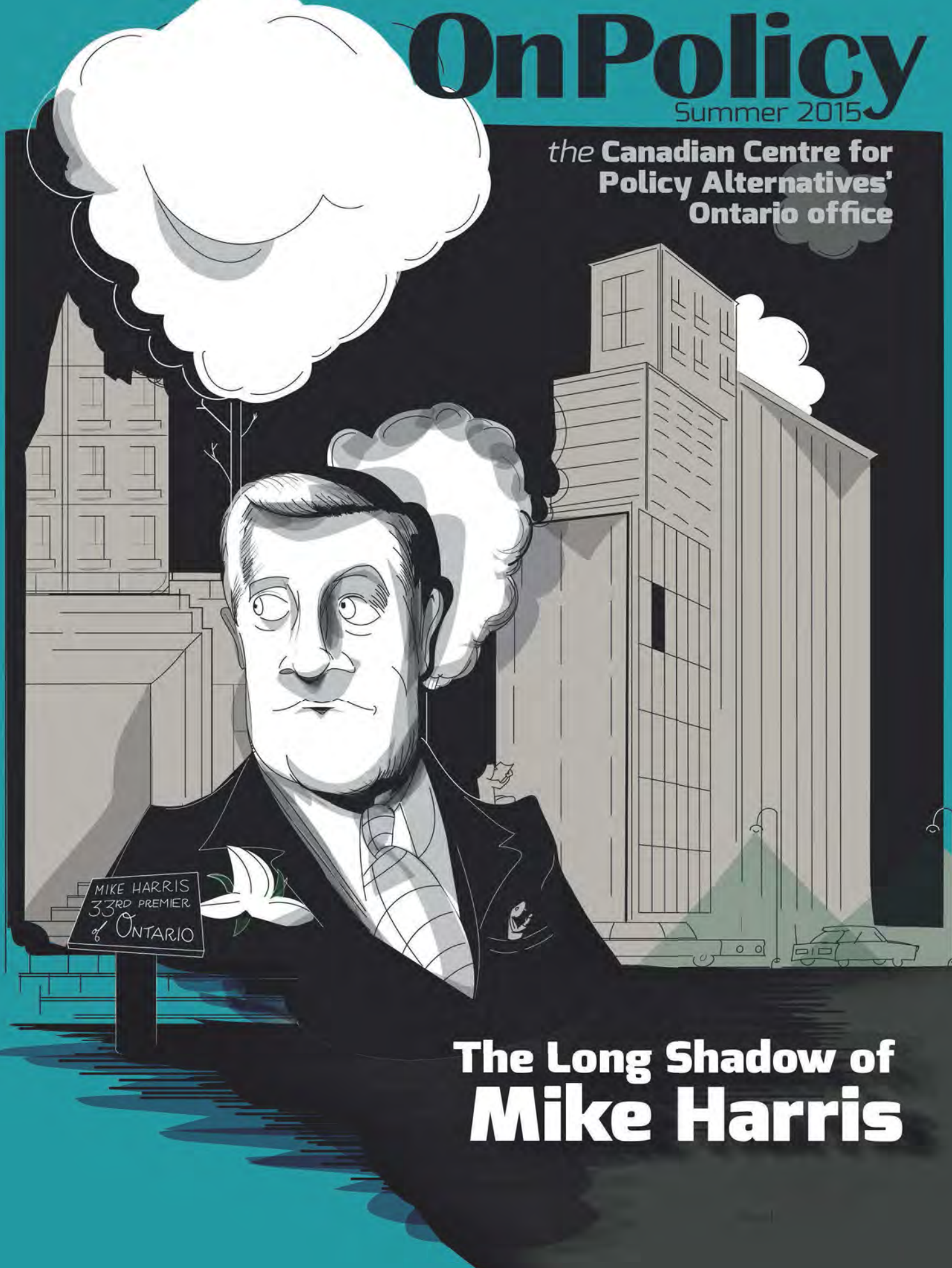


OnPolicy

Summer 2015

the **Canadian Centre for
Policy Alternatives'**
Ontario office



The Long Shadow of Mike Harris

OnPolicy

A periodic magazine examining Ontario policy, published by the Canadian Centre for Policy Alternatives' Ontario office (CCPA-Ontario).

Cover illustration: Antony Hare.

Days of Destruction graphic: Excerpted from *The Days of Action: The Character of Class Struggle in 1990s Ontario*, illustrated by Orion Keresztesi and written by Doug Nesbitt and Sean Carleton. This project will be included in the Graphic History Collective's forthcoming comics collection, *Drawn to Change: Graphic Histories of Working Class Struggle* (Between The Lines Press, 2016). For more details, see <http://graphichistorycollective.com>.

Design and production: Craig Pickthorne, Interlocutor Communications.

Printer: MPH Graphics.

The CCPA-Ontario office is located in Toronto and specializes in provincial and municipal issues. We deliver original, independent, peer-reviewed, non-partisan research.



Follow us on Twitter: @CCPA_Ont
Email us: ccpaon@policyalternatives.ca

Donate to support our research:
www.policyalternatives.ca/donate-ontario-solutions-fund

THE CANADIAN PRESS/Frank Gunn

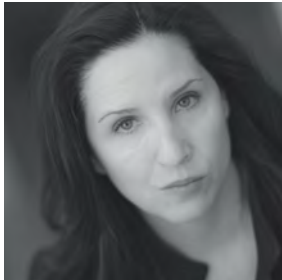




Contributors	5
Assessing the Common Sense Revolution, 20 Years Later Trish Hennessy	8
Timeline	10
The Long Shadow Hugh Mackenzie	12
Dented Cans of Tuna From Hansard	16
Welfare Backlash John Stapleton	18
Welfare Fraud Lines Blog Exerpt	21
The Death of Dudley George	22
Walkerton	23
Hula Hoops	24
Verbatim Text of Trish Hennessy's Speech to Ontario Teachers	26
The Death of Kimberley Rogers	32
Megacity	33
Days of Action	34
Hydro Deregulation From Hansard	36
Hydro Privatization, First Try	37

Hydro Privatization, Complete?	38
Sheila Block	
In His Own Words	40
Mike Harris	
Time to Scrap this Relic: Taxpayer Protection Act	42
Trish Hennessy	
Taxes: A Conversation Whose Time is Now	44
Kaylie Tiessen	
Moving On: 4 Solutions	46
Share	48
Hennessy's Index	back cover

Contributors



Trish Hennessy, a former journalist, is the founding director of the Canadian Centre for Policy Alternatives' Ontario office (CCPA-Ontario). She was the founding director of the CCPA's national Growing Gap Project and she still contributes to that work. She has a Bachelor's degree in Sociology from Queen's University, a Bachelor's degree in Social Work from Carleton University, and a Master's degree in Sociology from OISE/University of Toronto.



Kaylie Tiessen is an economist with the CCPA-Ontario. She is the author of the monthly blog #jobsFriday. She specializes in labour market, taxation, and income inequality research. Kaylie holds a Master's degree in Development Economics from Dalhousie University, a Bachelor of Commerce degree in International Business from Lakehead University, and a diploma in Business Management from Conestoga College.



Hugh Mackenzie is a CCPA Research Associate and a founding member of the CCPA's Growing Gap Project. Hugh has stewarded 10 years' worth of Ontario Alternative Budgets. He is principal of Hugh Mackenzie & Associates, which provides economic consulting services to the trade union movement and the not-for-profit sector.

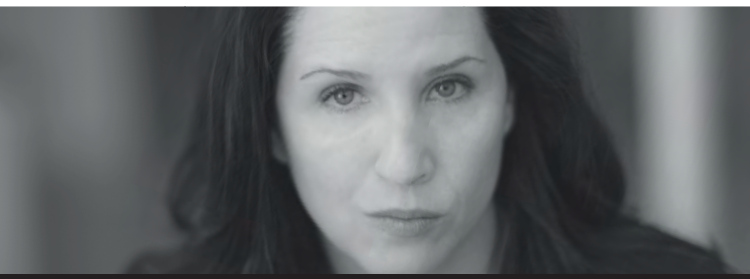


John Stapleton worked for the Ontario government in the Ministry of Community and Social Services and its predecessors for 28 years in the areas of social assistance policy and operations. During his career, John was the senior policy advisor to the Social Assistance Review Committee and the Minister's Advisory Group on New Legislation. His more recent government work concerned the implementation of the National Child Benefit.



