

# MEMBER UPDATE

## Budget 2021: Government and education workers under fire

Finance minister applauds public sector workers in budget speech, but his budget throws you under the bus

Since Jason Kenney and the UCP were elected in 2019, they have been unrelentless in their attacks on workers and public services. They've laid our co-workers off, attacked our wages and benefits, and our employers have bought in to the UCP's massive privatization scheme.

Even after all that, Kenney is staying the course on his cruel cuts despite the fact we're still in the middle of the worst pandemic in a century.

We knew this budget would be bad—the question was just how bad. Now, with budget 2021 released, we know.

### From heroes to zeros

Finance Minister Travis Toews' budget speech was a slap in the face to frontline workers.

"Even after we've beat the pandemic, there will be a residual need for extra resources in healthcare," he said. Just seconds later, he reiterated the government's commitment to the UCP's plan to cut 11,000 jobs in healthcare.

"Many of you have gone above and beyond your regular responsibilities responding to needs created by the pandemic," he told frontline workers. "Your contribution matters and has not gone unnoticed. However, addressing public sector salary structure is required to protect government services and ensure a sustainable fiscal trajectory for the province."

So thank you, but we're still planning on slashing your wages and eliminating many of your jobs. We appreciate your work, but we don't want to pay you properly to do it. That was Toews' message to the workers like us who have kept Alberta running over the course of the pandemic.

We know that frontline workers deserve better than empty praise—we deserve properly-paid, stable jobs, delivering well-funded public services.

### An overview of the destruction

The damage the UCP is doing to public services will be long-lasting. From the time they were elected, Jason Kenney and his party have made clear that they intend to dismantle the public services that

Albertans need and attack the rights and working conditions of public sector workers.

Without counting the temporary spending increases related to COVID-19 (largely funded by the federal government), this budget actually lowers the government's operating expenses by 2.9 per cent—nearly five per cent below the increase of two per cent needed to keep up with inflation and population growth.

Here's how Budget 2021 advances the UCP's anti-worker and anti-public services agenda.

### Wage reductions and job cuts

After years of agitating against public sector workers, the government has shown its plan to reduce our wages in this budget. According to its multi-year plan, our wages as public sector workers overall will be cut by over \$1 billion from 2019 levels by 2023-2024. This includes cuts in healthcare, direct government services, education, and municipalities, boards & agencies.

### Education

The UCP has taken the hammer to education in this year's budget. The largest chunk of job cuts is in postsecondary education—where they expect to eliminate 750 jobs within the next year.

They're cutting another \$75 million over the next year, adding to the \$273 million that they've already cut since taking power. Since 2019, the UCP has slashed the post-secondary education budget by \$348 million.

The UCP will also be lowering the proportion of universities' operating expenses that comes from the government. By 2024, they are projecting that universities will have to raise 52 per cent of their institutional budgets on their own—which will likely either lead to job cuts, tuition hikes, or both.

Education will be an essential part of digging Albertans out of the economic crisis we landed in due to years of economic mismanagement by successive governments. Cutting education is cutting into Alberta's future.

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## Government services

Travis Toews is also hitting direct government services hard in this year's budget. The UCP has announced plans to cut 311 government jobs, including 71 at the Solicitor General, 72 in Infrastructure, and 58 in Transportation.

Within the Environment and Parks department, the UCP announced that it plans to use "third parties" for Wetland Replacement and Caribou Restoration activities, so they can save \$10 million this year and \$18 million per year in the following two years. "Third parties," of course, is code for privatization.

In Agriculture and Forestry, the UCP is cutting 70 more jobs—that's in addition to the 166 jobs they announced they were cutting back in October 2020, devastating the department.

At Community and Social Services, which the UCP has cut by \$168 million since 2019, Toews decided to increase the budget by \$89 million—which still leaves the ministry short \$79 million of where it was in 2019. These cuts have especially affected income supports that vulnerable Albertans rely on.

Children's Services' budget actually increased this year, but that was almost entirely due to a series of programs by the federal government, such as the childcare provisions in the Safe Restart program. For the next two years, the UCP is predicting that these expenses will remain more or less the same.

## Healthcare

The healthcare budget for this year delays the government's plan to incinerate public healthcare. As the COVID-19 pandemic rages, the government has increased healthcare funding by a paltry four per cent—still a better figure than the zero per cent that the UCP has scheduled for the two following years.

Not only that, but after this fiscal year, the UCP is eliminating additional COVID-19 / Recovery Plan funds from healthcare. Experts have been warning that COVID-19 is likely to be around for years, and a significant number of COVID-19 survivors will suffer long-term COVID-related disabilities.

