

OPSEU Submission to Public Sector Consultations

Table of Contents

Opening.....	2
Executive Summary	2
Main recommendation summary	
Background and context.....	3
Government does not have the mandate, the justification or the right to interfere with free and fair collective bargaining.	
Mandate	3
Justification.....	4
Public sector wages are not unsustainable	4
The debt is not justification	5
Overall public sector spending is not justification.....	6
The right	7
OPSEU – Dedicated Organization.....	7
Overarching recommendations	7
Increase revenue.....	7
End privatization.....	8
Reduce management	8
OPS Recommendations.....	9
Corrections recommendations.....	11
LCBO recommendations	15
Education	15
Children, Community, and Social Services	16
Training, Colleges and Universities	19
Universities	20
College Support.....	20
Health	21
Long-term Care	22
Conclusion	22

Opening

In early April 2019, OPSEU’s leaders were invited by the deputy minister of the Treasury Board Secretariat to take part in a series of consultation meetings.

“The government is seeking your feedback on how to manage compensation growth in a way that results in wage settlements that are modest, reasonable, and sustainable,” the deputy minister wrote.

While completely opposed to any attempt to impose “modest” wage settlements outside of its members’ constitutionally guaranteed right to free and fair collective bargaining, OPSEU’s leaders chose to take part in the consultation sessions in good faith and good conscience. And without prejudice.

As leaders of an open, transparent, and democratic union with 155,000 members across Ontario, OPSEU President Warren (Smokey) Thomas and OPSEU First Vice-President/Treasurer Eduardo (Eddy) Almeida attended the sessions with a number of their members’ ideas about ensuring the sustainability of decent and fair compensation growth in the public sector.

This document summarizes and expands on those ideas.

As with the specific sessions to which OPSEU’s leaders were invited, this document is divided along organizational and sectoral lines:

- All OPSEU members
- OPSEU members in the primary and secondary public education sector
- OPSEU members in the community services sector
- OPSEU members in the training, university and college sector
- OPSEU members in the health care sector

Executive summary

OPSEU believes these sessions were “consultations” in name only, and that their true purpose was to help government fend off the inevitable Charter challenges that will follow any attempt to interfere in free and fair collective bargaining.

There is ample evidence for this assertion.

Based on a number of public statements by the Premier, the President of the Treasury Board, and other Cabinet ministers, it is clear that this government wants Ontarians to believe that public sector workers receive “generous” wages that are “unsustainable” at a time when government debt “puts our autonomy and our freedom at risk.”

Meanwhile, the government’s own statistics show that public sector wages are not nearly as generous as it would have the public believe. Public sector wages have in fact been falling behind inflation for the past decade.

The government’s assertion that Ontario’s debt level puts our autonomy and freedom at risk is equally dubious and flies in the face of basic economics. At best, it is a grievous exaggeration. At worst, it is a deliberate attempt at deception.

More detailed recommendations appear later in this document, but to summarize OPSEU’s main recommendations, our union calls on the government to:

- Provide an honest and public assessment of wage levels and trends for all Ontario workers, unionized and non-unionized, in both the public and private sectors
- Provide an honest and public assessment of Ontario’s finances and debt
- Commit to free and fair collective bargaining
- Use centralized bargaining in sectors with multiple employers and transfer payment agencies, and set out a timetable for insourcing work currently outsourced to transfer payment agencies.
- Set out a meaningful plan for restoring taxes on the wealthy and corporations to sustainable levels
- Call a moratorium on privatization and set out a timetable for bringing back in-house services and assets that have already been privatized

- Increase investment in the quality public services that provide a foundation for shared prosperity and growth.

Background and context

To take the extreme step of infringing on the Charter rights of hundreds of thousands of Ontarians, the government needs three things: a mandate, justification, and the right.

The Ford government has none of these.

Mandate

During their 2018 election campaign, Ford and his candidates were silent on the issue of public sector compensation.

It is easily argued, however, that their frequent promises that “not a single job would be lost” were designed to ease voters’ fear that public services – and the frontline workers who provide them – would be targeted in a Ford government’s search for billions in savings.

The votes cast for Ford’s Conservatives can in no way be interpreted as a widespread public desire to target frontline public sector workers’ wages and working conditions in a search for “efficiencies.”

Therefore, the government has no mandate to cap or otherwise interfere in free and fair collective bargaining.

Justification

Public sector wages are not unsustainable

Likewise, the Ford government has no justification for suppressing the wages of unionized public sector workers. There is no doubt the government is doing its best to manufacture justification, but the facts do not lie: the wages and working conditions of frontline workers are not the cause of, nor the solution to, the government's concerns about "sustainability."

The government's own Ministry of Labour statistics show that the wage increases of unionized public sector workers have been modest at best over the past decade:

- In eight of the past 10 years, unionized public sector wage increases have been lower than the inflation rate – in other words, their wages have been effectively cut in eight of the past 10 years.
- And in eight of the past 10 years, unionized private sector wage increases have been higher than the wage increases negotiated by unionized public sector workers

The majority of OPSEU members do not earn significantly more than all other workers in the province. Male OPSEU members working in the OPS earn the same as the average Ontario male between the ages of 25 and 54 – between \$60,000 and \$65,000 a year*. Female members working in the OPS earn slightly more than the average Ontario female between 25 and 54.

In the BPS – where the majority of OPSEU's members work – the situation is even more stark: both male and female OPSEU

members earn up to \$20,000 a year less than the provincial average, and many lack the pensions and benefits that people often assume they have.

