Too little too late? The State of the Canadian Labour Movement Today

By John Peters
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Standing in a crowd of a few thousand auto workers, their families, and union and community allies rallying outside General Motors' Oshawa truck plant in June, I couldn't help but think, "Way too little. Way too ineffective. Probably way too late."

In my more pessimistic moments, I wonder if this isn't true of the situation facing the labour movement as a whole. Canadian labour leaders and activists will need to be proactive and creative in the coming months and years if they hope to avoid the fate of those Oshawa auto workers.

The auto workers' rally followed a valiant two-week blockade by CAW Local 222 of the automaker's head office after GM announced the plant would close, putting 2,600 people out of work. Local union leaders speaking at the rally railed against their double-crossing employer, which just two weeks before had inked a new contract that included wage, benefit and other concessions from the CAW on the promise of new investment in the Oshawa plant.

But despite much tough talk and the well-publicized rally, the union was never able to make the blockade anything more than symbolic. A court injunction filed by GM ended it, and the ordeal left the majority of workers frustrated, bitter, and angry — hardly results that anyone in the labour movement could spin as positive.

Lacking the militancy that empowered auto workers in the past, and now with an all-too-often compliant relationship with employers — in addition to far too few organizing gains in an increasingly non-unionized auto sector — the CAW has lost much of its ability to maintain industry wage standards and has forfeited a good deal of its clout with the big three auto employers; Ford, GM, and Chrysler.

What CAW members are learning the hard way is that their recent embrace of concessions, labour-management co-operation, and political lobbying for subsidies and competitive business supports does not add up to a winning approach for working people.

The CAW's troubles, though, are only symptoms of much bigger problems for organized labour. Throughout North American and Western European labour movements today, unions face an ever-growing list of challenges, from increasing financial globalization and industrial competition, to ever more frequent lay offs in unionized manufacturing, to the expansion of low-wage, non-standard, non-unionized jobs. Unfortunately, the outcome is always the same: organized labour loses the battle. Now, the movement is in serious retreat.

Even if there are small victories — and there are some — unions in Canada and abroad have given up many of their best means for protecting workers. Organizing — the hard work of bringing the benefits of unionization to unrepresented workers — has fallen off the map. Militancy is more often than not spoken of as ancient history. Partnership deals with employers are now regularly sold to members as the only solution. Too often, unions are now using concessions as the default position in their efforts to keep companies from closing workplaces entirely.

As a result, workers perpetually find themselves on the losing end of an economic conflict that sees business reap record profits in boom times while workers feel the pain in times of crisis.

Many things will have to change. But the basic facts are clear: unless unions tack in a different direction and begin making changes to everything — how they organize to the focus of their education programs to how they mobilize politically — rolling defeats like the one in Oshawa will continue to lay the groundwork for even greater losses in the future.

How Bad Is It?

How bad is it? For unions and working people here in Canada, pretty bad. It’s even worse in countries like the United States and Great Britain. Over the past 30 years, the rise of global finance and the spread of shareholder capitalism into ever larger transnational corporations has forced labour into retreat.

Twenty years ago, business used to finance itself from commercial bank loans. Now with governments reforming financial and corporate governance systems, business has taken the bulk of its financing from bond and stock markets — the new “shareholders” in global capitalism.

The results have been disastrous. Focused on driving down costs and maximizing the flow of profits to stockholders, multinational corporations have sought to put the brakes on labour rights, and to push back any and all gains labour made in the post-war period.

International operations like General Motors have used debt to finance takeovers the world over, and then engaged in massive cost-cutting through shutting plants, laying off workers, and cutting wages, all the while opening more non-union operations in cheaper regions around the globe.

Other multinationals such as Mittal Steel, the world’s largest steelmaker, under pressure to meet market expectations for better profits and burdened with heavy financial obligations because of their thirst for global mergers and acquisitions, have sought to restrict union organizing and strikes in many countries or sought to bypass unions altogether, using lay offs, short-term contracts and outsourcing to maximize profit.

Unions have not been able to put up much of a fight. If weighted for size of the workforce across North America and Western Europe, union coverage of workers has declined from some 33 per cent of the workforce in the early 1980s to less than 21 per cent today.

In the U.S. and the U.K., the numbers are even more abysmal. American unions lost more than nine million members over the past 30 years, with union density slipping to 12.5 per cent overall and a measly 7.4 per cent in the private sector. In the U.K., meanwhile, unions saw their numbers decline by over six million and union density fall by almost half to 29 per cent over the past 25 years. In both countries organizing is at a standstill, with certification of new workers at less than 20 per cent of the number required even for unions to maintain their current numbers.

In Canada, while officially unions do not appear to be in a similar crisis, the situation is far from rosy. The loss of hundreds of thousands of unionized manufacturing jobs, along with manufacturing restructuring, lay offs and outsourcing, has driven private-sector union density over the past few years to Depression-era lows of 15 per cent — less than half of the 34 per cent reached in the early 1970s.

In auto manufacturing, primary metals, forestry, and textiles, plant closures and workforce reductions have ravaged unionized workplaces. In Ontario, the manufacturing sector eliminated 32,000 jobs this past July alone. Since November 2002, a total of 375,000 manufacturing jobs have disappeared, the majority in unionized manufacturing.

If not for organized labour's public-sector expansion in Ontario, Quebec, Alberta and British Columbia, the prospects for organized labour in Canada would appear even more dismal, as unionized jobs in education, health, and social services jobs accounted for close to 70 per cent of all growth in the unionized workforce over the past decade.

Unsurprisingly, as organized labour has lost ground, working people have seen their economic fortunes decline as well. Today in Canada, 51 per cent of workers are either in non-standard jobs or in low-paid full-time jobs.

The majority of immigrants today earn less than a third of what most white workers make, and most Statistics Canada estimates of "low income" status (i.e. serious poverty and really bad jobs) for recent immigrants exceed 40 per cent. Young workers face similar obstacles. In 2005 in Ontario, for instance, 94 per cent of all jobs for workers between the age of 15 and 24 paid less than $20,000 annually and 90 per cent of jobs for young workers were part-time, temporary, or non-standard.
