# 2024

# **Pre-Budget Submission**

TO THE STANDING COMMITTEE

ON FINANCE AND ECONOMIC AFFAIRS







Dear Members of the Committee,

Thank you for the work that you do on behalf of the people of this province

As the union for more than 15,000 professionals working the public interest in Ontario, we are pleased to prove four recommendations to the Standing Committee on Finance and Economics Affairs and this year's Pre-Budget Consultation process:

- 1. Invest in Excellent Public Services
- 2. Fairness in Alternative Work Arrangements
- 3. End the Hiring Freeze & Improve Efficiency in the OPS
- 4. Transparency in Government Contracting

We believe these recommendations will improve service delivery for Ontarians, make government more effective, and enhance our province's reputation as the great place to live, work, learn and grow that we all know it is.

Sincerely,

Dave Bulmer

President & CEO

# Towards a Truly Effective and Efficient Ontario Public Service

Treasury Board Secretariat's mission statement highlights its aspiration to "help deliver good government and excellent public services in the most effective and efficient way possible." Since its inception, AMAPCEO has advocated for an OPS in which employees and the employer can find common cause in developing a truly effective and efficient public service.

A truly effective and efficient public service should not be guided by superficial solutions of the sort that governments of all stripes routinely propose, such as an emphasis on divestments, on staff reductions, and on wage freezes. These supposed solutions only serve to hinder the operation of the public service, and ultimately only stand in the way of efficiency by creating a public service riven by low morale and chaos.

In this brief AMAPCEO puts forward several ideas for good government and excellent public services. Specifically, we offer several recommendations for how the OPS can live up to its own goals and become a truly effective and efficient organization.

## **Invest in Excellent Public Services**

Ontario is in a fiscally strong position. Emerging from the worst of the pandemic in fiscal year 2021-22, the province boasted a \$2.1 billion surplus, and the Financial Accountability Office has projected that these surpluses will continue. Indeed, they are not projected to merely continue; it is expected that they will increase at a shocking rate. In 2025-26, while the government has projected a \$4.4 billion surplus, the FAO has calculated that it is more likely to be \$10.6 billion. Going beyond the scope of government projections, the FAO is projecting a surplus of \$16.4 billion in 2027-28.1

Clearly, Ontario has the fiscal capacity to deliver vital services at a level that meets the public's needs.

Nevertheless, this government has been failing at this.

We encourage the government to heed the advice of those working on the frontlines delivering these services.

Beyond our membership, we encourage the government to listen to what the doctors are saying, what the nurses are saying, what educators are saying. All of these groups have offered specific advice to fix the crisis in our province's emergency rooms, the crisis with primary care, the crisis in school staffing.

The government has funds. It is time to start acting.

<sup>1</sup> Financial Accountability Office of Ontario, "Economic and Budget Outlook, Spring 2023", 2.

# Fairness in Alternative Work Arrangements

The jury is no longer out: remote work works.

Throughout the pandemic, AMAPCEO members made it clear that they were more than capable of working for Ontario anywhere.

This continued as the pandemic receded, and the world began to return to normal.

For our members, it is a vital priority for the OPS to establish a comprehensive and fair AWA (Alternative Work Arrangement) policy. AMAPCEO has continued to engage with the OPS employer to make this position clear, extending our hand to work together with the employer to arrive at a just outcome.

AMAPCEO's OPS collective agreement has some of the strongest language regarding AWA of any public service union. Last year, AMAPCEO put this language to use when we launched an AWA campaign. This campaign has facilitated thousands of requests where members have sought permanent AWA arrangements. Over the coming year, AMAPCEO is committed to seeing every single one of these requests through, if necessary using the grievance process

Our members want a modern workplace, one where flexibility is the watchword.