It must also be noted that roughly 20 per cent of the money the government invests in the wages of frontline public sector workers – all OPSEU members included – is returned to various levels of government in the form of income, sales, and other taxes. In other words, investing in public sector wages is also an investment in our hospitals, highways, and schools.

And yet, Ford and his Cabinet ministers have sought to portray the wages and wage increases of frontline public sector workers as a problem.

In a speech published on the government's website announcing these compensation "consultations," Treasury Board President Peter Bethlenfalvy calls public sector wages "generous" before saying: "We must be honest about what we can reasonably afford while ensuring the sustainability of government programs and services."

The implication is clear: the generous compensation received by frontline public sector workers like OPSEU's members are not sustainable.

In the same speech, Bethlenfalvy implies that the province is spending too much of its budget on compensation.

"In Ontario, public sector compensation represents roughly half of all expenditures ... \$72 billion annually, and employing over one million people across multiple sectors," he says. "This is an area of public policy that we cannot ignore."

What Bethlenfalvy has ignored is the simple fact that in many service industries – public and private – it’s entirely appropriate and normal for compensation to represent up to 50 per cent of all expenditures.

But by taking this fact out of context, and punctuating it with large numbers also taken out of context, Bethlenfalvy is attempting to leave the clear impression that public sector compensation in Ontario is abnormal and inappropriate.

It simply is not.

Ontario, where the latest budget documents show that compensation accounts for 44 per cent of operating expenses, is actually on par with, or even below, service industry norms.

The debt is not justification

Just as the Ford government has been stoking inaccurate fears about the compensation of frontline public sector workers, it has also been engaged from its earliest days in a co-ordinated campaign to stoke inaccurate fears – and even panic – about Ontario’s debt.

Ford has called the debt “the biggest government scandal in a generation,” and “the worst political cover-up in Ontario’s history.” Soon after taking office, he declared the debt so scandalous that he hired the accountancy firm Ernst & Young (EY) to do what he repeatedly described as a “line by line audit” of government spending (despite the fact the province’s Auditor General and Financial Accountability Officer already audit government spending and have a long and credible history of holding government to financial account.)

The “line by line audit” turned up neither cover-up nor scandal.

For one thing, it wasn’t an “audit” or even “a review.” As EY stated on Page 2 of the “audit”: “EY did not perform an audit or review (as those terms are identified by the CPA Canada Handbook – Assurance) or otherwise verify the accuracy or completeness of any information provided to us of Treasury Board Secretariat, the Government of Ontario, or any of its funded operations’ financial statements.”

In other words, EY wasn’t hired to find facts; it was hired to manufacture justification.

The fact is, government debt is not a scandal – it is a totally legitimate and time-honoured tool used by governments around the world and throughout history to invest in people and progress.

Regardless, the Ford Conservatives have continued with their relentless campaign to inflame fears about Ontario’s debt, falsely conflating it with the perils of personal debt.

In May 2019, Health Minister Christine Elliott said the province is “bankrupt” during a television interview about spending cuts she is considering.

And in a Toronto Sun op-ed, Finance Minister Vic Fedeli wrote: “We need to approach Ontario’s finances like the majority of individuals and families approach their household budgets. We must live within our means, pay down our credit cards and spend smarter,” as justification for the deep and damaging cuts contained in the budget:

- \$1 billion less for social services
- \$851 million less for public school teachers
- \$700 million less for training, colleges, and universities
- \$350 million less for the environment
- \$200 million less for public health
- \$130 million less for legal aid

Of course, the fact is that the Ontario government is not bankrupt and its debt is not a credible justification for either cuts or legislated wage caps.

Personal debt is a justifiable concern for many people – the Bank of Canada says the average Canadian owes \$1.70 for every dollar that they earn.

But it is wrong to suggest that government debt is as threatening as personal debt.

Unlike an individual, a government can easily control its revenue through tax rates and resource sales, can command very low interest rates, never faces the prospect of property seizure over debt, and can finance its debt over many generations.

Ford and his ministers’ frequent refrain that “Ontario has the largest sub-national debt in the world” is equally misleading.

In most countries around the world, the federal level of government directly funds the most complex and expensive public services: health care, education, and social services. But here in Ontario, the provincial

government has that responsibility.

Ontario should therefore be compared to other countries. In that light, our debt burden is relatively low. Our debt-to-GDP ratio – the standard measure of a government’s debt – is close to 40 per cent. Germany’s debt-to-GDP ratio is 60 per cent. Belgium’s is 102 per cent. In the U.S., it is 105 per cent. In Japan, it is 200 per cent.

To put it simply, debt is not a major problem in Ontario. It is certainly not a justification for capping wages or interfering in free and fair collective bargaining.

Overall public sector spending is not justification

Overall public sector spending is not a justification for wage caps, either.

As the Financial Accountability Officer (FAO) revealed recently, Ontario invests less in its public services than any other province, and is falling further behind every year.

“At \$9,829, Ontario spends about \$2,000 less per person on provincial programs than the average of other provinces,” wrote the FAO in February 2019. “Since 2011, Ontario program spending per capita has grown by 0.7 per cent per year on average – or by less than half the pace of growth in the rest of Canada.”

Ontario is now so far behind the other provinces that even the Ontario Chamber of Commerce urged the Ford government not to cut further.

So to recap the things that are not justifications for wage caps or any other interference in free and fair collective bargaining:

- Public sector wages and wage increases are not justification
- The debt is not justification
- Overall public sector spending is not justification

The right

As the Supreme Court of Canada has made clear, citizens' right to free and fair collective bargaining is protected by Section 2 of the Canadian Charter of Rights and Freedoms.

