

4th BIENNIAL CONVENTION

Working People Working Together

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TO ALIVE
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THE PUBLIC SECTOR, PUBLIC SERVICES AND THE ECONOMY

SECTION I

Of the more than five million men and women in the province of Ontario who are employed today, nearly one million work in the public sector.

They teach our children, care for our sick and elderly, provide for our public safety, and produce the electricity that runs our world.

They keep our cities and towns and public buildings clean. They protect our lands and forests, the water we drink and the air we breathe. The quality of life which makes Canada one of the most favoured places in the world to live rests upon the high quality of public

benefits which our public service provides to all citizens, regardless of ability to pay.

(I) THE ATTACK ON THE PUBLIC SECTOR

For the first time since the nineteen forties, Ontario is ruled by government which is determined to shrink the size of the public sector, and reduce the role of government itself. The purpose is clearly to replace the social provision of public benefits with a restoration of privatized services and programs available on the "free market" for those who can

afford to pay whatever the traffic will bear. And at the same time, as our social wage is being slashed, the regulatory functions of government are being drastically reduced in order to make way for the return of a deregulated, unfettered free market economy.

The Common Sense Revolution of the Harris Government is in reality a counter-revolution carried out at the behest of corporate Ontario and it seeks to undo the progressive reforms which four generations of Ontarians have won for ordinary people. Its purpose is to restore the power of corporate

Ontario to control and dominate the social, economic, cultural and political life of the province and its people.

Its method is as simple and direct as it is anti-social; to attack and destroy the capacity of the Ontario public sector to deliver services and programs outside the marketplace, and to dismantle the regulatory agencies of government in the name of "job creation." Working people have quickly learned that "cutting barriers to job creation" really means getting rid of worker protection laws.

"From the free operation of the market there is injustice, pain and hardship, which no society, either from compassion or wisdom, can tolerate. This we accept; from this acceptance comes the complementary role of the state." Economist John Kenneth Galbraith.

The power of private privilege is being returned to Corporate Ontario for the clear purpose of allowing a business elite to over-exploit our resources, pollute our environment and exploit working people, as they did with complete freedom a few short decades ago.

(II) CUT-BACKS: THE FIRST TWO YEARS

In a little over two years the Harris Government has already done massive damage to Ontario's public institutions. A very partial review shows the extent of the damage, which is fully documented in the OFL's *Days of Destruction*.

- ? The Ministry of the Environment had its budget slashed by 40% since 1995, and has lost a third of its workforce. It no longer has the capacity to monitor the environment, let alone protect it from corporate polluters. The Hamilton fire has dramatically revealed the extent of the Ministry's weakness, when residents had to rely on Greenpeace for basic information.
- ? The Ministry of Natural Resources has had its budget cut by 23%, and has lost over 2,000 staff. Responsibility for "sustainable forest management" is being turned over to the same corporations who strip-mined the forests. Parks are being privatized and closed.
- ? The Ministry of Education has been cut by \$700 million so far. But the real cut-backs here are yet to come.
- ? In the Ministry of Health, \$1.5 billion has been stripped from the hospitals' budget, and hospitals all across Ontario are shutting down with the loss of thousands of jobs. Because the community based alternative services have not been put in place, the disruption in services is going to be massive. The Government continues to say that the medicare budget is not being cut, but this is

untrue. Measured in terms of per capita spending on health care, Ontario's health budget has shrunk 15% from the 1992 base.

- ? The Ministry of Community and Social Services has been cut by over \$1.5 billion since 1995.
- ? Municipal Affairs grants to local government were cut by 48% *before* the Harris megadump off-loaded a billion dollars worth of new costs on to the property tax.

In addition to the destruction of essential services and the loss of the basic capacity to protect the public interest the Harris spending cut-backs have generated a huge loss of jobs. In 1996 alone, Ontario lost 32,000 jobs in the public sector.

(III) THE TAX CUT: ROBBING PETER TO PAY CONRAD

The Harris tax cut is the ways and means to get to the goal of shrinking the state. The tax cut has already reduced the provincial income tax rate from 58% of the federal tax rate to 45% as of January 1, 1998. To date, the tax cut costs the Ontario Treasury \$3.4 billion in lost revenue per year!

