

PSAC ON FEDERAL BUDGET 2013

Canadians still in the dark about cuts to services and programs

Budget lacks accountability and transparency

- Federal Budget 2013 leaves many unanswered questions. Repeated references to “efficiencies” and “streamlining” lack detail and leave Canadians asking what services and programs are about to be cut, compromised or could disappear altogether.
- Last year’s budget cut 6.9% from an operational budget of \$75 billion, but said very little about what that would mean for the services Canadians rely on. The same is true this year, but on a much smaller scale with a total of \$617 million in new cuts over the next five years.
- We renew our call on the government to be transparent about what its budgets mean for services, workers, families, communities and the economy.

Expecting more from less

- The budget announces an initiative to curb tax evasion but also cuts the Canada Revenue Agency’s budget by \$60.6 million over the next two years. This ignores warnings by the Auditor General last year that the CRA lacked the resources to adequately assess and track tax evasion. Also unaddressed are last year’s cuts to frontline services at CRA, and privacy concerns around contracting out the storage of personal tax records.
- The government has also cut a further \$33 million a year from Fisheries and Oceans, but funds private organizations \$10 million a year to take on work that used to be carried out by government fisheries habitat officers. It continues to ignore the Cohen Commission Inquiry’s recommendations, raising concerns about the goals of this new funding initiative.
- The government commits to savings through “efficiencies” and says that legislation will “consolidate operations and eliminate redundant organizations.” Given that last year’s budget undermined life-saving services like food inspection and search and rescue, we are asking what further programs and services could be deemed “redundant” and eliminated or privatized.
- The amalgamation of the Canadian International Development Agency into the Department of Foreign Affairs and International Trade raises concerns about the future of Canada’s international aid program. The move increases Prime-Ministerial control over an agency that has historically had some semblance of autonomy.

- Budget 2013 says it has received bids from private providers to take on services to youth at risk, the homeless and persons with disabilities. Called “social finance initiatives”, this could mean higher costs to taxpayers and the replacement of frontline public sector workers with volunteers, retired workers and lower-waged subsidized private sector workers funded by private institutions.

Threats to public service workers and our contracts

- The Federal Budget threatens to make “changes to the labour relations regime” but doesn’t specify how. This could mean an attempt to change how we collect dues from our members or some form of amalgamation of the Canada Labour Relations Board and the Public Service Labour Relation Board and/or the respective labour laws. The government also uses the budget to talk about negotiated wages, pensions and benefits like disability insurance and sick leave. PSAC will stand firm in its defence of our members and their negotiated rights at the bargaining table.

Another call to end austerity

- Austerity measures from both the 2012 and 2013 budgets will cut federal spending in 2014 and 2015 by \$11.8 billion, reducing real GDP by 0.84 per cent. The Canadian Centre for Policy Alternatives anticipates that will cost about 90,000 public and private sector jobs.
- Canadians are saying no to the cuts. Veterans, the unemployed, new Canadians and seniors want frontline services restored, not cut. Canadians who live and work along Canada’s coasts, want search and rescue restored in St. John’s, Quebec City and Kitsilano.
- Scientists and environmentalists have won overwhelming public support for their call to stop the shutdown of the Experimental Lakes Area freshwater ecosystem research facility.
- Tourism agencies, small business and the many Canadians who use Canada’s historic sites and national parks have demanded that the traditional seasons be restored.
- Federal Budget 2013 ignored those and many more Canadians who want services and programs restored, and quality jobs put back into – not taken out of – the economy.