To infringe on these rights, a government must show it has a mandate and justification.

As we have shown, the Ford government has neither. Therefore, it does not have the right to legislate wage caps or otherwise interfere in free and fair collective bargaining.

OPSEU - dedicated organization

While the democratically elected leadership of OPSEU's 155,000 members strenuously reject the government's assertion that public sector wages are "unsustainable," we acknowledge that the government can do much to make public services more effective and more sustainable in the short, medium, and long terms.

In the sections that follow, OPSEU members in particular sectors provide concrete and achievable recommendations for strengthening and making more sustainable the services they provide.

But as a union, OPSEU has three overarching recommendations that will strengthen both the services themselves and their sustainability.

Increase revenue

In the speech launching these consultations, Treasury Board President Peter Bethlenfalvy claims "Ontario does not have a revenue problem."

This is simply wrong.

For generations, the wealthiest people and corporations in Ontario have seen their taxes drop significantly.

As the Financial Accountability Officer reported in February 2019, Ontario now collects some of the lowest taxes in the country.

While the average Canadian pays 11.7 per cent of their income to income tax, Ontarians pay just 9.9 per cent.

While corporations pay an average corporate tax of 12.2 per cent across Canada, they pay just 11.8 per cent in Ontario.

Ontario does collect slightly more in sales tax than the Canadian average, but sales tax is a burden disproportionately borne by people with the lowest incomes.

The 2019 budget makes taxes on the wealthy lower still. From a cut to estate taxes that will be of most benefit to the rich, to the \$3.8 billion in corporate and carbon tax cuts, the wealthy are being asked to contribute less.

The government's claim that cutting wealth taxes will benefit all by boosting the economy has been widely debunked.

According to a 2016 study by the U.S. Congressional Budget Office, corporate tax cuts are among the least effective ways to boost the economy.

It found that while every dollar in corporate tax cuts increased economic activity by \$1.20, every \$1 in lower- and middle-class tax cuts increased activity by \$1.90, and that every dollar in infrastructure investment increased economic activity by \$2.30.

Similarly, a study of Quebec's universal child care program found that every dollar spent on the program boosted the economy so much that it generated \$1.47 in revenue for government.

If the Ford government were truly committed to making public sector compensation growth sustainable, it would focus not on further reducing already low spending, but instead on ensuring that it is raising the tax revenue it needs to invest in public services and the shared prosperity they bring.

End privatization

As President Thomas has said many times: privatization is the pay-more get-less plan.

A large and growing body of evidence shows that privatization in its many forms – whether the outright sell-off of public services and assets, to schemes like public private partnerships (P3) or alternative finance procurement (AFP), or cash-to-citizen programs like the “Passport” program in development services – ends up costing more while delivering lower quality.

From the Auditor General's finding that privatized infrastructure has cost citizens \$8 billion more than it should have, to the disastrous privatization of Hydro One, to the ongoing delays and cost overruns with the MetroLinx and Ottawa's P3 transit projects, privatization has failed citizens time and time again.

It is time to end this wasteful practice.

Reduce management

Across both the OPS and the BPS, the ratio of managers to frontline workers has grown far too high.

Over the past 30 years, the number of OPS managers has grown, while the number of frontline workers has shrunk. Senior management says the ratio of staff to managers across the OPS now stands at 1:7.

In some ministries, the ratio is even more unsustainable. In the Ministry of Economic Development, Job Creation and Trade, OPSEU members report the ratio is 1:4. Members at other ministries report it is as high as 1:3.

It is a similar story in the BPS, where an explosion of third-party organizations – “transfer payment agencies” – over the past

three decades have spawned thousands of management-level employees the province simply does not need.

Treasury Board President Peter Bethlenfalvy acknowledges this himself, noting the rapid growth of the number of people on the “Sunshine List.”

“In 2018 alone, the total number of employees making over \$100,000 increased by over 20,000 people,” he said. “Since 2003 the list has grown by more than 600 per cent and is now over 150,000 individuals.”

Most of the people on that list are managers. Reducing those ranks, and reinvesting the savings in more frontline workers, will make Ontario’s public services far more sustainable.

OPS

The unified members in the OPS have been under a wage freeze for nine of the past 25 years, four of these within the last five years. There has been no special general wage increase across the board to catch members up for these wage freezes.

The government continues to have recruitment and retention issues because of the growing gap in compensation compared to the private sector, creating an endless cycle of training and recruitment that costs more than having a stable workforce.

Our members have had grid-progression freezes that have affected their income over the long-term. Our health benefits pale in comparison to other public and private sector organizations, and our retirement

benefits have already been halved in 2017.

Meanwhile senior managers took full advantage when their wage freeze was lifted and provided many of their managers with increases of more than 12 per cent over the last two years. Some managers received wage increases of more than 20 per cent.

The following are some of the suggestions that the Unified division has for cost savings instead of relying on compensation restraint:

- 1. Drastically reduce the use of all forms of privatization, including asset sales, “public-private partnerships,” the overuse of private consultants, and the unnecessary rental of private workspace, equipment, and fleet vehicles.** Privatization in its many forms is rampant across the OPS:

- a. Privatized services:** Services such as highway maintenance and snow-plowing, driver testing and licensing, ServiceOntario Centres, and email and IT systems have been privatized. Quality has suffered, and costs have increased.
- b. Privatized public assets:** The sell-off of publicly owned assets and entities have cost Ontario billions upon billions of dollars in lost revenue and increased prices. The sale of Hydro One, Highway 407, and OLG casinos across the province are just three of a number of examples of public asset sales that provided a small, short-term financial boost in return for generations of

financial loss.

