

Ontario government gave teachers' unions millions for "negotiating expenses"

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The Ontario Liberal government of Premier Kathleen Wynne has made millions of dollars in secret payment to three teachers' unions, purportedly to compensate them for expenses incurred during negotiations of new two-year concessionary contracts.

The Ontario Secondary School Teachers' Federation (OSSTF) and the Ontario English Catholic Teachers' Association (OECTA) each received \$1million to "offset the cost of collective bargaining." The smaller French-language teachers' union was paid \$500,000 by the government. The monies the government funneled to the unions were not earmarked to increase teachers' wages or benefits or to improve student services in any way. They were earmarked for and went directly into the bank accounts of the respective union apparatuses.

The existence of the payments only came to light when contents of the late summer deals the three unions reached with the government were leaked to the *Globe and Mail*.

The *Globe* is making an issue of the payments for its own rightwing reasons. It has suggested that the government did not extract sufficient contract "savings" and wants to limit unions' right to mount political campaigns. Nevertheless, the secret payments shed important new light on the corporatist evolution of the unions, on the extent to which they have become integrated with the employers and the state.

Sam Hammond, leader of the largest teachers' union, the Elementary Teachers Federation of Ontario (ETFO), declared that his union has "not accepted any funds from the government to cover any of ETFO's costs incurred in the bargaining process." David Clegg, President of the ETFO York Region Local characterized the deal with the other unions as "unethical". The ETFO, which has yet to come to terms with the government on a new contract, is currently

mounting an escalating work-to-rule campaign.

Last Friday Premier Wynne delivered an ultimatum to the ETFO saying that if it continues its work-to-rule campaign past November 1, the government will empower school boards to unilaterally impose new wages and working conditions with five days' notice.

Education Minister Liz Sandals initially attempted to portray the pay-offs as due to an unwieldy bargaining structure used for the first time in this year's round of teacher contract negotiations. But under closer questioning, she revealed that, unbeknownst to the public, the practice of compensating the unions for their own bargaining expenses had been going on since the Liberals took provincial office in 2003.

The OSSTF has defended the practice, which, as critics noted, did not involve the union providing any receipts or documentation of its bargaining expenses. "It happens locally, it happens provincially," OSSTF president Paul Elliott told the *Globe*. "It's been part of the process as long as I've been doing this ...and... No, it's not a sweetener."

A large part of Ontario's union officialdom, including the teachers' unions, has been closely allied with the Liberals since 1999, when a number of the province's largest unions established the pro-Liberal "Ontario Working Families Coalition." According to the *Globe and Mail*, in the 2014 provincial election the OSSTF spent \$385,000 and the OECTA \$2.1 million stumping against the Progressive Conservatives via the pro-Liberal front organization.

Typifying the unions' true relationship with the government, OSSTF President Ken Coran announced that he would stand as a candidate for the Liberals in an upcoming provincial by-election just days after his retirement in the summer of 2013. That is, stand as a candidate for the same Liberal government that had

begun 2013 by invoking its newly adopted Bill 115 to legalize all teacher job action and impose wage-cutting contracts on the province's teachers by government decree.

Even as Bill 115 was being enforced, the OSSTF donated money to support Kathleen Wynne's successful bid to succeed Dalton McGuinty as Liberal leader and Ontario premier. A member of McGuinty's cabinet, Wynne had helped McGuinty enact Bill 115.

The recently concluded negotiated contracts, in which the payoffs played a part, adhere to the Liberals' "net zero" public sector bargaining framework. They stipulates that over the agreements' two-year life government costs must not increase.

The contracts provide a 1 percent signing bonus and a 1.5 percent pay increase in 2016. With inflation running near 2 percent, the agreement represents a wage cut for teachers, under conditions where in the last three years they have had their wages frozen, seniority grid advancements delayed, and sick-plan slashed, and were forced under the provisions of Bill 115 to take unpaid days off.

This past spring, when teachers launched work-to-rule campaigns and then some isolated strike activity, the Liberal government went to the Ontario Labour Relations Board to outlaw the full work stoppages.

During the spring and summer rounds of negotiation, the unions capitulated to the Liberals' demand that, as part of their brutal austerity policies, any new contract must offset any additional costs to the government with cuts elsewhere so as to achieve "net zero."

This meeting of the minds between the unions and the government pitted student needs against the wages and working conditions of the teachers.

Ultimately, the paltry wage increase in the OSSTF contract, as well as the separate payout to the bureaucracy, were balanced off by ending a special education program aimed at assisting struggling students to graduate and by compensation reductions for teachers cashing out their banked sick-days. Details on the "off-sets" in the other two teacher contracts have yet to be fully explained.

In another telling development, the leaked OSSTF contract reveals that the government will provide at least \$5 million to the union to set up a benefits trust to administer dental, health and life insurance funds for the teachers. The 72 school boards across Ontario,

which previously administered the benefits program, will give an additional \$12 million. The new benefits trust will be controlled by the union. Five union officials will sit on the board alongside four representatives from school boards and the government.

According to the agreement, "the trust will be responsible for the delivery of benefits on a sustainable, efficient and cost effective basis." Apart from providing five more lucrative positions for teachers' union bureaucrats, the mandate of the new trust now directly involves the union in "cost effective" benefits administration, which invariably will draw the union representatives into benefit-cutting initiatives.

The corporatist integration of the teachers' unions into government structures is not some one-off aberration. Last year it was revealed that in the run-up to the June 2014 provincial election, officials in the Ontario Public Service Employees Union (OPSEU) sought to get their snout in the trough of a potential privatization of the Liquor Control Board of Ontario, offering themselves as potential new owners of the operation.

And in documents outlining 2014 contract details between the government's Hydro One corporation and the Power Workers Union, it was shown that the union, which supported the government's privatization plans despite strong public opposition, negotiated for Hydro One stock worth 2.75 percent of wages to be paid annually to workers for the next 12 to 15 years, beginning in 2017, to "offset" concessions the officialdom agreed to on pensions and benefits.



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