Editorial
Privatization makes sense

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No one should fault Mayor Rob Ford for pursuing privatization of trash collection in Toronto. This was one of his core campaign promises so even the most ardent labour activist can hardly be surprised to see Ford acting on it. Beyond that, there are good arguments in favour of contracting out more of Toronto's garbage services.

The Ford administration appears to be proceeding in a careful and measured way that just might work. That's in welcome contrast to some earlier, ill-judged initiatives.

The first step was giving written notice Monday to the Canadian Union of Public Employees, letting it know that come May city council will consider privatization. CUPE's contract with the city gives many existing employees guaranteed jobs, limiting the city's ability to bring in private-sector people to do their work.

The Ford administration aims to circumvent that hurdle by focusing on about 300 temporary and part-time positions not covered under the "jobs for life" provision. The net result would be an expansion of Etobicoke's existing private collection approach - with residential curbside garbage pickup, west of Yonge St., opened to competitive bids. As workers with guaranteed jobs retire, the area covered by contracted-out service could gradually expand. Other proposed steps include contracting out the collection of rubbish and recyclables in parks.

All indications are that this is allowed under the city's contract with CUPE. And it makes sense to proceed on a limited scale, in part of the city, rather than attempting to thrust such a change on the entire municipality all at once.

That said, what's being proposed is hardly radical. Etobicoke residents have had private collection for 16 years. Toronto's deputy mayor, Doug Holyday, was mayor of Etobicoke when that was brought in, and he notes that Toronto is unusual for not having the private sector do this work. In the immediate neighbourhood, Mississauga, Vaughan and Brampton use private collectors. "Ninety per cent of the municipalities across the country, in one way or another, do it with a contractor," said Holyday. "We're dinosaurs in this respect."

Windsor offers an interesting comparison. It, too, went through a bitter public service strike in 2009. Mayor Eddie Francis responded by contracting out garbage collection, along with other services, and won re-election in October with 56 per cent of the vote.

The popularity of privatization, even in that heavily unionized town, means the Ford administration can likely count on solid public backing in this area.

Critics have accused the mayor of using "fuzzy math" in making his case. Much depends on results of a detailed staff analysis on the impact of contracting out. That's to go to Toronto's public works committee in April. If Ford's estimate of $8 million in savings is borne out, with no harm to service delivery, it will be difficult to effectively oppose him on this.
It's not the garbage, it's the unions

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Toronto Mayor Rob Ford's plan to privatize the city's garbage collection is not unique. It is a part of a continent-wide trend - union-busting.

There is an irony to this. The last great slump, the Great Depression of the 1930s, spurred the development of labour unions as a way to protect the livelihoods of people struggling to make a living.

The legacy of this crisis may well be the virtual elimination of unions.

That Ford's plan is about smashing city unions should be obvious. Any savings the city makes (and there will be savings) will come from paying the non-union employees of private contractors less, in wages and benefits, than city workers get now.

"We pay pretty good pay around here," deputy mayor Doug Holyday said on Monday. He didn't mean it as a compliment.

The attack on unions stems from many causes. The recession is key. With unemployment up and tax revenues down, governments of all sorts are scrambling for funds.

In the U.S., some municipalities are literally walking away from contractual obligations - including pensions - that are owed to current and past employees.

Meanwhile, those private firms that remain unionized (and there aren't many) are on the offensive.

U.S. Steel, for instance, has locked out its workers in Hamilton since November in an effort to eliminate real pensions for new hires.

Workers at Vale Inco in Sudbury endured a year-long labour dispute before effectively giving into their employer's pension demands.

In late 2008 and early 2009, auto giants General Motors and Chrysler used the power of government in both Canada and the U.S. to force their unionized workers to make concessions in return for aid to the industry.

So far, Canada's federal and provincial governments have not launched a full-scale assault on their unionized workers. The Conservatives in Ottawa have made a few feints in that direction but, as in so many things, are holding fire until after an election.

Ditto at Queen's Park. Dalton McGuinty's Liberal government has asked public sector unions to scale back their inflation-adjusted wages but without much luck. There, too, a full-scale assault probably won't take place until after October's provincial election.

But in municipalities like Windsor and Toronto, the battle has already been joined.

Ostensibly the attack on unions is driven by fairness: We hurt, therefore you should too.

In fact, it's driven by resentment. When Holyday says that Toronto city workers earn more than those who
pay taxes, he's not being technically accurate. Plenty of Torontonians make more money than civic employees.

But he's tapping into a sense of class snobbery among those who think that garbage collectors deserve no more than the barest minimum.

Over the years, the unions have not always aided their own cause. By focusing narrowly on, say, good pensions for their members rather than good pensions for all, unions allowed themselves to become divorced from the rest of working society.

The manner in which the union representing Toronto garbage collectors handled itself during the 2009 civic strike was, in a word, stupid.

Still, for most Canadians, the attack on unions is self-defeating. To a large extent, the North American middle class exists because of unions. As unions disappear, income disparities grow, poverty increases and society becomes more insecure. The U.S. is evidence of this.

That doesn't mean, however, that this attack won't succeed. The right, aided and abetted by confused liberals, is on the march. Toronto is just the latest example. There will be more.

Thomas Walkom's column appears Wednesday and Saturday.