- c. **Privatized construction financing:** Infrastructure and facility construction projects financed through public-private partnerships and “alternative financing and procurement” contracts have ended up costing much more than if government had simply financed the projects with the incredibly low interest rates it can command.
- d. **Private consultants:** The overuse of private consultants has reached epidemic levels in the OPS. The Auditor General found in 2016 that the Treasury Board Secretariat was using consultants 90 per cent of the time when filling staffing requests for IT workers, adding that each consultant costs \$40,000 more per year than a permanent employee would. Revisiting the issue in 2018, the Auditor General stated that “there is still an over-reliance on IT consultants” and “that ministries at times used consultants for ongoing or operational work that could have been undertaken more cost-effectively by full-time permanent or term employees.” It’s not just money that we lose to consultants, it’s also vital experience. Once the job is done, so is the consultant. But if the work had been done by a permanent employee, their experience and expertise would remain in the OPS to the benefit of the Ontarians who rely on their work.
- e. **Private workspace and equipment rentals:** Similar to the overuse of private consultants, the OPS has come to rely far too heavily on the rental of

private workspace, private equipment, and private fleet vehicles. For example, the Ministry of Economic Development, Job Creation and Trade has its Toronto office space scattered between seven locations, six of them privately owned. This work could easily be housed within one of government’s publicly owned office buildings, saving significant rental costs

- 2. **Drastically reduce the number of managers and reinvest those savings in strengthening the front lines.** Over the past 30 years, the number of OPS managers has grown, while the number of front-line workers has shrunk. Senior management says the ratio of staff to managers across the OPS now stands at 1:7. In some ministries, the ratio is even more unsustainable. In the Ministry of Economic Development, Job Creation and Trade, OPSEU members report the ratio is 1:4. Members at other ministries report it’s as high as 1:3. Having too many managers is a waste of resources and reduces the quality of service that everyday Ontarians depend upon. The money spent on management salaries and perks is much more wisely invested in a strong and effective front-line staff. Even simply filling vacancies and hiring staff appropriate to demand would yield significant efficiencies and improvements, cutting the unnecessary costs of overtime, training temporary contracts, and reducing the burn-out that inevitably results from unsustainable workloads.
- 3. **Invest in the inspection and**

enforcement of strong regulations that keep Ontarians safe and healthy.

Regulations are often derided as meaningless “red tape.” But the fact is that strongly enforced regulations save lives and, ultimately, money. Cutting regulations, and the independent government employees who enforce them, will end up costing Ontarians dearly. Private-sector “self-regulation” simply cannot be trusted. Time and again, we have seen examples of private corporations maximizing the profits by cutting corners and looking the other way. The results can be disastrous. The Aylmer Meat Scandal. The Sunrise Propane explosion. Walkerton. All could have been avoided with strong regulations strongly enforced.

4. **Invest in improving OPS management’s human resources practices.** A chronic and wasteful problem across the OPS is management’s inability to quickly and effectively resolve disputes over its collective agreements. Although many grievances can and should be solved by the direct manager, OPSEU stewards and ministry leaders report that almost every single grievance is being pushed to an expensive and time-consuming formal hearing. Training managers on collective agreement dispute resolution, and empowering them to resolve grievances quickly and effectively, would save significant amounts of money and lost productivity.
5. **Increase the use of the Transition Exit Initiative.** The government has

recently approved more than 1,000 OPSEU-represented positions for the Transition Exit Initiative (TEI). The government could continue to use this program to help reduce the current compensation costs -- approving more TEIs will clear the way for hiring new employees at the first step of the wage grid, reducing compensation costs. The use of this provision is less expensive than using the surplusing provision in Employment Stability Article in the collective agreement.

Corrections

OPSEU’s Correctional Services Bargaining Unit has a long-standing history of being forced to sacrifice its wages to accommodate Ontario’s low investment in public services:

- Five years of wage freezes and frozen salary grids with no special wage adjustments from 1993-1998
- Two-year wage freeze from 2013-2014 and an additional step at the minimum salary grid (three per cent lower than the previous rate) and an elimination of a weekend premium
- Two-year wage grid freeze during the 2015-2017 contract
- Salary progression freeze from January 1, 2016 to December 31, 2017
- Termination-payment cap and elimination as of December 31, 2017
- Reduction of retiree benefits from 100

per cent employer-paid to 50-50 split

- All remaining wage increases since 1993 have been modest, at best, falling below inflation and the cost of living

In the interest of increasing sustainability, the OPSEU members working in corrections offer the following recommendations:

- 1. Management wage reductions: In corrections, management ranks have been growing.** Currently, operational managers in correctional institutions are making more than \$95,000 a year at top rate, which is more than \$20,000 more than frontline correctional officers. The union recommends a comprehensive forensic audit of all management positions in MSG correctional services. On top of the many superintendent and deputy superintendent salaries across the province there are four regional directors, 12 deputy regional directors, three regional incident managers, and additional administrative managerial positions as well as assistant deputy ministers and others. OPSEU recommends streamlining the management work in order to eliminate many of these unnecessary management positions. To offset the reduction in the management ranks and to offset the workload created by this reduction, we propose a reinstatement of the Correctional Officer 3 position.
- 2. Offender transportation:** OPSEU recommends combining all prisoner transportation specifically around court movement and long haul, and

bringing it under the umbrella of correctional services. The goal is to reduce the current redundant system of having police, police offender transport officers, and court security do what was once the traditional work of correctional staff. This would establish a clear, transparent costing model that is not hidden in police, ministerial and municipal budgets along with many layers of management bureaucracy. Further, while correctional officers currently provide limited services directly to the courts through video remand suites located on site inside of provincial correctional facilities, under a redefined model, correctional services staff (bailiffs) could report to their respective court houses as a duty assignment (place of work) and perform all the internal care custody, control, security and transportation for all purposes required by the courts. On July 9, 2014, joint union and ministry recommendations were submitted to the deputy minister's office for consideration. These included many streamlining options and cost-savings measures. None of which were ever implemented.

