

## Underfunded public services and the deficit

- **Public services are starving** as it is. Many have been on life-support since the Mike Harris years. Ontario needs a long-term plan to reduce the deficit without cutting public services.
- Neither the people who need public services nor the people who provide them are responsible for the provincial deficit. The burden of paying down the deficit should be borne by those most able to bear it.
- In the recession, demand for public services has increased dramatically. *Please feel free to use examples you know of in your workplace or region.*
- Municipalities are projecting increases of 40-50 per cent in the number of applicants for social assistance.
- Small and rural hospitals are threatened with closure including Welland, Burk's Falls, Port Colborne, Kincardine, Fort Erie, Quinte West, Wallaceburg and Strathroy. Emergency rooms are being closed, services are being privatized, including occupational therapy and lab work, and hundreds of layoffs have been announced in 2009. OPSEU is calling for a moratorium on all further closures until the Minister's Panel on Rural and Northern Health Services makes its recommendations early next year.
- There was a 10 per cent increase in applications to community colleges this year, yet Ontario remains 10<sup>th</sup> out of 10 provinces in per-student funding for community colleges.
- Ontario-funded employment services have seen demand for services increase by 100 per cent.
- Ontario's Second Career job training program for laid-off workers received so many applicants it ran out of funding 16 months into the 3-year program and had to be topped up by the province. 300,000 manufacturing jobs have been lost in Ontario in recent years. 21,000 laid-off workers have received help under Second Career.
- Referrals to children's mental health agencies have increased by 35-50 per cent during the recession. One out of five children and youth under 19 is expected to experience a mental health disorder. And yet community-based children's mental health services have received **no increase** to their base funding for 14 of the last 16 years.
- 49 of the province's 51 children's aids societies face budget shortfalls, totaling \$67 million. OPSEU represents 16 CAS's. A number of them including York Region, Rainy River and London, have gone on record saying the province's complex funding formula is at the root of the problem along with inadequate funding for high needs kids, with the consequence that staff layoffs and program cuts are threatened.)

## The public sector is vital to the economic recovery

### **Cutting spending in the public sector will make the economic picture worse, not better.**

With the uncertainty ahead, our communities need good-paying jobs in the public sector now more than ever.

- We need jobs in the public sector to support jobs in the private sector. Right now the private sector depends more than ever on having public sector jobs in our communities. Any money we make, we spend locally.
- With many Ontario communities hard hit by private sector job loss, it's important to protect public service jobs. For example, the harmonization of the federal and provincial sales taxes affects 1,200 OPSEU members province-wide, 400 of them in the Oshawa area.
- Every dollar spent in the public sector not only provides a service that people need, but also provides income that supports local families and local economies. In families where a private-sector job has been lost, the public sector job may be the only income for that family.
- We don't support any reduction in current or planned government spending.
- The government has been bullied into reducing taxes on businesses rather than focusing on overall business costs. Ontario's public infrastructure, in particular our health care system, is a business advantage that is worth far more in competitive terms than the tax dollars that fund it.
- Modest increases in (progressive) taxes must be an option in next spring's provincial budget.

## Jobs and wages

- **Ontario needs a comprehensive, long-term good jobs policy** that uses public investment not only to create jobs but to strengthen the public infrastructure all jobs depend on.
- Any jobs policy must recognize the importance not just of jobs, but of good jobs. Compared to 30 years ago, the **average working person in Ontario is more productive than ever** and is working more hours at jobs that demand more skills, yet our wages haven't moved up. This is the problem in both the private and the public sectors. This is the problem we need to fix.
- Over the last 30 years, the wealthiest fifth of the population has seen its income rise while everyone else has fallen behind or stayed in place. It's time business leaders and people who got rich during the boom started showing some leadership on our fiscal situation.