

LIBERALS UNVEIL 2015 BUDGET

With OSSTF/FEESO members focused on the strike by teachers in the Durham District School Board, Premier Kathleen Wynne and her governing Liberals introduced their [2015 budget](#).

Released two days after the Federal Conservative budget, Finance Minister Charles Sousa (Mississauga South) did not introduce any corporate or personal tax increases to help eliminate the deficit or enhance public services. Instead, his \$132 billion budget highlighted the Ontario Liberals' commitment to building transportation infrastructure in the province. The Liberals plan to spend \$130 billion on infrastructure over the next ten years. Included in this amount is \$31.5 billion for transportation infrastructure. Of this, \$16 billion is earmarked for the Greater Toronto and Hamilton Area and the remaining amount for the rest of the province.

The Liberals' plan to eliminate the budget deficit by 2017-18 is also highlighted. The Liberals say that they will cut about \$3 billion annually from the deficit to achieve their goal. The province's deficit for 2014-15 is \$10.9 billion. The budget predicts it will drop to \$8.5 billion in the 2015-16 fiscal year, then to \$4.8 billion in 2016-17 and eliminated by 2017-18.

In order to help achieve this goal, the Liberals say that will keep overall program spending at an average of 0.9 per cent growth until 2017-18. They claim that the only exemptions are in healthcare, education and justice sectors spending. They see spending increasing 1.9% in healthcare, 2.0% in education and 1.5% in justice.

The Liberals see the changes in education mainly due to increased funding to school boards for growth in student enrolment and the full implementation of full-day kindergarten; increased capital expenses associated with completed school projects; and higher funding for the child care sector to support child care modernization and wage increases for front-line child care workers. The Liberals also want to see more efficient use of school space by consolidating schools, sharing space with other school boards and fostering community partnerships.

While the Liberals see increased education expenses for future years, [\\$248 million](#) earmarked for education in the 2014 budget was not spent. They say that school board expense savings were mainly due to lower-than-projected student enrolment and lower-than-expected spending on school operating costs. But, they make no mention of re-investing that \$248 million in savings into future education spending.

The Liberals repeated that any negotiated collective agreements with the Ontario Public Service and broader public sector must fit within Ontario's existing fiscal framework, which does not include additional funding for wage increases. Any wage increases must be offset by other measures

to create a net zero agreement. The Liberals point to the recent [agreement](#) with Management, Administrative and Professional Crown Employees of Ontario (AMAPCEO) in 2014 as a template for public sector negotiations. The agreement included a wage freeze in the first two years and a 1.4% wage increase in each of the third and fourth years. In the deal, the cost of wage increases in 2016 and 2017 was offset over the four-year term through changes to benefits and entitlements, making it a net zero agreement.

By restricting public sector wage increases, the Liberals also see [savings in pension contributions](#). They forecast a savings of \$2.3 billion in government contributions from the period from 2012-13 to 2017-18.

As for [post-secondary and training spending](#), the Liberals project it to be largely unchanged between 2013-14 and 2017-18. They say any funding to support growth in postsecondary enrolment and student financial assistance programs is offset by actions being taken to control costs.

NDP Leader Andrea Horwath (Hamilton Centre) attacked the budget and [said](#), “Today we have a document full of cuts to services that Ontarians rely on, full of added burdens to household budgets and more handouts to those who need them the least.” She added, “It leaves middle-class and struggling Ontarians further behind.”

Meanwhile, PC Interim Leader Jim Wilson (Simcoe – Grey) argued that the Liberal budget has seen debt charges rise to the third highest expenditure in government after healthcare and education. Wilson [said](#), “The amount spent on the interest on the debt is the highest growth area in this budget—an average annual increase of 5.7%. This is more than the growth rate of any other spending sector including health and education. And even more—there is no plan to deal with the debt—it is just going up and up. Ontarians can’t afford this budget.”

The budget will now be debated in the Legislature. And with the Liberal majority government, unlike the recent minority government, this budget will pass without any great drama.