When the full tax cut drops the Ontario tax rate to 40.5% it will cost over \$5 billion per year.

And the huge spending cuts made by the Government are simply the price of the tax cut, tracking it dollar for dollar. About \$3.5 billion in spending cuts have already been made, with another \$2.5 billion still to come. The spending cuts will cover the full costs of the tax cut.

The tangible reward for this exercise of destruction goes to those at the top of the income scale. Over 50% of the tax cut will go to the top twenty percent of wage earners. We must recall that the average taxpayer in Ontario reports an average income of less

than \$30,000 per year. Taxpayers earning \$33,000 a year or less will get an average tax cut of \$350 a year. The average tax payers will be net losers as user fees and property tax hikes eat up every dime they get from Mike Harris.

On the other hand, Conrad Black and everyone else who pays taxes on more than \$250,000 will get an average tax cut of \$15,075.

(IV) HONEY, I SHRUNK THE STATE

One of the most telling ways to understand the Harris corporate agenda is to measure the spending cut-backs as a share or percentage of the total Ontario economy. Ontario's gross domestic product, the GDP, in 1996 was \$323 billion.

In 1995, the spending of the Ontario Government on programs and services was 15% of the Ontario GDP.

By the end of the fiscal year 1997-98, program spending will have fallen to 12% of the GDP. In other words, the real size of public programs in Ontario's total economy will have been cut by fully one-fifth since the Harris Government came to power.

And by the time they are through their first term it is estimated that Ontario program spending will have fallen to below 10% of the Ontario GDP. Harris is not in the business of balancing the budget. If he was, he could do that simply by maintaining the current level of revenue by scrapping the tax cut. What he wants is a vastly smaller government sector within the overall Ontario economy.

(V) FEDERAL CUTS COMPOUND MISERY

The Harris Government is not alone in adopting the right wing program of the Reform Party. Since 1994 the Liberal Government of Jean Chrétien has completely shredded Canada's social safety net.

Chrétien has reduced the capacity of the Government of Canada to deliver public programs with the largest mass layoff in Canadian history: 45,000 jobs are being cut right now. Since 1992 over 125,000 public service jobs have been eliminated.

The Ottawa Liberals have also gutted federal transfer payments to Ontario. In 1992, even after eight years of Mulroney, Ontario received \$7.6 billion from Ottawa for health, education and welfare. To date, the Chrétien Government has cut its payments to Ontario by \$3 billion a year from the 1992 base.

The cornerstones of Canada's social safety net -- the Canada Assistance Plan and established program funding for medicare and education -- have been scrapped. Even our pension system is being dismantled.

Wood Gundy estimates that as a result of lost economic growth the Liberal cut-backs have cost 140,000 potential jobs in 1995, as well as 140,000 jobs in 1996 and 100,000 jobs in 1997. That's in addition to the layoffs.

When the public sector is cut, we all suffer.

(VI) WHATEVER HAPPENED TO JOBS?

Slashing public benefits to all people, deregulating the private sector, downsizing and off-loading, and cutting the "barriers to job creation" such as health and safety laws and employment standards -- all these were supposed to create 725,000 new jobs during Harris' first term.

To be on target the Government should have created 300,000 new jobs by now. Instead it has created about 180,000 jobs. Even with low interest rates and signs of strong economic growth, the Government remains way behind schedule on its job creation targets. That is because every billion dollars of tax cut has been matched by a billion dollar spending cut.

The job losses in the public sector are greater than any stimulative effect from the tax cut. The high income earners who get real money from the tax cut are either saving it, investing it in stock speculation, or buying luxury imports. Most of the stimulus of the tax cut leaks out of the Ontario economy.

Even economists from the major banks have admitted that the severity of the Harris spending cuts are killing jobs in Ontario.

SECTION II

FIVE MYTHS ABOUT THE ONTARIO PUBLIC SECTOR

MYTH NO. 1 ONTARIO'S SPENDING GOT OUT OF CONTROL

It is the fundamental myth of the business lobby that Ontario went on an irresponsible spending spree between 1985 and 1995 and that spending went right out of control.