- 3. Underutilization of Intermittent Community Work Program (ICWP):** The ministry directly funds the John Howard Society and Operation Springboard to provide opportunities for offenders who are serving an intermittent sentence allowing them to be reintegrated in the community through the ICWP rather than serve their sentence in a correctional institution. These organizations also

provide substance abuse programs for offenders who are serving sentences for impaired driving. The ICWP is, and has always been, incredibly underutilized. If it were properly utilized, it would not only reflect value-for-dollar funding; it would also relieve bed pressures within our institutions. Intermittent-sentenced inmates generally serve their sentences on weekends, which requires institutions to hold beds for them. This creates situations of overcrowding within our institutions. Overcrowding has been a major cause of institutional unrest and violence. The result of that unrest and violence is an increased cost for emergency room visits, treatments, medications, transportation, and staffing costs, not to mention the higher possibility of WSIB injuries and the costs associated with it.

- 4. Probation and parole:** The Auditor General indicated that Ontario had the second lowest rate of spending on P&P services of any province at a daily cost of only \$5.81 per day for supervision and rehab services for community-supervised offenders. We recommend the return of halfway houses (also known as Community Resource Centres or CRCs) for inmates who have gainful employment and pay to stay in a halfway house. This will help to reduce the number of incarcerates. Several years ago, the ministry created a new classification of managers called Probation & Parole Assistant Area Managers (AAMs) to address and resolve a supposed workload issue of probation and parole

area managers. The exact number of AAMs is not known, but we speculate it's at least 60 or more resulting in a near doubling of probation and parole office management. A review is warranted as to the exact need and workload demands of probation and parole office management. Create a corrections compliance unit that would, among a number of things, undertake to provide direct supervision, monitoring and compliance checks on high-risk, pre-contemplative and criminogenic offenders who are just 10 per cent of the nearly 40,000 offenders under community supervision but who often take up 90 per cent of the time of probation and parole officers. Having such offenders supervised by a compliance unit would reduce the workload and staffing crisis within probation and parole services, thereby reducing the number of additional officers needed to rectify the workload crisis. This would increase public safety and ease the pressure on police resources.

- 5. Transition Exit Initiatives (TEIs):** The staffing and workload crisis in corrections means that only six regular service probation and parole officers have been approved, while no correctional officers have been approved. Approving a reasonable number of TEI applications from Corrections Bargaining Unit Members, with the promise to backfill and replace same with regular service employees, will save the government, as the new worker would most likely be at a much

lower rate of pay on the wage grid.

6. **Agency nurses:** The Ministry of the Solicitor General (formerly the Ministry of Community Safety and Correctional Services) has had a long-standing inability to fill correctional nursing vacancies. The wages for OPS nurses are not commensurate with nurses in other health care sectors. The ministry has long been wasting valuable financial resources by using private agency nurses at a significant difference in pay over our full-time nurses to manage the inability to overcome their recruitment issues. Because the agency nurses are not full-time correctional staff, they may not have the same level of commitment and aren't vested in the overall corrections community. Typically, they may be only oriented to medication. The limited services they provide leads to increased workload on an already overburdened and under-resourced staff. Improving the working conditions and compensation for correctional nurses would eliminate the ever-increasing need to outsource nursing duties at a much higher cost.
7. **Cook chill:** The cook chill facility located on the grounds of the Maplehurst Correctional Complex is an approximately 32,000 square-foot facility with excellent access to the 400 series highways. But this large government asset is not being well used. Costs per meal have risen dramatically since the inception of the cook chill and retherms kitchens. There are no real competitors for the contractor using

the space. Eurest Industries, which has had the contract for some time, is a single-source service provider with has serious disadvantages. Cook chill is not cost-effective. Returning full meal preparation to the responsibility of corrections kitchen employees will be more cost-effective and at the same time provide for a healthier product.

8. **Correctional Industries:** Guelph Correctional Centre used to have its own industries that manufactured items such as barred cell doors, window bars, dayroom and cell stools, shelving, tables, TV racks, and beds. This was an extremely cost-effective manner to supply institutions and offices with the necessary operating equipment. These industries should be reintroduced to offset the need to purchase more expensive equipment from the private sector.
9. **Public-private partnerships (P3s):** The Toronto South Detention Centre and Southwest Detention Centre were constructed, and continue to be maintained, under a P3 model. The Toronto Detention Centre has been plagued mechanical issues since long before it opened. Problems that continue today will cost \$1.1 billion dollars in payments over 30 years to Johnson Controls, Ellis Don and others. This is terrible value for a jail that cost less than \$600 million to build. Worse, most infrastructure upgrades or repairs fall outside the contract and are, therefore, contracted out to the private operator and costs significantly

higher than had our own maintenance staff done the work. The government must return all maintenance work to corrections maintenance workers so it can be done in a much more timely and cost-effective manner.

