

Toronto Mayor moves to gut city jobs and services

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Since the explosion of the 2008 financial crisis, Toronto, Canada's largest city and financial center, has become the site of an ever-widening assault on the working class. The city's ruling elite and their representatives in Toronto's municipal government are seeking to reverse generations of workers' advances through job-cutting "buyouts," layoffs, the expansion of user fees, transit fare increases, cuts to public services, contracting-out and privatization.

September 9 was the last day for 17,000 Toronto city workers to apply to management for a Voluntary Separation Package (VSP) or buyout. The package included three weeks' severance pay per year of service for unionized workers, and four weeks' pay per year for managers, up to a total of six months' salary. Notably, six months' pay is roughly half the industry standard for buyout packages for long-term workers.

The shrinking of the city's workforce through VSPs is a key element in the plans of the new right-wing administration of Mayor Rob Ford to eliminate a supposed \$775-million shortfall in the city's budget. The VSPs are to be combined with significant cuts to the budgets for such public services as transit, parks, firefighting and libraries, and in funding for the arts.

Ford had promised during his right-wing populist election campaign last year that he could balance the city's budget without making any cuts to public services. Campaigning on the slogan "Stop the Gravy Train at City Hall," Ford insisted that there were hundreds of millions of dollars of wasteful spending in the city budget. Last summer, he paid a three million dollar commission to the accounting firm KPMG to identify this "gravy." The KPMG auditors, however, could find no obvious "fat" in municipal spending and instead identified a full gamut of core spending initiatives to be axed.

The jobs buyout offer was made with much fanfare in July of this year, but it soon became apparent that only a tiny percentage of the 17,000 targeted workers were prepared to accept such a derisory offer.

Although Ford had originally pledged that there would be "no need for layoffs" to balance the city budget, his administration responded to the poor response to the buyout offer by suggesting that it will resort to layoffs. In August city manager Joe Pennachetti said that "there will be staff reductions," regardless of whether the buyout offer is taken up or not and members of Ford's entourage are now speaking of layoffs as inevitable.

At a press conference on September 12, it was announced that of the 17,000 VSP offers tendered only 1,100 had been accepted.

The "failure" of the buyout package initiative occurred just as the city released a staff report detailing some of the cuts now being finalized. That these are meant to be only an initial down payment was signaled by Ford when he proudly exclaimed, "We are just scraping

the surface right now."

Moreover, although the city originally claimed that there would be no buyouts or job cuts for transit, library, and police services, all those department are now actively considering both buyouts and layoffs.

Police Chief Bill Blair has suggested that with 90 percent of the \$915 million police budget going to salaries and benefits, Ford's proposed 10 percent spending reduction for the police department (about \$90 million) will inevitably result in layoffs. Blair has suggested that up to 750 officers and 400 civilian staff could lose their jobs.

Likewise, fire chief Bill Stewart has pointed out that a 10 percent cut would result in a loss of over 400 firefighters and 22 fire trucks. These cuts are being proposed at a time when the call volume for fire department services has increased some 30 per cent in recent years.

Both transit and libraries may also soon be proposing staff reductions: "We have [buyouts] on our upcoming library agenda," said Adam Chaleff-Freudenthaler, vice-chair of the library board. Reduced opening hours at the libraries are also on the table.

Earlier this summer, Toronto Transit Commission (TTC) chair Karen Stintz claimed that the commission is looking at every option to cut costs, including layoffs. Tuesday, the TTC made public a report in which the Commission made clear that it was on track to eliminate almost 500 jobs as well as raise fares a further 10 cents. Media reports have suggested that another 900 TTC jobs may well be placed on the chopping block.

Ford has been typically two-faced about the possibility of layoffs. He recently denied making cuts to police and library staff, then told media sources, "We're asking all the departments for 10 per cent efficiencies" but that it is "up to the chief" to decide how to make these spending reductions. Forced to admit that the proposed cuts are not "gravy," Ford's team now refers to essential services and properly staffed departments as unaffordable "nice to haves".

Whether the mayor will actually force through the layoff of police officers or whether this is a ploy to underline the seriousness of the city's fiscal crisis remains to be seen. Ford, in keeping with his rightwing populist politics, has a long history of promoting the police. And recently his administration awarded cops wage increases far in excess of those given other city employees.