The fact is that program spending by the Ontario Government has been remarkably stable over the past 20 years. In 1976, Ontario program spending was 16% of Ontario GDP. In 1982-83, during the recession of the Davis era, program spending was 16.5%. At the height of the recession in 1992-93 it was 17.3% of GDP. Between 1976 and 1996 the average share of Ontario program spending as a share of GDP was 15.3%.

Program spending during the nineties, as a share of the total economy, was well within the norm of the past 20 years. That is, until Mike Harris came along.

MYTH NO. 2 ONTARIO HIT THE DEFICIT WALL

The second major myth about Ontario's public finances is that we hit the deficit wall. In Harris' words, Ontario was bankrupt. This is his cover for the massive cuts to health, education, social

assistance, transit, the environment, public safety, housing and local government.

The truth is that without the \$3.4 billion Harris tax cut, which will eventually cost \$5 billion a year, Ontario's fiscal crisis would entirely vanish. Ontario's fiscal crisis is entirely self-inflicted, by Harris himself. In the most recent budget of May 1997, the deficit for the year ending March 31, 1997 was \$7.5 billion. This was \$700 million less than the forecast of \$8.2 billion. Tax revenue turned out to be almost \$2 billion higher than Minister Ernie Eves predicted. But on top of this, the Government used accounting tricks to add some \$1.4 billion in future restructuring costs to the 1996-97 budget. The Tories are deliberately making the deficit look larger than it really is.

The Ontario Alternative Budget analysis of this year's budget reveals that revenue is once again deliberately understated by about \$2 billion. And another \$650 million is stashed away in so-called reserve funds.

Put all together, even with the tax cut, the true deficit for 1997-98 will come in at as much as \$3 billion below the forecast \$6.6 billion deficit. If we restored the \$3.4 billion in lost revenue by scrapping the tax cut, the great fiscal crisis would immediately vanish. The Ontario budget would be balanced.

But, of course as Minister Snobelen has said, you can't create change without first creating a crisis, even a phony crisis.

MYTH NO. 3 THE TAX CUT CREATES JOBS

We have already discussed this foundation myth of the Reform Party, the Harris Conservatives and their corporate masters. But it bears repeating; the tax cut kills more jobs than it creates. And it replaces good jobs with bad jobs. The late Andy Sarlos, one of Ontario's most successful businessmen, has written about the folly of public sector downsizing to pay for tax cuts. All it does, he writes, is create more

liquidity for those who already have too much money. All they will do with it is put even more money into stock speculation in the insanely overheated stock market.

The tax cut cost more than 32,000 public sector jobs in 1996 alone.

MYTH NO. 4 OUT OF CONTROL SPENDING CREATED ONTARIO'S DEBT

There is no question that Ontario emerged from the early nineties with a major debt problem. The problem simply put is that the debt rose to such a high level that interest payments on the debt became too high to sustain. The interest payment became the third highest item of government spending, after health and education.

But in our discussion of Myth No. 1 we have shown that Ontario's program spending remained constant between 1976 and 1996. What then created Ontario's large public debt?

In two words, recession and unemployment. The simultaneous introduction of free trade, the GST and high interest rates by the federal government created the worst recession in 60 years. Again, the analysis of the *Ontario Alternative Budget Papers* has shown that the collapse of the provincial employment rate from 67% of the working age population at work in 1989 to just 60% three years later was responsible for the collapse of Ontario's revenues and the escalation of the deficit.

Rising unemployment in the nineties created 95% of the growth in the provincial deficit between 1989 and 1996. Every percentage point of increase in the rate of unemployment tends to increase the provincial deficit by an amount equal to 0.7% of the Ontario GDP. That equals \$2.3 billion in terms of current GDP.

Conversely, if we could reduce the Ontario unemployment rate to, say 5%, the provincial budget would be re-balanced immediately -- while leaving in place all the public services and programs that Harris has cut. Even more, there would be revenue for major expansion of services.

