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# Easy to Take for Granted The role of the public sector & carework in wealth creation

October 11, 2012

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## Executive Summary

This paper raises for discussion the hidden and under-recognized role of the public sector and carework in the creation of wealth in Ontario. As public services, public infrastructure, and carework are typically taken for granted in daily life as well as in policy discussions on economic growth, the paper provides quantitative and qualitative data demonstrating the centrality of the public sector and carework in economic and human development.

In turn, economic *and* human development are argued to be the foundation of wealth creation. Current fiscal policy emphasis on the purported gains of public-sector expenditure cuts is shown to be misplaced, including through data showing that significantly reduced economic growth will be the result of spending cuts to public health care, education, and other public services. The paper offers the following recommendations as alternatives:

1. Given the multi-layered, false economy of spending cuts in the public sector and public health care in particular, the Ontario Nurses' Association (ONA) calls on all elected officials and policy makers to replace the orthodoxy of *market efficiency* with a framework of *social efficiency* for health system reform. Social efficiency is the maximizing of public benefit, while market efficiency is the maximizing of profit or/and short-term cost savings. Practical knowledge sharing and collaborative decision-making in the organization of carework is the basis for creating socially efficient health care. Central to this is the active participation of front-line registered nurses and other front-

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line health care workers in shaping the various elements of the currently unfolding Ontario Ministry of Health and Long-Term Care Action Plan for Health Care. This includes front-line nurse involvement in identifying measures by which to promote healthy living and the management of chronic diseases (priority one of the Action Plan). Regionally or/and community-specific measures will likely be required for effective prevention and disease management given the diversity of needs in Ontario. Similarly with the Smoke-Free Ontario Strategy, the Healthy Kids Panel, and the Comprehensive Mental Health and Addictions Strategy, community and public health nurses must be integrated as key minds in the creation of plans and programs rather than simply as workers to carry them out.

The outcomes of socially efficient reform will be beneficial to recipients as well as providers of health care services. This differs significantly from market efficient reform guided by short-term calculations and “expert” knowledge contracted from outside of health care delivery settings. The latter approach has and will again lead to apparent short-term ‘savings’ but longer-term public and private costs arising from poorer population health and the overuse of unpaid carework within the home.

2. In the home care, family health care, community, public health, and long-term care sectors, ONA calls for wages and benefits of registered nurses and nurse practitioners to be increased to the level of wages and benefits in hospitals. This is particularly necessary if the Action Plan emphasis on faster access to family health care (priority two), and faster care in the community (priority three) is to achieve the purported goals of reducing demand for hospital care, aging at home, and reducing the impact of mental illness.
3. In the long-term care sector, ONA renews its call for a funded and regulated minimum staffing standard of an average of 3.5 worked hours of nursing and personal care per resident, per day, including 0.68 RN hours per patient per day. Legislation and implementation of this minimum staffing standard is key to eliminating excessive demand for public hospital services caused by the under-provisioning of care in long-term care facilities.

4. Recognizing the Health Council of Canada's underlining of the need to care for family caregivers, and given the focus of the Ontario Budget 2012 on expanding community health care services, ONA calls on the Ontario government to fund and regulate the provision of RN care within home care and assisted living services in order to help provide respite for family caregivers of high-needs individuals. ONA also reissues its call of May 2011 for a living wage for personal support workers. Accounting for regional variations and adjusted regularly relative to inflation, the living wage should consist of an income enabling a full-time worker to meet the basic needs of one adult and one child, as well as to save for the future. The setting of the living wage should be determined with the participation of women's groups, unions and community organizations.<sup>1</sup>
  
5. The flipside of the hidden economic and financial benefits of the public sector elaborated here is the hidden loss of public revenue via the use of tax havens by firms and wealthy individuals. This tax avoidance has fed into falling public revenue and the underfunding of public services during the past four decades. The Public Services Foundation of Canada estimates that Canadian banks alone avoided paying 16 billion CAD in taxes between 1993 and 2007 through the use of offshore tax havens.<sup>2</sup> ONA calls on the Ontario government as well as the federal government of Canada to disclose the loss of annual public revenue from 1970 to present due to the use of tax havens by all firms, households, and individuals. These figures are known to governments given detailed data reporting required by federal and provincial tax collection agencies. These data quantifying the long-term loss of public revenue at all levels of government rightfully belong in the public domain, thereby allowing for informed public debate.
  