But the plans of Ford and his rightwing cabal to slash city workers' jobs are very real. The mayor himself has often repeated his belief that "We have too many employees here."

The widening of the groups of city workers targeted for buyouts and layoffs comes in the wake of the release of a core services review commissioned by the City and conducted by Bay Street consultancy firm KPMG. Of the 69 recommendations by KPMG, 27 were cited in

the proposed \$100 million in cuts announced Monday (The staff report can be viewed here: <http://www.toronto.ca/legdocs/mmis/2011/ex/bgrd/backgroundfile-40702.pdf>).

The proposed cuts include:

- Selling or closing municipal zoos and farms, including the Toronto Zoo.
- Phasing out 2,000 city-subsidized child-care spaces.
- Reducing library hours of operations and closing branches.
- Reducing levels of service for snow clearing and grass cutting.
- Ending “Blue Night,” the TTC’s 24-hour bus service.
- Ending a program that helps low-income families access dental care.
- Selling off “most” of the city’s 10 long-term care centres for seniors.
- Privatization of garbage services in the entire West End of Toronto.
- Curtailing development of new affordable-housing.
- Closing museums on the basis of low attendance rates.
- Selling off the three city-owned theatres.
- Ending a program that gives gifts to needy children during the holiday season.
- Curtailing service to those medically in need of special transportation.

Local union bureaucrats have been taciturn, even in the face of rising public anger, over the extent of the cuts. After Ford’s election last October they bent over backwards to develop a working relationship with the mayor.

Mark Ferguson, president of Canadian Union of Public Employees (CUPE) Local 416 representing Toronto’s outside workers, for instance, suggested that “We’re quite prepared to work with [Mayor] Rob [Ford] over the next four years. He needs to recognize the value of having a good relationship with his employees.” And Ferguson has continued to insist on his readiness to work with the mayor, even as the latter has announced plans to hire strikebreakers if the union resists the privatization of garbage collection.

Likewise, the president of Amalgamated Transit Union Local 113, Bob Kinnear has consistently matched his criticisms of the cuts with claims that his union wants to extend an “olive branch” to the city’s most right-wing administration in decades. Earlier this year, when the provincial Liberal government, in response to a call from Toronto’s civic administration, moved to strip TTC workers of the legal right to strike, Kinnear pledged his union would voluntarily renounce job action in the next contract negotiations if the bill was dropped.

For her part, Ann Dembinski, the longtime leader of CUPE Local 79, which represents the city’s inside workers, has simply announced she will step aside when her term expires at the end of the year.

More recently, Firefighters Association leader Ed Kennedy resigned himself to the mayor’s “efficiencies” if only they by-passed his own membership. “I’m sure there are things in the city that are gravy,” he said. “What (Ford) was after during the election was efficiencies and misspending. Firefighters are an example of neither. We’re a lean organization.”

ATU leader Kinnear has called the cuts a “war on commuters, low-wage workers, the disabled and the environment.” Kinnear is significantly under-playing what is at a stake and, in so doing the potential for, and necessity of, organizing a working-class counter-offensive.

If the impending cuts are implemented, millions of Toronto-area inhabitants will see their quality of life reduced as vital city services

are slashed, and thousands of workers will find themselves without any jobs at all.

Moreover, there are some very tangible ways in which Ford’s assault will impact on the wages and working conditions of non-city workers. As the WSWs wrote in February:

“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.”

Just as workers from the public and private sectors are being lined up in Toronto on one side of the class conflict, so too have the enemies of the working class closed ranks.

And providing political cover for them are the various trade union, social democrat, and ex-left radical critics of austerity. For these groups, the enemy is simply Ford himself—a bumbling, bully millionaire who “just doesn’t get it.” Consequently, their aims are simply to seek to “educate” the mayor and his executive cabal in the error of their ways or, when they are more “extreme”, to prop up some “oppositional” group drawn from the supporters of the New Democratic Party in city council or from the ranks of the city’s trade union bureaucracy. This week Toronto’s *NOW* Magazine published a list of “mushy middle” (actually centre-right) councilors who, they believe, could be pressured into breaking with the Ford agenda and voting for a slightly reduced program of cuts and tax increases.

If vital public services and city workers’ jobs and working conditions are to be successfully defended, the struggle against the cuts must be organized independently of and in opposition to the union bureaucracy and made 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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