



The POSO Post

A newsletter for Province of Ontario Savings Office Staff

Issue #2, May 2002

POSO staff step forward during OPS strike

POSO staff distinguished themselves during the recent OPS strike, even though for most it was the first experience on the picket lines. In this tough struggle against an employer who refused to respect our work, POSO staff showed they are a proud part of OPSEU.

The focus was on POSO April 10 as many branches held a "Gag Day" by wearing scarves or duct tape around their mouths to protest the fact that POSO management would not let members campaign against the proposed divestment of the Savings Office.

Our branches were the focus of media attention including a front page picture in the *Sun Times* in Owen Sound. In Stratford, media reported on pickets in nearby St. Mary's, while CFPL TV in London had already visited the line in Seaforth. A huge demonstration at the

St. Clair branch in Toronto attracted reporters including a Global camera. In Thunder Bay, members of the Local distributed flyers about the gag order. Windsor held its event on the 11th.

At the same time, the union collected thousands of customer names on anti-divestment petitions.

Keep those petitions coming

Please return signed petitions to David Cox at OPSEU, and send copies to your MPP, and to the opposition Leaders. We've already received and forwarded petitions with almost 1000 signatures from across Ontario. Others have been sent directly to the politicians.

Your boss doesn't want you to read this proposal

POSO customer Don Broome is angry that the government would consider privatizing the POSO without asking its customers (even though the Tories once violated customer confidentiality by giving information to a pollster for that very purpose).

He's also mad that his own plan to expand the services of the POSO has been trashed by POSO management, and staff have been told they cannot discuss or even open the document. "It comes as no surprise to me that this government would try to silence this proposal, given their abysmal record of not listening to their own citizens, POSO customers, or staff," he said.

Reproduced here is part of Don Broome's proposal to expand the Savings Office and give the new Finance Minister, Janet Ecker, some working capital in order to make the long-overdue investments in public services.

For a complete copy of this proposal, contact David Cox as listed below.

A Proposal to the Finance Minister

by Donald E. Broome, Cobden Ontario

Ontario citizens have heard (...) that one of their finest (albeit least known) provincial institutions was going to be "privatized", however they now know that your government has undertaken a commitment to follow through with this plan.

The institution to which I refer is the Province of Ontario Savings Office, or as it is more commonly known, the POSO, our provincial bank.

Indeed, as Finance Minister you would also know the POSO earned a nine million dollar profit last year, not a bad showing considering it has survived for the last 80 years despite regulations forbidding it to advertise its services publicly.

This impediment was further compounded by the fact that the POSO is only allowed to provide limited services for its clients, a restriction designed to prevent it from competing directly with privately owned 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, or see OPSEU's web site at <http://www.opseu.org>.

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Nevertheless, the POSO has not only survived, but gone on to prosper by (...) providing Ontario clients with quality customer service and competitive interest rates.

In addition (POSO) has few service charges, insures any amount on deposit, pays approximately 1 per cent more than Chartered Banks do on a one year GIC 1.3 per cent more on a two year G.I.C. and 3.35 per cent on a savings, whereas Chartered Banks pay less than 1 per cent on savings accounts.

In view of all this, Ontario taxpayers, including 75,000 POSO customers and the 200 concerned employees of the 23 POSO branch offices are all wondering why (the government) would want to sell off their Bank.

This highly questionable move makes no business sense whatsoever, especially when you consider that the POSO represents not only a substantial moneymaking asset to our province, but is highly regarded by its 75,000 loyal clients also.

In order for this to happen however, the Federal Government must be persuaded to break a monopoly that began back to December of 1913, a monopoly that now impacts every level of Canadian society as the root cause of our financial woes.

By monopoly, I refer to the mandate all private Chartered Banks hold to create the financial credit of our nation, an exclusive privilege they alone exercise under the authority of Federal Banking Charters.

It is by this mandate that Canadian money creation now rests exclusively with private banks. There is no other source, and as a consequence, no other competition.

Nevertheless, the central element to implementing this proposal remains the acquisition of a Bank Charter for the POSO enabling the Provincial Government to:

(A) Turn the POSO into a Chartered Bank and Ontario's Central Bank as well, working similarly to how the Bank of Canada works for the Federal Government.

(B) Expand its operations to include all the services of the chartered banks.

(C) Allow it to compete with the Chartered Banks.

(D) Instruct it to purchase all provincial bonds for sale on the bond market.

(E) Instruct it to buy up 100 per cent of any new provincial bond issues.

(F) Allow it to use the very same credit creation methods that chartered banks use.

This would enable the POSO, to make interest free loans to the province and its municipalities while

generating substantial profits from its newly expanded services.

However, the Ontario government is fully intent on selling off the POSO to private interests, such as either a chartered banking cartel or one of their affiliates, who will almost certainly close the POSO offices in order to absorb its depositors into their own banking network.

Divestment: It's not a done deal No news is good news!

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. At this printing, there has been no news about the proposed sale of the POSO or the Request for Proposal (RFP) which was expected to be issued early in 2002.

Is divestment dead under Premier Eves and Minister Ecker? Have the Tories come to their senses?

Please contact your job security officer, Pat Schillemore at OPSEU (1-800-268-7376) or your steward if you require further information. Eileen Wesley is the organizing unit staff person assigned to POSO. If we have news, we will pass it on to you.

Why no customer service at head office?

An OPSEU member recently asked a good question: Why is there no POSO service branch at the Ministry of Finance in Oshawa, where head office is located? That's where the money comes in. About 3,000 OPSEU members work in Oshawa and Whitby. Would it not make sense to open a POSO branch?

Keep in touch

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. See the POSO anti-privatization campaign on the OPSEU web site for things to do to keep POSO public.

Authorized for Distribution:



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