10. Lawsuits: The ministry has paid out millions of dollars to inmates for a myriad of confinement claims, and is facing several more pending claims. Many of these claims stem from inmate conditions of confinement. These are the result of under-servicing and an overall lack of investment, staffing resources, and infrastructure. Investing properly in corrections will decrease these costly lawsuits.

LCBO

OPSEU represents more than 8,000 LCBO workers across the province.

The LCBO is a significant source of revenue for the government. Last year, it returned more than \$2 billion in dividends to public coffers.

Our members have a long and successful track record of selling alcohol responsibly – they are free from the profit-motivated temptation to sell irresponsibly to minors and those with addictions.

OPSEU members at the LCBO recommend the following:

- Repatriate “agency stores,” many of which earn millions of dollars a year that could be flowing to government instead
- Eliminate the duplication and redundancy of managers
- Assess compensation rates for senior-level management and compensation for the LCBO board of directors
- Stop hiring lawyers to bargain collective agreements and stop using external service providers
- Establish an internal retail resource protection service at the cessation of the contracted police services
- Reduce or eliminate third-party retailers’ discounts on alcohol
- Protect government revenues by stopping alcohol sales expansion to private retailers.
- Assess recruitment practices to improve retention of employees and reduce and/or eliminate precarious fixed-term employees, therefore reducing administrative work, training and hiring costs

Education

OPSEU represents educational assistants and support staff in public primary and secondary schools across the province.

Our public education members bargain centrally, along with five other unions, through the Ontario Council of Educational Workers.

Low wages and difficult – often violent – working conditions are already causing significant recruitment and retention

problems in this sector.

These problems will only worsen in the face of the significant cuts being imposed on school boards across the province. More students in each classroom will put an increased burden on educational assistants in particular. The expected influx of children with autism who have not had the treatment they need will increase the burden even further.

Job conditions are getting worse. If wages are further capped and suppressed, fewer people will stay in the field and fewer still will apply for vacancies, driving up overtime and training costs.

It is students who will ultimately suffer the consequences: they will inevitably find themselves in more crowded and more chaotic classrooms, lowering the quality of their education and increasing the likelihood of failure and dropping out.

Therefore, OPSEU's members in the public education sector recommend that the government:

- Roll back plans to cut funding to school boards and instead increase investment in them to ensure a safe and effective number of educational assistants and support staff
- Commit to needs-based treatment for children with autism and all other development disabilities and special needs

Children, Community, and Social Services

Decades of downsizing and privatizations in the community services field have taken an extreme toll on clients and our members.

The services are threadbare. The service providers are unaccountable. And the frontline workers are caught between the two: most are stuck in precarious, low-paid jobs without much job or retirement security.

Since former Premier Mike Harris took power, tens of thousands of our members' jobs have been outsourced and privatized to companies and organizations that cannot be held to the same level of account as government. It is now a patchwork system that allows corruption, exploitation, and profound unfairness.

Here is one of many examples: youth corrections.

Youth detention and rehabilitation services were once provided entirely by frontline workers in the OPS. But many youth correction facilities have since been outsourced to an opaque patchwork of unco-ordinated and unaccountable third parties.

The result is just what you would expect: huge differences in service quality from facility to facility. And huge differences in the way workers are treated.

Like all residential care, youth corrections

can be dangerous work. Workers at facilities that remain owned and managed by the OPS are covered by the WSIB, as they should be.

But for workers at outsourced youth correction facilities and developmental services group homes, there is no coverage. If they are hurt on the job, that is their problem.

The work is exactly the same. But the conditions are radically different because outsourcing and privatization shield both government and privatizers from responsibility. Government says it is not its problem. Privatizers say it is not their problem. So it becomes a problem for clients and frontline workers.

That same kind of buck-passing happens throughout the community, child, and social services sectors. It happens in developmental services. It happens in child treatment. It happens in children's aid. It happens in child care. It happens in community agencies like legal aid and women's shelters. And it happens in Ontario Works.

Low wages and overwork are also a chronic problem for the frontline workers who are still in the OPS, delivering ODSP and working directly for the ministries of the Attorney General and Children, Community, and Social Services.

ODSP offices are chronically understaffed. Unfilled positions are effectively a job cut. Our members in the OPS are stretched too thin and are burning themselves out trying to maintain service levels. There are significant cuts to many of the ministry

budgets, and most of the ones that actually received increases are not getting enough funding to keep up with inflation.

Many children's aid societies are in deficit positions. There simply can't be any layoffs. In fact, we need more child protection workers. And children's treatment programs are badly in need of investment. We have a situation where children who need mental health services are either being left in hospital emergency waiting rooms or in youth detention facilities.

This is not acceptable.

In developmental and autism services, a fresh round of outsourcing and privatization is making a bad situation even worse. "Direct funding" models such as the Passport program in developmental services make government and service providers even less accountable, leaving clients and workers even more vulnerable to shoddy service and exploitation.

Hefty cuts to legal aid will be catastrophic to people who cannot afford to get any sort of fairness from the justice system on their own. Eliminating funding for services for refugees and immigrants is heartless and out of step with our multicultural society.

Cuts cascade throughout the entire public service system. As our most vulnerable lose support and service, they fall through the cracks. But they do not disappear. They end up on the street. They end up in the ER. They end up in jail. They end up dead.

For every one of those individuals and their family, it is a tragedy. But it is not just a tragedy, it is also a needless burden on the public services that are the most expensive

to provide.

As civil servants said in a memo to the Ford Cabinet: “Program cuts in one area will drive pressures in others. A shift from prevention/early intervention will drive up long term costs ... Decreased funding will increase pressures on other government resources (e.g. shelters, hospitals and police).”

