

## The Ontario Tory government and the crisis of working-class perspective in Canada

# Part 1: The Tories intensify their class-war assault

**Lee Parsons, Keith Jones**  
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*The following is the first part of a two-part article. The second part will appear Thursday, May 25.*

Since winning re-election last June 3, the Ontario Tories have pressed forward with their Common Sense Revolution. In the name of dismantling “big government” and restoring “individual responsibility,” the Tories have introduced new measures against the poor, withdrawn desperately needed resources from public and social services, and slashed taxes on corporations and the well-to-do.

However, unlike their first term, when Ontario was convulsed by strikes and demonstrations, the Tories have encountered little overt opposition. The Tories' parliamentary opponents, the Liberals and New Democrats, signaled their acceptance of the key tenets of the Common Sense Revolution when they pledged, during the spring 1999 election campaign, that they would balance the provincial budget without reversing the Tory tax cuts. The trade unions, for their part, have repeatedly pleaded with Premier Mike Harris to work with them. Ontario Federation of Labour President Wayne Samuelson has vowed the unions will mount no further anti-Tory Days of Action. Henceforth, any union opposition will be issue-specific, i.e., will be limited to criticizing individual measures.

An examination of developments in Ontario is in order and not only because it is Canada's most populous and industrialized province. With increasing vehemence big business is pressing for the coming to power of a national government modeled after the Harris Tory regime. To this end, much of Canada's corporate elite is bankrolling Tom Long, a key Harris advisor, in his bid to win the leadership of Canada's Official Opposition, the Canadian Alliance.

The anti-Tory agitation in Ontario was the largest and most sustained working class opposition movement in North America during the 1990s. Only by drawing the lessons of the failure of this movement will it be possible to politically prepare a working class counter offensive.

In the coming weeks, the *World Socialist Web Site* will publish several articles examining the changes wrought by the five-year-old Harris Tory government. Attention will be paid not just to the reactionary aims and human cost of the Tories' legislative and policy changes, but also to their ideological packaging. The Tories' assault on the social position and democratic rights of the working class has been accompanied by an ideological offensive aimed at channeling the frustrations and anxieties that large strata of the population feel over increasing economic insecurity against the most vulnerable social layers.

Our examination will begin with a two-part article: the first part will review the most important actions taken by the Tories since their re-election last June; the second will analyze the collapse of the anti-Tory opposition movement.

In the 1990s governments across Canada and of every political stripe imposed sweeping social spending cuts in the name of eliminating budget deficits. What distinguished the Harris Tory government was its readiness to slash taxes—in their first term the Tories cut personal income taxes by 30 percent—thus exacerbating the budget shortfall and increasing the pressure from the province's creditors for public service cuts. (During the Tories' first four years in office, the province's accumulated deficit rose \$22 billion.)

While other governments claimed the “deficit crisis” left them no choice but to cut expenditures, the Tories unabashedly declared that their aim was to “roll back government”—that they were intent on redistributing money from public services and transfers to the poor to “beleaguere” taxpayers—in reality, to the more privileged sections of the middle class and the rich.

The Tory tax cuts have had a three-fold purpose: to garner votes by appealing to discontent among working people, the vast majority of whose incomes have fallen or stagnated for well over a decade; to swell the incomes of the well-to-do by clawing back an increasing portion of the tax revenue that previously sustained public and social services; and last, but not least, to ensure that future governments do not have the financial means to reinvest in social and public services.

Years of under-funding, the Tories calculate, will so undermine the quality of health care, education and other public services that a popular constituency will develop for privatization. As Harris's first Education Minister once conceded, the Tories aim to provoke a crisis so they can push through “reform.”

In the year since they won reelection, the Tories have taken further steps to boost the share of social wealth appropriated by the privileged and to ensure that no future government has the means to redress the crisis in public and social services.

First, with Liberal Party support, the Tories adopted the Taxpayer Protection and Balanced Budget Act. It makes it illegal for an Ontario government to incur a deficit, except in the event of a war or other emergency, and outlaws all tax increases, by this or any future Ontario government, unless specifically mandated by the electorate in a provincial referendum.

Then, in the provincial budget delivered earlier this month, the Tories introduced a vast array of cuts to personal income, corporate and capital gains taxes. Corporate taxes have been reduced by \$1.3 billion in the current fiscal year, and will be virtually halved over the next five years. By 2004 corporations will be paying \$4 billion less in taxes per year. Over the same period, the portion of capital gains subject to taxation is to be reduced from 75 percent to 50 percent. Corporate high-flyers will also

benefit from a new tax exemption on their first \$100,000 in annual earnings from stock options.

