

Toronto announces privatization of municipal workforce

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12 February 2011

Earlier this week, Toronto's right-wing populist mayor, Rob Ford, announced that he has given the union representing the city's garbage collectors the requisite 90 days notice that he intends to privatize curb-side pickups, vacuum street cleaning and park litter collection services. The first stage of the privatization plan will result in at least 300 jobs being cut from the city payroll, but places hundreds more on the chopping block.

Ford ally, City Councillor and public works chairman Denzil Minnan-Wong enthusiastically told the press that the mayor's fiat was just "a first base" for more privatization to come. City Councillor Doug Ford, the mayor's brother, went even further. In 2012, he said, "we should outsource everything we can".

Deputy Mayor Doug Holyday—who privatized garbage collection in the suburb of Etobicoke prior to its amalgamation with Toronto—has made clear that Ford's plan is intended not simply to cut jobs but wages as well. "There certainly are a lot of things that we could look at, and anything that's labour-intensive here is very expensive," said Holyday. "We know that the [people] cleaning ... police stations ... cutting grass and digging and labour type-work [are paid] pretty good around here. A lot better than the people who pay the (tax) bills get."

Holyday's attempt to portray city workers as living high off the hog in a city that is home to Canada's financial elite is patently absurd. A recent study found that between 1977 and 2007 the share of total market income taken by the richest 0.1 percent of Canadians—some 24,600 people—almost tripled to 5.5 percent. And from 1987 to 2007, the richest 1 percent of all Canadians appropriated 32 percent—or almost a third—of all real income growth in that period.

But Holyday certainly does have experience in ensuring that garbage collectors are not paid "pretty good." The conditions of employment for the privatized garbage collectors in Etobicoke are much inferior to those of City of Toronto workers. Base wages are lower by as much as five dollars per hour. Work days are longer. Unlike city union contracts, overtime rates do not automatically "kick in" after a forty-hour week. Benefits packages have been reduced to the bare bones. Workers are not even paid for sick days taken. And when Holyday contracted out the Etobicoke work, staffing levels were cut by half.

Because the Toronto union contract currently stipulates that outside workers with permanent employment status must be provided with another commensurate city job should their position be contracted out, Ford will initially put out to tender only garbage

collection services on the west side of Toronto. 165,000 households are serviced there. Those workers displaced by the mayor's scheme will be shifted to east side routes, taking the jobs of temporary workers there as well as filling other vacancies as they arise. As over time the numbers of workers with job-security protection dwindle on the east side of the city, it will become financially advantageous for the city to finish the privatization push—that is, if the city doesn't succeed in eliminating or gutting the job guarantee in the next contract negotiations.

To buttress Ford's announcement on the privatization scheme, public works officials gave notice that same day that they are prepared to issue a "request for quotations for contingency collection services anywhere across the city as required." In other words, the city has set in motion plans to hire strike-breakers to collect refuse should workers resist the attack launched against them.

Ford has fulminated regularly against public sector workers' right to take strike action to defend themselves against their employer's attacks on living standards. He made the disruptions caused by a 39-day civic worker's strike in 2009 and a 2008 Toronto transit workers' strike central issues in his campaign for mayor last year. One of his first acts as mayor was to push through city council a motion calling on the provincial government to declare Toronto public transit an "essential service" and thereby strip the workforce of its right to strike. The Ontario government of Liberal Premier Dalton McGuinty has indicated that it favours such a course of action and is to make its decision public shortly.

The onslaught against workers' jobs, wages and benefits at City Hall is not limited to the contracts of unionized employees. In his blueprint for a new, "taxpayer friendly" city, Ford has pledged to eliminate the "fair wages policy" which has, since 1893, required contractors bidding on public works tenders, including building contracts, to offer wages that reflect industry standards. Since these standards are significantly influenced by unionized rates of pay, the elimination of the policy will usher in a new era of wage cuts. The new rates will not only drive down wages for thousands of non-union contract workers but will entice city officials to use this new competitive reality to force unionized workers to accept inferior contracts on pain of losing their jobs entirely to further contracting out initiatives.

With the city's budget shortfall for 2012 projected to be significant—and with massive cuts on social services already being prepared—the social position of the working class has clearly been

placed in the cross-hairs of the ruling elite.

