

To cheers from big business

Ontario slashes minimum wage, guts labour standards

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Three days after unveiling legislation that slashes the minimum wage and shreds labour standards, Ontario Conservative Premier Doug Ford was given a rousing reception Friday by business leaders attending an Ontario Chamber of Commerce-sponsored Ontario Economic Summit.

Ford, for his part, appealed to business for its steadfast support in “the fight ahead” against those opposed to his government’s class war program of draconian social spending cuts, privatization, deregulation, and the gutting of worker rights.

Tabled in the provincial legislature Tuesday, October 23, the Conservatives’ Making Ontario Open for Business Act or Bill 47:

#Rescinds a \$1 an hour increase in the minimum wage slated for January 1 and freezes the minimum wage at the current \$14 an hour rate for two years, until October 2020, when it will become subject to an annual “inflation adjustment”;

#Restores employers’ unfettered “right” to pay temporary, casual and part-time workers less than full-time staff;

#Abolishes financial penalties for employers cancelling shifts or on-call assignments at the last-minute, while making it easier for employers to fire workers who decline last-minute shifts;

#Replaces 10 days of Personal Emergency Leave, two of which must be paid, with 3 days of “sick leave,” 2 days of “family responsibility leave” and 2 days of “bereavement leave,” none of which is paid and all of which must be duly documented at the employer’s request;

#Reduces ratios between skilled tradespersons and apprentices across the board, so that in every trade employers will be legally entitled to hire one lower-paid apprentice for every fully-qualified worker (i.e. journeyman);

#Introduces new impediments to unions gaining recognition, including abolishing a requirement in sectors, such as homecare, in which workers are widely dispersed that management provide unions with employee-lists.

Much of the Conservatives’ Bill 47 is devoted to repealing changes introduced by the previous Ontario Liberal government under its Bill 148, the so-called Fair Workplaces, Better Jobs Act.

Adopted in late 2017, Bill 148 was a desperate and ultimately futile attempt on the part of the trade union-backed Liberals to avoid electoral annihilation, by making a “progressive” feint after years of imposing savage austerity.

As the Liberals cynically calculated, the unions and pseudo-left hailed Bill 148 as a signal victory. No matter that at \$15 an hour a full-time worker’s income would still fall far below the poverty line. Or that many other of the headline “reforms” were much less than met the eye. Take for example the “equal pay for equal work” provision. It was hedged with numerous exceptions, such that the multi-tier wage and benefit system in the auto industry has remained completely intact.

To “compensate” employers for their increased costs under Bill 148, the Liberals cut the tax rate on small business by a further 25 percent.

Yet corporate Ontario was livid, decrying the Liberals’ meager, electorally-driven improvements in labour standards as an intolerable threat to Ontario’s “competitiveness,” i.e. to their profits.

Last week, business organizations lined up to sing the praises of Ford’s Bill 47. The Ontario Chamber of Commerce said it was “encouraged” by the Conservatives “labour market reforms” and “looks forward to continuing to work with the Ontario government to support economic prosperity and business competitiveness across the province.” The Canadian Manufacturers and Exporters thanked and congratulated the government “for fully supporting the recommendations of our association.”

Ford and the other Conservative ministers who addressed the Ontario Economic Summit made clear that the effective repeal of Bill 148 is just a down payment—that they intend to slash “red-tape,” i.e. gut environmental and workplace regulations, and make “transformative” changes to health care, education and other public services, through the imposition of user fees, other “market” mechanisms, and outright privatization.

As part of the government’s political preparations for draconian social spending cuts, Treasury Board President Peter Bethlenfalvy emphasized that Ontario confronts a fiscal crisis, with the largest subnational debt of any jurisdiction in the

world, \$338 billion. These “are staggering, sobering numbers,” claimed Bethlenfalvy, “that the world will start taking notice of if we don’t start taking action very quickly.”