Since taking power, the UCP has eliminated 1,806 full time equivalents (FTE). So their big announcement this year, that they're adding 2,940 FTEs in health care, is meaningless given that the UCP still aims to shrink the public service by 7.7 per cent.

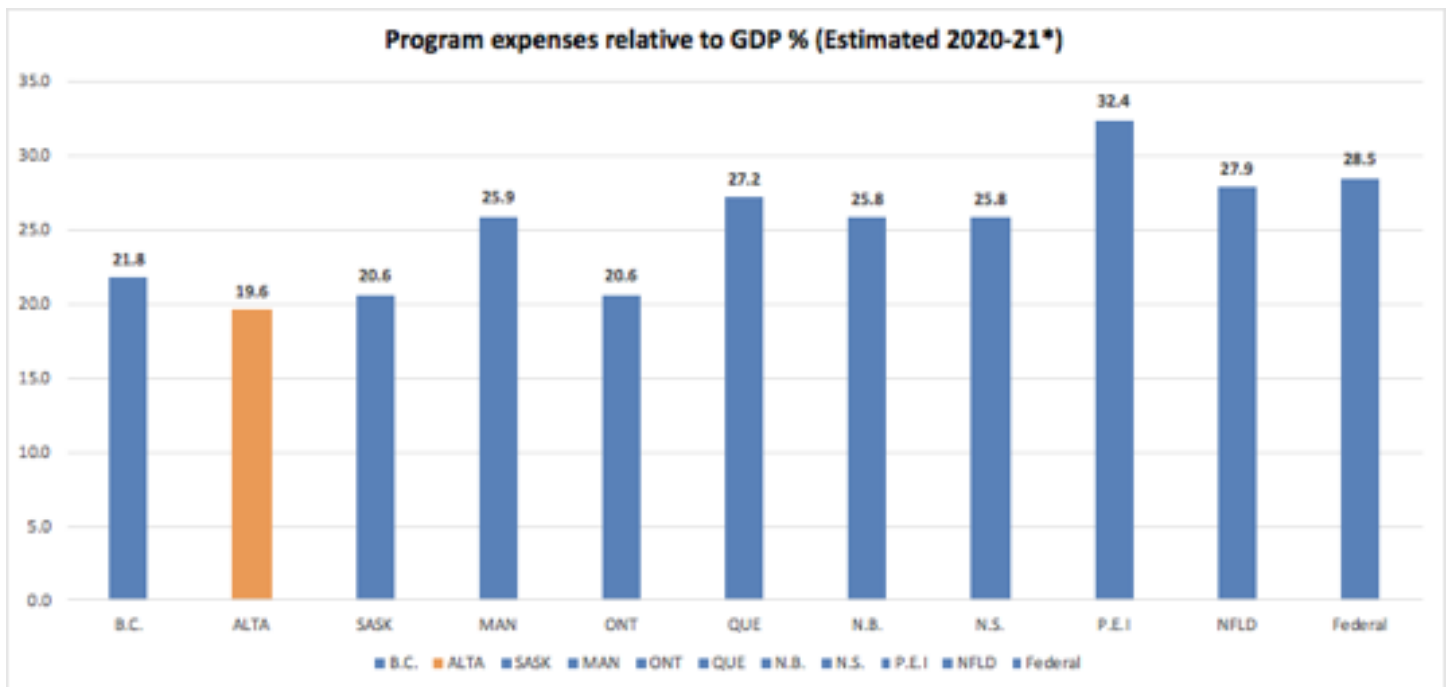
And within their budget increase, the UCP is giving a total of \$120 million over the next three years to the Alberta Surgeries Initiative—a way to move publicly funded medical procedures from the public system into private, for-profit providers.