Sheila Block is a senior economist with the CCPA-Ontario and a long-time CCPA Research Associate. Previously, she was Director of Economic Analysis at the Wellesley Institute. Sheila has a Bachelor's degree (Honours) in Economics from the University of British Columbia and a Master's degree in Economics from the University of Toronto.

Assessing the Common Sense Revolution, 20 Years Later



Trish Hennessy
Director, CCPA-Ontario

Not long after Mike Harris stormed into Queen's Park with his Common Sense Revolution in 1995, it was clear that this wasn't going to be business as usual.

A war on the poor was being waged on all fronts. I immediately saw the consequences in my part-time job at a centre that offered counselling and other supports to mature women students going back to university.

Many of them were single mothers on welfare who were trying to get out of the welfare trap by going back to university.

But they needed student loans in order to make ends meet – and the Harris government had just announced that would now be illegal; student loans would be considered income and that income would be deducted from welfare cheques.

Single mothers streamed into our office displaying various degrees of panic, anger, and despair.

Many women were within a year or two of graduating with a university degree and starting a new life as a productive contributor to Ontario's economy. But the light at the end of that tunnel had just faded to black.

They were going to have to drop out of university and abandon their dreams.

Twenty years ago, on June 26, 1995, Mike Harris was sworn in as Premier of Ontario and he quickly got to work implementing his Common Sense Revolution.

The political modus operandi was to be swift and decisive. As a former Harris cabinet minister, John Snoblen, wrote: "Lesson one from the Harris days is to cut deep, quickly."¹

Progressives tried to fight back. There were mass one-day strikes and protests known as The Days of Action. There was a riot over poverty on the steps of Queen's Park. There was an inquest over the death of Kimberley Rogers who, convicted of welfare fraud for taking a student loan while on social assistance, was sentenced to house arrest in her apartment, where she died.

But as much as the Common Sense Revolution seemed unstoppable in the 1990s, when Harris stepped down as leader in 2002, a discernable shift in Ontario's political narrative started to take root. In 2004, Dalton McGuinty's Liberals swept to power, promising a kinder, gentler approach.

Some things have changed. It's a lot harder now to assume the polarizing narrative of the 1990s.

Tim Hudak tried it in the Ontario 2014 election – fomenting war with unions, for instance – but voters sent him packing.

The minimum wage, which was frozen throughout the Harris years, has been going up (though it still doesn't pay enough to pull a full-time, year-round worker out of poverty).

Ontario is undergoing a cautious process of policy renewal.

But municipalities, school boards, and health care facilities are still struggling from the Harris-era spending cuts and the long shadow of Mike Harris continues to influence Ontario's policy world view.

Parties of all political stripes, for instance, still think they have to promise tax cuts in order to get elected.

Post-recession, spending cuts and wage freezes are de rigueur at Queen's Park.

To justify investing in Ontario's crumbling infrastructure, the Wynne government has put a vital public asset, Hydro One, on the auction block – something even Harris didn't do.

Social assistance cuts implemented during the Harris years have not been fully reversed.

There are still Common Sense Revolution laws on the books, like the *Safe Streets Act*, the anti-squeegee bill that criminalized panhandling, which former Liberal Attorney General Michael Bryant now says he wishes he'd repealed when he was in office. ²

Change has come to Ontario post-“revolution” but, for many still trying to get out from under the long shadow of Mike Harris, it cannot come fast enough. ■



1. <http://www.torontosun.com/2015/01/16/got-a-problem-blame-mike-harris>



2. <http://www.theglobeandmail.com/globe-debate/i-didnt-repeal-the-squeegee-law-it-hurts-the-poor-and-should-be-abolished/article21809521/>

1963

Northern Ontario
Historic Photo Gallery



Michael Deane Harris in a school photo at North Bay's Algonquin Composite School. According to his friends, it was here that he declared his ambition to become Prime Minister.

1990

Mike Harris wins the PC leadership over a more centrist Dianne Cunningham.

Bob Rae's ONPD decimate Davis Peterson's Liberals, winning 74 seats to the PC's 20.

1994

Mike Harris reveals the *Common Sense Revolution* platform, with these opening words: "...government isn't working. The system is broken."

Under that platform, Mike Harris goes on to win a majority government, sworn into office June 26, 1995.

1995

Members of the Stoney Point Ojibway occupy Ipperwash Provincial Park over a long-standing land claim.

It resulted in a tragedy: an OPP officer shot Dudley George, who died from his wounds.

An inquiry into George's death concluded the Premier had made racist remarks in connection with the standoff.

1995

Reuters



The Harris government reduces the number of school boards from 129 to 72, reduces the number of trustees from 1,900 to 700, removes the right of school boards to levy taxes, and promotes the contracting out of thousands of jobs then held by office, clerical, and support staff.

In response, 126,000 Ontario public and Catholic school teachers stage the largest teacher action in North America.

1996

The province starts forced amalgamations and major spending cuts to municipalities.

Harris implements tax cuts before the budget is balanced – adding billions to Ontario’s debt.

1998

Highway 407 is sold to a private consortium of Canadian & Spanish investors for \$3.1B for a 99-year lease. At the time, it was the largest such privatization in the world.



Getty/
Andrew
Francis
Wallace

1999

Mike Harris wins a second majority government.

2000

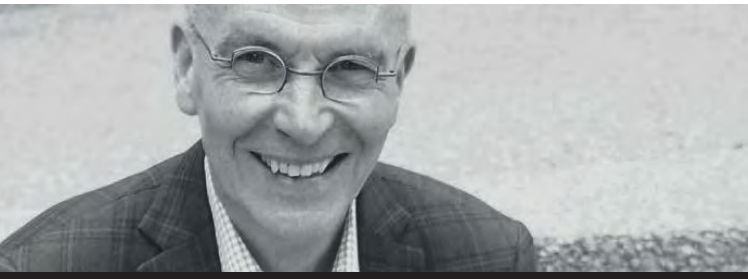
The Walkerton E. coli outbreak occurs in May 2000, when E-coli bacteria contaminates the water supply of the small community of Walkerton, Ontario. As a result, seven people die and hundreds fall ill.

An inquiry points to deregulation of water testing and cuts to the Environment Ministry by the first Harris government as contributing factors.

2002

Mike Harris resigns. Later that year, he joins the Fraser Institute as a 'Senior Fellow'.

The Long Shadow



Hugh Mackenzie
Research Associate, CCPA

My most vivid memory of the 1995 election campaign was a moment during a leaders' debate.

Mike Harris had just lurched spectacularly from a question into a nasty rant about “welfare cheats” and “abusers.”

The premier, then New Democrat Bob Rae, said ... nothing.

Lynn McLeod, once leader of the Liberal Party, said ... nothing.

I remember thinking: Mike Harris is winning this election.

Twenty years later, it is easy to dismiss Mike Harris as he wanders from front man for unprecedented corporate greed (chair of the Magna board) to shill for the Fraser institute (as a Fraser “fellow”) and beyond, collecting his reward from Canada’s business community for services rendered.

But if you measure a politician by the lingering impact of his or her political agenda – two decades later – Mike Harris was an extraordinarily successful politician; just not in a good way for the province he was elected to lead.

He changed the way we do politics, first here

in Ontario and then as an export product delivered to Stephen Harper.

He didn’t govern for the province. He governed exclusively for the minority of the electorate and the even smaller minority of the potentially eligible electorate. He brought “wedge issue” politics to Canada. He understood that a highly motivated and loyal political minority can win, not only once, but twice.

He changed the relationship between government and those organizations and individuals who depend on government for support. The idea that civil society should be seen as a partner of government in building a better society was replaced by a new idea: that civil society should be regarded as parasitic supplicants whose fate depended on the grace and favour of government.

