Quebec Liberal government to ravage public services

Richard Dufour 26 May 2014

Quebec's incoming Liberal Premier, Philippe Couillard, used last week's formal address opening a new session of the provincial legislature to reiterate his government's intention to drastically curtail social spending, including eliminating entire programs.

Claiming Quebec has "stretched the elastic of debt" to the breaking point, Couillard vowed that his government will "act firmly and decisively." "What was desirable fifteen years ago, what became necessary ten years, has become urgent today," asserted the Liberal Premier.

During the campaign for the April 7 election in which they unseated Pauline Marois's eighteen-month-old minority Parti Québécois (PQ) government, Couillard and his Liberals said little about socioeconomic issues and even feigned opposition to some of the PQ's austerity measures, such as a 20 percent increase in public day care fees. The Liberals instead focused their campaign on appealing to popular opposition to the PQ's chauvinist Charter of Values and stoking fears about the negative economic impact of a referendum on Quebec independence.

However, no sooner were the elections over, than the Liberals announced that Quebec faced a "fiscal crisis," necessitating a fundamental restructuring—i.e. downsizing—of public and social services.

In late April, at the conclusion of his first cabinet meeting, Couillard said that the budget for the current fiscal year is running at close to \$2 billion more than the PQ's estimate of \$1.75 billion, necessitating emergency measures.

To underline his government's intention to meet the PQ's deficit target for 2014-15 and eliminate any deficit in the following year, Couillard announced a hiring freeze covering the civil service and the health and education sectors and ordered the public and para-public sectors to reduce their operating expenses by three percent.

Much larger cuts are to be announced next month when

the government tables its first budget and detailed department spending estimates. However, Couillard and his trio of top economic ministers have stressed that since Quebec's deficit is "structural" and bound up with anemic long-term economic growth, fundamental "reforms," not just one-time spending cuts, are required.

The Couillard government is setting up a permanent commission to continuously review and pare social programs. According to Minister of Finance Carlos Leitao, "We will question the pertinence of all the social programs... We are going to review program by program to see whether it is still pertinent to maintain that, or whether to eliminate it entirely."

Couillard has also said that a second commission will examine Quebec's personal and corporate tax structure. The new government and the corporate media are touting the lie that Quebec's economy is burdened by excessive taxes on big business and the rich. Sections of big business are also urging the Quebec government to abandon its longstanding practice of offering grants and other financial incentives to secure corporate investments in favor of a much lower general corporate tax rate.

Making clear that his government intends to implement further tax cuts for big business and the rich, thereby further increasing the pressure for spending cuts, Couillard declared, "We are not going to ask taxpayers to reach deeper into their pockets. If we have to go further by controlling spending, that will be our choice."

After presenting the Liberal budget next month, Minister of Finance Leitao will travel to New York to meet with the representatives of the leading Wall Street bond rating agencies. According to Leitao, the Liberals' first budget will demonstrate their determination to "control" government spending, but it will be next year's budget that will be truly "transformative"—that will announce the restructuring and elimination of programs and the government's tax-cutting agenda.

Significantly, in explaining the purpose of his New York meetings, Leitao made direct reference to the massive cuts that have been imposed on workers in Europe on the orders of international big business. "Since 2009 especially in Europe," said Leitao, "we have seen what can happen when the public finances of a country are not in good order."

Couillard, for his part, has made clear that the cuts announced to date are only a small down payment: "We are at the start of a course of action that spans an entire mandate."

A financial report commissioned by Couillard after his election and released the day after his swearing-in advocated an immediate wage freeze for public and parapublic workers, along with the partial privatization of Hydro-Québec and the SAQ (Quebec Liquor Commission). The report's authors, Luc Godbout and Claude Montmarquette, also urged the government to "increase the fees" for day care, electricity and other services.

Couillard has made it clear that he is fully committed to the privatization of public services. As Minister of Health he has chosen Gaétan Barrette, who in the course of the last eight years as head of the Quebec Federation of Medical Specialists (FMSQ), has continuously called for increasing the role of the private sector in the provision of health care. As Health minister in Jean Charest's Liberal government in the middle of the last decade, Couillard pushed through legislation that opened the door for a vast expansion of for-profit health care clinics. He then quit the government to serve on the board of directors of a major private sector health care company.

The anti-worker assault mounted by the Couillard government meets the demand of Canada's ruling elite for the elimination of what remains of the right and benefits the working class won in the great social struggles of the last century, so as to make working people pay for the global capitalist crisis.

Predictably, the response of the trade unions has been to offer the Liberal government their cooperation, making clear any "opposition" to the coming spending cuts will be restricted to bombast and empty gestures.

On May Day, the leaders of Quebec's four major union federations—Daniel Boyer of the FTQ, Jacques Létourneau of the CSN, Louise Chabot of the CSQ, and François Vaudreuil of the CSD—met with Couillard. At the meeting's conclusion, they praised the premier for not immediately reopening the contracts of a half-million public sector workers to impose a wage freeze and said

that they looked forward to continuing to work with him.

The only condition they put on the Liberals' austerity agenda is that they should be consulted before the government finalizes its plans. "What we have understood," said Chabot coming out of the meeting, "is that there will be no major announcement on the revision of programs, without at least discussing it."

In offering their services to Couillard in imposing sweeping social spending cuts, the unions are continuing their long history of suppressing workers' struggles and politically subordinating the working class to the existing capitalist order. In 1996 the unions fully supported the Bouchard PQ government's "zero deficit" campaign, actually proposing the early retirement scheme that the government used to eliminate tens of thousands of education and health care jobs. Then in 1999 when nurses rebelled against the cuts, the unions isolated their strike, thereby enabling the PQ to use a savage back-to-work law to break it.

More recently, the trade unions strangled the militant 2012 province-wide Quebec student strike. Launched against the university tuition fee increases imposed by the Liberal government of Jean Charest, the student strike objectively challenged the austerity program of the entire ruling class. For the pro-capitalist unions, the greatest danger was that the students' struggle would spark a broader mobilization of workers against the destruction of jobs, wages and public services. That's why they did everything to isolate the strike and then strove to politically harness it to the election of the Parti Québécois, the other government party of the Quebec elite.

Once in power, the PQ government of Pauline Marois imposed the most significant budget cuts in the past fifteen years, while fanning anti-Muslim chauvinism with its xenophobic Charter of Values project. This is what paved the way for the Liberals to return to power and for Couillard's intensified assault on the working class.



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