Of course, he didn’t mention that all levels of government have systematically slashed corporate, capital gains and income taxes for decades, redistributing wealth to the rich and super-rich while deliberately stoking a fiscal crisis to justify the dismantling of public and social services.

In his applause-punctuated address, Ford made clear his government is bracing for mass working class opposition.

“Not everybody out there supports making Ontario open for business,” said Ford. “There are forces ... that are already organizing and preparing.”

He then seized on a petty act of vandalism targeting the constituency office of Labour Minister Laurie Scott to try to paint the government’s opponents as violent. “Some of them,” he declared, “have already engaged in violence, crime and intimidation.”

The reality is that it is Ford and the ruling class that are preparing to use state repression and violence to impose their socially incendiary and anti-democratic policies.

To send a message that his government is ready to break with constitutional norms and run roughshod over democratic rights, Ford tabled legislation in September invoking the so-called “notwithstanding clause” to force through his plan to shrink the Toronto City Council. In doing so he made a point of emphasizing that he is ready to violate the rights “guaranteed” in the Canadian constitution’s Charter of Rights and Freedoms whenever needed to impose his class war agenda.

Ford and his Conservatives are also deliberately stoking reaction. This includes: courting the police; scapegoating refugees for a housing crisis caused by decades of government budget cuts; promoting social conservative causes such as the repeal of the province’s sex education curriculum; and making gestures to outright fascist forces, like the former Rebel Media reporter and Toronto mayoralty candidate Faith Goldy with whom Ford posed for photos.

While Ford presses forward with the increasingly open and vocal support of big business, the unions are doing their utmost to constrain and suppress working class opposition. They responded to Ford’s election by offering to work with his government and continue to claim that he can be pressured into reversing course through sporadic, anemic protests.

To be sure, the union officialdom resents Ford’s trashing of various corporatist arrangements that benefited it and oppose his labour law changes, which will make it more difficult to gain union recognition and thereby expand their dues base.

But they are terrified of the eruption of a mass working class challenge to austerity, which would threaten the competitive position of Canadian capital.

For 15 years the unions backed the Dalton McGuinty and Kathleen Wynne Liberal governments, hailing them as a “progressive” alternative to the Conservatives, as they slashed

social spending, cut taxes for big business and the rich, criminalized strikes, and privatized Hydro One.

For the past year, the central preoccupation of the Canadian Labour Congress, Unifor and the Steelworkers has been helping Prime Minister Justin Trudeau and the federal Liberal government reach a new NAFTA agreement with Washington that serves the interests of Canadian big business. As a key element in this negotiation, the Trudeau government, with the unions’ support, has aligned Canada with Trump’s trade war against China and otherwise further integrated Canadian imperialism into Washington’s military-strategic offensives against nuclear-armed Russia and China, and in the Middle East.

With the aim of diverting the opposition to Ford into parliamentary protest and the bankrupt perspective of replacing his government with a “progressive” capitalist regime four years hence, the unions and pseudo-left are promoting the social-democratic NDP as a key ally in opposing the Conservatives’ class war offensive.

Significantly, the day before Ford addressed the Ontario Economic Summit, Ontario NDP leader Andrea Horwath was seeking to persuade big business that her party would be a more reliable defender of their interests.

In her remarks to the summit, Horwath stressed that the NDP views the Ontario Chamber of Commerce and the various local chambers of commerce as “vital partners in building Ontario’s prosperity.” She deplored the Ford government’s closing down of Ontario’s carbon market and its recent decision to halt the building of three satellite university campuses, stressing that the NDP believes in the sanctity of business contracts.

“I know this government’s way of doing things can have a chilling effect on businesses that want to expand or invest in our great province,” said the NDP leader. “Businesses have long told me that stability and predictability is what they want from all levels of government, of all political stripes, and I join business leaders in growing increasingly concerned that that’s not what we’re getting from the Ford government.”

The author also recommends:

Canada: The unions’ suppression of the 1995–97 anti-Harris movement: Political lessons for today

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