And while the Harris revolutionaries took every opportunity to invoke narrative that denigrated the idea of government in our lives, they also ensured that any public criticism of the Harris government would be politically fatal to the critic.

So when the Toronto District School Board faced a devastating cut in funding, it kept quiet and hired lobbyists with Conservative connections.

Even people in the business community

weren't spared the impact of the daily loyalty test administered by the Harris regime. I remember a conversation with a banking industry executive who had publicly questioned the social impact of the government's cuts to housing programs and social assistance; he got a phone call during breakfast from the premier's office conveying that bad things would happen to the bank if he didn't shut up.

Harris was on the leading edge of "don't confuse me with facts" politics. Within days of taking office, public servants were instructed not to include options in their submissions to cabinet, but to stick to the political directive they had been given. He was notorious for shutting down anyone who tried to introduce rationality into even a private policy discussion.

He brought an unvarnished and unconstrained version of Reaganomics to Canada, declaring repeatedly with a straight face that taxes can be cut without any impact on public services.

The corrosive idea that you can get something (in his case a tax cut) for nothing took hold under Mike Harris and still dominates our politics today, with a slightly different script.

According to now-Premier Kathleen Wynne, we can have a massive infrastructure reinvestment program and we won't have to pay for it through higher taxes.

In Toronto, Mike Harris clone Rob Ford claimed the city could have a subway without having to pay for it, and his successor, Toronto Mayor John Tory, hasn't skipped a beat – upping the ante to a subway and "Smart Track," for free.

Tax phobia fostered by the Harris government continues to dominate Ontario's political discourse. But of course, there is no free lunch: the \$19 billion and counting fiscal capacity hole his government left behind continues to constrain Ontario's ability to meet growing public services needs – at the provincial and also at the municipal level.

Thanks to the Harris government's refusal to invest, Ontario lost a generation of transportation infrastructure renewal. For example, 20 years later, Toronto is just now building an Eglinton Avenue transit line that was cancelled, mid-construction, when Harris took office.

Toronto will never catch up.

In one of his government's first and most vindictive acts, Mike Harris slashed social assistance benefits and froze both social assistance and disability benefits. These benefits are still lower, after adjusting for inflation, than they were 12 years ago when the Conservatives left office.

The Harris government terminated Ontario's affordable housing programs and dumped the cost of running provincial social housing onto municipalities. The result has been a rising rate of homelessness, a growing social housing waiting list, and a maintenance and repair backlog in a crumbling social housing stock that numbers in the billions of dollars.

The Harris government paid for its unaffordable tax cuts by nearly wrecking our health care and education systems. Twenty years later, elementary and secondary education is still under extreme financial pressure, courtesy of a Harris-initiated funding formula that has not been fundamentally changed, nor even reviewed, since the Conservatives left office.

After closing hospitals across the province and squeezing the health care system financially, the Harris government's Liberal successors went on a ridiculously expensive public-private partnership (P3) building binge, replacing community hospitals with privately financed mega-hospitals across Ontario.

Under Harris, college and university tuition rose to the highest levels in the country while investment in post-secondary education dropped to its lowest level.

A dozen years later both of these things are still true.

One of the Harris government's policy innovations was the idea of selling off provincial government assets to bolster the bottom line. The disastrous fire sale of Highway 407 may have created a massive windfall for the multinational company that bought it, and it may have put Ontario in the odd position of having absolutely no control over the cost of travelling on a major public highway, but it served the political purpose of avoiding an increase in the budgetary deficit in the lead-up to a provincial election.

Relying on P3s (now called alternative finance models by the current provincial government) to provide public services was a terrible deal for the public under Mike Harris, but it didn't stand in the way of post-Harris fiascos like eHealth, Ornge, and the cancellation of gas plants – each of which showed us the myriad of ways in which P3s can go badly wrong.

And the Harris model is still alive and well with proposed P3s for transit infrastructure and the sell-off of part of Hydro One.

The remarkable fact about the Harris era is not that his government attacked social assistance recipients, savaged affordable housing programs, starved public education, turned over large chunks of the public service to private business, and dramatically reduced our capacity to pay for public services.

The remarkable fact about Mike Harris is that so far, no subsequent government has been able to muster up the political will to reverse key policies or to undo the damage done.

It makes no sense whatsoever, but that is the long shadow of the Mike Harris Common Sense Revolution. ■

Dented Cans of Tuna

From Hansard:

David Tsubouchi, Minister of Community and Social Services under the Mike Harris government, caused an uproar in 1995 when he published a “budget friendly” shopping list to guide people on welfare that included pasta without sauce, bread without butter, and advice to buy cheaper dented cans of tuna.

Bob Rae, then leader of the NDP, took him to task.

Hansard, October 3, 1995, Oral Questions:

Mr Bob Rae (York South): I'd like to ask a question of the Minister of Community and Social Services. I'd like to ask the Minister of Community and Social Services, when was the last time he bought tuna at 69 cents a tin?

Hon David H. Tsubouchi (Minister of Community and Social Services): I guess this is a lesson on economics.

I also apologize again. I still have a touch of laryngitis.

Interjections.

Hon Mr Tsubouchi: Thank you for the sympathy.

To the leader of the third party, there are many places where you can buy tuna for 69 cents. In fact, even if it's not priced at 69 cents, quite often you can make a deal to get it for 69 cents.

Mr Rae: Since the minister is now on record as saying that he himself has gone and bought tuna for 69 cents a tin, I'm sure he'd like to tell everybody where that is.

I'd like to ask him by way of supplementary, in response to his answer, which I can honestly say I was not anticipating so I do not have a text for this, but I'd like to ask him, when was the last time he bartered for food?



<http://hansardindex.ontla.on.ca/hansardECAT/36-1/L005-3.htm>



Hon Mr Tsubouchi:

These are very interesting questions today and I thank the leader of the third party for them.

I think the whole object here is to look and see whether or not we're looking at the rate cuts. Obviously this is what the leader of the third party is getting at. We strongly believe that we have reduced the rates to 10% above the average in the other provinces. With all due respect, I think the leader of the third party is really asking whether or not it's possible to buy food on this type of a budget.

I would be happy to share with the leader of the third party perhaps not the entire text of this but certainly afterwards I can share this with you. I had some research done to indicate how and whether or not someone who is a sole single on benefits or a single parent with a child -- we've actually provided a budget

here. Someone had asked me that before, whether or not someone can budget for this. I have it here in this binder. I'd be willing to share this with the leader of the third party.

Mr Rae: I'd love to have it. I'd love to have a copy and I'd like to share it with all the working parents of this province. I'd like to share it with the women and children who are out there now. I'd like to know what you and your ministry and the cabinet think is enough to live on. I think the people of this province would like to know what that is, and I'd like to hear from them, because I trust their judgement a whole lot more than I trust yours or the cabinet's on the basis of what it takes to live in this province. Their experience is much more eloquent than your data.

Welfare Backlash



John Stapleton
Innovation Fellow, Metcalf Foundation

From their beginnings, in the form of cash assistance in the 1920s¹ and 1930s², social assistance payments in Ontario continued to increase in real terms until 1993.

With the sole exception of the World War II period, both eligibility and payments were continually improved along with other income security programs into the 1990s.

Then everything changed.

In the 1990 election campaign won by the NDP in September of that year, all three Ontario parties had called for the implementation of the progressive landmark report, *Transitions*.

Yet by 1992, the federal government had successfully frozen Canada Assistance Plan payments to B.C., Alberta, and Ontario.

Several provinces (notably Alberta) were reducing eligibility and calling for social assistance rate cuts.

U.S. President Bill Clinton was calling for welfare time limits.

And by 1993, Mike Harris was making headlines with allegations that well-to-do Ontarians could easily collect welfare. In the same year, the Rae government provided a one per cent increase to social assistance rates following a

year in which inflation had increased at two per cent. In each of 1994 and 1995, there were no increases – even though prices increased by another two per cent.

No government since the Robarts government of the late-1960s had missed two years without an increase.

