

NO MORE CUTS

Rebuild our public services!

Important information for OPSEU members • Winter 2005



By Leah Casselman

If all else fails, blame public employees.

That's Premier Dalton McGuinty's plan to balance Ontario's books. Not surprisingly, public employees are wondering, yet again, "Why us?"

McGuinty's promise

We remember October 2003. On election night, McGuinty stood in the smoking ruins of the Tory regime and sent a stirring message to public sector workers. "I value your work," he said, "and I look



OPSEU President Leah Casselman

forward to working with you so we can provide better services to our public."

It was a fine speech. For eight years, Mike Harris and his cronies demolished public services and slandered our work. McGuinty, in contrast, promised

to rebuild shattered services and treat us fairly. Things were about to get better.

We thought.

A Tory third term?

Fast forward to today. Our hospitals are short \$600 million, or about five per cent of their budgets. In the Ontario Public Service, the Liberals plan to dump up to 6,000 front-line jobs from a workforce already cut by one-third by Harris and Eves. In social services, agencies that responded to years of flatlined budgets with layoffs and program cuts are getting crumbs at best.

Seen from the front lines, the Liberal's first term in office looks an awful lot like a Tory *third* term.

This is not what the Liberals campaigned on. In March 2004, Finance Minister Greg Sorbara said, "We were elected to ensure high-quality public services. That's what the election was about. That's what we got elected to do."

A "two per cent world"?

Weeks later, Sorbara announced that, except for health and education, spending would grow by only 1.9 per cent per year. That's

actually a *cut*, after inflation and population growth.

"I myself, as Finance Minister, live in a two per cent world," Sorbara said recently.

As if. This year, Sorbara himself made \$112,283. This is not two, but 32 per cent more than the base rate of a regular MPP.

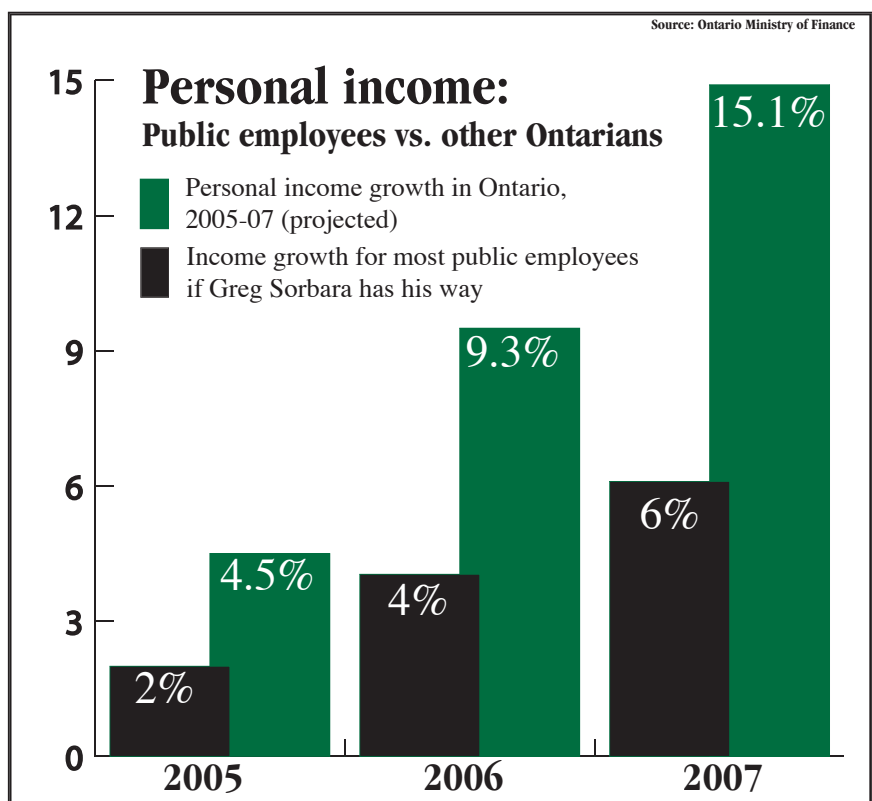
In bargaining with doctors, Sorbara offered them an average pay hike of 18.6 per cent over four years. The increase doctors rejected in November – \$50,725 each, on average – is more than the average annual income of a member of OPSEU.

Yet Sorbara sees two per cent as just fine for the people who run our courts, guard convicted criminals, keep our roads safe, help people with disabilities, protect children from abuse, inspect water plants, and so on.

To compound the insult, Sorbara likes to crow that average personal incomes in Ontario are rising. They'll go up by "4.5 per cent in 2005,

"I value your work and I look forward to working with you so we can provide better services to our public."

– Dalton McGuinty's message to public employees, Oct. 2, 2003



4.8 per cent in 2006 and 4.9 per cent in 2007,” he says.

