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PRESENTATION / PRÉSENTATION

Forum on Labour and the Economic Crisis: Can the Union Movement Rise to the Occasion?

Introduction

Jim Stanford

MANY LABOUR ACTIVISTS and socialists no doubt felt mixed emotions as an over-leveraged, irresponsible, and morally bankrupt global financial system slipped into crisis. On one hand, at last the workers' movement had a glorious opportunity to expose the failings of the current order and step up the fight for alternatives. On the other hand, it is equally clear that workers and their organizations will face fearsome attacks as employers and governments lash out at anything that restrains their efforts to resolve the crisis on their own terms. The crisis, therefore, presents the labour movement with an enormous opportunity, but also with enormous threats.

The central tenets of neoliberalism are clearly more vulnerable to fundamental critique today than at any time since the emergence of this new order nearly three decades ago. Obviously this is true of the tough-love financial policies which have been a hallmark of neoliberalism from the beginning. Just a year or two ago there was a pompous conviction in mainstream economics¹ that a "new consensus" had emerged in financial and monetary policy, according to which central banks should rigorously target the rate of inflation, and all other problems of macroeconomics (unemployment, inflation, and economic cycles) would then be solved. This view was the economic equivalent of Francis Fukuyama's infamous claim about the "end of history" – arrogant, premature, and unfounded. Now it suddenly lies in shambles. Far from ushering

1. Stated most famously by John B. Taylor, "Teaching Modern Macroeconomics at the Principles Level," *American Economic Review*, 90(2) (May 2000), 90–94.

Jim Stanford *et al.*, "Forum on Labour and the Economic Crisis: Can the Union Movement Rise to the Occasion?," *Labour/Le Travail*, 64 (Fall 2009), 135–172.

in financial stability and protecting the real value of wealth (which was a central motivation for neoliberalism in the first place), the practice of globalized financialization has destroyed wealth at an unparalleled pace and left the whole economic system staggering.

Other key planks of the neoliberal platform are also vulnerable, not just its monetary and financial vision:

Privatization: Most obviously in finance, but in other sectors too, it turns out that the private sector does not always know best. Public-private partnerships, the latest and most manipulative incarnation of privatization, have been stopped in their tracks by the freezing up of private credit. More by default than by design, privatizing governments around the world have suddenly reversed course to take major public ownership positions, in everything from banks to auto manufacturers.

Globalization: World trade is collapsing (falling by as much as one-third during the crisis). This is not due to long-feared "protectionism." Rather, it reflects the workings of free markets themselves (and the crisis they created in incomes and demand). The supposed gains in efficiency from global trade liberalization have been dwarfed by the much larger negative effects of macro-economic contraction on spending and hence trade. (In economists' lexicon, "Okun's gaps are much larger than Haberger's triangles.") One symbol captures fittingly the legacy of globalization: how bizarre that the financial system (and then the government) of Iceland should collapse as the ultimate result of the meltdown in real estate prices in Florida. Far from inevitable or efficient, globalization has proven both uncontrollable and irrational.

Fiscal Policy: In mainstream circles it was universally accepted until this year that fiscal policy was no longer suitable as a counter-cyclical measure, and that governments should focus on balancing their budgets. Now it is clear that fiscal stimulus is essential at moments of crisis (when monetary policy becomes ineffective due to frozen credit and ultra-pessimistic expectations), and that large budget deficits are appropriate to counter uncertainty and collapsing demand. Moreover, the fact that tight-fisted governments paid off so much debt in the past decade merely intensified the desperation of financial investors to seek more elaborate (and, in retrospect, risky) outlets for their portfolios. It would have been better for all concerned if there had been a lot more good old-fashioned government bonds around, to stabilize portfolios and absorb market volatility.

So there is clearly plenty of intellectual and political scope, in the wake of the crisis and its myriad of policy and political contradictions, to go on the offensive against the business-dominated framework which has governed most of world capitalism since the late 1970s – and which has contributed to so much

human hardship since then. In this regard, the present spectacular failure of neoliberalism presents the labour movement (and the left more generally) with an historic opportunity to challenge the long-term direction of the system.

