

O'BRIEN'S 'SMART MANAGEMENT' PLAN SEEN AS ANYTHING BUT SMART

Ottawa Mayor's Outsourcing Scheme Faces Harsh Criticism

OTTAWA – November 8, 2007

If Ottawa Mayor Larry O'Brien had hoped his 'Smart Management' speech, delivered in Ottawa on November 7, 2007, would win him friends and influence people, a quick glance at the next day's media coverage must have come as a nasty shock – with universally negative reaction being expressed to his address which was described as "rambling", "short on specifics", and anything but smart.

Particularly contentious was his call for outsourcing many City functions and the possible sale of Hydro Ottawa, whose profits fund important municipal programs.

Speaking of the Mayor's desire to outsource key municipal functions, CUPE Local 503 President, Brian Madden, cited serious problems with many of the City's past and current privatization attempts. These include the higher costs seen under private garbage collection and the need to bail out privately-run recreation facilities such as the Sensplex and the failed Ray Friel Centre. "The Mayor's plan is a recipe for disaster," Madden noted, "which reflects his refusal to learn from the many failed privatization schemes that litter the countryside. What we're seeing is a Mayor who is determined to introduce Bush-style, right-wing politics into our city – whatever the cost to taxpayers."

In support of his call for municipal privatization, the Mayor cited a number of projects under way in other cities that he feels Ottawa might consider introducing. One is the privatization of Hamilton's parking meters which he claims would save Ottawa taxpayers \$3 million a year – an amount critics charge is small compared to the revenues parking meters currently bring in. O'Brien also raised the possibility of selling off Hydro Ottawa - which for some raised the specter of Hamilton's water and waste water privatization experiment. This particular outsourcing exercise ultimately resulted in one of the biggest environmental disasters in Lake Ontario's history with taxpayers picking up the tab for the clean up. And yet others were irked by the Mayor's boast to having "pushed the reset button on the mass transit file" - causing some to suggest that he also pushed the start button for a law suit that could cost Ottawa taxpayers hundreds of millions of dollars.

Summing up his reaction to the Mayor's speech, Union President Madden reiterated his opposition to massive outsourcing, which he feels would cause irreparable harm to Ottawa and its citizens – with its impacts being felt long after the Mayor has left the scene. "Privatization and outsourcing have proved dismal failures wherever they have been tried – both in Ottawa and in communities across our country. For the Mayor to propose such an option at this time is irresponsible since implementing such a policy would severely damage the municipal services on which our citizens depend. It's a sign

of his desperation and lack of ideas for delivering on the promises he made during the most recent election campaign. The citizens of Ottawa need to contact their elected representatives and tell them they won't stand for this threat to their community.”

For more information, please contact: