

Ontario NDP and unions support Liberal austerity policies

Carl Bronski
23 February 2013

Ontario's minority government, now headed by Premier Kathleen Wynne, presented its Throne Speech this past Tuesday outlining the governing Liberals' general policy directions for the new legislative session. The speech marked the first time the legislature had been convened since former Premier Dalton McGuinty prorogued (suspended) the body nearly four months ago in the wake of a series of scandals and the passage of Bill 115—legislation that gave the government the power to impose concessionary contracts on teachers and other public school board employees.

With public support for his government plummeting, McGuinty coupled his prorogation announcement with his resignation as premier, effective once a new Liberal leader was in place. Wynne, a core member of McGuinty's cabinet for the last seven years, was elected by a January party convention to take over the reins of power.

While making empty promises of more open government and "respect" for teachers and school support staff, Wynne's Throne Speech not only solidarized itself with McGuinty's previous austerity policies. It pledged to extend and deepen them.

Wynne promised to continue McGuinty's drive to slash public spending so as to balance the provincial budget by the 2017-18 fiscal year. But she one-upped her former leader by pledging that thereafter spending increases will be limited to 1 percent below GDP growth until the province's debt-to-GDP ratio falls to the level it was prior to the Great Recession of 2008.

The speech also committed the government to continuing to implement the "Drummond Report"—that is the recommendations of the Commission on the Reform of Ontario's Public Services—to privatize and marketize public services. And the speech announced that the government will bring forward legislation to change the arbitration system for public sector employees, like

firemen, who are legally denied the right to strike, so as to force arbitrators to base their settlements on government-dictated financial parameters.

Already, the first of the Liberal austerity budgets—passed with the acquiescence of the social democrats of the NDP last spring—makes \$14 billion in cuts to provincial expenditures over the next three years. It is predicted that 105,000 workers will lose their jobs as a result. Health care will be starved of funds, escalating the pace of the disintegration of quality public health care. Up to 8,000 more hospital beds will be cut. Seniors will be means tested for pharmaceutical prescription charges. Schools will be closed and other services, including child welfare, early learning, and mental health programs, slashed.

The centerpiece of the April 2012 budget was the imposition of a two-year wage freeze on 1.2 million provincial public sector workers, including civil servants, teachers, nurses, hospital workers and municipal employees. Over the ensuing months, officials from the Ontario Public Service Employees Union (OPSEU), the Canadian Union of Public Employees (CUPE) and two small teachers' federations accepted concessions contracts based on the government's wage freeze requirements. The two largest teachers' unions also announced they had no quarrel with the wage freeze, but bristled at the government bypassing their role in bargaining to impose contracts via Bill 115.

Wynne's insistence that her government will continue to follow the path blazed by her predecessor did not draw any fire from New Democratic Party leader Andrea Horwath or the Ontario Federation of Labour. On the contrary, it drew nothing but praise. The speech was "promising" opined Horwath, while OFL President Sid Ryan said it "struck the right notes."

Both Sam Hammond, leader of the Elementary Teachers' Federation of Ontario (EFTO), and Ontario

Secondary School Teachers' Federation (OSSTF) President Ken Coran lauded Wynne's "new tone." Wynne has repeatedly declared that the two-year concessionary contracts imposed under Bill 115 are inviolable. But Hammond and Coran have nonetheless indicated that they are anxious to "turn the page" and put an end to even the token campaign the teachers' unions have mounted against Bill 115.

Indeed on Friday, the OSSTF leadership voted to end a months-long teacher boycott of extracurricular activities and certain administrative tasks and Hammond announced the EFTO will hold a similar vote next Wednesday.

Horwath, whose NDP has repeatedly voted to keep the Liberals in office since they fell to minority status in the October 2011 election, has announced that the social-democrats will once again ensure the government's survival. She told reporters at a post-Throne Speech press conference, "We're prepared to pass it."

However, just as she did in the run-up to last spring's budget, Horwath refused to commit her party in advance to supporting the coming Liberal budget.

According to press reports, this stance has caused frictions between the NDP politicians and their union backers. The former do not want to appear too close to the Liberals, because they fear it could hurt their election prospects. In many constituencies, the Liberals are the NDP's main opponent. The union bureaucrats, for their part, fear that NDP posturing could cause relations to sour with the Liberals and inadvertently result in the government's fall.

In an article titled, "Labour leaders fear NDP-Liberal rivalry may spell Tory triumph," the *Toronto Star*'s Queen's Park columnist reported that there was much "bitterness" among union officials after a meeting of NDP provincial council last month "ruled out a formal coalition with the Liberals or even a quiet 'non-compete' arrangement."

Horwath, it should be noted, herself fed rumours of a possible coalition between the NDP and a Wynne-headed Liberal Party. When reporters asked her about such a possibility in mid-January, she indicated she was open to such an alliance. Then several days later she explicitly ruled out a coalition, while making clear that she is eager to work with the Liberals and sustain them in office.

Neither the social democrats nor the union bureaucrats have any quarrel with the austerity agenda of the big business Liberal government. Both were gushing over several "progressive" promises in Wynne's throne speech. These included: closing tax loopholes that allow

companies to write off dinner drinks and sports tickets; a \$50 million venture capital fund for small and medium business; a program to provide employers who hire young peoples with government subsidies; and changing welfare and tax policies so as to allow welfare recipients to earn slightly more in poverty wages, before the government begins to claw back their stipends.

Conservative Party leader Tim Hudak, who only last month vowed that a Conservative government would slash welfare benefits for longtime recipients, also applauded the government's venture capital fund and welfare promises. But he condemned the government for not slashing spending more rapidly and for not legislating an immediate across-the-board wage freeze for all provincial public sector workers.

The unions and NDP attempt to justify their role in implementing the Liberals' austerity agenda by arguing that to do otherwise would open the door to Tim Hudak and his right-wing Conservative hordes. The reality is that the Canadian ruling class is united in its determination to carry through a social counterrevolution—to destroy what remains of the social benefits and rights the working class won through the convulsive social struggles of the last century. Decent pensions, Medicare and other public services, protection from unemployment, and collective bargaining rights are all under systematic attack.

The three-party system at Queen's Park, and in Canadian national politics generally, are mechanisms through which the ruling class regulates class tensions so as to divert and diffuse social discontent and politically suppress the working class. The NDP and the unions have responded to the deepest crisis of world capitalism since the Great Depression of the 1930s by shifting still further to the right. They have imposed \$20 per hour per worker concessions on workers at the Detroit Three, surrendered before Toronto Mayor Rob Ford's contracting out demands, facilitated the Ontario Liberals' imposition of spending cuts and wage freezes, and, at the national level, baldly spelled out their support for austerity and imperialist war in a bid to convince the Canadian ruling class that the NDP should be allowed to supplant the Liberals as their "left" party of government.



To contact the WSWs and the Socialist Equality Party visit:

wsws.org/contact