At the same time, however, there are immense threats and risks in the present moment. While crisis and breakdown open opportunities for discrediting the status quo, we cannot underestimate the determination of elites within the present order not just to defend its main features, but to actually take advantage of a moment of crisis (even one of their *own* making) to push for the deepening and extension of neoliberalism. In this way, workers face a dual threat from the current crisis. First, they are exposed to the immediate economic and social costs of the recession itself: lost jobs, lost incomes, lost homes, and in many cases lost lives. Second, and more lastingly, workers face the risk that this moment could actually lead to structural changes that further disempower workers and their organizations. In other words, far from conceding that there was anything wrong with the recipe they have been following, neoliberal governments and their advocates will seize on the fear, confusion, and divisions caused by the crisis, as predicted by Klein,² to push for even more market-oriented measures – including more attacks on unions and collective bargaining. Unions will be hard-pressed to push back those regressive attacks, let alone to make forward progress in reforming or dismantling some of neoliberalism's worst features in light of its obvious failure.

Perhaps this is how to explain the strange juxtaposition whereby the labour movement possesses a wonderful opportunity to put the guardians of neoliberalism on the defensive for their failures, yet it is unions themselves (not financial speculators) facing the most intense attacks and public disapproval. Consider two recent instances in which Canadian unions were scapegoated for economic problems that they clearly did not cause: the attacks on auto-workers unleashed during the bankruptcy restructuring of General Motors and Chrysler, and the attacks on municipal workers in Windsor and Toronto launched by municipal governments (who invoked budgetary pressures resulting from the broader economic decline to justify their demands for concessions). The unions in both cases were merely trying to hang onto previously-negotiated compensation in the face of the crisis; it was employer and government demands for concessions that sparked the respective confrontations, not union demands for "more." Yet it was the unions vilified as barriers to change, protectors of narrow special interests, and even – in wilder commentaries – as the very source of economic decline in the first place. Most worrying, this anti-union scapegoating clearly found resonance amidst a majority segment of the wider public.

Collective bargaining, of course, is never a popularity contest, and there is nothing new in the attempts of employers and governments to finger-point at unions, nor in the public expression of broader anti-union sentiment. It is a

2. Naomi Klein, *The Shock Doctrine: The Rise of Disaster Capitalism* (New York 2007).

central job of unions to "hold the line" on their past gains during tough times (and, indeed, by doing so they play an essential macroeconomic function, by forestalling a downward cycle of wage and price deflation during severe crises³). Anti-union commentators will exploit inequality between different groups of workers (resulting from the uneven coverage and progress of collective bargaining), pitting worker against worker, in an effort to undermine the power of unionism in general. This leads to arguments like "Why should Tim Horton's workers subsidize, through their taxes, the bail-out of autoworkers who make more than twice what they do?" or "Why should Tim Horton's workers pay, through their taxes, for the sick days of municipal workers?" Yet how would Tim Horton's workers, slaving away for barely minimum wage, possibly benefit from crushing the unions that have made gains in *other* sectors of the economy (like the auto industry or the public sector)? That would make the prospects of improving their own wages and conditions (whether through unionization, or through broader policies like higher minimum wages) even more remote. Nevertheless, the intensity of the anti-union onslaught has been daunting, and is reason for a careful examination by labour activists of our position, our strategies, and our messaging. Our activities (from bargaining to campaigning) must be consistently oriented in favour of a vision of the universal rights and interests of workers – rather than focused on the particular interests of our own members.

There is a broader sense in which the labour movement's response to the economic crisis has been lacking. Unions from coast to coast, and in all sectors of the economy, have engaged in specific struggles to defend their members and their contracts. Some of those struggles have been heroic; many have been successful. But the union movement as a whole has not yet been able to use the moment of this crisis to mobilize a broader and more sustained critique of the crisis, its causes, and its effects on working people. We thus risk missing an opportunity to put the system as a whole on defensive. Instead of understanding the crisis as the predictable and preventable result of neoliberal market-driven policies, workers come to understand the crisis as a largely random, negative event – one which naturally imposes costs on everyone (including workers who had nothing to do with causing it). If we limit our actions to largely defensive battles over specific contract provisions or specific workplaces, we miss the chance to connect the dots – for the benefit of our members and the broader public. Then, instead of debating whether or not the financial industry should be allowed to maintain the practices which caused the meltdown in the first place, we end up debating whether civic workers should really be entitled to 18 days of sick pay per year or whether autoworkers really deserve semi-private rooms when they are in the hospital.