6. As demonstrated in several polls during Budget 2012 negotiations between the Ontario New Democratic Party and the Liberal government, the Ontario public favours increased taxation, particularly for expanded public services. Though regrettably not directed toward expanding public services, the introduction in Ontario of the surtax on individuals with incomes of 500,000 CAD or more is political recognition of the need for greater public revenue. In order to replenish public services, and help eliminate the province's

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<sup>1</sup> See Valiani, Salimah. "Valuing the Invaluable: Rethinking and respecting caring work in Canada," Ontario Nurses' Association, Research Paper No. 1, May 5,

[http://www.ona.org/documents/File/pdf/ONAResearchSeries\\_ValuethelInvaluable\\_05052011.pdf](http://www.ona.org/documents/File/pdf/ONAResearchSeries_ValuethelInvaluable_05052011.pdf)

<sup>2</sup> Public Services Foundation of Canada, "The Case for Public Services," May 2011, p. 5.

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structural deficit, ONA renews its call on the Ontario government to develop, through extensive public participation, a schedule for comprehensive, progressive tax reform.

7. Given the federal government's recently announced regulation permitting employers to remunerate "high-skilled" temporary migrant workers – National Occupation Classification Categories A, B, and O, including registered nurses – at wage levels of 15 per cent below standard wages, ONA calls for immediate permanent residency and fully on par wages for all RNs entering Canada on temporary work permits to perform RN services. ONA also reissues its May 2011 recommendation that permanent resident status be accorded immediately to all temporary migrant live-in caregivers currently employed in Canada. ONA further recommends that the federal government make available data on how many temporary migrants under the Live-in Caregiver Program are internationally trained nurses.

## Introduction

A study released in April 2012 calculating the contribution of the public sector to the Ontario economy revealed that dollar-for-dollar, public spending adds more to overall economic output of the province than private spending.<sup>3</sup> This is counter-intuitive given that what is solely emphasized in current public discourse is the amount of public spending and the short-term impact of public spending cuts on government books.

This discussion paper seeks to draw out the parallel between the hidden economic benefits of the public sector and the overlooked role of carework in human development.<sup>4</sup> The combination of economic development and human development are posited here as central to the creation of wealth. Put another way, carework, public services, and public infrastructure are the safe passage through which individuals and businesses become contributors to the economic and civic flourishing of society. Overlooking and undervaluing public services, public infrastructure, and carework does serious damage to the economy and the social fabric of which it is a part.

## Hidden Economic Benefits of the Public Sector

Using the Statistics Canada database accounting for sales and purchases of all industries in the Ontario economy, "Budget 2012 and the Public Sector's Contribution to Ontario's Economy," a study by the Centre for the Study of Spatial Economics calculates the value of output generated by one dollar of spending in various sectors by various entities. One dollar spent by the public sector on education, health, and social services adds 87 cents to total output, or Ontario's gross domestic product (GDP). One dollar of public-sector spending on the daily operations of governments adds 84 cents to GDP. One dollar of public-sector spending on construction adds 71 cents to Ontario's total economic output. And one dollar of public spending on machinery and equipment adds 64 cents to GDP. These figures compare with 61 cents of value added through one dollar of investment in machinery and equipment by private firms, and 71 cents of value added through one dollar of spending by households. (Please refer to Table 1)

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<sup>3</sup> Robin Somerville (Centre for the Study of Spatial Economics). "Budget 2012 and the Public Sector's Contribution to Ontario's Economy", Ontario Public Sector Employees Union, April 2012, p. 12.