Fairness

Clearly, in his world, there are two classes of people: public employees, and everybody else. When the province needs money, it's public employees who pay.

This is no change from the Mike Harris years. It is blatantly unfair.

Under Harris, public employees who kept their jobs saw their real wages fall due to inflation. A typical clerk in the public service – maybe the one who sent out your OHIP card – now earns \$2,500 a year less in real terms than in 1994.

Meanwhile, wages in the rest of the economy have surged ahead. And, as Sorbara notes, they will keep on doing so. But in his “two per cent world,” the technologist who tests your blood, or the technician who runs a college computer lab, will keep on falling behind.

In October 2004, “more efficient government” suddenly made it onto Greg Sorbara's list of priorities. As anyone knows, this is code. It means “cuts.”

The real cost of public service cuts

Post-Walkerton, post-Aylmer, post-Harris, the idea that more cuts to public services might be good for Ontario is simply irresponsible. Faced with a mammoth deficit in 2003, even the Tories could not find more savings. If the Tories didn't cut it, it can't be cut. They cut to the bone and kept on sawing.

That's why it now takes six months to register the birth of a baby.

That's why, in 2003, the provincial auditor found 99,000 criminal cases on the verge of being tossed out of court because they'd been on hold for more than eight months.

That's why families are waiting for \$1.3 billion in child support payments as government staff juggle 890 cases each.

Rebuilding public services

We must rebuild public services. Sadly, the course the Liberals are on will only make things worse. Relative to the size of our economy, the Liberals plan to spend even less than the Tories did. Under the Tories, program and capital spending averaged 12.9 per cent of Gross Provincial Product. The Liberal target is 12.2 per cent by 2007-08.

Minister Sorbara says the Tories left a “gaping hole” in revenues. It's true. Yet his government has made a choice to leave that hole unfilled and make public employees pay the price – again.

It doesn't have to be that way. Ontario doesn't

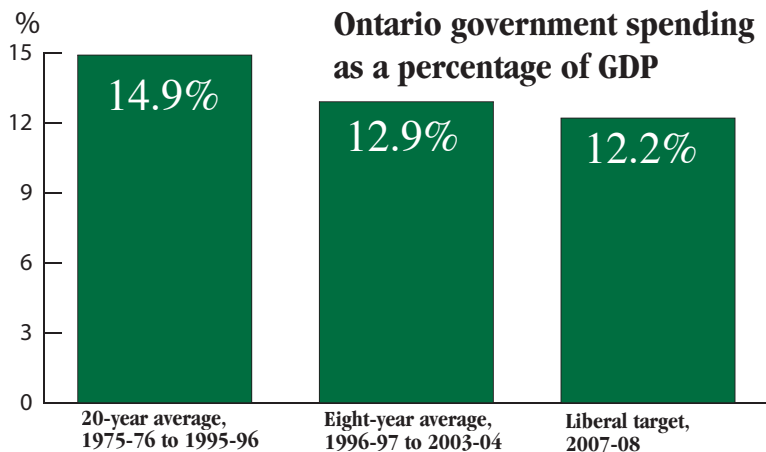
Ontario's shrinking public sector

Ontario's ability to afford public services depends on the size of our economy, also called the Gross Domestic Product, which is the sum of all the goods and services produced in a given year.

In the 20 years from 1975-76 to 1995-96, Ontario government spending on programs and capital

costs averaged 14.9 per cent of the provincial Gross Domestic Product (GDP). In the Harris-Eves years, spending fell to 12.9 per cent of GDP, on average.

What few people realize is that, by 2007-08, the Liberals plan to cut government spending down to just 12.2 of GDP.



have a spending problem; it has a revenue problem. Last year alone, Tory tax cuts took \$13.3 billion out of the government's coffers. That's more than it costs to run all of Ontario's hospitals combined.

Recovering just a part of that lost revenue would allow the government to rebuild our public services. Returning corporate taxes to 2000 levels, closing loopholes and collecting unpaid corporate taxes would increase revenues by \$2.8 billion. Ending exemptions to the Employer Health Tax would bring in \$1.1 billion. A modest 2% increase for people who earn more than \$100,000 a year would raise another \$1.2 billion. It's not rocket science.

If Mr. McGuinty truly values the work of public employees, he will change course now. Because we won't pay twice for what Mike Harris did.

Mr. McGuinty, it's time you lived up to your promises. No more cuts. Rebuild our public services!

Leah Casselman is president of the Ontario Public Service Employees Union. A version of this article was published by the London Free Press on Nov. 26, 2004.

Help send a message to Dalton McGuinty!

Think it's about time that Dalton McGuinty and his Liberal government lived up to their promise to rebuild public services?

Why not help McGuinty get the message? Just send the premier one of OPSEU's “Stop the Cuts” postcards.

For copies of the postcard – and buttons and stickers with the “No More Cuts” logo – talk to your steward or a member of you local executive.