The labour movement needs to project that the many risks facing workers'

well-being and economic security stem from a common set of structures, relationships, and practices embedded within this highly privatized, deregulated vision of capitalism. And we need to show that the labour movement can rise to the occasion: inspiring hope and confidence, mobilizing activism, and showing that we can win key battles – both in defense of what we've won in the past, and making new progress overcoming problems that workers faced even before the financial crisis.

In other countries, the labour and progressive movements have responded to the global crisis more actively, collectively, and vociferously. Protests and campaigns to defend existing services and programs, and demand more progressive responses to the effects of the crisis, have made an impact in France, Ireland, Korea, and elsewhere. In Canada so far our movement's response has been less determined, more sporadic, and more defensive.

This has not been for lack of trying. Very tough strikes have been fought – from woodworkers in BC to municipal workers in Ontario. Specific issues have been tackled energetically – such as the Canada-wide campaign to force the minority Harper government to fix the broken Employment Insurance system. Major events have been organized – like the CAW's rally in March for pension protections, the largest labour protest in Ontario in a decade. Labour centrals (the Canadian Labour Congress and the provincial federations) have made some efforts to mobilize broader, multi-union campaigns, but to date those efforts (with a few exceptions) have been inadequate. A more generalized and cohesive fightback against the crisis – one that identifies its causes, rejects attacks on workers, and defines and fights for alternatives (both incremental and more far-reaching) is required. Without it, unions will remain preoccupied with fighting individual, defensive battles. And the broader ideological and cultural terrain will be ceded, allowing knee-jerk anti-union sentiments to fester and become broadly accepted as "common-sense wisdom."

Nine Concrete Ideas for Strengthening Labour's Fightback

Many left commentators and analysts have analyzed the economic crisis, identifying both the threats and the opportunities that it presents to the labour movement and other progressive forces. More broadly, there is a growing and valuable literature on "union renewal," which identifies some of the best-practices that successful unions can develop and wield in an increasingly challenging legal and political environment.⁴ This literature identifies

4. See for example, Peter Fairbrother and Charlotte Yates, eds., *Unions in Renewal* (New York 2003); Larry Haiven, Stéphane Le Queux, Christian Lévesque, and Gregor Murray, "Union Renewal Amid the Global Restructuring of Work Relationships," *Just Labour*, 6–7 (2005), 23–36; Pradeep Kumar and Gregor Murray, "Canadian Union Strategies in the Context of Change," *Labor Studies Journal*, 26(4) (Winter 2002), 1–28; Pradeep Kumar and Chris Schenk, eds., *Paths to Union Renewal* (Peterborough 2006); Craig Phelan, ed., *Trade Union Revitalisation: Trends and Prospects in 34 Countries* (Oxford 2007).

3. Marc Lavoie, "The Perverse Effects of Declining Wages," mimeo, Department of Economics, University of Ottawa (July 2009).

several important, wide-ranging challenges the labour movement must tackle in order to expand its reach, enhance its effectiveness, and modernize its practices. These suggestions are well-placed, and stem in some cases from the analysis sketched out above.

For example, an obvious and essential response to the efforts by employers and governments to isolate unions as "special interests" is to position our demands and campaigns as fighting for the interests of all working people, not just union members. In defining and mobilizing around specific issues, therefore, those issues must be carefully designed to spark the interest of broader communities of workers: lower-wage as well as higher-wage, unorganized as well as organized. Making the movement's structures and campaigns more diverse and inclusive, so that we represent the whole working class (including workers of colour, women, new Canadians, and informal and precarious workers – all of whom face more intense and precarious forms of exploitation), is another no-brainer. This is easier promised than successfully implemented, however, and despite important progress that has been made, unions need to allocate more attention, resources, and creativity to ensure we are as inclusive and representative as we must be. Unions have to continue to integrate and wield new technological opportunities into their work, including the use of internet-based communication tools to educate and organize our members.