OSSTF/FEESO DURHAM STRIKE RAISED IN LEGISLATURE

While much of this past week’s focus in Question Period was centered on the budget, some attention was paid to the strike of OSSTF/FEESO teachers in the Durham District School Board. Each day, Premier Kathleen Wynne and Education Minister Liz Sandals (Guelph) were grilled by opposition critics of the government’s approach to the negotiations. Newly-appointed NDP Education critic Lisa Gretzky (Windsor West) [asked](#) the Premier about reports that the government wanted to re-negotiate class sizes, “Yesterday the Minister of Education stated that she was perplexed about the current labour dispute in Ontario’s education sector. What I find truly perplexing is that the Liberal government, the Premier, is considering removing a limit on class sizes—the signature education policy of her predecessor, Dalton McGuinty—and forcing students and teachers into larger classes. Speaker, can the Premier please explain to Ontarians why the Liberal government is flip-flopping on class sizes and throwing our schools into chaos?”

In her response to Gretzky, Sandals said that there was a process for negotiating issues and she would respect it.

Also, newly-installed NDP Deputy Leader Jagmeet Singh (Bramalea – Gore – Malton) [added](#), “Last April, the Premier made a promise to Ontarians: She said she would not cut education. Well, we’ve seen teachers fired, schools closed and families thrown into chaos. In fact, just last week, Windsor families learned that 21 early childhood educators were being fired. People didn’t vote to see their schools closed and teachers fired. Will today’s budget reverse these cuts?”

Premier Wynne responded to Singh by saying, “The funding for education has not been cut. It will not be cut. In fact, if the member opposite had an opportunity to look at the Grants for Student Needs, which is actually the section of the budget that applies to education—those numbers are already in the public realm—he would see that, despite the fact that there are fewer students in our education system, the funding has remained stable, which means that there is more money per student in the system this year than last year.”

The Progressive Conservatives also asked multiple questions including by their Education critic, Garfield Dunlop (Simcoe North) [including](#), “Minister, will you stop blaming the local boards and take responsibility before more boards strike in this province?” Sandals responded by saying that the negotiations were both central and local and were distinctive in issues.

With MPPs focused on the budget this past week, it seems that the government was able to downplay the Durham strike. With the budget now tabled and more strikes imminent, the Liberals will be hard-pressed to sidestep the labour strife in education for much longer.

MPP JAGMEET SINGH NAMED NDP DEPUTY LEADER

After months of speculation that MPP Jagmeet Singh (Bramalea – Gore – Malton) would accept the invitation of Federal NDP Leader Thomas Mulcair to be a candidate for the party in this fall’s federal election, Ontario NDP Leader Andrea Horwath squashed the rumours by appointing Singh as her Deputy. After enduring catcalls from the Liberals during this session regarding his potential departure for the federal NDP, Singh sidelined his aspirations for a federal seat by accepting Horwath’s offer.

Since his impressive showing in the 2011 federal election, when he came about [500 votes](#) from winning a Peel region riding for the NDP, many federal NDP members wanted Singh to try again in 2015. They, like provincial NDP members, see him as a second-generation Sikh-Canadian who could help make inroads into the broader Indo-Canadian community for the party. Singh’s commitment to staying with the provincial party was an important development for Horwath. On the heels of losing the NDP-held Sudbury riding in the recent by-election, Horwath could ill-afford another potential defeat in Singh’s Greater Toronto Area riding, especially in a riding where the governing Liberals have strong roots. As well, Singh’s ascendancy in the provincial party now clearly positions him as one of the party’s rising stars.

BILL 57, POOLED REGISTERED PENSION PLANS ACT PASSES 2ND READING

The Liberals' [Bill 57, Pooled Registered Pension Plans Act](#) passed second reading with Liberal and PC support by a vote of 77–17. The NDP opposed the legislation which will now be referred to the Standing Committee on Social Policy. Bill 57 provides the legal framework for the establishment and administration of pooled registered pension plans (PRPPs) in Ontario. The Liberals say that PRPPs would offer Ontario employees and the self-employed a voluntary, low-cost, tax-assisted option to increase retirement savings.

PC MPP RANDY HILLIER RE-INTRODUCES RECALL LEGISLATION

After failing to get his MPP recall legislation passed in the last Parliament, PC MPP Randy Hillier (Lanark – Frontenac – Lennox and Addington) introduced [Bill 89, Election Amendment Act \(MPPs' Recall\)](#).

The bill would allow voters to recall a MPP with the signatures of at least 25% of electors. If successful, the seat would then be declared vacant and a by-election would be called. The recalled MPP would be free to run again.