<sup>4</sup> For an elaboration of the concept and economics of carework, see Valiani, Salimah. "Valuing the Invaluable: Rethinking and respecting caring work in Canada," Ontario Nurses' Association, Research Paper No. 1, May 5,  
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**Table 1. GDP Generated per Dollar of Spending by Entity and Sector**

Entity and Sector	Value Added/GDP (cents per Canadian dollar)
<i>Public Spending</i>	
On health and social services	87
On education	87
On daily government operations	84
On construction activities	71
On machinery and equipment	64
<i>Private Entity Spending</i>	
Private Firms on machinery and equipment	61
Households (in various sectors)	71

Source: "Budget 2012 and the Public Sector's Contribution to Ontario's Economy"; Centre for the Study of Spatial Economics, p. 12.

In summary, in all major sectors but one, public spending adds more to gross domestic product than spending by private entities.<sup>5</sup> But beyond dispelling the myth about the unproductive nature of the public sector, what these calculations underline is the importance of spending by *all entities* – government, firms, and households – in creating economic growth.

Following from this analysis, public sector expenditure cuts – like those passed in Ontario's Budget 2012 and the Putting Students First Act – lead to decreased GDP growth. By 2014, public expenditure cuts will decrease real GDP growth by 0.7 per cent. By 2015, public expenditure cuts will lead to a further fall in GDP of 0.6 per cent. Given that overall GDP growth in North America and much of Europe is expected to be low – around 2 per cent annually in the coming years – this is a significant impact.

More specifically, decreases in GDP caused by the currently unfolding public expenditure cuts will amount to about one half of the growth projected per year for the next few years. Due to the negative impact of such measures on economic growth, the International Monetary Fund declared on May 7, 2012, following the decisively anti-austerity votes cast by citizens in national elections in Greece and France, that indebted countries should reduce their deficits gradually and steadily.<sup>6</sup>

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<sup>5</sup> Ibid. Though not listed here, even in the construction sector, private firm spending is equal in its impact on GDP to public sector spending in the construction sector according to the study author, Robin Somerville.

<sup>6</sup> Canadian Press. "IMF director Lagarde says budget deficit cuts should be 'gradual and steady,' May 7, 2012.

Policy dictates aside, the lived experience of austerity measures is immediate and destructive. Though little discussed in policy debates to date, public sector cuts at the federal level in Canada, unfolding in three waves between 2007 and 2014, are estimated to amount to 7.82 billion CAD by fiscal year 2014, or a total of 60,000 jobs.<sup>7</sup>

## Hidden Financial Benefits of the Public Sector

Another little-discussed and hence, overlooked advantage of the public sector is the financial benefit of public services to individual citizens. This is likely the reason why the effects of federal and other public-sector cuts have been so little debated in public discourse. On average, each citizen or permanent resident of Canada relies on 17,000 CAD worth of public services annually. Health care, education, and personal transfer payments account for approximately 56 per cent of this amount. The rest includes water treatment services, parks, and road maintenance to mention a few.

Given that the median annual household income – or the income of the family in the middle of the income hierarchy in Canada – is 66,000 CAD, public services rendered to households in the middle of the hierarchy are equivalent to 63 per cent of their incomes. For two-thirds of households in Canada, public services are equivalent to 50 per cent of before-tax income.<sup>8</sup> In other words, public services are a crucial supplement to wages and salaries without which the standard of living of the majority of households in Canada would be significantly lower.

Why is such a bargain possible? Through the public sector, individuals are able to pool their resources to create services accessible to all due to the absence of the need to generate a profit from those services. This simple reality is being re-learned the hard way in the United Kingdom (UK), where the building/reconstruction and operation of hospitals and schools has been sub-contracted to private firms since the early 1990s through the Private Finance Initiative.