The actions of Ford, a multi-millionaire who postures as a defender of the beleaguered tax-payer, are being closely watched and egged on by Toronto's corporate elite, with a view to inflicting a major defeat on the working class that will reverberate across the country. Last week, in an op-ed piece in the neo-conservative *National Post*, John Mraz, a former federal Liberal Party director of communications and prominent backroom operative for the failed Liberal leadership campaign of Bob Rae, urged big business to prepare for a major class confrontation in Toronto in the months ahead. "The garbage contract is only the beginning," he wrote. "It would set a precedent for future contract negotiations as each union's collective agreement expires. It would also get the attention of mayors across the country who are grappling with similar scenarios, and looking for ways to trim bloated city budgets. From small towns to big cities, the power of organized labour continues to stymie municipal administrations' attempts to cut costs and find efficiencies."

Mraz warned that Toronto workers can be expected to resist privatization and the gutting of their contract and called on Ford and the ruling elite to prepare for the possibility of an "uprising" by "150,000 union members in the City of Toronto"—including

"widespread strikes of the scope of France's infamous manifestations, paralyzing the city and the economy." In preparation for such a confrontation, Mraz counselled city politicians to "play hardball," launch a pre-emptive public relations campaign to vilify unionized workers, and not to shirk from organizing a scab labour force to break any strike that may arise—advice that was taken by Ford's team only days later.

Replacement workers—buttressed by goons from professional strike-breaking security outfits—have been increasingly used by major employers across the country since the global financial collapse of 2008. In strike after strike and lockout after lockout—from the 18-month dispute at Vale Inco Labrador to the related year-long industrial action at Sudbury's Vale Inco complex, to the 2009 Windsor City workers' strike, to the lockouts of Quebec workers at *Journal de Montreal* and at Sears Canada near Toronto—employers have deployed scabs.

Turning reality on its head, Mraz portrays the union leadership or sections of it as itching for a fight. In truth the trade unions, which have become evermore integrated with management over the past three decades, have responded to the greatest capitalist crisis since the Great Depression by moving sharply to the right. They fully supported the NDP's bid to become junior partners in a national Liberal-led coalition government committed to implementing the Conservatives' corporate tax cuts and waging war in Afghanistan. They joined with the Obama administration and the federal Conservative and Ontario Liberal governments in insisting that workers at the Big Three accept massive wage and benefit cuts and job losses and they have isolated militant strikes, such as that of the Sudbury miners, thus ensuring they went down to a historic defeat.

And what has been the response of the labour bureaucracy to the machinations of the Ford cabal? After Ford's election last fall on a right-wing anti-union platform, Mark Ferguson, president of Canadian Union of Public Employees (CUPE) Local 416

representing Toronto's outside workers, opined, "We're quite prepared to work with Rob over the next four years. He needs to recognize the value of having a good relationship with his employees." Reacting to Ford's throwing down of the gauntlet this week, Ferguson meekly stated, "I don't expect that we are going to be taking a strike in January. I think there's a real possibility that this administration will lock out its own employees."

Ferguson and his colleagues in the CUPE leadership are experts in confining the struggles of their members within the straitjacket of collective bargaining. During the six week city workers' strike of 2009 Ferguson refused to unite his own membership in joint industrial action with a similar strike occurring in Windsor. And he rejected outright any possibility of mobilizing the area's huge working class against ongoing cuts in social services that impact tens of thousands of families.

Ferguson is not alone in his refusal to prepare for the all-out confrontation with city employees that Ford intends. Bob Kinnear, president of Amalgamated Transit Union Local 113 which represents Toronto's subway and bus drivers as well as transit maintenance workers, responded to City Council's drive to remove his membership's right to strike by promising that in the upcoming negotiations for a new contract this spring the local will not strike or otherwise disrupt service. "We will act as if an essential service law was already in effect. This will effectively give the mayor what he wants but will also allow for more consultation than he has been so far willing to give."

The assault on public sector workers is not simply aimed at gutting their contractual protections but, more broadly, at opening the door to the dismantling of the public and social services that they provide. If the upcoming struggle of Toronto city employees is not to be isolated and lost, workers must repudiate the defeatist orientation of their union leadership. They must strive to make their struggle the spearhead of an industrial and political counter-offensive of the entire working class against the drive of big business across Canada to make working people pay for the world capitalist crisis.



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