

## The True Cost of Saving Money: Provincial Funding Cuts and Public Sector Workers

Unionized public sector workers play a fundamental role in British Columbia and society as a whole. Workers in education and health make up a large portion of our province's employees, as do the consultants and advisers who facilitate government regulations (Mackinnon & Cumbers, 2007). From lawyers to librarians, the work of these individuals is immeasurably important. They serve the public and many of them live a comfortable life as a result. Unfortunately, the true worth of public sector workers and the services they provide seems to be regularly overlooked when it comes time for the provincial government to assess the budget. This past September, the Richmond Board of Education was told to expect a \$4 million cut to their annual allowance for school repairs and upkeep, which they have been receiving for the last 22 years (Hoekstra, 2009). Maintenance for furnaces, roofs, and insulation all lose out, along with the comfort of students and staff. Funding cuts for Parental Advisory Councils and school sports, among other things, were also foretold. The loss of classroom teachers, field trips, and extracurriculars impacts both the school and the surrounding community (Hoekstra, 2009). Complicating matters further is the fact that these cuts were hastily implemented. Without time to prepare in cases like these, schools and other services can be left scrambling for money. Inefficiency results from situations where workers have to completely readjust. When implementing cuts that have not been carefully assessed, the government risks harming both public sector workers and the public they serve and this harm can be costly. Reductions applied to seemingly expendable sectors can have unforeseeable effects. Considering the typically clumsy execution of government funding cuts and the negative impacts that can result, action taken to save money can very well have the opposite effect.

In economically challenging times, like those we are facing today, it makes sense for the government to reevaluate its spending and reduce expenditures where it can; however, when contrasting the \$580 million that BC residents will be paying for the Vancouver 2010 Olympics with the \$150,000 saved by cutting maintenance for an ice rink in Kitimat, it is easy to question whose best interests these reductions are serving (“Hard not to be”, 2010). The reality is that there is a limited amount of money to go around and that it is up to the government to delegate where it goes (Mackinnon & Cumbers, 2007). Regrettably, many budgets are formulated without adequate research. Documents are drawn up around election time and it takes awhile for true costs to sink in. Our current government refused to acknowledge the economic recession for some time and, since conceding, many decisions have been quickly made without full consideration of the possible repercussions (“Budget”, 2009). Like the Richmond Board of Education, schools in the East Kootney area have been faced with reduced funding. Again, cuts have been primarily aimed at maintenance, in addition to the elimination of several staff positions. In this situation, however, poor planning has actually been deemed dangerous by some, who worry that the region’s accumulating snow could be too much for unmaintained roofs to handle (Lindsay, 2009). In a worst case scenario, measures taken to save money could end up costing everybody a great deal more. In a similar manner, cuts to Shuswap Area Family Emergency Society severely limit the group’s ability to aid women and children who have been subject to violence. This perpetuates a vicious circle, wherein those who are left without aid end up requiring more aid continuously (“Society feeling”, 2009). When looking to save money, there are far greater things than numbers to consider. Public services have been established for a reason and that cannot be forgotten.

Regardless of whether or not it effectively saves money, there can be little contention that a cut to any department hurts the employees that fall beneath it. Job loss is the most obvious result, as shown by Lindsay (2009). After that, the effects grow increasingly complicated and are heavily dependent on the sector in question, though they tend to be talked about enough that some generalizations can be made. With positions eliminated, workplaces are often left with no choice but to restructure. Measures are taken to cut corners. Employees can end up having to move into jobs that they have no desire to do or that they have not been properly prepared for. This can necessitate a period of training and adjustment where no actual work is being accomplished. With their job security now questioned, newer employees may feel their livelihoods are being threatened. For the workplace, this can result in a tense atmosphere and for the government this can cause a drop in the energy young hires typically bring to their sector. Senior staff also face a unique problem, often being urged into early retirement in order to reduce staff numbers. Severance packages notwithstanding, the feeling of being pushed out the door does very little to make them feel appreciated for their years of hard work. Once again, the government loses out. Veteran employees who have been around long enough to experience it all can be considered extremely valuable. Their early retirement means less time for other employees to learn from them. As senior staff leave, the sector, government, and public all miss the chance to benefit from their expertise. In addition to the above impacts, the meetings required to usher in changes must be taken into account. The time spent actually figuring out the new workplace structure competes with productivity and could end up negating the perceived benefits of the initial funding cut.

Indisputably, the public is the most important factor to consider in the budget equation. Unionized public sector services were established for the good of the public and it is the interests

of the public that the government is supposed to concern itself with. As taxpaying citizens, it is their money that is being handled or mishandled. When budget cuts negatively impact public sector workers, the effects are felt by the public as a whole. It is worth mentioning again how they are stuck paying for meetings to reestablish working order and that they miss out on the experience of early retirees, but the severity of the impacts increases from there. Whenever an individual job is lost, there are resounding effects throughout the community. Multiplier effects occur when additional expenditure from a working individual is added to the economy and fuels further job creation (Mackinnon & Cumbers, 2007). Subsequently, employees spend their wages and buy goods and services from other employees, reinforcing the cycle. Funding cuts interrupt this. The potential for increased unemployment rates does little to help an already deflated economy. Instead of a positive cycle of spending, cuts to sensitive services could result in further economic decline. Clients dealing with restructured public services also get the short end of the stick. Where once these employees may have been able to help clients to the best of their ability, time restrictions come about as a result of cuts. When the essentials are all that can be addressed, it is unlikely the public citizen is receiving the service they are paying for. Finally, the issue of future job creation and education arises. A child growing up watching public sector workers around them lose their jobs is unlikely to pursue an education leading to a career in a field they have perceived as unstable. The son of an unsatisfied nurse may very well pick up on his mother's animosity towards the field. Cuts to school funding do not just impact the teachers, but the students who may have been planning to someday become teachers. Regional post-secondary institutions might eventually feel the loss those of students, but more importantly, fields like education and medicine that society needs could see decreased enrollment. It is complexities like this that illustrate the need for careful evaluation of proposed budgets.

The provincial government has been shown to recklessly administer funding cuts to public service jobs, which immediately impacts unionized sector workers before resonating throughout the entire community. Even under careful study, funds taken from a sector that appears to be able to do without might actually be vital for its functionality. Taxes are paid for these services and the public deserves to benefit from them. Poorly administered, funding cuts lead to job loss, stress, and periods of decreased productivity for unionized public sector workers. They can also hurt local economies by lessening multiplier effects, as well as discouraging potential employees from pursuing important fields. For these reasons and more, it can be said that the provincial government needs to use the budget as more than an election platform. Thorough research into the effects cuts may have and the effects those effects may have should be done before they are administered. In some cases, they may find they are better off continuing to provide funding, as opposed to facing the cascade of negative impacts. Sometimes, the cost of saving money can prove to be greater than the cost of spending it.

## References

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