A report released in February 2012 by the Comptroller and Auditor General of the UK Treasury concludes that taxpayers are paying more than necessary for private investor-led construction

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<sup>7</sup> MacDonald, David. "The Cuts behind the Curtain – How federal cutbacks will slash services and increase unemployment," Canadian Centre for Policy Alternatives, January 23, 2012, p. 5.

<sup>8</sup> Mackenzie, Hugh and Richard Shillington. "Canada's Quiet Bargain – The benefits of public spending," Canadian Centre for Policy Alternatives, April 2009, p. 3. Given that these calculations are based on 2006 data, the value of public services to individuals and households is yet greater today.

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of hospitals and schools.<sup>9</sup> This is due to the fact that through monies provided by the public in the form of taxes, one set of private investors is collecting a profit on the operation and construction of services, and another set is collecting a profit from financing the construction or/and reconstruction of the hospitals or schools (before flipping them to other firms specializing in operating the services). In 84 of the 118 projects audited, investors reported profits equal to or greater than expected, and within those 84, 36 investors reported *significantly greater* than expected returns.<sup>10</sup> In addition, then, to the direct financial benefit of public services to individuals and households, publicly funded, publicly provided services make financial sense for taxpayers as a group.

### **Health care and public sector expenditure cuts**

Considering the economic and financial benefits of public services over the long-term, of all public spending cuts, public health care expenditure cuts in Ontario have the *least impact* on deficit reduction. For every dollar cut from public health care, the deficit is reduced by merely 1.95 CAD. This compares with a deficit reduction of 2.60 CAD for every extra dollar collected by government through the Harmonized Sales Tax, 2.70 CAD in reduced deficit for every extra dollar collected through personal income tax, and 2.25 CAD in reduced deficit for every dollar cut from government spending on daily operations.<sup>11</sup>

Why is the effect on deficit reduction lowest from health care spending cuts in the long-term? In the short term, such cuts lead to a shift of the cost of care from the state ledger books to households and individuals. Primarily for women, this involves investing more time in unpaid carework for family members and others, as well as the adoption of other coping mechanisms. In the medium to long term, however, these coping mechanisms are unsustainable, leading to unmet care needs, increased morbidity, greater demand for health care services, and increased health care costs. An example from a panel study carried out after the first round of major public health care spending cuts in Ontario helps illustrate the point. The study involved four rounds of

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<sup>9</sup> HM Treasury. "Equity investment in privately financed projects," Report of the Comptroller and Auditor General, HC 1792 Session 2010-2012, February 10, 2012, p. 5.

<sup>10</sup> HM Treasury. "Equity investment in privately financed projects," Report of the Comptroller and Auditor General, HC 1792 Session 2010-2012, February 10, 2012, p. 6.

<sup>11</sup> Robin Somerville (Centre for the Study of Spatial Economics). "Budget 2012 and the Public Sector's Contribution to Ontario's Economy," Ontario Public Sector Employees Union, April 2012, p. 16.

in-depth interviews with members of 41 Ontario households over three years – from 1997 to 2000:

...Anne, a mother of four, noted that she had to keep track of 13 different medications along with administering asthma medication through a machine. In addition to managing her children's health-care needs at home, she had to spend the night in hospital with them if one was sick because the staffing levels were insufficient to care for a child overnight. The work done by women both in unpaid caring labour and in formal care work (such as nurses) intensified in response to the emerging crisis in health care in the province.<sup>12</sup>

While Anne's experience demonstrates the intensification of work arising for unpaid careworkers from health care spending cuts, the following statistic demonstrates the work intensification resulting for paid careworkers. Between 1997 and 2008, unpaid overtime for registered nurses (RNs) in Ontario increased from just over 50,000 hours in 1997, to just under 100,000 hours in 2008.<sup>13</sup> Translated into working days, unpaid overtime of Ontario RNs doubled, from 7,142 days to 14,284 days over the 10-year period during which health care spending was first tightly constrained, then severely reduced, then moderately increased. Bringing out the unsustainable nature of this systemic coping mechanism – extracting more unpaid carework from committed RNs – RN absenteeism due to illness and disability more than doubled between 1987 and 2008: from 4.2 per cent of the workforce in 1987, to 8.8 per cent in 2008.<sup>14</sup>