On the other hand, proper investment in social services, from the federal government on down, will pay huge dividends in terms of reducing homelessness, easing health care wait times, and addressing the overcrowding issues driving the crisis in corrections.

OPSEU’s members in the community services sector recommend that the government:

- Invest in bringing the wages and working conditions in community services up to provincial averages and standards. The extremely low wages and precarious working conditions are driving recruitment and retention problems across the sector, leading to needless spending on overtime and training
- Establish centralized bargaining where needed. In sectors such as developmental services and children’s aid, millions are being needlessly spent by hundreds of different employers paying lawyers to bargain similar contracts for workers doing the exact same work
- Begin the process of in-sourcing services that have been outsourced to TPAs over the past three decades. Like

bargaining, there is a huge opportunity to streamline the administrations of hundreds of different employers doing essentially the same work. Bringing these services back into government will increase management efficiency and increase transparency, accountability, and quality

- Reduce the number of managers and reinvest those savings in hiring more frontline staff
- Roll back the decree that all autism services be provided through a direct-funding model, and invest in expanding the direct-services model used successful at CHEO both in autism services and all developmental services
- Invest in training and increased staff in children’s aid to allow the most effective use of the Child Protection Information Network (CPIN) system
- Invest in children’s mental health to ease the strain being placed on hospitals and hospital ERs
- Invest in universal public child care – the Quebec experience shows that it is a boon for labour force participation and, therefore, government revenue
- Invest in legal aid and roll back the decree that it not provide support to immigration and refugee claimants to ease the strain on our correctional system
- Begin negotiating with other provinces and Ottawa to increase the investment Ottawa makes in social services

Training, Colleges and Universities

Decades of inadequate investment, privatization and wage suppression have taken an extreme toll on Ontario's colleges, universities, and training programs.

Our post-secondary institutions are meant to drive economic growth now and in the future, but they are struggling to meet the needs of students and employers alike.

The sharp rise in precarious work is especially troubling and damaging.

In our colleges, for example, more than three-quarters of faculty teach on short-term, low-wage contracts. It is a similar story at universities. These part-time and contract faculty members do not make enough money. And they do not know if they will have a job from one term to the next.

There is no business model in the world that could provide a quality service or product with such an exploited and transitory workforce.

The situation will only be made worse if the government follows through with its decree that colleges and universities absorb the entire cost of the mandated 10 per cent tuition cut. OPSEU wholeheartedly supports lower tuition, but it is not sustainable when already precarious frontline workers are forced to bear the entire cost.

The squeeze is especially tight at rural and northern colleges and universities, where low funding and unsustainable workloads

are leading to lower-quality education for students.

Cuts to the province's trades training system are also unsustainable: increasing the number of apprentices on worksites while lowering the number of journeymen, will inevitably result in more injuries and construction that is slower and shoddier.

OPSEU's members in the training, colleges, and universities sector recommend that the government:

- Address the unsustainable number of college faculty stuck in low-paid and precarious contracts by directing the College Employers Council to stop obstructing the OPSEU organizing drive that contract faculty participated in nearly two years ago
- Restore the arbitrator-ordered College Task Force, which will have benefits on two fronts. For one, it will save the legal fees of defending OPSEU's Charter challenge of the cancellation. More significantly, the task force's makeup of students, faculty, support staff, and management will inevitably produce a number of concrete recommendations for increasing the effectiveness and sustainability of the college system
- Restore the Ontario College of Trades, along with the ratio of apprentices to journeymen on worksites
- Restore student loans, grants, and grace periods to ensure all Ontarians have access to post-secondary education, not just those from wealthy families

Universities

OPSEU's members working at universities are particularly concerned about the province's ill-advised plan to tie a significant percentage of universities' and colleges' funding to as-yet undefined performance measures.

If, as rumoured, a major measure will be how many graduates go on to find work, smaller universities in particular will be hurt. Many smaller universities depend on programs that lead into the public sector, such as nursing, teaching, and social work. But the government's cuts to those sectors will lead to fewer graduates finding jobs in those fields.

College support

OPSEU members working in college support offer the following recommendations:

- Cap executive salaries and compensation packages, including perks and bonuses.
- Stop college management from upgrading of management titles to give themselves additional wage increases
- Reduce the middle layers of management and reinvest those savings in frontline support staff
- Stop managers who are performing support staff work from being paid for that work at their manager salary. This practice is especially prevalent in research, project management, finance, marketing, government relations. In some of these areas, there are one or two support staff and five or six managers
- End the practice of contracting out support staff work, such as caretaking, food services, bookstores, IT and printing. These services are less expensive when performed in-house, even with union wages. The number of managers has stayed the same – needed to consult with contractor
- Make better use of space. Hold classes in three full semesters and at off-peak hours. Stop building new buildings and make better use of existing space, and provide employees to work the new buildings
- Stop competing programs in colleges that are fairly close to each other, so that the classes available are full. Have colleges run more as a system and less as competitive institutions
- Stop money-wasting administrative programs like key performance indicators, with surveys that students and graduates do not complete or complete randomly
- Offer retirement incentives to all college workers and replace those workers with employees at the start rate of the wage grid
- Insist that colleges and universities centralize their procurement of supplies and equipment such as projector bulbs, batteries, software, office supplies
- Reduce the number of high-paid consultants working for the colleges in finance, audits, IT, Marketing, etc.

