

P.E.I. WORKERS NEED COMPETITIVE WAGES

- The Guardian (Charlottetown)

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I would like to comment on an article by the Fraser Institute (Target wages to save money, Feb. 3). In the article, Ben Eisen and Alex Whalen assert that Prince Edward Island should spend less on wages without compromising the quality of public services. I don't know how closely the Fraser Institute has been following what is happening in Prince Edward Island, and across the country, but their letter seemingly ignores the realities of the labour market.

In P.E.I. we are dealing with a critical shortage of workers and the highest rate of inflation in the country. The job vacancy rate has doubled since before the pandemic to approximately 5 per cent. The Fraser Institute's idea to cut public sector wages in P.E.I., which are already the lowest in the country, is problematic. Filling vacancies means offering competitive wage and benefit packages in both the private and public sectors. Let's face it, we are operating in a labour market driven by inflationary pressures and intense competition to attract and retain talent.

If the Fraser Institute is worried about fiscal prudence and government revenue streams, perhaps they should consider shifting their focus from taking living wages away from workers, to supporting a wealth tax on the richest 1 per cent of Canadians, and a windfall tax on large corporations. A number of Canada's largest corporations made record profits through the pandemic and sent billions of dollars to shareholders and CEOs, while avoiding billions in taxes.

"Canada's largest publicly traded corporations have been profiting from an increasing tax gap that cost governments at least \$30 billion in 2021," according to Canadians for Tax Fairness.

Further, while millions of average Canadians struggled to make ends meet through the pandemic, the rich got richer. The wealth of Canadian billionaires grew by a staggering 51 per cent since the pandemic began (Oxfam International).

This is part of a disturbing trend of incredible wealth accumulation at the very top. We need fair taxation to counter this trend and reign in unprecedented

levels of wealth inequality in our society and ensure that governments have the revenue they need to meet their obligations to Islanders and Canadians.

The Fraser Institute should know that a race to the bottom in terms of wages and government investment in public services and health care is a misguided notion.

Karen Jackson,
President, UPSE