In the last two years of the Rae government, initiatives such as *Casefile Investigation* and *Enhanced Verification* were announced. The turn against social assistance was in full-on mode.

And all of that was a mild prelude to what was to come. With Mike Harris' victory in June 1995, a promise to reduce social assistance rates to those without disabilities to an amount equal to 10 per cent above the average of the other nine provinces was about to become a reality. The government had a choice to use a simple or a weighted average of rates based on population. The government chose the simple average, which translated to a 21.6³ per cent cut in what was then called Family Benefits and General Welfare assistance in October 1995.

Workfare was implemented.

The man-in-the-house rule was reinstated.

A lifetime ban on welfare collection for those convicted of welfare fraud was brought in.

Asset limits were cut dramatically to be equal to one month's assistance.

The minimum wage was frozen.

In 1997, a new round of cuts was ushered in with the announcement of new social assistance legislation in the form of Ontario Works (OW) and the Ontario Disability Support Program (ODSP).

Higher rates for 60- to 64-year-olds were stopped while minimum shelter provisions were dropped. In all, a 62-year-old who received \$930 in 1994 would be eligible for \$520 by 1997, a drop of 44 per cent.

But that was not the end of it. There were no increases of any type from 1995 until early-2005, a period in which consumer prices increased by 22 per cent.

By 2005, it would have taken a rate increase of 56 per cent to establish Ontario Works rates at an equivalent of their buying power of 1993.

The McGuinty and Wynne governments, to be fair, have redressed the worst excesses of the Harris/Eves years by getting rid of the lifetime ban for fraud convictions, softening workfare, increasing asset limits, and vastly improving work incentive provisions. They implemented the Ontario Child Benefit and generally

increased rates in line with inflation during their period in office so far.

Also to their credit, the McGuinty and Wynne governments have increased the minimum wage by 64 per cent.

They have also provided increases to the Ontario Works single rate and it will now take an increase of 44 per cent to return the OW single rate to its buying power of 1993. Put differently, the Ontario Works single rate has recouped about one fifth of the losses incurred since 1993.

However, the Liberal government has also moved to reduce benefits, such as the special diet allowance, the community startup and maintenance benefit, and Ontario Works medical benefits.

So what happened in the 1990s and where are we now?

The reality is that social assistance caseloads in the 1990s experienced the greatest increases since the Great Depression. By March 1994, when the backlash was just moving into high gear, the portion of social assistance recipients compared to the population was at almost 14 per cent, compared to a post-war average of five to six per cent. The percentage of Ontario's population receiving social assistance in 2014

stood at 6.6 per cent, less than a percentage point above the post-war average.

Instead of occupying a residual role, as promised by successive governments, by 1994 welfare had become a significant mainstream income security program, an unannounced and unexpected reality.

But lurking behind the high caseload numbers, policymakers had allowed the single welfare rate to creep up to 70 per cent of the minimum wage in the early-1990s. Today, the new welfare rate of \$681 a month represents a ratio of 37 per cent, compared to the minimum wage. This tells us that we have lots of room to increase Ontario Works without worrying about incentives.

All in all, the welfare backlash of the 1990s has only been partially blunted by policy improvements in the new millennium. We still have a long way to go.

We can only hope we are more than overdue for abrupt progressive change. ■

1. Mothers' Allowance (1921); Old Age assistance (1927)
2. Cash relief or welfare (1935)
3. Instead of a 15% cut based on a weighted average of rates in the other 9 provinces.

Welfare Fraud Lines

“IT was a horrible time. There were Big Brotherish signs everywhere, encouraging neighbours and family to ‘turn people in.’ Rewards were offered and a culture of fear and mistrust was created. Mike Harris wanted all welfare recipients finger printed and John Baird wanted to conduct drug tests before they received their cheques. He even put on a ridiculous public display, pouring out hypodermic needles on a table for the media, claiming that the poor would no longer be able to shoot their payments up their arms.

“They had already reduced benefits by 22% when Tony Clement rewrote the *Tenant Protection Act* in favour of landlords, in order to kill rent control and make it easier to evict tenants, driving even more people into the streets. It was like living under the Gestapo.”

Source: Blogger Emily Dee
<http://harpercrusade.blogspot.ca/2010/07/john-baird-and-kimberley-rogers-why.html>



The Death of Dudley George

Getty/Louie Palu



September 6, 2001

A demonstration at the Chief Coroner's office in Toronto. The Stoney Point Support Network organized the protest, demanding an inquest into the death of Aboriginal protester Dudley George, shot dead by the OPP. The Harris government was implicated in the inquiry for alleged racist remarks.

“The critical purpose of this public inquiry was to make sure that this type of tragedy never happens again. The people here in Walkerton have suffered enormously. . . . But I know the people here in Walkerton feel strongly that something good should come from all of this.

“This could have been prevented. And one of the things that should come from this is that we should learn the lessons of what went wrong in Walkerton. We should design our system . . . so as to ensure that people in Ontario never face the tragedy and the trauma that the people of Walkerton have had to endure.”

Judge Dennis O’Connor, commissioner
of the Walkerton inquiry.

Source: Globe and Mail, January 19, 2002
<http://www.theglobeandmail.com/news/national/walkerton-report/article4129856/>



Hula Hoops

“Just
as hula hoops went
out and those workers had to
have a factory and a company that would
manufacture something else that’s in, it’s the
same for government.”

– Mike Harris in 1997, where he compares nurses to hula hoops to justify massive health care and hospital layoffs.

Irony update: In 2012, Mike Harris and his wife made news with their intention to get into home care with their business “Nurse Next Door”.

Source: “Former Premier Mike Harris and wife to start home-care business”, by Rob Ferguson, Toronto Star, November 6, 2012.
http://www.thestar.com/news/canada/2012/11/06/former_premier_mike_harris_and_wife_to_start_homecare_service.html





Verbatim

Remarks delivered by CCPA-Ontario Director
Trish Hennessy to Ontario teachers, spring
2015

June 26, 2015, marks the twentieth anniversary of Mike Harris storming into power under the steam of what his campaign dubbed the Common Sense Revolution.

I want to share some observations from that era in Ontario policy and talk about how sweeping policy reforms and narrative shifts from the mid-1990s are still driving policy and fiscal decisions 20 years later. Decisions that affect you as citizens, as teachers, and as part of the broader labour movement.

I call it the long shadow of Mike Harris.

When Mike Harris became premier of Ontario in 1995, the province was doing a slow crawl out of one of the worst recessions in its history.

The deficit sat at \$11.2 billion and that launched a wave of deficit hysteria.

Mike Harris presented the people of Ontario with a campaign document entitled *The Common Sense Revolution*.



It painted government and unions as part of the problem.

It promised to reduce the size and role of government through a carrot and stick approach.

“Tax cuts create jobs” – a 1990’s style piece of fiction – became the new mantra, the new religion in Ontario. Today, you see the staying power of that mantra.