The intensification of nursing work and nurse burnout also have an effect on patient care. A key component of health professional burnout is emotional exhaustion. Emotional as well as cognitive detachment from work are coping mechanisms which may be adopted by health

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<sup>12</sup> Bezanson, Kate. "The Neo-liberal State and Social Reproduction: Gender and Household Insecurity in the Late 1990s." In Bezanson, Kate and Meg Luxton (eds.) *Social Reproduction – Feminist Political Economy Challenges Neo-Liberalism*, Montreal: McGill-Queens University Press, 2006, p. 186.

<sup>13</sup> Lasota, Michell (Infometrica). "Trends in Own Illness or Disability-Related Absenteeism and Overtime among Publicly-Employed Registered Nurses," 2009, Canadian Federation of Nurses' Unions, p. 28.

<sup>14</sup> Lasota, Michell (Infometrica). "Trends in Own Illness or Disability-Related Absenteeism and Overtime among Publicly-Employed Registered Nurses," 2009, Canadian Federation of Nurses' Unions, p. 28.

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professionals facing emotional exhaustion.<sup>15</sup> In turn, associations have been found between illnesses contracted within the hospital, patient-to-nurse ratios, and nurse burnout. A study recently published in the American Journal of Infection Control, for example, based on a survey of 161 hospitals in Pennsylvania – demonstrates an increasing likelihood of urinary tract infection where more patients are added to the average workload of individual nurses. Similarly, the study finds significant associations between nurse burnout and urinary tract infections, and nurse burnout and surgical site infections.<sup>16</sup> In addition to the range of costs of burnout carried by individual nurses, saving on nursing labour costs is a false economy in that it can translate into more hospital-contracted infections for patients, who then require more hospital care.

### Carework: overlooked but crucial

In a perverse way, the tendency to overlook or take for granted the economic and financial benefits of the public sector relates back to the tendency to overlook and undervalue carework. Carework, like public infrastructure, is the backbone of production without which all economic activity would fall flat. Without daily care, a sick worker's return to work is markedly delayed; without regular road maintenance, trade between Canada and the USA would be seriously impaired. At the macro scale, economic growth is significantly reduced when the direct and indirect demand spurred by public spending falls, just as the replenishing of the workforce is impossible without the efforts and sacrifices of women becoming mothers. And looming above and through all of this, without public-sector chemists, biologists and doctors monitoring atmospheric and environmental changes affecting health – as per the spending cuts in federal Budget 2012 – the burden of rising needs falls to health care workers and other care providers.

The overlooking and undervaluing of carework takes shape in a variety of ways, including the work intensification resulting from the 1990s health care spending cuts mentioned in the previous section. A recent study of the Health Council of Canada reports that seniors with high to very high levels of need are receiving 20 to 30 hours of care per week from unpaid caregivers in Canada. Of these caregivers, 30 to 50 per cent report distress and access to respite varies widely.<sup>17</sup> The Health Council underlines “when considering the costs and benefits of supporting

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<sup>15</sup> Maslach, C. 2003. “Job burnout: new directions in research and intervention,” *Current Directions in Psychological Science*, v.12, pp. 189-192.

<sup>16</sup> Cimiotti, Jeannie., Linda Aiken, Douglas Sloane, Evan S. Wu. 2012. “Nurses staffing, burnout, and health care-associated infection,” *American Journal of Infection Control*, v. 40, pp. 486-490.

<sup>17</sup> Health Council of Canada. “Seniors in need, caregivers in distress,” April 2012, p. 33.

caregivers, the consequences of failing to support them should also be considered.” Despite numerous findings like this, what persists in Canada is the inability to implement a systemic solution to what is ultimately the undervaluing and disrespecting of family caregivers and their wards, the elderly and people with disabilities.

