

Second, the cuts will have a deeper impact in the region. The substantial cuts to federal government jobs and related office closures will disproportionately reduce the pool of good jobs in the region, lower the employment income flowing back into local economies and reduce access to public services - especially in rural communities. All of this in a region that, relative to other regions in Canada, already faces higher unemployment, lower wages, more seasonal employment and the highest proportion of residents living in rural areas with high rates of youth outmigration. These jobs represent at least \$300 million in salaries and wages that will be lost in the Atlantic region between 2012 and 2015 and will affect provincial government revenue as well.

Third, these job cuts are strategic and affect the nature of the public service: who is employed, what they do, how they do it and where. Job cuts in the Atlantic region have resulted from office closures, and will result in reductions and elimination of programs and services. Despite reassurances from the federal government that these cuts will involve 'back-office' cuts that will not impact on public services, these cuts will do just that. They will have a negative impact on service quality and accessibility, and the ability of our public service to fulfill its mandate whether to protect the environment or provide services to people in need.

Fourth, these cuts could affect the need for continuous renewal of the public service. While the government uses attrition to reassure us that workers are 'voluntarily' leaving their jobs, the impact of en-masse retirement will decrease institutional knowledge. The decrease in hiring will mean that a whole generation may be unable to enter the ranks of the public sector. In addition, those who are left will be struggling to deal with the aftermath of the cuts. The predictable decrease in morale and increase in stress is already being reported. The use of more temporary workers and contract workers to fill resulting gaps, may only create more risk in the public service. Moreover, there is evidence is a costly alternative that results in privatized services no longer subject to scrutiny by the Auditor General and therefore, result in less transparency.

Fifth, these cuts could affect the government's ability to make sound, evidence-based decisions, which respond to the diverse needs that exist as per the mandate given to the government by the electorate. There

are many measures of the quality of a public service, one of them is whether it supports and strengthens democracy. In our representative democracy that means ensuring government (including its bureaucracy) is reflective of the people it represents. The kinds of programs being cut and the departments (and positions) facing the higher rates of cuts lead us to be concerned that progress for equity groups will be lost.

In addition, the consolidation of decision-making positions in the National Capital Region has already, and will continue to, decrease the ability of federal departments to effectively and strategically plan for the Atlantic Region. Within the Atlantic region, offices are being consolidated from smaller communities to major cities. Many departments are witnessing their number of offices being reduced to one per province, while others have seen Atlantic representation reduced to a single office in Halifax. The move towards Eastern regional offices with regional headquarters in Montreal is another layer of this centralization. Job cuts resulting from centralization also reduces the ability of departments and agencies to understand and plan for the particular social and economic context of each of the Atlantic Provinces. In addition, cutting of knowledge-based workers and professional will also affect the government's ability to make informed decisions.

A Disservice to Atlantic Canadians

Reassurances by the government that these cuts will make the public service more effective and efficient, and improve our economy, are lacking evidence. The cuts in the 1990s like the program reviews initiated since 2006 were designed to reduce federal government spending in order to reduce deficits. However, public services were not to blame for causing deficits, not in the 1980s, not in the 1990s and not now. Governments have choices about how to achieve fiscal goals. The 1990s cuts contributed to attaining a balanced budget quickly, but at serious social and economic cost. The 1990s cuts did a disservice to Canadians and by all accounts, this round of cuts will do the same.

The importance of the public sector in the Atlantic Canadian Region goes far beyond the provision of direct employment whether by provincial, federal or municipal governments and agencies. Though, as a source of well paying, mostly unionized jobs that provide fair benefits packages, it does allow individuals to reinvest in their local economies. The economic spin-offs, and other indirect benefits to the private sector, are significant. Intertwined with the economic significance of the public sector is its far-reaching social significance; at a minimum, public services are there to keep us safe, and healthy. Public services support and strengthen democracy, including helping us move towards a socially and economically just society.

Recommendations:

1. Stop implementing job cuts: The federal government should stop implementing job cuts until all information and proper weighing of the costs and benefits of the cuts is provided to Canadians. The decisions about job cuts must involve proper consultation with those providing and managing the services and those using the services, as well as researchers and other stakeholders in the communities affected. The analysis must consider the different kinds of short and long-term impacts cuts might have including on service delivery, quality of service, local/regional economies, unemployment rates, and outmigration.

2. Prioritize ongoing public service renewal: Human resource planning in the public service must include a full cost/benefit analysis of regular staffing options versus contracting out or using temporary help services. It must also include monitoring and reporting on equity issues within the Workforce Adjustment process. The ongoing renewal must include steps to ensure progress towards a representative public service is not eroded. The loss of institutional knowledge because of high rates of attrition, and the use of more temporary and contract workers to fill resulting gaps, may only create more risk in the public service. A youth recruitment and retention strategy will help address the need for new employees as many remaining in the public service prepare to retire.

3. Location and level of service must match needs that exist: Federal government departments must be located in the regions with the highest need for those services. These regions must also be connected to policy and decision-making in order to ensure the needs of the service recipients are taken into account in programming and service delivery. Assessments of the need to reduce or expand a service must consider a complexity of factors including data gathered through rigorous evaluation processes and the social and economic context of the communities in which the services are located.

(Please see page 4 for Table 1)

Please note that this is a summary of a larger document.

*The full report, **Public Disservice: the impact of federal government job cuts in Atlantic Canada** can be downloaded free at www.policyalternatives.ca*



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Table 1 - Projected Job Cuts, Atlantic Canada (2012-15)	NB	NS	PEI	NL	Atlantic
Aboriginal and Northern Affairs Canada	0	40	0	2	42
Agriculture and Agri-Food Canada	27	24	14	6	71
Atlantic Canada Opportunities Agency	86	27	15	29	157
Canada Border Services Agency	19	15	0	4	38
Canada Revenue Agency	27	31	43	59	160
Canada School of Public Service	2	4	0	0	6
Canadian Food Inspection Agency	31	25	15	16	87
Canadian Heritage	6	2	2	3	13
Citizenship and Immigration Canada	3	63	1	2	69
Correctional Service Canada	108	60	2	4	174
Environment Canada	2	6	0	1	9
Fisheries and Oceans Canada	54	153	10	133	350
Foreign Affairs and International Trade Canada	3	6	1	3	13
Health Canada	2	20	0	2	24
Human Resources and Skills Development Canada	195	95	23	97	410
Industry Canada	4	7	0	3	14
Justice Canada	0	9	1	0	10
National Defence	288	1029	2	35	1354
National Film Board		1			1
National Parole Board	1				1
National Research Council of Canada	2	4	1	3	10
Natural Resources Canada	9	8	0	2	19
Office of the Auditor General of Canada	0	1	0	0	1
Parks Canada Agency	65	140	24	35	264
Public Health Agency of Canada	1	7	0	1	9
Public Prosecution Service of Canada	0	2	0	0	2
Public Safety Canada	1	1	1	1	4
Public Service Commission of Canada		2			2
Public Works and Government Services Canada	193	127	14	34	368
Royal Canadian Mounted Police	140	90	11	56	297
Statistics Canada	1	14			15
Transport Canada	21	16	1	12	50
Treasury Board of Canada Secretariat	0	1	0	1	2
Veterans Affairs Canada	15	42	332	9	398
Total jobs cut:	1306	2072	513	553	4444
Minus Shared Services (Transferred)	201	402	67	134	804
Total jobs lost:	1105	1670	446	419	3640