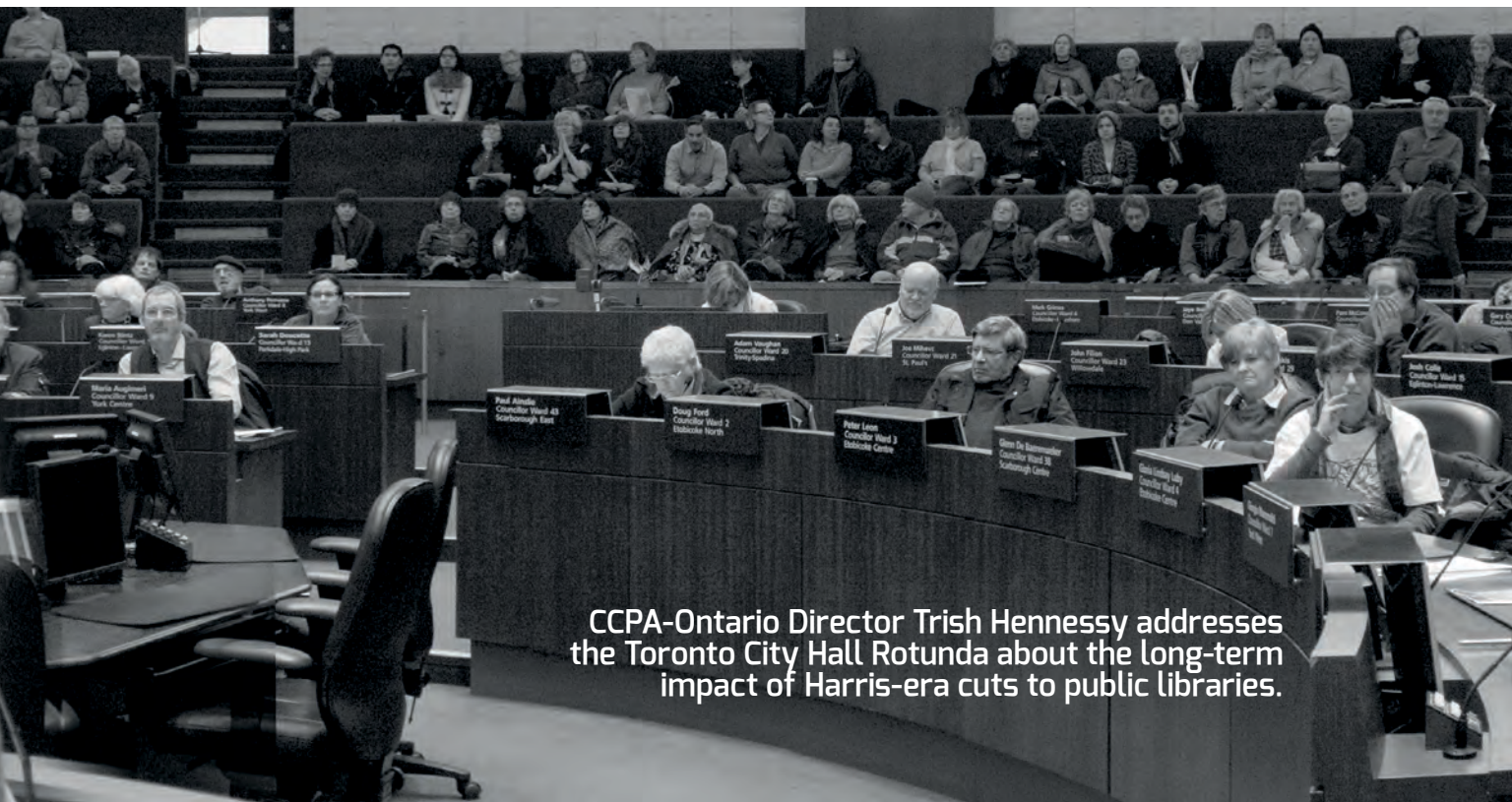
The stick: the common sense revolutionaries created new social villains.

They made villains of poor people.

They wanted to put panhandlers in jail.

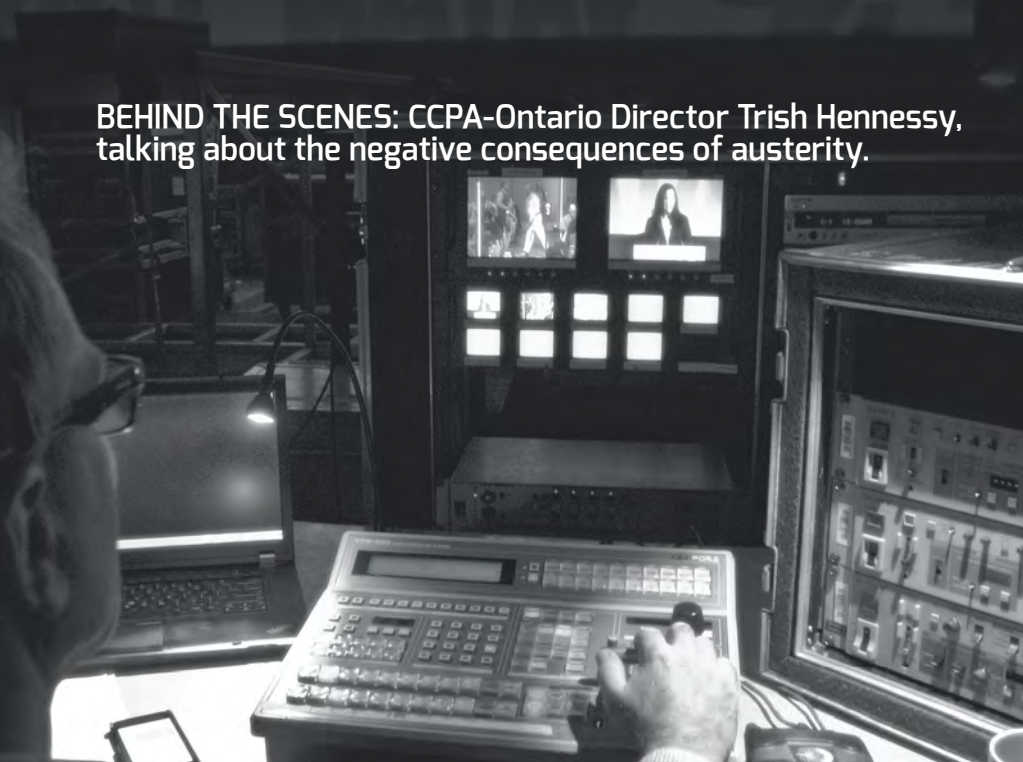
They accused single moms on welfare of fraud; of living off gold credit cards.

They promised to usher in American-style workfare for welfare recipients.



CCPA-Ontario Director Trish Hennessy addresses the Toronto City Hall Rotunda about the long-term impact of Harris-era cuts to public libraries.

BEHIND THE SCENES: CCPA-Ontario Director Trish Hennessy, talking about the negative consequences of austerity.



They created welfare fraud snitch lines.

They promised to scrap affirmative action laws like employment equity and it was one of the first things Mike Harris did upon taking office.

They went after the labour movement, targeting “union bosses” and, to justify massive cuts to education funding, they went after teachers.

There was this TV ad that ran in the election campaign that set the scene for what was to come for teachers:

Harris is perched on the corner of a desk in a classroom devoid of students, devoid of teachers. He promises curriculum reform, province-wide testing, more “accountability” and less “waste.”

“Because it’s time we put Ontario’s kids back at the head of the class.”

As though children’s education and well-being was never central to the classroom.

He did similar ads for health care: ads featuring empty hospital beds, rolled up mattresses.

His campaign was setting the stage for major cuts to education and health care funding; school closures, hospital closures, cuts to public services.

Unions and teachers became the vilified targets to justify those cuts.

But the biggest villain created by the Common Sense revolutionaries was government itself. The opening lines of *The Common Sense Revolution* mission statement read:

“The people of Ontario have a message for their politicians – government isn’t working anymore. The system is broken.”

It wasn’t. But soon the system would come under massive pressure, by design.

Flash forward 20 years later and here is a quick sketch of some of what was lost to the revolution:

Communities were forced to amalgamate against their will.

Provincial funding to municipalities in Ontario was pretty much cut in half.

We've got a struggling health care system.

Impoverished colleges and universities, with students carrying more of the cost.

Deteriorating, aging infrastructure.

Weakened environmental protection.

Greater income inequality.

Underfunded schools.

And a persistent revenue problem continually miscast as a spending problem.

\$19 billion: that's how much CCPA Research Associate Hugh Mackenzie estimates Ontario's fiscal coffers have now lost (cumulative) to the tax cut agenda since the mid-1990s.

Yet instead of talking about reversing the Common Sense Revolution era of tax cuts, we keep talking about austerity, about cutting more public spending.

In 2012, the famous Drummond report listed no fewer than 362 cuts the province should make to public spending. In the 2014 spring budget,

the government said it's 80 per cent of the way through those cuts.

Per capita public spending in Ontario is the lowest in Canada.

Thanks to tax cuts, per capita revenue is also the lowest in Canada.

We have entered perma-austerity mode.

Revolution complete.

