 x 314 or at dcox@opseu.org Also visit OPSEU's web site at <http://www.opseu.org> for information about the union's activities.

*Opposition continued
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Do you know what is infuriating people up in my area? . . . What seems to be going on is that Mr Flaherty is shilling for the Canadian Bankers Association. We've known for decades that the big banking establishment doesn't like this pesky little service-oriented Province of Ontario Savings Office (serves) the people in communities like Pembroke, Simcoe, Aylmer, Owen Sound, Kingston, St Catharines, Toronto, Ottawa and Woodstock — very good offices, 23 in all; very good service. People say to me, "What possibly explains this scheme?" There seems to be only one answer: the big banking interests — the special interests, the most powerful interests in the country —

Open Letter to Minister of Finance James Flaherty

Dear Minister,

I have received a number of letters from Ontario residents perplexed about your plan to sell-off the Province of Ontario Savings Office (POSO). This scheme to privatize the POSO against the wishes of its depositors, when you do not even know the value of the institution you plan to sell, is bizarre.

The POSO was founded in 1922 to provide capital to fund our public infrastructure including our highways. Now in 2001 your government is talking about funding highway building through the private sector. How ludicrous, when you have \$2.8 billion on deposit with the POSO that you could use and you say you don't want.

Instead of using the \$2.8 billion currently on deposit to build our great province, you would allow deposits to go to the banks.

The POSO does not have to make a profit for shareholders and as a result its interest rates on deposits and GIC are generally better than those paid by private banks. Service charges are minimal. Consumers – depositors like it the way it is.

The sell-off does not make sense. The POSO represents not only an alternative to for-profit banks with their service fees, it is a way for public-minded citizens to invest directly in their own province. Please call a press conference now and announce that you have reconsidered this action.

Sincerely,

Howard Hampton, Leader, Ontario NDP

<http://www.opseu.org>

have found a treasurer who is prepared to be their cipher, to be their skill.

Do you know what's going to happen? The Royal or another of the big establishments is going to buy it, and then they're going to close it down — in your face. Then (MPPs) are going to go home and on the main streets of Woodstock or Pembroke explain to people who have, for decades, put their money in that Province of Ontario Savings Office, not only to their credit but to the benefit of the Ontario government. . . (now to benefit) the banking establishment, one of the biggest and most powerful cartels in the land. . . I just want to say to Jim Flaherty, "Shame on you."

“We have no choice but to rebuild public services now to protect public health and safety and the public interest. We need the Province of Ontario Savings Office to stay public. We need to use the depositors' money as intended, for re-investing in the public services that the Conservative government have dismantled.”

-OPSEU President Leah Casselman

Sign our Petition

Attached is a **petition** to the Legislature: Please send copies to your MPP, and to the opposition Leaders. For more information on how to present a petition to the Legislature see:

<http://www.ontla.on.ca/index.htm>
and click on “House Business”

Help us keep in touch with you by e-mail. Send your home e-mail address to lwilliams@opseu.org and mention you are from the Province of Ontario Savings Office.

In Solidarity,
Your OPSEU team

Authorized for Distribution:



Leah Casselman, President

Petition

To the Legislative Assembly of Ontario:

“Whereas the Province of Ontario Savings Office was created in 1922 by united farmers and labour as a unique banking facility that allowed Ontarians to invest in their province; and

“Whereas the Province of Ontario Savings Office enjoys a strong popularity among Ontario residents, with over 100,000 accounts and over \$2.8 billion on deposit; and

“Whereas the Province of Ontario Savings Office offers customers attractive interest rates, generous chequing privileges and personalized efficient service, and every dollar deposited is guaranteed by the province of Ontario; and

“Whereas POSO has 23 branches serving 17 communities across Ontario, including Hamilton, Windsor, Ottawa and small communities in northern Ontario not served by other banks or trust companies. Places like Pickle Lake, Armstrong, Killarney, Gogama and Virginiatown; and

“Whereas the Harris government announced in its latest budget that it will put the Province of Ontario Savings Office on the auction block, even though it is a consistent revenue generator, and even though this revenue could help Ontario’s crumbling infrastructure after years of Tory neglect;

“Therefore we, the undersigned, petition the Legislative Assembly of Ontario as follows:

“To save the people’s bank, the Province of Ontario Savings Office, so that it can continue its historic role of providing excellent banking services to families in communities across Ontario; so that people in small towns will not be forced to go further afield for banking services and forced to go to private, for-profit banks.”

Name (printed)	Address (printed)	Signature