To try to mask the class character of their tax-cutting, the Tories reduced tax rates only on the first \$60,000 in personal income. Nonetheless, some 27 percent of the income tax cuts, or \$733 million, will go to the top 5 percent of income earners.

In tabling the budget, Treasurer Ernie Eves boasted that because of the rapid expansion of Ontario's economy his government had raised "an amazing \$5.3 billion" more in revenue than projected. He then promptly spent all but \$100 million of this windfall—or \$5.2 billion—on various tax cuts, including a \$1 billion, one-time "rebate" of between \$25 and \$200 to every Ontarian who paid income tax in 1999.

Under conditions where the government is, by its own admission, awash in money, the Tories continue to slash services and programs in all but a handful of areas. A decade of cuts has left the public health system on life-support, yet the Tories increased total health care expenditure for the coming year by just \$49 million.

While nominally the Education Ministry is receiving a 0.8 percent budget increase, cuts in property taxes and increased enrollment mean school boards will in all likelihood receive less per student this year than last. Toronto Mayor and Tory ally Mel Lastman conceded last year that homelessness had become a "national emergency," yet the Tory budget actually cut \$90 million from the municipal affairs and housing ministry. To partially offset increases in expenditures on highways and infrastructure, the Tories are also cutting \$110 million from social services, \$143 million from the environment, and \$57 million from culture and recreation.

Premier Harris claims that welfare "reform"—a 21.5 percent cut in welfare benefits and the introduction of "workfare"—is the Tories' most significant accomplishment. As proof, he points to a drop of nearly a half million in the number of Ontarians living on welfare benefits since the Tories came to power in June 1995.

The government, however, has made no effort to track the fate of those who left the welfare rolls, whether they left voluntarily or were pushed off. Ministry of Social Services press releases routinely speak of at least 60 percent having found work, but never say a word about the terms of their employment, let alone the fate of the other 40 percent.

Unquestionably, many of those who were thrown out of work during the 1991-93 slump did find work in the latter half of the 1990s when the economy was expanding rapidly, but often at much lower wage rates. And their ability to find work had nothing to do with the introduction of workfare. Most tellingly, the same period of economic expansion and shrinking welfare rolls has seen a dramatic rise in both homelessness and food bank use.

The vilification of welfare recipients as layabouts, drug addicts, cheats and criminals has been central to the Tory drive to harness popular anger and anxiety to its campaign to slash what remains of the social safety net. According to a study commissioned by the government and carried out by the prestigious accounting firm KPMG, the Tories have fallen far short in providing workfare with sufficient resources to achieve its stated objectives. But the government simply dismissed the report, and in recent months has announced plans to expand the program. Over the next two years the Tories intend to raise to 30 percent, more than double the current figure, the proportion of welfare recipients compelled to work for their benefits.

As of last month, municipalities that refuse to participate in workfare or fail to meet their workfare placement targets are to be subjected to financial penalties. Community and Social Services Minister John Baird has pledged that "the Ontario Public Service will demonstrate leadership" in providing for workfare placements, raising the prospect that welfare recipients will be used as conscripted, cheap labor to perform work previously carried out by unionized civil servants.

Baird has also announced plans to impose a life-time eligibility ban on anyone convicted of welfare fraud and hire 100 new Eligibility Review Officers, to check for fraud and administrative errors that have resulted in overpayments. The Tories 1999 Election Manifesto called for compulsory drug testing of all welfare recipients and compulsory participation in a drug-rehab program for those found to be using drugs.

While the Tories have cast themselves as opponents of "big government," they have repeatedly authored legislation giving unprecedented powers to the provincial government so that they can unilaterally impose regressive reforms. Under Bill 160, for example, the Tories decentralized bargaining in the education sector, so as to fragment any opposition to their assault on teacher and support-staff working conditions, while centralizing control over education policy and funding in the hands of the Ministry.

Only after a public outcry did the Tories drop a provision of their "Fewer Municipal Politicians Act" that would have given the cabinet the power to "make regulations ... providing for consequential amendments to any [provincial] act that, in the opinion of [cabinet], are necessary for effective implementation of this act." In other words, the Tories wanted to give cabinet the power to rewrite existing legislation without consulting, let alone securing the approval of, the legislature.