## The UCP doesn't understand economics

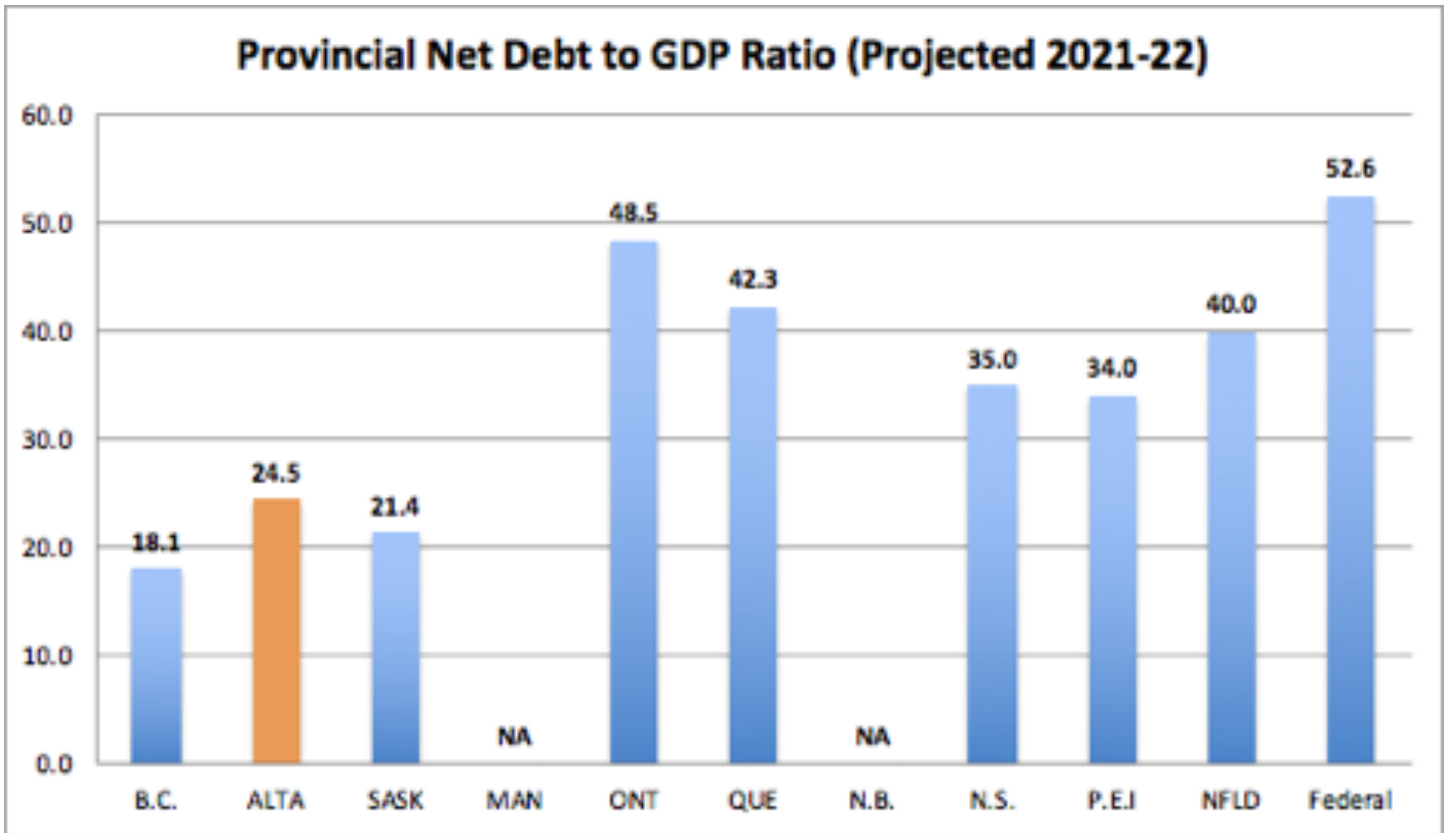
The UCP keeps telling us that Albertans spend more on public sector wages than residents of other provinces. They're lying.

Despite what Travis Toews and Jason Kenney like to say, Alberta doesn't have a spending problem. Our province has a revenue problem.

In fact, when it comes to public spending as a proportion of our economy, Alberta has the lowest rate of public spending of any Canadian province.



Despite the UCP flying a false flag over it, Alberta's debt is among the lowest of any Canadian province as well, when compared to the size of our economy. Just like it was in the 1990s, hysteria over our debt levels is just a manufactured excuse to cut public services.



What this province needs is an economic recovery that's based on good jobs. Working Albertans spend money in their own communities, and keep the economy rolling. We're the job creators—not the companies like Amazon that the UCP is trying to attract with \$4.7 billion tax giveaways to deliver crushing jobs for low pay.

### **Fight Back**

Since the UCP took power, they've been very clear what their plans are: defund public services and attack workers' rights. Every move they make is part of their larger plan to turn Alberta into a place where workers are in freefall because they pushed us over the cliff.

This year's budget is just another example of the UCP's anti-worker agenda. While they might have been dragged into spending more than they wanted to by a global pandemic, they've made very clear that this is just a blip—their long-term attack is still in progress.

When this pandemic finally comes to an end, the UCP plans to thank healthcare and other frontline public sector heroes by sending them to the unemployment line, just like they're already doing to our co-workers in government services and education.

But that's not the only road ahead of us. We can choose a different path—we can fight.

The only way to get this government to listen to us is to take direct, collective action. They might have money, but we've got people—and when people get organized, there's no stopping us. When we fight back, eventually, we'll win.