

What the strike means for David Miller

Even if the mayor succeeds, the city faces budget shortfalls, a possible tax hike, and the prospect of a Mike Harris-like backlash

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Shortly after his party had been punted from its one term of power, the first NDP premier in Ontario's history recalled the dark day he lost patience with the unions.

Bob Rae believed he had done as much as possible for organized labour, including banning the use of replacement workers during legal strikes. But in 1992, when he began signalling his government's intention to rein in costs, he was met with a vicious speech by Canadian Auto Workers president Buzz Hargrove, accusing the NDP of selling out.

Mr. Rae responded with a profanity-laced tirade. "Something in me snapped that day," he wrote in his 1996 autobiography, *From Protest to Power*. "My resentment at the lack of perspective, the lack of solidarity, the absence of any sense of responsibility for the financial (and political) health of the government, the sense of a never-ending series of demands that would always be disappointed welled over. I lost it in that swearing match with Hargrove..."

David Miller is experiencing his Bob Rae moment of truth. If the first quasi-NDP mayor in the brief history of the amalgamated city of Toronto hasn't yet lost it with a union leader, he soon might.

After years of labour-friendly policies, Mr. Miller has backed into a fight with striking indoor and outdoor workers - a scrap he would clearly prefer not to be in, as evidenced by his uneasiness crossing picket lines. But his quandary is unavoidable - if not due to the potential swarm of right-of-centre challengers for next year's mayoral election, then because his city is simply out of money.

In the 11 years since the provincial government merged Toronto's six former municipalities while forcing them to pay for more social programs, the city has faced an annual struggle to balance its budget. But its mayors have been able to stick to their campaign promises - a tax freeze for Mel Lastman, spending increases for Mr. Miller - by relying on bail-outs from the province.

That well is drying up. Dalton McGuinty's government, already committed to absorbing the cost of some city-funded social programs, faces its own large deficit. It also wants to make specific infrastructure investments for which it receives credit. And there are many within the Premier's circle - including, by some accounts, the Premier himself - who have grown weary of Mr. Miller's act.

Any other year, this would be a problem. Heading into 2010, it's a potential catastrophe. Recession costs, notably increased demand for welfare payments caused by rising unemployment, mean that the prediction of a \$350-million budgetary shortfall may actually be optimistic.

Mr. Miller's fight with Locals 79 and 416 of the Canadian Union of Public Employees, which represent garbage collectors, daycare workers, and various other municipal employees, is his first attempt to confront this reality. "From a fiscal perspective, it absolutely is a watershed moment," says Carol Wilding, the chief executive officer of the Toronto Board of Trade.

Denzil Minnan-Wong, one of several conservative city councillors who might run against Mr. Miller in 2010, can scarcely contain his glee. "This mayor and council have been putting it off," he says of cutting expenditures. "And the economic recession has basically told the city that you can't put it off any longer - your day of reckoning has arrived."

Mr. Miller badly needs a symbolic victory to set a precedent and prove his commitment to restraint. The problem is that there is little chance his organized-labour friends will yield.

No union leader who wishes to keep his job will give up a hard-won benefit such as the ability to carry over and eventually cash out up to 18 sick days per year - the hot-button issue of the dispute. Workers won't clamour to accept a pay freeze after watching other city employees receive three per cent raises. If anyone blinks, it will be Mr. Miller.

Even if the province eventually legislates the strikers back to work, CUPE might emerge with the upper hand. Arbitrators do not typically resolve labour disputes by taking away benefits unions won in previous negotiations.

They also rely on what other unions are settling for these days, which would probably mean pay raises. So Mr. Miller would emerge from a lengthy work stoppage with very little to show for it, except the annoyance of Torontonians.

Unless Mr. McGuinty could be persuaded to bail out the city yet again, the city would enter next year's budget season in an appalling state, its shortfall having been increased rather than diminished by the new deal.

Mr. Miller would then face a whole range of unpalatable options in an election year. Raise taxes, again? Cut program spending? Conduct a fire sale of assets?

For Mr. Miller, the consolation prize should be demolishing the union in a public-relations battle - one union leaders aren't really bothering to fight, because they only need the support of their own members. But Mr. Miller isn't really bothering to fight it, either; often, as when issuing stern warnings to residents about dumping their garbage, he seems as much on the side of the strikers as the rest of the city.

It is admirable that Mr. Miller does not wish to compromise his principles by union-bashing. It is also self-destructive.

Sneaking into City Hall through back doors does not convey a sense of ownership. He declines to be interviewed for articles such as this one, for fear of souring negotiations. (So, too, does Shelley Carroll, the chair of council's budget committee.)

His rivals - with the notable exception of John Tory, the former Progressive Conservative leader considering a second run at the mayoralty - are not so circumspect.

"He has not been standing up every day talking with the people of Toronto about what this strike means," says Karen Stintz, another councillor jockeying to be the flag bearer for the centre-right. "I don't know what he wants from this. He's not been visible, and he hasn't told us."

If labour leaders looked at the big picture, they might consider where this is headed. Their battles with Mr. Rae not only helped defeat him, they also helped elect Mike Harris, who took union-busting measures Mr. Rae would not have dreamed of. Were they to throw Mr. Miller a bone, they might help avoid a municipal equivalent of the same phenomenon.

Mr. Rae, for one, is not optimistic about a win for the Mayor. "It's hard to see CUPE culture changing much - concessionary bargaining is not something they will accept," he says now. "Read *From Protest to Power*. It's all in there."