This is what austerity looks like in Ontario:

A focus on public sector workers' collective bargaining, with 400,000 public sector wage freezes since 2012, lasting from one to four years. 400,000 people: that's bigger than the population of the City of London, Ontario.

Private sector wage freezes in Ontario during this period pale in comparison: only 35,600.

Our research shows austerity measures have created a fiscal drag on the economy, slowing GDP growth in Ontario.

Austerity is doing more harm than good.

When you look at GDP growth from 1995 to the present, you can see the peak growth year was 1999, the year of the dot.com bubble.

Then, in 2008, the global recession hit.

Over the past three years, Ontario has seen the lowest level of economic growth – 1.3 per cent, compared to over 6 per cent growth in the early-2000s.

Because of slow economic growth and a slow job recovery, Ontario is also experiencing lower than predicted provincial revenue intake: \$900 million less in tax collection than forecast in 2013.

Austerity does more harm than good. On the flipside, there is research that shows investing in public services not only makes the quality of our lives better, it's good for the economy.

The Centre for Spatial Economics took a look at what was driving GDP growth in Ontario in 2012 and the results might surprise you: education and health sectors led the way in economic growth. It was private sector investment that was the laggard, ranking in last place.

It can actually pay off for governments to invest in education, in health care, in social assistance, in infrastructure. Especially when the private sector isn't making key investments needed to kickstart an economy.

The centre's conclusion from that 2012 snapshot? By investing in education and health services, Ontario saw about 20 per cent more spending in the local economy than if it had simply waited for business investments to drive growth.

The converse is true: cut government spending, like we've been doing in Ontario since 2012, and you create a fiscal drag on the economy. Austerity does more harm than good.

Public investments in things like education are simply a smart thing to do.

Now, if you're surprised that you don't just shape people's minds, you help shape the economy – especially in a knowledge economy where we're expected to compete globally – then let me share another observation from our research.

If you care in any way about middle class economics, then you have to care about the project of a viable labour movement.

Post-war, as the number of workers represented by a union grew, so grew Canada's middle class.

As union density dropped post-1980s, the share of income from economic growth has been going disproportionately to the richest few.

Research shows how the arc of unionization and income inequality are deeply interconnected. Between 1941 and 2007, as unionization increased, the richest 10 per cent shared more of the income pie.

Shared prosperity: this is how we built the middle class in this country.

And then the 1990s happens, union density starts to drop, and income inequality starts to rise.

That's the power of collective action right there. The rise of unions and reduced income inequality didn't happen without effort. People and policies made it happen.

In other words, unions are a great equalizer in our society.

They help correct some of the excesses of capitalism.

They're the bargaining power that, for the past

almost 100 years, helped ensure the gains of economic growth were more fairly distributed.

New research by the CCPA shows that unions are not only the ticket into Canada's middle class – they affect income mobility.

Especially during recessions, unionized workers are more likely to move up the income ladder. But if you lose your unionized job, you're more likely to drop down a notch or two.

The union card: it's a great equalizer in our society.

But we're still living with a Common Sense Revolution narrative that says unions are part of the problem – and teachers are caught in that crossfire.

So, 20 years after the "revolution", what can we make of this?

Twenty years later, the obsession with government deficits and tax cuts trump a more visionary discussion about the public investments needed in the 21st century.

Twenty years later, the work you do in the classroom is more important than ever in this globalized knowledge economy.

The tools you have to succeed are more underfunded than they were a generation ago.

There are growing pressures on you, not just as teachers but also as unionized workers who are part of a labour movement under trial.

It's time to change the conversation.

Let's talk about the great equalizers in our society.

Like unions. And public services.

We can be guardians of public services – and

champions for more and better public services.

Especially for you in this room, education workers.

What's the number one answer to what can we do about income inequality? Education.

Important driver of local economic growth? Education investments.

Important driver to middle class stability? Unionized public sector workers. You are the key to our future.

And here's another conversation that needs to be had: it's really time for us to start talking about the value proposition behind taxes. Because taxes are the gift we give each other.

It's really time for us to replace the word "taxpayer" with social citizenship.

EnviroNics asked Canadians what they do that makes them *feel* like a good citizen? Volunteer. Be kind. Pay taxes, they said.

Taxes. They're the gift we give each other.

I think that's a conversation worth having.

Finally, it's time to re-imagine the role of government in our lives.

Twenty years ago, Mike Harris' electoral victory was billed as a revolution and I submit that it was. Not the revolution I would lead, but its impact remains with us today.

The question is: what will replace it? And when? ■

The Death of Kimberley Rogers

I ran out of

food this weekend

I am unable to sleep

Kimberley Rogers wrote these words in her court appeal in May.

Three months later, 40-years-old and eight months pregnant, she was found dead in the Sudbury, Ontario, apartment where she had been confined under house arrest for taking student loans to help pay for her education while on welfare.

“Two cultures warring in the bosom of a single city – that’s the best way to understand the current mess in Toronto. The two cultures that were unwillingly yoked together in a megacity by Ontario premier Mike Harris in 1998 have given us the Rob Ford saga.”

Source: “Time to Rethink the Toronto Megacity,” by John Sewell, former Toronto mayor, *Globe and Mail*, 2012
<http://www.theglobeandmail.com/globe-debate/time-to-rethink-the-toronto-megacity/article5943324/>



Days of Action

Photo: Renee Wetselaar



“We believed that if we wanted to challenge the business community that supported the administration’s agenda, then we had to get to their wallets. Shutting down as many businesses as possible would get their attention.

“Nothing like this had ever happened on this scale in Ontario. It was a formidable task to ramp it up.”

– Quote from Rick Witherspoon, then-president of a CAW Ford local.

Source: <http://www.labornotes.org/2011/03/ontarios-days-action-citywide-political-strike-offers-potential-example-madison>

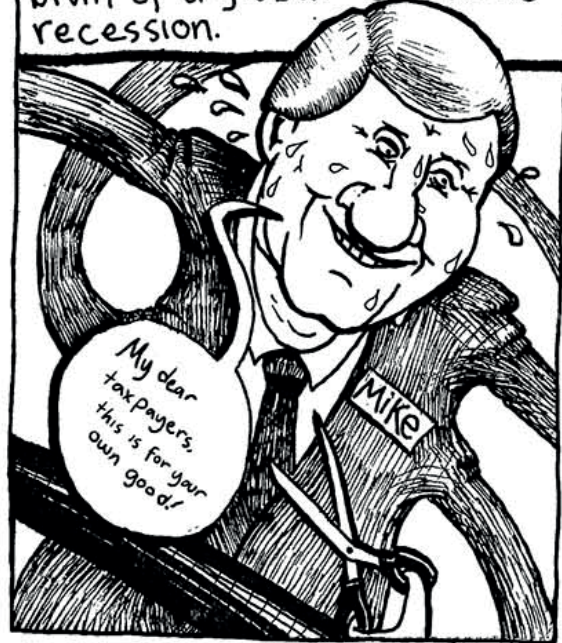


Opposite Days of Action graphic: illustrated by Orion Keresztesi and written by Doug Nesbitt and Sean Carleton

In Ontario in the 1990s, employers and politicians intensified their attacks on working people and the poor...



Similar to today, workers, and the unions that represent them were forced to bear the brunt of a global economic recession.



To try and stop this, Ontario's Labour Movement and a number of social groups organized a campaign of eleven one-day protests and general strikes known as...



While the history of the Days of Action is an inspiring one about class struggle, mass protest and the fight for social justice, it is also a sobering story of working class defeat which contains important lessons for radical organizing today...

Step One: Hydro Deregulation

From Hansard:

Mr Sean G. Conway (Renfrew-Nipissing-Pembroke): My question is to the Minister of Finance. It's almost a year ago that this Legislature passed the so-called Energy Competition Act, Bill 35, which is supposed to deregulate the electricity marketplace in this province. That legislation gives to the Minister of Finance very considerable responsibilities in this very important electricity marketplace.

My question to the Minister of Finance today is a very straightforward one. Bill 35 made it plain that electricity rates in Ontario were going to come down, so my question today for the Minister of Finance is simply this: Will the Minister of Finance, as a key player in this policy, tell the average residential and farm consumer of electricity when and by how much their electricity bill will come down?