Within the realm of paid carework, the overlooking of the professional contribution of RNs in the community is exemplified by the persistent underpaying of Ontario public health nurses. Though performing crucial work preventing illness, reducing future demand for health care services, and requiring specialized knowledge and skills – public health RNs in Ontario earn less than hospital RNs while the skill level is the same. A reader's comment to an online news article about the recent strike of public health nurses and nurse practitioners in Haldimand-Norfolk County illustrates the attitude underlying the differential wage policy, albeit in a crude, extreme manner:

Public health nurses hand out condoms, birth control, test water samples, check Cindy Lou for head lice and bother billys parents cause they incorrectly accused them of not having his measles shot up to date. Common guys. They deserve that 75-94 k a year. All this cause they have a university degree Gosh! If you ask me, the real nurses are at Norfolk General Hospital. They save lives – these guys don't.(sic)<sup>18</sup>

The undervaluing of paid carework takes other forms in the home care and long-term care sectors. Beginning with home care, along with RNs, who are undervalued by the private firms supplying home care through relatively low RN wages, as in the public health sector, personal support workers (PSWs) are undervalued. Fundamental to the work of PSWs is the portability of their services. If PSWs did not deliver services within the homes of individuals in need, their services would be meaningless. Regardless of this, PSWs are not remunerated for the time spent travelling to the homes of clients. Drawing a simple comparison with plumbers and other home maintenance specialists, would it be possible to justify not paying these specialists for travel time as it is possible to justify in the instance of predominantly female workers providing equally important services within the sphere of the home?

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<sup>18</sup> News Centre CD 98.9 FM, “Norfolk County releases last offer made to nurses,” April 30, 2012. Accessed on the worldwide web, May 5, 2012, at <http://cd989.com/2012/04/norfolk-county-releases-last-offer-made-to-the-nurses/>

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In terms of the long-term care sector, a study published in 2003 in the *Journal of Gerontological Nursing* demonstrated that elders in long-term care facilities with higher ratios of nursing care per resident day have, among other benefits, lower urinary tract infection rates, fewer incidents of pressure sores, lower hospital admissions, in addition to lower mortality rates, improved nutritional status, and better physical and cognitive functioning. Despite this finding of almost ten years ago, and other similar findings since, the false economy of scheduling low RN care hours, eliminating RN positions, and underpaying long-term care RNs relative to hospital RNs persists in the majority of long-term care facilities in Ontario.

On May 4 of this year, for instance, the Queens Gardens long-term care residence in the city of Hamilton notified ONA that it is reducing RN care hours by 30.4 per cent. This tendency is likely to be exacerbated given the extremely low level of 1 per cent funding growth for long-term care legislated with the passing of Budget 2012, and given the political choice to provide public funds to private firms to supply long-term care services in Ontario.

Recalling the high profitability of private firms receiving public funds to provide health and education services in the United Kingdom detailed above, private long-term care firms in Ontario have little motivation to provide adequate levels of RN care to residents because of the impact of RN wages on financial returns. Rather than scheduling adequate levels of RN care hours per resident, it is more *efficient* in the calculus of private long-term care facilities to transfer residents requiring complex care to hospitals – or simply not accept elders and people with disabilities requiring complex care as residents from the onset. Though little discussed and unaddressed in current policy debates, this is a major constituting factor in Ontario's long-term care waitlist of 24,000 individuals, as well as in the ongoing use of alternative level of care beds in Ontario hospitals. What this amounts to is healthy, publicly funded profitability for private firms supplying health care services to the least needy, and ongoing cost challenges for underfunded hospitals and other public health care providers serving the most needy.