These consultants get paid up from \$100 to \$500 an hour to perform work support staff could do at much lower costs. Many consultants are former managers who retire or leave and then come back for much higher money

Health

Ontario invests less per person in health care than any other province – \$3,900 per person compared to the Canadian average of \$4,300 per person, according to the Financial Accountability Officer.

This chronic underinvestment has strained health care to the breaking point, while powerful forces continue pushing for increased privatization. As more services are privatized, out-of-pocket costs rise for patients and health care jobs become more precarious, with fewer benefits and security.

Provincial health care investment has not come close over the past decade to keeping pace with the annual “health care inflation rate” – currently above five per cent – making it even harder for frontline workers to meet the demands of population growth, aging and increased utilization.

There seems to be nothing about the government’s ill-defined health system overhaul that will improve the situation. The last massive health restructuring, under Harris, cost \$3.9 billion dollars to find \$800 million in so-called “savings” and resulted in layoffs and deep cuts to local services. Restructuring means huge costs, less services and more privatization. It does not free up resources for frontline care and

it does not improve the delivery of public health care.

Extreme cuts to public health are particularly troubling. Slashing investment to preventative care will only increase the vastly more expensive costs of acute care.

Interfering with free and fair collective bargaining will only make this bad situation worse, exacerbating recruitment and retention problems, needlessly driving up avoidable overtime and training costs while making wait times even longer and hallway medicine more common.

It is clear what is needed: more investment and less privatization. Specifically, OPSEU members who work in health care recommend that the government:

- Immediately increase investment in health care to at least the health care inflation rate of 5.2 per cent
- Significantly rethink the health care restructuring plans. Wasting needless millions on reshuffling deck chairs will only hurt patients. Instead, maintain the Local Health Integration Networks and make them more effective by increasing their transparency and accountability to the communities they serve
- Abandon plans to merge and privatize ambulance services and ambulance communications centres
- Impose a moratorium on new health care privatizations and establish a plan to in-source previously privatized services, starting with medical lab testing, where privatized labs cost at

least 40 per cent more than hospital labs

- Impose a moratorium on new home care privatizations, and establish a plan to in-source currently privatized home care services

Long-term care

At least 20,000 Ontarians are currently waiting for a spot in a long-term care facilities.

The government has pledged 15,000 new beds, but OPSEU's members in the long-term care sector are extremely concerned that many of these beds will be in wasteful, shoddy, and unaccountable private facilities. Already, more than 60 per cent of the province's long-term-care beds are managed for profit.

OPSEU members employed by for-profit employers, such as Extendicare, Chartwell and Seasons are paid less and are forced to juggle two or three part-time jobs to feed their families. Some have even been forced to use the food banks, while their employers can boast about earning millions of profits annually. Adding insult to injury, former Premier Mike Harris sits on the Chartwell board of directors, earning more than \$200,000 a year for attending a small number of meetings.

The government's rollback of the \$15 minimum wage made the problem even worse.

OPSEU members in long-term care recommend that the government:

- Commit to creating all new long-term care beds in facilities that are publicly owned and managed, and establish a plan to in-source currently privatized home care services
- Reintroduce the Time to Care Act to increase funding to ensure frontline workers can give residents at least four hours of care per day, which would increase the quality of care and also reduce the high workloads and burnout driving recruitment and retention problems in the sector

Conclusion

OPSEU and its 155,000 are fundamentally opposed to any attempt by government to strip their Charter right to free and fair collective bargaining.

As we have shown throughout this document, the government has neither the mandate, the justification, nor the right to impose caps on bargaining or arbitrated awards.

The government's own statistics show that public sector wage increases have been below private sector wage increases and inflation over the past decade.

Not only would legislated caps on wage growth hurt OPSEU's members, they would hurt everybody in the province. Ontario already invests less per person in its public services than any other province – cutting that investment even further will have dire, even fatal, consequences.

In a memo to the Ford cabinet, civil servants warn that massive cuts pose “a

danger to life for children and youth at risk or in need of protection,” and that many families “will be at higher risk of going into crises.”

The memo also urges caution about the cascading consequences of cutting investment.

“Program cuts in one area will drive pressures in others. A shift from prevention/early intervention will drive up long term costs ... Decreased funding will increase pressures on other government resources (e.g. shelters, hospitals and police).”

Aside from the terrible consequences of cuts and wage suppression, there are a number of solid economic arguments for ensuring all workers – unionized and non-unionized, public sector and private – receive a decent wage:

- **Decent wages boost the economy.** Middle and lower-class earners spend their money where they make it: in their community. Investment in decent wages doesn’t disappear into corporate cash hoards or tax havens, it’s spent on local goods and services. Small and medium-sized businesses depend on customers with some spending money in their pockets; without customers, they are doomed to fail
- **Decent wages reduce deficits and debt.** Just as decent wages help business flourish, they also increase government revenue. The more citizens make, the more they invest back into their community through taxes
- **Decent wages make public services**

more sustainable. We all need and use public services. But we need them less when we’re healthy, housed, and have enough to get by. Governing with a view to ensuring decent wages for all – by ensuring reasonable minimum wages and working conditions, and allowing free and fair collective bargaining – will pay huge dividends in terms of reduced wait times, increased service quality, and financial sustainability

If the Ford government is truly interested in making life better and more affordable for all Ontarians, it will abandon its policies of harsh cuts and wage suppression. Ontario is wealthier today than it has ever been before – by sharing that wealth more fairly, all Ontarians can prosper.

Authorized for distribution by:



Warren (Smokey) Thomas, President
Ontario Public Service Employees Union



Eduardo (Eddy) Almeida
First Vice-President/Treasurer



www.opseu.org