MYTH NO. 5 ONTARIO'S ECONOMY HAS RECOVERED

Shrinking the public sector, according to corporate mythology, is the necessary prelude to boundless economic recovery as the private sector picks up the slack. We are now informed that recovery has arrived. It is a recovery for private corporations, whose profits have soared to the sky. The banks have once again won record profits which are truly obscene. But if the real measure of an economic recovery is job creation and the reduction of unemployment, this recovery is invisible.

The provincial employment rate, which is the share of the working age population who are employed, collapsed from 69% in 1989 to 60% in 1992, and it is still stuck at 60% in 1997.

The modest reduction in the official unemployment rate from 11% to 8.6% has been accomplished by the continuing decline in labour force participation.

Ontario's real deficit is the jobs deficit. And the size of that jobs deficit -- which is entirely the creation of government policy in Ottawa and Queen's Park -- is truly awesome.

- ? To reduce the unemployment rate to 5%, while still making room for the hidden unemployed who have abandoned the labour market, we need 600,000 new jobs.
- ? In addition, the working age population continues to grow at about 1.5% per year. Ontario must create 400,000 new jobs over the next 5 years,

just to keep pace with this growth in the workforce.

So we need a million new jobs -- or 200,000 jobs a year -- to reach our goal of full employment. Harris has not met half that target. To begin to have a hope of reaching that goal it is essential to rebuild the public sector of Ontario's economy. We need a strong and expanding public sector to redistribute the wealth of the whole society among all the people, to provide meaningful work for all and to protect the public interest from private greed.

SECTION III

THE PUBLIC SECTOR AND JOBS

REBUILDING THE PUBLIC SECTOR

Ontario's vibrant public sector is the collective accomplishment of many generations who have laboured to put in place an array of public services and programs that are the foundation of Ontario's quality of life.

Ontario's labour movement will continue to be in the front ranks of the resistance against the Harris Government's campaign to wreck these accomplishments and to replace public benefits with private wealth and private corporate power.

We do so for reasons of the clearest self interest.

As working people in both the public and private sectors of the economy we understand better than anyone the nature of the technological revolution which has transformed the workplace and work itself.

The combined forces of globalization and technological change have stripped hundreds of thousands of "good jobs" from the economy.

The magnitude of the Ontario jobs deficit and the crisis of permanent mass unemployment, which is the

characteristic of the contemporary economy, requires nothing less than a revolution in our approach to the future of work.

Creating the millions of new jobs we need in the twenty-first century will only be accomplished if there is a major redirection of private wealth and private profit into public purposes. Expanding the provision of public goods and services to meet human and social needs is a necessary prerequisite to providing meaningful and secure employment to all of our people.

Through a massive expansion of the public and non-profit personal services sector, in health care and education, social and recreational services, transit and ecological services, and essential capital works, the future of work can be truly assured. This is especially true for this generation of young people, tens of thousands of whom are entering their thirties without ever having a job.

In health care alone, which already employs more than 250,000 workers in Ontario, many tens of thousands of health service jobs can and must be created; by reopening and maintaining our hospitals, raising standards of care in nursing homes and homes for the aged, and by expanding long term care, personal health care services and community based care to serve our increasingly aged population. The opportunities for expanding personal support services, home help, home health care, meals and cleaning and the myriad of geriatric support services is virtually unlimited in terms of need.

In the field of education, which also supports a workforce of over 200,000 Ontarians, more tens of thousands of jobs can and must be created to give our children the best possible start in life. A major expansion of child care, including the introduction of the early years concept into all the schools, major reductions in class size and a new focus on individual

attention for the individual student can open up vast new career opportunities for this generation of young people. Expanding the number of paid teacher assistants and adding a new corps of technology teachers in our classrooms allows still more opportunity for new careers in human service.

And we are committed to enhancing programs which nurture and support the multi-cultural heritage of our diverse society.

A serious dedication to individual attention would multiply the resources available to remedial help and special needs services for the learning disabled and developmentally handicapped children. Why not employ as many thousands of people as we can to make sure that none of our children are left out or left behind?

In the social services field as well, the opportunities for meaningful work are limited only by a limitation of vision. Child welfare, family services, recreational and leisure services offer a tremendous opportunity for expansion as long as there is human need unfulfilled.