There is no need for the employer to take our word for the mood of their own employees, for they have already made themselves clear. In the 2022 OPS Employee Experience Survey, 85.4 per cent of respondents indicated a preference for either hybrid or remote work to in-person work.<sup>2</sup>

2 Question: "What is your preferred work option based on the type of work you do?"

Responses:

In Person = 14.6% Hybrid (combination of in-person and remote work = 41.1% Remote = 44.3%

Number of responses = 38,075

In the 2021 version of that survey (in a question that was not asked in 2022), an overwhelming majority of respondents indicated their desire for most of their work time to be remote once the pandemic had ended.<sup>3</sup>

While many of our members have entered into satisfactory AWA arrangements, far too many have not been able to do so. They have instead been met with intransigence.

This is not behaviour that befits a modern workplace.

As opposed to a piecemeal approach, in which the employer attempts to impose restrictions from on-high, what the OPS needs are few restrictions. Let the managers manage. Let flexibility in.

#### **AMAPCEO RECOMMENDS:**

Establish a comprehensive and fair AWA (Alternative Work Arrangement) policy for the Ontario Public Service immediately.

Question: "Looking towards the future (post COVID-19), if given the option to work remotely, what is your preferred option for telework?"

#### Responses:

No Telework = 3.7%

1 day Telework & 4 days in office per week = 3.9%

2 days Telework & 3 days in office per week = 10.1%

3 days Telework & 2 days in office per week = 18.6%

4 days Telework & 1 day in office per week = 17.3%

1 day in office every other wee = 9.4%

Only report to office as necessary = 37.1%

Number of Responses = 34,087

## **End the So-called "Hiring Freeze"**

Following its election in 2018, one of the Ford government's earliest acts was to announce a hiring freeze for the OPS. In his very first response to a question in the Legislature, the then-President of the Treasury Board said that

a public service hiring freeze is the first step towards a balanced budget and bringing real change to the province of Ontario. To that end, one of our first acts has been to direct all ministries to implement a hiring freeze until we can get a true look at the picture of the state of Ontario's finances.<sup>4</sup>

It has been more than five years since the President of the Treasury Board made that statement. We are now well into the government's second term. The 2024 budget will be the government's sixth. Surely, by now the government has had its "true look" at Ontario's financial picture.

Yet, the hiring freeze persists.

Staffing in the OPS must not be driven by political posturing. It must instead be driven by the needs of the public that the government serves. This was a fact at Confederation when the provincial public service had fewer than 50 employees. This was a fact when the Legislature Building opened in 1893 and contained workspaces for all 600 OPS employees. This was a fact in 1960 when the staff headcount was 30,433. This was a fact in 1970 when the headcount was 62,280.<sup>5</sup>

The size and shape of the OPS has changed over time. It has changed precisely because the demands on the public service have themselves changed. Staffing levels have been driven by need. In fact, the so-called hiring freeze has not stopped the OPS from continuing to grow to meet those needs. And while staffing levels are currently not sufficient to meet the public's needs—which we have argued in previous budget submissions—the public's needs, as opposed to political wishes, must guide hiring decisions.

Ontario, Legislative Assembly, Official Report of Debates (Hansard), 42nd Leg, 1st Sess, No. 3 (16 July 2018), 19.

J. E. Hodgetts, From Arm's Length to Hands-On: The Formative Years of Ontario's Public Service, 1867-1940, (Toronto: University of Toronto Press, 1995), 6.

### The Real Impact of the Hiring Freeze: Red Tape

If the intent of the hiring freeze was to reduce the headcount in the OPS, the policy has failed. The only actual accomplishment of hiring freeze has been to mire the OPS in red tape.

Due to the freeze, there are precious few permanent positions posted. All the routine staffing "churn" that exists in large, complex organizations (retirements, new hires, people changing jobs) now exists within the context of short-term roles.

As a result, staff are moving around more than ever, leading to high turnover and profound retention problems throughout the organisation.

Not only does this lessen expertise, it means that managers are spending more time than ever on issues related to hiring. Posting jobs, interviewing, juggling contract extensions.

Time spent doing these things is time not spent doing core tasks.

This is inefficiency, and it is completely due to a misguided government policy.

#### **AMAPCEO RECOMMENDS:**

End the hiring freeze and allow the OPS to make hiring decisions that serve the needs of ensuring Ontario's public service is the highest possible quality.