A close reading of the Commission on Broader Public Sector Reform report and official policy pronouncements since indicates that this model – favourable neither to the public nor to publicly provided health care services – will be formalized and extended beyond the long-term care sector through the Ontario health system reform currently unfolding. Emblematic of this is the August 2012 appointment of Bert Clark as President and Chief Executive Officer of Infrastructure Ontario. From 2008 to 2012, Clark was Managing Director of Scotia Capital's

Global Infrastructure Finance Group. Before joining Scotiabank, he was Senior Vice President of Projects for Infrastructure Ontario, where he established procurement practices for the construction of hospitals, jails, courthouses, roads and information technology projects via public-private partnerships.<sup>19</sup>

## Recommendations

1. Given the multi-layered, false economy of spending cuts in the public sector and public health care in particular, the Ontario Nurses' Association calls on all elected officials and policy makers to replace the orthodoxy of *market efficiency* with a framework of *social efficiency* for health system reform. Social efficiency is the maximizing of public benefit, while market efficiency is the maximizing of profit or/and short-term cost savings.<sup>20</sup> Practical knowledge sharing and collaborative decision-making in the organization of carework is the basis for creating socially efficient health care. Central to this is the active participation of front-line registered nurses and other frontline health care workers in shaping the various elements of the currently unfolding, Ontario Ministry of Health and Long-Term Care Action Plan for Health Care. This includes front-line nurse involvement in identifying measures by which to promote healthy living and the management of chronic diseases (priority one of the Action Plan). Regionally or/and community-specific measures will likely be required for effective prevention and disease management given the diversity of needs in Ontario. Similarly with the Smoke-Free Ontario Strategy, the Healthy Kids Panel, and the Comprehensive Mental Health and Addictions Strategy, community and public health nurses must be integrated as key minds in the creation of plans and programs rather than simply as workers to carry them out.

The outcomes of socially efficient reform will be beneficial to recipients as well as providers of health care services. This differs significantly from market efficient reform guided by short-term calculations and "expert" knowledge contracted from outside of health care delivery settings. The latter approach has and will again lead to apparent

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<sup>19</sup> Infrastructure Ontario. "Infrastructure Ontario Announces New CEO," July 20, 2012, <http://www.infrastructureontario.ca/Templates/News.aspx?id=2147489250>

<sup>20</sup> See Wainwright, Hilary, "Social efficiency: reforming public services in 21<sup>st</sup> century," July 2010, <http://www.tni.org/article/2020-public-service-reform-not-we-know-it>

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2. In the home care, family health care, community, public health, and long-term care sectors, ONA calls for wages and benefits of registered nurses and nurse practitioners to be increased to the level of wages and benefits in hospitals. This is particularly necessary if the Action Plan emphasis on faster access to family health care (priority two), and faster care in the community (priority three) are to achieve the purported goals of reducing demand for hospital care, aging at home, and reducing the impact of mental illness.
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individuals. This tax avoidance has fed into falling public revenue and the underfunding of public services during the past four decades. The Public Services Foundation of Canada estimates that Canadian banks alone avoided paying 16 billion CAD in taxes between 1993 and 2007 through the use of offshore tax havens.<sup>22</sup> ONA calls on the Ontario government as well as the federal government of Canada to disclose the loss of annual public revenue from 1970 to present due to the use of tax havens by all firms, households, and individuals. These figures are known to governments given detailed data reporting required by federal and provincial tax collection agencies. These data quantifying the long-term loss of public revenue at all levels of government rightfully belong in the public domain, thereby allowing for informed public debate.

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7. Finally, given the federal government's recently announced regulation permitting employers to remunerate "high-skilled" temporary migrant workers – National Occupation Classification Categories A, B, and O, including registered nurses – at wage levels of 15 per cent below standard wages, ONA calls for immediate permanent residency and fully on par wages for all RNs entering Canada on temporary work permits to perform RN services. ONA also reissues its May 2011 recommendation that permanent resident status be accorded immediately to all temporary migrant live-in caregivers currently employed in Canada. ONA further recommends that the federal government make available data on how many temporary migrants under the Live-in Caregiver Program are internationally trained nurses.

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<sup>22</sup> Public Services Foundation of Canada, "The Case for Public Services," May 2011, p. 5.