The public sector also has a tremendous role to play, not just in the provision of personal services but also of public goods. In so doing millions of person years of employment can and will be created.

Ontario's public transit system must be modernized and vastly expanded into an integrated, comprehensive and affordable public network, before it chokes to death in the congestion of gridlock. At the same time our heritage of roads and bridges and public buildings -- the entire public infrastructure -- must be continuously upgraded and renewed.

As the Ontario Alternative Budget has argued, we could start with our schools, with a program to do in the 21st century what a wise generation of Ontarians

did in the nineteenth; build a modern school for modern students in each and every community.

And to meet the shelter needs of the majority of Ontario men, women and children who cannot afford home ownership, more tens of thousands of jobs can and must be created by building non-profit and cooperative homes.

To protect our health and the future of life itself, the environment must be protected from the selfishness of private corporate greed. Our public agencies, which were first set up 80 years ago to safeguard Ontario's natural resource heritage, can and must be rebuilt. Our more recent Environmental Protection Agencies, the Conservation Authorities and our public parks, can and must be revitalized. Thousands more can be constructively employed in remedial clean-ups of contaminated sites. And the whole emerging sector of Green Industry can be nurtured and promoted.

A PRESCRIPTION FOR PROGRESS

The proposals put forward here are not a panacea. The public sector remains less than a quarter of the total economy, and the majority of people will continue to work in the private sector. The proposals put forth in the 1995 OFL Convention Document #3, *For A Full Employment Economy*, have lost none of their relevance. But in complete opposition to today's conventional wisdom, which has been tried and found dismally wanting, we insist upon a lead role for the public sector as one of the key engines of a healthy economy.

The labour movement rejects all visions of despair, and sees the hope for the future as we have always done, in our accountable and democratically elected public institutions and in collective action for the good of all.

1. Our immediate goal is to undo the destructive effects of the Common Sense Revolution, and to

campaign to restore Ontario's program spending to the pre-cut-back share of the Ontario economy. The Harris Government has undone much of the good work of the past fifty years. We pledge to undo the Common Sense Revolution and all of its works.

2. **The major acts of destruction by the Harris government must be reversed. This includes undoing the dirty work of the Hospitals Restructuring Commission, saving our hospitals by reopening them. It includes the repeal of Bill 160 and the reestablishment of our democratic system of public education. It includes the repeal of Bill 142 and the creation of a just system of social assistance, and the replacement of workfare with a full employment economy based upon decent, secure, well-paid jobs. It includes the end of the Who does What megadump with proper funding for municipal government and a restoration of municipal democracy.**
3. The labour movement and its political ally, the NDP, must develop clear targets for a revitalized public sector. This will include new targets and new revenue from the fair taxation of wealth, to raise the public sector of the Ontario GDP to a level which will maximize both consumer demand and employment.
4. Ontario's capital works budget must be restored and expanded with definite targets for annual investment in the reconstruction of Ontario's physical infrastructure.
5. Special prominence must be given to the development of Green Industries and to the restoration of comprehensive and stringent environmental protection and regulation.
6. It is a matter of the greatest urgency to find jobs for the current generation of young people who

have faced the worst job prospects in 70 years and continue to be shut out of the labour market.

7. The Ontario Federation of Labour reaffirms its determination to defend the right to freedom of association for all public sector workers, their right to belong to the union of their own choice and to full free collective bargaining. We reaffirm the principles set out in the Proclamation of July 1997.

PRINCIPLES FOR RESTRUCTURING

We will vigorously and actively oppose the restructuring of any public service that results

- ? **in the loss of unionized public sector jobs,**
- ? **the conversion of permanent jobs to part-time, contract or casual positions,**
- ? **the privatization or contracting out of any public service,**
- ? **the reduction in quality public services.**

Further, we will use whatever means are available, including the strike weapon, to defend quality public services and unionized public sector jobs.

Employees in the broader public sector hold to the view that, in any situation where restructuring of public services may occur, it is essential that the restructuring process recognize the following principles:

- a) In our democratic society, employees are entitled to have their terms and conditions of employment negotiated through a process of free collective bargaining.
- b) The right to strike is essential to free collective bargaining.
- c) In the case of workers providing essential services, if the right to strike is curtailed, it must

be replaced with independent and impartial arbitration to determine employees' terms and conditions of employment.