## **Transparency in Contracting**

In recent budget submissions, AMAPCEO has recommended that the Government of Ontario follow the lead of the federal government and proactively disclose the details of all contracts that are valued at more than \$10,000.

It has now been 20 years since the federal government unveiled its plan to proactively disclose contracts as part of its 2004 budget. There, the federal government pledged to "introduce modern, real-time information systems to track all spending and provide appropriate tools for effective scrutiny and decision making." Doing this meant the government would begin to disclose—on a publicly available website —"every contract entered into by the Government of Canada for amounts over \$10,000."

An example in action of Justice Brandeis' dictum of sunlight being the best disinfectant, these disclosure rules were implemented precisely to increase governmental accountability through public scrutiny. Now, two decades into its operation, the disclosure website (search.open.canada.ca/contracts/) hosts more than one million distinct contract disclosures. Each one of those disclosures lists details such as the vendor's name, a description of the type of work carried out, the contract period, the value of the contract, and manner in which the contract was solicited.

In Ontario, this sort of "effective scrutiny" is simply not possible. The only routine public disclosure of government contracts is the information published in the annual Public Accounts. That document, however, only lists the payee and the total amount they were paid by a Ministry over the prior year. There is no description of the work done, no description of the contract period, no description of how the work was solicited.

This must change.

The province must begin proactively disclosing all contracts valued at more than \$10,000. These disclosures should be released no less regularly than quarterly.

<sup>6</sup> Canada, Department of Finance, The Budget Plan 2004, 58.
<a href="https://www.budget.canada.ca/archives/budget04/pdf/bp2004e.pdf">https://www.budget.canada.ca/archives/budget04/pdf/bp2004e.pdf</a>

Importantly, the province has been given the opportunity to learn from the federal government's two decades of experience. The province can improve upon the federal model's shortcomings and implement a world-class system of disclosure.

Sean Boots is an expert on proactive governmental disclosures. When he testified at a Parliamentary committee earlier this year, he said that within the federal system it is actually "hard to tell, from the publicly available data, what a given contract was for." As an example, Boots pointed to disclosures that might describe a contract as being for "management consulting." That category might potentially include such disparate work as "strategic advice work, IT implementation or subcontracting a different, more specialized vendor."

To rectify this shortcoming, Boots recommended that the federal government adopt the open contracting data standard (OCDS). This standard has already been adopted by more than 50 governments around the world. The OCDS approach covers the entire process of contracting, from tendering through to implementation. Vitally, this disclosure regime requires data to be released in a consistent manner, adhering to a universal data standard. This means that the disclosed data can be effectively utilized.

Proactive contract disclosure can only promote greater value for money, greater efficiency, and serve as a mechanism to reveal corruption.

#### **AMAPCEO RECOMMENDS:**

The government immediately implement a contract disclosure regime that adopts the OCDS standard.

Canada. Parliament. House of Commons Standing Committee on Government Operations and Estimates. (2023). Evidence. 44th Parliament, 1st session, meeting no. 48 at 1. Retrieved from the Parliament of Canada website: <a href="https://www.ourcommons.ca/Content/Committee/441/OGGO/Evidence/EV12188957/OGGOEV48-E.PDF">https://www.ourcommons.ca/Content/Committee/441/OGGO/Evidence/EV12188957/OGGOEV48-E.PDF</a>

<sup>8</sup> Open Contracting Data Standard, <a href="https://standard.open-contracting.org/">https://standard.open-contracting.org/</a>

### Who We Are

### AMAPCEO is the union for Ontario's professional employees.

Established in 1992, AMAPCEO represents more than 15,000 professional working in the public interest in Ontario. Our members work in every ministry in the Government of Ontario and in a growing number of provincial agencies, boards, and regulators.

From policy analysts to epidemiologists and from economists to communicators, AMAPCEO members work in more than 100 communities across the province and 11 cities outside Canada.

AMAPCEO is member-driven and politically non-partisan. We protect members' rights, defend Ontario's public services, and advocate for better working-conditions for everyone.

Our membership is educated, professional, and diverse. They are problem solvers who take pride in working hard and offering creative, evidence-based solutions to public policy issues. They are passionate about serving the public interest.





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