With the aim of reducing the municipal workforce, the Tories have ordered the merger of Ottawa and its suburbs. Yet the Tories, not wanting to offend the sensibilities of some of their anglo-chauvinist supporters, refused in the name of upholding local democracy to stipulate that the new mega-Ottawa will be bilingual—no matter that the region has a large French-speaking minority and the current City of Ottawa is officially bilingual.

Crime in Ontario, as in other jurisdictions in North America, has been falling, but this has not stopped the Tory government from beating the law-and-order drum. Over the past year, there has been a steady stream of announcements from the government of increases in the numbers of police officers and prosecutors, of new police registries and changes to the prison system to make it more punitive. Says Solicitor-General David Tsubouchi, "People have the right to not only be safe, but also to feel safe."

Much of the Tories' law-and-order rhetoric has been directed against young people. The Tories have announced plans to establish three new boot camps for youth and young adults, drafted legislation holding parents legally liable for damage to property caused by their children, and pushed a resolution through the provincial legislature condemning the federal Liberal government's right-wing amendments to the Youth Offenders Act, saying the law as amended still will not make "young criminals accountable for their actions."

The Tories' law-and-order campaign is a "wedge issue" designed to detract attention from other seemingly more complicated social questions, cast crime as a product of individual evil as opposed to a social problem, and demonstrate government decisiveness. At a more profound level, it is a response to the deepening social polarization.

Unable and unwilling to address the social problems produced by the growth of poverty and the dismantling of social and public services, the Tories and the ruling class are driven increasingly toward state repression. This has found its most explicit expression to date in the adoption of the Safe Streets Act, which outlaws washing car windows on a roadway and "aggressive panhandling" (including asking for money near a bus stop or bank machine.) Those found guilty of violating the new law, which came into force last February, are subject to fines of \$500 for the first offense and a \$1,000 fine and jail term of up to six months for subsequent offenses. Armed with the new law, the Toronto police have effectively stamped out squeegeeing-for-money. In the future, it will no doubt be used on a broader basis to harass the homeless, who are said to number 25,000 in Toronto alone.

The Tories have announced ambitions plans for privatization. The

Ontario Realty Corporation, a provincial agency, has been given a list of 168 government properties—worth an estimated \$200 million—to assess whether they should be declared surplus and sold. The Ministry of Corrections has also announced plans for public-private partnerships in the managing of five facilities, including a new “strict discipline” young adult boot camp and the Penetanguishene “super jail.”

But of far greater long-term consequence to the lives of ordinary Ontarians are the Tories' plans to make education more “market driven.” Last month Dianne Cunningham, the minister of Colleges and Universities, announced that Ontario will become the first province in Canada to allow the establishment of private, for-profit universities. Earlier Cunningham had announced that the province's universities and colleges will have to compete amongst each other for a growing proportion of their government grants. Half of all new funding will be distributed on the basis of where the universities and colleges rank in terms of graduating students who are able to find and hold permanent jobs.

In recent weeks, the Tories have announced major changes to the public education system. While these changes do not immediately open the door to privatization—private schools are, in any event, already extant in Ontario—it is an open secret that a faction within the government wants to adopt the charter-schools model, in which parents are given an education voucher and schools, public and private, compete for students. Already the government has imposed standardized province-wide testing, which is widely recognized to be a first step to ranking schools by “performance.”

With their Education Accountability Act 2000, the Tories are effectively stripping teachers of their collective bargaining rights and arbitrarily rewriting their working conditions. Teachers will no longer have the right to negotiate workload and working conditions, voluntary teacher participation in extra-curricular activities can be made mandatory at the principal's discretion, and high school teachers are being compelled to teach a full class an extra 37 minutes per day. The Tories are also imposing a compulsory quinquennial (every five years) teacher re-certification process under which teachers will have to pay out of their own pocket for professional development courses. Last but not least, the legislation gives the Education Ministry sweeping powers to discipline any school board employee or even elected school trustee who criticizes government education policy.

The Tories have also introduced legislation to impose a new regime of conformity and discipline in the province's schools. Having slashed funding for both counseling and special education, as part of their general assault on public education and social services, the Tories are now proposing to deal with an alleged discipline crisis in the schools by giving schools greater power to suspend and expel students.

The scope of the Tory assault and the abject surrender and outright complicity of the unions and the social-democratic NDP have no doubt taken many workers aback. But there is an enormous latent social anger against the Harris government and its big business agenda. Pivotal in the preparation of a working-class counteroffensive is a political appraisal of the rise and fall of the anti-Tory movement, which saw more than a million workers and youth join anti-government strikes and demonstrations between December 1995 and November 1997. It is to this task that we will turn in the second half of this article.



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