

EX34.20.1

CFIB

CANADIAN FEDERATION
OF INDEPENDENT BUSINESS.

4141 Yonge Street, Suite 401
Toronto, Ontario M2P 2A6

SENT BY E-MAIL

August 6, 2009

Mayor David Miller and
Members of Council
City of Toronto
100 Queen Street West
Toronto ON
M5H 2N2

Dear Mayor Miller and Members of Council:

On behalf of our 4,000 small and medium-sized business members in the City of Toronto, the Canadian Federation of Independent Business (CFIB) strongly supports any initiatives to delimit the 'right to strike' in municipal services. Accordingly, we support the present motions to request the Government of Ontario to mandate daycare services, garbage collection, and emergency medical services in Toronto as essential services.

The recent municipal labour disruption was just the latest, atrocious example where the 'right to strike' is wrong. The primary impact of any public sector strike is felt inordinately by the general public, not by the two sides at the bargaining table. Small business owners, their employees and customers were left with no alternatives when denied municipal services for which they pay dearly in taxes.

By holding Torontonians to ransom, the union leadership was allowed to use harm inflicted on the general public as a bargaining tool. Allowing strikes and even the threat of strikes has meant that municipal public sector employees enjoy compensation that their same-job counterparts in the private sector can only dream of. CFIB's *Wage Watch* study shows that the Toronto municipal employee compensation advantage is in the order of 36 per cent. This situation absolutely has to be corrected.

It is sometimes argued that designating essential services comes at the hefty cost of uncontrollable arbitrated settlements. However, we believe that the status quo strike model is far more costly to our city, inflicting both the harm of services denied and the cost of outrageously generous contracts on the taxpaying public. There is much that can be done to keep arbitrated settlements in check. For example, the province can and does set parameters for arbitrators, including the ability of the employer to pay and fair comparisons for similar work in the vicinity.

In legislating an end to the recent strike at York University, the Province put in place the following criteria for the arbitrator to follow:

"In making an award, the mediator-arbitrator shall take into consideration all factors that he or she considers relevant, including the following criteria:

1. *The employer's ability to pay in light of its fiscal situation;*
2. *The extent to which services may have to be reduced, in light of the award, if current funding and taxation levels are not increased;*
3. *The economic situation in Ontario and in the Greater Toronto Area;*
4. *A comparison, as between the employees and comparable employees in the public and private sectors, of the nature of the work performed and of the terms and conditions of employment;*
5. *The employer's ability to attract and retain qualified employees."*

By expanding the list of essential services to include daycare services, garbage collection, and EMS, the Ontario government will permanently stop union abuse of the public at least in these service areas. Instead of confrontational labour relations, the 'arbitration with criteria' approach will be more successful in striking a balance between fair wages and benefits for city employees and sustainable costs for Toronto taxpayers.

We urge you to ask the Ontario government to expand the list of essential services for which strikes cannot and will not be tolerated. It is high time elected representatives stood up for average taxpayers instead of pampered public servants.

Sincerely,

Original Signed by

Judith Andrew
Vice-president, Legislative Affairs