Hon Ernie L. Eves (Deputy Premier, Minister of Finance): I don't believe Bill 35 said that at all. What is happening in Ontario is that hydro rates have been frozen since 1995; they continue to be frozen. That is a policy of the government. It's a commitment that the government has made. I believe what the honourable member is alluding to is that we indicated competition surely would be the best way of keeping prices down.

Mr Conway: My question remains the same. The bill was so cleverly named. Let me read the bill: "Bill 35, An Act to create jobs and protect consumers by promoting low-cost energy

through competition...." I sat through I think all of the hearings, and the advertisement from the Harris government with respect to this policy was plain: "We're going to give you competition in the electricity marketplace and through that mechanism we're going to bring your electricity bills down."

The Minister of Finance has very significant responsibilities and decision-making authority under Bill 35. Will he tell the House today, and will he tell the average residential and farm consumer of electricity how, when and by how much their electricity bills will be coming down?

Hon Mr Eves: I listened very intently to what the member just read from Bill 35, and he said "low-cost energy through competition." It doesn't say that your rate will go down. However, we happen-

Interjections.

Hon Mr Eves: Just a minute. ... Mr Speaker, perhaps they missed their feeding time over there this afternoon.

The bill says exactly what it means: This is the best way to keep energy prices down, through competition. ...

Source: Hansard, March 2, 1999 http://www.ontla.on.ca/house-proceedings/transcripts/files_html/1999-11-02_L008.htm



Step Two: Privatization, First Try

“Mike Harris promised sweeping changes to reform the electricity market when his Progressive Conservative Party swept to power in 1995. Under his watch, Ontario Hydro was split in two, with one part holding its generation assets (Ontario Power Generation) and the other owning its transmission business (Hydro One). Eventually, Hydro One became the province’s biggest distributor, buying utilities from many rural municipalities.

“The big test came in 2002, when the government unfroze prices and prepared to sell Hydro One in an IPO. However, it was an unusually hot summer and excessive electricity use caused prices

to spike. Facing widespread backlash, new Conservative premier Ernie Eves cancelled plans for an IPO and, in November, 2002, again froze electricity rates. The province was left with a botched, unfinished privatization effort and no easy solution to the hydro debt burden.

“Our attempt to create competition in one segment of the industry [power generation] where it’s feasible, frankly, failed,” said Michael Trebilcock, who worked on an Ontario government committee in the late 1990s to prepare for the market reforms that ultimately fell short.”

Source: Globe and Mail, “The long road of privatization of Hydro One” by Adrian Morrow, Jacqueline Nelson and Sean Silcoff, March 13, 2015

<http://www.theglobeandmail.com/report-on-business/wynnes-quest-for-full-valuethe-long-road-to-privatization/article23461789/>



Step Three: Privatization, Complete?



Sheila Block
Senior Economist, CCPA-Ontario

Reprinted from a May 2015
behindthenumbers.ca/ontario blog post.

The provincially appointed panel led by former TD Bank CEO Ed Clark has released its final report and the Wynne government has said it will act on its recommendations.

It includes fully privatizing part of Hydro One and selling off a majority stake in what remains.

The government is trying to position this sale as an “asset swap,” promising to use the proceeds of the sale to fund much needed investments in transit infrastructure. But in doing so, the government is ignoring its own previous expert advice: neither Metrolinx nor a provincially appointed panel headed by Ann Golden suggested selling off vital public assets to fund transit.

This privatization will raise only \$4 billion for infrastructure investment. While that might seem like a lot of money to you or me, it is less than 15 per cent of the cost of the government’s transit investment plans.

Here are five reasons why this sell off is a bad idea:

1. Privatization would be a bonanza for Bay Street but bad news for Main Street. A

recent article in the *Globe and Mail* described how Bay Street had scrambled for the estimated \$110 million in fees from the last privatization effort in 2002. We can only imagine how much more fees will be some 13 years later.

That money won’t come out of thin air. It would either come out of the pockets of hydro customers through rate increases or revenue losses paid for by all Ontarians through their taxes or public service cuts. Lining the pockets of Bay Street firms isn’t a good use of a valuable public asset such as Hydro One.

2. The province’s finances will suffer if it privatizes Hydro One. There is a good reason why Bay Street investors are lining up to buy a piece of it: Hydro One’s financial statements show earnings of between nine and 11 per cent since its inception. That’s a huge return on equity for any investor. We should keep this “golden goose” for the people of Ontario. Currently that revenue helps pay for hospitals, schools, and other public services. With a sale, Ontarians would lose out on those revenues – year after year after year. Two academics in law and business, Michael Trebilcock and Duncan Melville, have identified that the province would give up far more money in future revenue than it would make from a quick sell-off.

When you consider that the province’s

borrowing costs are below three per cent – historically low – the loss of those earnings makes even less sense. Why sell off a valuable asset with guaranteed returns of nine to 11 per cent per year when you can borrow that money for less than three per cent per year?

The cost to Ontario’s coffers doesn’t stop there. Because it is a crown corporation, Hydro One doesn’t pay taxes to the federal government, instead, a payment in lieu of taxes is retained by our province. The Wynne government has often lamented that Ontario does not get its fair share of revenue from the federal government, in the form of transfers, equalization, and access to Employment Insurance. If Hydro One is privatized, even more money will flow to the federal government from Ontario.

3. A review of similar privatization schemes in Canada and internationally suggests that privatizing Hydro One will very likely increase rates. Nova Scotia, which privatized its electricity system a generation ago, now has the highest electricity prices in Canada. We know that a private operator will likely borrow money to pay for the purchase and, later, pass that cost onto customers. Because a private corporation is profit-oriented, it won’t discriminate between high-income and low-income hydro consumers – everyone will pay more while receiving fewer public services because of lost revenues to Ontario.

4. Innovation will suffer. Ontario Hydro has been used with modest success as a public policy tool to promote industrial development, to cushion the impact of rising rates on consumers, and to green our economy. For example, in recent years Hydro One has been directed by government to prioritize the infrastructure investments required to enable renewable electricity sources. A profit-driven private entity would not have made these green choices when other infrastructure investments would have offered higher return on investment. Taking government leadership out of greening Ontario would be a mistake and a step backward.

5. Ontario’s track record with partial privatizations doesn’t inspire confidence. The eHealth scandal resulted in \$16 million dollars of untendered contracts going to consultants, along with extravagant pay hikes and bonuses. The Ornge ambulance scandal was accompanied by enormous salaries, corruption, and failures in delivering vital public services.

In her first budget with a majority mandate, Premier Wynne had the opportunity to set a very different path for the province’s finances. She could have increased taxes to pay for the infrastructure investment Ontario so badly needs. Instead, she chose a route that will result in future generations paying for her short-term political gains. ■

In His Own Words

“I wish we had cut taxes faster.

“I wish we had balanced the budget sooner.”

– Mike Harris to the Toronto Board of Trade in 2002.

Source: National Post, “Revisiting Ontario’s Common Sense Revolution,” June 26, 2007.
<http://www.canada.com/nationalpost/news/editorialsletters/story.html?id=d99222e0-8b9a-4fa1-8d1d-d16b4bd927a0>



Getty/ Bernard Weil



Former Ontario Premier Mike Harris with then-Finance Minister Jim Flaherty, upon tabling their May 2001 provincial budget.

Time to Scrap This Relic: Taxpayer Protection Act

By Trish Hennessy

Adapted from a June 2013
behindthenumbers.ca/ontario blog post.

It seems like every newly elected premier in Ontario who wins on even a slightly progressive platform feels like the first step in office is to help the boys on Bay Street relax.

And so it is, perhaps, that Premier Kathleen Wynne came out of the gates post-election with two primary (albeit mixed) messages: she'll promote an activist government but "there's no new money" for even modest raises in the public sector.

Here's the thing: a broad swath of commentators agree Wynne managed to do the unexpected by securing a majority government.

They agree outgoing PC Leader Tim Hudak's gambit to return Ontario to the days of radical right-wing politics of the 1990s was solidly rejected by the electorate.