- d) Employees should not lose their collective bargaining rights as a result of restructuring, and are therefore entitled to standard "successor rights" protection, including continued trade union representation and application of their collective agreement.
- e) Any changes to bargaining units or bargaining rights as a result of restructuring must be based on recognized labour relations principles, and be determined through a democratic, open, fair and independent process.
- f) Legislation must ensure that tribunals responsible for determining the rights of employees are governed by basic principles of fundamental fairness and natural justice.
- g) Like doctors, workers in the broader public sector are entitled to have the terms of their employment determined through a process of free collective bargaining. Free collective bargaining requires the right to strike, a right which has recently been exercised by Ontario's doctors. Essential service workers must have access to independent and impartial arbitration, and if this is not made available, then, like doctors, these workers are entitled to exercise their right to strike.

8. We reaffirm our total opposition to the destruction of Canada's national social programs as a result of the mindless deficit slashing of the Chrétien Liberals.

9. We renew our commitment to work with the Ontario New Democratic Party and our social partners, to re-elect a government which is

committed to public service and which puts people first.

10. Finally, we must continue our active campaign of resistance to the Common Sense Revolution on all fronts.

SUMMARY

Section I describes the Harris attack on Ontario's public sector.

- ? The one million men and women who work in Ontario's public service are responsible for the quality of life which makes Canada one of the most favoured places in the world to live.

They teach our children, care for our sick and elderly, provide for our public safety and produce the electricity that runs our world.

They keep our cities, towns and public buildings clean. They protect our lands and forests, the water we drink and the air we breath.

- ? The Common Sense Revolution of Mike Harris is a direct attack on the very idea of the public sector. Its aim is to shrink the size of government. Its goal is to replace the social provision of public benefits with privatized services for sale on the "free market" at whatever the traffic will bear.

- ? The OFL continues to document the destruction caused by the Harris cut-backs -- to our essential health, education, welfare, environmental and municipal services -- in *Days of Destruction*. By the end of 1997-98, Ontario's program spending will have been cut from 15% of the Ontario Gross Domestic Product to 12% -- a cut of fully one-fifth.

By the end of their first term, they intend to cut Ontario program spending to below 10% of GDP.

These drastic cuts take place behind the populist smokescreen of the Harris tax cut. Costing \$5 billion a year at maturity, the tax cut puts windfall cash in the pockets of wealthy

Ontarians. But user fees and property tax hikes will eat up every dime received by the average taxpayer.

- ? The impact of the Ontario cut-backs in jobs has been disastrous; 32,000 full-time Ontario public sector jobs vanished in 1996 alone. And Harris has fallen far behind his modest job creation target despite a stronger Canadian economy. Mike Harris remains Ontario's number one job killer.

Section II debunks five myths about Ontario's public sector.

- ? Ontario's spending over the 20 years between 1976 and 1996 was a steady 15.3% of GDP. It was never "out of control."

- ? Ontario never hit a "deficit wall." Without the \$5 billion tax cut, Ontario could balance its budget without needing a dime of the Harris spending cuts.

- ? Far from creating jobs, the Harris tax and spending cut has slowed economic growth, costing 32,000 lost jobs in 1996 alone.

- ? Ontario's public debt was created by unemployment, not by increasing spending. The 1990 recession brought on by the GST, free trade and the sky-high interest rates of the Bank of Canada cost Ontario 330,000 jobs. Every percentage point of increased unemployment increases the deficit by 0.7% of the Ontario GDP.

A full employment economy would immediately re-balance the budget and allow expansion of public services.

? Ontario's economic recovery is an illusion. The real deficit remains the jobs deficit. To recover lost growth and lost jobs since 1990, Ontario needs 600,000 new jobs. To give work to new labour force members over the next five years means another 400,000 jobs.

To reach this goal of a million new jobs -- 200,000 a year -- it is essential to rebuild the public sector of Ontario's economy.

Section III proposes a major expansion of public service jobs as one of the key strategies to rebuild the Ontario economy and achieve full employment.

