

Amidst austerity drive, Ontario Premier resigns

Our correspondent
22 October 2012

Dalton McGuinty, the Premier of Ontario since 2003, stunned the corporate media and his Liberal Party colleagues last week when he announced that he will step down just as soon as the Liberals choose his successor.

Even more surprising was McGuinty's simultaneous announcement that he was terminating the current parliamentary session and that the work of the Ontario legislature will remain prorogued (suspended) until his successor, who will be selected only in 2013, reconvenes it.

The Liberals failed to win a parliamentary majority in the October 2011 provincial election, falling one seat short. In recent months, their popular support has fallen sharply, as they implement austerity measures aimed at cutting government spending by \$15 billion over the next three years.

At the end of August, McGuinty called the legislature back into session early to adopt a law—the Orwellian-named “Putting Students First Act”—that imposes sweeping contract concessions on the province's elementary and secondary school teachers, while suspending their right to strike for the next two years. The concessions include a two-year wage freeze, the suspension of pay-grid increases, and a reduction in sick-day entitlements.

Soon after the Liberals, with the support of the Official Opposition Progressive Conservatives, passed their anti-teacher legislation, they announced that they would impose via legislative fiat a two-year wage freeze on close to half a million other public sector workers. Those targeted included civil servants, nurses, hospital workers, and university and college teachers and support staff.

As a result of McGuinty's decision to shut down the legislature, the wage-freeze bill, the “Protecting Public Services Act,” is in limbo.

McGuinty has justified his decision to prorogue the legislature on the grounds that it will allow for a fresh

round of negotiations with public sector unions and the opposition parties on freezing provincial labour costs for the next two years—far and away the most important measure in his government's austerity program. According to McGuinty, suspending the legislature will “allow...discussions with our labour partners and the opposition parties to occur in an atmosphere that is free of the heightened rancour of politics in the legislature.”

The opposition parties and much of the press have dismissed this explanation as a ruse. They argue that McGuinty's real purpose in proroguing the legislature is to prevent it from investigating scandals involving the cancelling of two gas power-plant projects and exorbitant charges levied by a recently privatized air ambulance service.

Undoubtedly, both maneuvering around the imposition of wage freeze and preventing further exposures damaging to the government were factors in McGuinty's prorogation decision.

At the very least, McGuinty didn't want his Conservative and New Democratic Party (NDP) opponents to have the option of using the scandals to vote non-confidence in his government under conditions where his Liberals were making a leadership change.

But McGuinty is also anxious to see if he can cajole the unions into imposing a cut in real wages without having recourse to legislation, thereby demonstrating to big business the continuing efficacy of the Liberals' policy of working closely with their “labour partners,” that is the labour bureaucracy.

The Liberals came to power in 2003 on a wave of popular hatred for the Conservatives, who under Mike Harris had openly baited the unions and the poor. However, the Liberals left in place the key policy changes of the Conservatives' “Common Sense Revolution,” including massive tax cuts for the rich and super-rich and drastic cuts in welfare rates.

In response to the financial crisis of 2008, the McGuinty Liberal government moved sharply right. It insisted that auto workers accept massive wage and benefit cuts as a condition for government support for GM and Chrysler, pushed through a new regressive harmonized federal-provincial sales tax, and slashed corporate tax rates.

Yet in the 2011 election, the Canadian Auto Workers (CAW) and the teachers' unions openly stumped for McGuinty's reelection and the Ontario Federation of Labour (OFL), while nominally supporting the NDP, left no doubt that it considered the Liberals to be a "lesser evil" to the Conservatives.

In the face of the Liberals' adoption of austerity measures that go far beyond those of the Harris Conservatives, the unions have pleaded with the Liberals to continue their close collaboration, while seeking to intimidate workers by pointing to the possibility that the Liberals could be replaced by a Conservative government committed to introducing U.S.-style "right-to-work" laws.

Predictably, the unions have leaped at McGuinty's offer to "negotiate" implementation of the Liberals' wage freeze.

"I think we have got to take advantage of it," said Ken Lewenza, president of the CAW, which represents 15,000 Ontario public sector workers. "We have to find a way to get a bargained agreement rather than a legislative one."

OFL President Sid Ryan said, "There's no question about it, labour is interested in negotiations with the government...and I do expect to get an agreement on the wage freeze."

Earlier this month, the Ontario Public Service Employees Union said it was prepared to accept a one-year wage freeze, but the government dismissed this as inadequate.

That the opposition parties are centering their fire on the scandals, not the government's austerity measures underscores that they all share the same basic agenda of making the working class pay for the capitalist crisis.

Indeed there is a division of labour between the three parties, which sees them jockeying for the support of big business and seeking through different means to intimidate and suppress the working class.

The Conservatives have dismissed the Liberals' austerity measures as inadequate and denounced them for putting on hold the last stage in their corporate tax-cut plan. They are calling for permanent new restrictions on worker rights and, pointing to the 2011 events in Wisconsin, promising that if elected they will impose a demonstrable defeat on the unions.

The Liberals continue as they have for the past decade to claim that they can carry through big business's agenda while avoiding the dangers inherent in a head-on confrontation with the working class.

The NDP, which imposed its own wage- and job-cutting "social contract" the one and only time it held office in Ontario, facilitated last spring's passage of the Liberal austerity budget—a budget that was predicated on the government being able to slash its labour costs. But the NDP has been anxious to escape having to take direct responsibility for legislating a wage freeze. It wants the Liberals to enlist the Conservatives' support in doing that, as happened earlier with the legislation targeting teachers.

By posing as the defenders of collective bargaining, the NDP calculates it can better serve the ruling class and the union bureaucracy in its role as a political safety valve. The unions want to be able to point to the prospect of the "worker-friendly" NDP coming to power in the next election, so as to deflect rank-and-file pressure on them to organize job action against the wage freeze.

There is one other aspect of McGuinty's resignation-prorogation announcement that merits comment.

In proroguing parliament to staunch a political crisis, McGuinty is copying a tactic twice used by Conservative Prime Minister Stephen Harper. The most notorious example of this was in December 2008 when Harper prevailed on the unelected Governor-General to shut down parliament so as to prevent the opposition parties from defeating his government in a scheduled non-confidence vote. (See: "Canada's constitutional coup: A warning to the working class")

The use of prorogation as a standard means to shut down parliamentary debate and scrutiny is a further step in the erosion of democratic norms. If the government is free to shut down parliament at will to manage disagreements with its big business opponents, what methods will it employ if faced with a genuine challenge from the working class?



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