They agree there is no appetite for ongoing austerity in Ontario.

So what's an activist government to do?

Answer: the single most radical, positive move

a newly minted activist government could do in Ontario in the year 2014 is to finally and firmly repudiate the most powerful and lasting relic of the Mike Harris era.

Repeal the *Taxpayers Protection Act*, which should have really been called the Taxpayers Avoidance Act because it was created to put a political chill on any notion that a government in need of revenues would ever consider raising taxes.

The Act was enacted by the Mike Harris government in 1999, just as the provincial government was nurturing the ideological illusion that governments can deeply cut taxes while also balancing budgets.

The *Taxpayers Protection Act* set the psychological tone on taxation at Queen's Park for the next 15 years. It created the political conditions for such a long list of tax cuts that, today, costs Ontario annual fiscal capacity a cumulative of \$19 billion.

To put that in perspective, someone born in Ontario in 1999 is now a teenager who might have spent the better part of his or her educational experience learning in a portable. That teenager has grown up with a political narrative that says governments cut first – whether it's taxes or services.

So much more is possible.

If the new Wynne government proceeds with the tacit acceptance of the Mike Harris premise on taxation – as did her predecessor – then she will soon find herself making a hasty retreat from any proclamations of activist government.

A repeal of the Act would be a symbolic way of putting the past behind us and starting a new chapter. It could be replaced by a series of measures, including the appointment of a blue ribbon panel to look at the wealth of tax revenue tools that could be leveraged to invest in programs and policies that position the province to weather all manner of economic, social, and environmental storms.

Economic resilience should be the mandate, especially with the prospect of a slow economic growth future.

Economic resilience starts with examining the revenue tools that have been diminished by years of tax cuts. We could debate which mix of revenue options would be worth leveraging.

We could debate whether a hike in capital gains tax should come along with a federal hike in capital gains.

We could debate whether the HST goes up

1% instead of 2% – and whether some HST exemptions or rebates are in order.

We could debate the timing.

We could debate whether some tax ideas are missing – like raising taxes on the richest 10%, instead of the 2% who are being called upon to contribute more in the Wynne 2014 budget.

Or we could look at new taxes, such as a carbon tax.

The point is that now is the time to have this discussion, because “there is no new money” confines Ontario to a limited conversation about what’s possible in terms of improving and expanding public services.

Avoiding the debate over taxes is so 1990s.

Every time you show the political courage to make responsible taxation decisions to protect and improve public services, you’re casting a vote for the future we want – not the past we inherited.

Now is a good time to symbolize that kind of change – for this, and for future generations. ■

Taxes: A Conversation Whose Time is Now



Kaylie Tiessen
Economist, CCPA-Ontario

Reprinted from a July 2014
behindthenumbers.ca/ontario blog post.

An adult conversation about taxes is beginning to take shape.

Way back in 2009, CCPA research associate Hugh Mackenzie published an editorial in the *Toronto Star* entitled “Can we have an adult conversation about taxes?” – a challenge to governments to start looking at their revenue problems in a grown up way.

This week, the *Globe and Mail* has published an important piece by C.D. Howe Institute Research Fellow Chris Ragan, pointing out, lo and behold, that Ontario has a revenue problem, not a spending problem.

Ontario’s trip down the tax-cutting rabbit hole has led to the slow erosion in the quality of public services and infrastructure – now, that’s a deficit that deserves our attention.

At 11.5%, Ontario’s corporate income tax rate is third lowest in the country. Only British Columbia and oil-rich Alberta are lower, at 11% and 10%, respectively.

Had our corporate tax rate remained at the 2009 level 14%, Ontario would have brought in an extra \$1.8 billion in revenue in 2012. A family of four earning \$90,000 a year pays the second

lowest provincial income tax in the country – surprisingly, only British Columbia is lower.

In 2013, that dual income Ontario family of four earning \$90,000 paid \$3,926 in provincial income tax. In 1995, that same family would have paid \$7,721.

As a result of this aggressive tax cut agenda, Ontario now has the lowest per capita revenue of any province in Canada.

Coincidentally, we’re also the lowest per capita program spender in the country.

Discussion of Ontario’s deficit (and how to slay it without affecting service delivery) is bound to heat up this fall. It’s a good time to start having that adult conversation about taxes. In fact, it’s about time. ■

Housing

Education

Income security

Responsible Tax Policy

“Get Ontario back into the housing business, in a big way. The housing stock that was allowed to deteriorate by successive provincial governments and then dumped onto local governments is literally falling apart. We have lost two decades in affordable housing support since the non-profit and cooperative housing program was cancelled in the mid-1990s. Waiting lists for affordable housing continue to soar. Homelessness persists in the absence of housing alternatives. We have a rapidly growing number of seniors set off against a stagnant supply of seniors’ housing. And the negative effects of inadequate housing on health care costs, on educational opportunities and on social cohesion continue to grow.”

Sheila Block, senior economist, CCPA-Ontario.

“Fix the damage caused by the Harris government on Ontario’s public education system – elementary, secondary and post-secondary. The gap between what coming generations need and what they can expect from the system continues to grow. In our obsession with “saving” money, we have lost sight of the reason why we have a public education system in the first place. We are far behind, and falling further behind, other jurisdictions in our investments in education. And in today’s and tomorrow’s knowledge-based economy, that is a massive problem.” –

Hugh Mackenzie, CCPA research associate.

“Build stronger income security in Ontario so that everyone has the stability and security they need to live healthy, productive lives and participate in their community. This would include bolstering incomes for lower income Ontarians through increases to the minimum wage, becoming a living wage employer and increasing social assistance rates, and providing more in-kind redistribution, such as universal dental and pharmacare, and an affordable child care program.”

Kaylie Tiessen, economist, CCPA-Ontario.

“Strike a provincial committee with the task of examining the toll that almost 20 years of tax cuts has taken on Ontario’s fiscal health and mapping a way forward with a complete examination of new and existing revenue-generating options through taxation.”

Trish Hennessy, director, CCPA-Ontario.

Share

The CCPA-Ontario specializes in peer reviewed research on income inequality, decent work, and the role of government in Ontario – looking at federal, provincial, and municipal issues.

We're trying to change the conversation about what progressive public policy looks like.

We offer our research for free at:

www.policyalternatives.ca/ontario.

We're powered by people like you.

If you like *OnPolicy*, please share with your friends on social media or email us at ccpaon@policyalternatives.ca to find out how you can gift a friend with a print subscription.

Donations are gratefully accepted.

Email us at ccpaon@policyalternatives.ca

Call: 416-598-5985



HENNESSY'S INDEX

A number is never *just* a number

Summer 2015  The Long Shadow of Mike Harris

\$19 billion

Estimated annual cumulative impact of the Harris era tax cuts on Ontario's fiscal capacity by 2013-14.

\$14 billion +

Estimated amount of accumulated provincial debt by the end of 2000-2001 that resulted from the Harris government's decision to borrow money to fund its mid-1990s tax cuts.

\$3.5 billion

Estimated spending cuts to public programs, services, and public works during the first three years of the Harris government.

\$1.2 billion

Amount of real, per capita spending on elementary and secondary education that got cut by 1999.

~\$2 billion

How much the Harris government cut spending on health care in its first term (when inflation and population growth are taken into account).

20%

How much public sector spending shrunk as a share of the total Ontario economy between 1995-96 and 1999-2000.

48%

Percentage of provincial grants to Ontario municipalities that the Harris government cut – \$658 million in spending cuts in the first two years of its time in office.

\$395 million

How much additional annual transit costs that municipal governments faced by 1999 after the Harris government downloaded public transit.

\$890 million

That's how much additional annual social housing costs that municipal governments faced by 1999 after the Harris download.



CCPA

CANADIAN CENTRE
for POLICY ALTERNATIVES
ONTARIO OFFICE

Canadian Centre For Policy Alternatives' Ontario office

10 Dundas Street East, PO Box 47129

Toronto, ON, M5B 0A1

www.policyalternatives.ca/ontario