Expanding the provision of public goods and services to meet human and social need is a necessary prerequisite to providing meaningful and secure employment for all.

Health care, education and social services each have tremendous potential for major growth and expansion. Millions of person years of employment can and must be provided by social investment in essential public infrastructure -- in roads, schools, transit, housing, environmental protection, environmental clean up and the promotion of Green Industry can absorb many thousands into productive work.

A PRESCRIPTION FOR PROGRESS

The proposals put forward here are not a panacea. The public sector remains less than a quarter of the total economy, and the majority of people will continue to work in the private sector. The proposals put forth in the 1995 OFL Convention Document #3, *For A Full Employment Economy*, have lost none of their relevance. But in complete opposition to today's conventional wisdom, which has been tried and found dismally wanting, we insist upon a lead role for the public sector as one of the key engines of a healthy economy.

The labour movement rejects all visions of despair, and sees the hope for the future as we have always done, in our accountable and democratically elected public institutions and in collective action for the good of all.

1. Our immediate goal is to undo the destructive effects of the Common Sense Revolution, and to campaign to restore Ontario's program spending to the pre-cut-back share of the Ontario economy. The Harris Government has undone much of the good work of the past fifty years. We pledge to undo the Common Sense Revolution and all of its works.
2. **The major acts of destruction by the Harris government must be reversed. This includes undoing the dirty work of the Hospitals Restructuring Commission, saving our hospitals by reopening them. It includes the repeal of Bill 160 and the reestablishment of our democratic system of public education. It includes the repeal of Bill 142 and the creation of a just system of social assistance, and the replacement of workfare with a full employment economy based upon decent, secure, well-paid jobs. It includes the end of the Who does What megadump with proper funding for municipal government and a restoration of municipal democracy.**
3. The labour movement and its political ally, the NDP, must develop clear targets for a revitalized public sector. This will include new targets and new revenue from the fair taxation of wealth, to raise the public sector of the Ontario GDP to a level which will maximize both consumer demand and employment.
4. Ontario's capital works budget must be restored and expanded with definite targets for annual

investment in the reconstruction of Ontario's physical infrastructure.

5. Special prominence must be given to the development of Green Industries and to the restoration of comprehensive and stringent environmental protection and regulation.
6. It is a matter of the greatest urgency to find jobs for the current generation of young people who have faced the worst job prospects in 70 years and continue to be shut out of the labour market.
7. The Ontario Federation of Labour reaffirms its determination to defend the right to freedom of association for all public sector workers, their right to belong to the union of their own choice and to full free collective bargaining. We reaffirm the principles set out in the Proclamation of July 1997.

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Further, we will use whatever means are available, including the strike weapon, to defend quality public services and unionized public sector jobs.

Employees in the broader public sector hold to the view that, in any situation where restructuring of public services may occur, it is essential that the restructuring process recognize the following principles:

- a) In our democratic society, employees are entitled to have their terms and conditions of employment negotiated through a process of free collective bargaining.
- b) The right to strike is essential to free collective bargaining.
- c) In the case of workers providing essential services, if the right to strike is curtailed, it must be replaced with independent and impartial arbitration to determine employees' terms and conditions of employment.
- d) Employees should not lose their collective bargaining rights as a result of restructuring, and are therefore entitled to standard "successor rights" protection, including continued trade union representation and application of their collective agreement.
- e) Any changes to bargaining units or bargaining rights as a result of restructuring must be based on recognized labour relations principles, and be determined through a democratic, open, fair and independent process.
- f) Legislation must ensure that tribunals responsible for determining the rights of employees are governed by basic principles of fundamental fairness and natural justice.
- g) Like doctors, workers in the broader public sector are entitled to have the terms of their employment determined through a process of free collective bargaining. Free collective bargaining requires the right to strike, a right which has recently been exercised by Ontario's doctors. Essential service workers must have access to independent and impartial arbitration, and if this is not made available, then, like doctors, these workers are entitled to exercise their right to strike.

8. We reaffirm our total opposition to the destruction of Canada's national social programs as a result of the mindless deficit slashing of the Chrétien Liberals.

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