All these broader discussions about union renewal are important. What we aim to provide with this special forum of commentaries, however, is something different. This forum features a series of short, practical reports and statements from writers with a personal involvement in recent labour struggles. Together they identify some immediate priorities which the labour movement needs to quickly address, in order for our collective response to the economic crisis to be adequate and effective. And each contribution is illustrated with a *specific, real-world example* of how those priorities can in fact be achieved: stories of specific campaigns, issues, and strategies which have borne fruit, and which the whole movement can learn from. This makes for a less abstract, more hands-on approach that we hope will be useful to labour activists confronting the daunting economic and political conditions of this moment.

The nine contributions we have assembled are short and accessible, and hence do not require a formal summary in this introduction. But a listing of the central themes of these commentaries (and their respective authors) is helpful. Every one of the authors has personal experience with labour organizing and campaigning, and a hopeful, progressive vision of what the movement can and should become. Their short-list of issues and case-studies thus constitutes, in a condensed way, a "to-do list" for the labour movement: what we must do if we are to make the most of the opportunities presented by the crisis, and protect ourselves and our members against its dangers.

Priority #1 (Fred Wilson): Draw a Line in the Sand to Defend Past Gains. Workers can't make historical progress if our standards rise and fall back with

every wave in the broader economy. That's why it's as crucial for unions to hang onto past gains in hard times, as it is to make forward progress in better times. Both, when achieved, are victories. Moreover, defending the core features of existing contracts against demands for concessions can ignite the passion and solidarity that are the ultimate source of union power. Fred Wilson tells the story of one heroic struggle against concessions by Newfoundland pulp workers.

Priority #2 (Marcy Cohen): Demand More From the System, Not Less, Despite the Crisis. Unions can't limit themselves to defensive battles, however. In the spirit of the adage, "The best defense is a good offense," we also need to place new demands on the system to address the unsatisfied needs and wants of our members and other working people. We need to prove, in other words, that the system wasn't adequately meeting human needs even before the financial meltdown. This will counteract the temptation (encouraged by those who want to stop change) to simply wait for a "recovery" in financial markets and the overall economy – without addressing the economy's deeper failures. Marcy Cohen positions the "living wage" campaign in this category, as a demand (with broad appeal) that puts the system on the defensive for its failures, rather than unions.

Priority #3 (Lana Payne): Set Winnable Goals, and Mobilize to Win Them. We are confronting a multi-faceted neoliberal agenda. How do we inspire people to fight against something so all-encompassing and complex? Clearly we must break the problem down into incremental, "bite-sized" pieces: identifying specific, concrete goals that motivate our supporters into action, and that can be feasibly won. At the same time, of course, we need to make the connections between issues, to show that our challenge comes from a system, not just from one or two bad policies. Lana Payne shows how the fight to improve EI could be the lightning rod for workers' anger over the insecurity they face as a result of the crisis – and how that fight could actually be won in the months ahead.

Priority #4 (Kristin Schwartz): Build Cross-Sectoral Alliances to Win Things for ALL Workers. As discussed above, to prevent from being isolated as a special interest group, the labour movement must position itself firmly as part of a broader coalition of forces fighting for measures that will be universally enhancing. This will require breaking out of traditional ways of organizing: getting to know other communities and forces, building trust and relationships, respecting the diversity of opinion and interests that must be present if our campaigns will have the power to win. Kristin Schwartz reports on the diverse alliance-building that was a crucial factor in the successful Ontario campaign to boost the minimum wage to \$10 per hour.

Priority #5 (Gil Levine): *Rebuild Active Solidarity Within the Labour Movement (Especially Between Private-Sector and Public-Sector Workers)*. Unions, despite their differences, have a deep common interest in defending their members against scapegoating and concessions. Public sector and private sector unions will both confront powerful attempts to roll back past gains and blame workers and their unions for the crisis and its consequences. So unions must work more closely and actively together (through direct partnerships, and through central labour bodies) to buttress our respective capacities to resist and fight back. Gil Levine lists several current examples of ways in which a spirit of solidarity-in-action can replace the cynicism and sectarianism that has characterized much labour movement politics in recent years.

Priority #6 (Bill Saunders): *Political-Economy Training for Labour Leaders and Activists*. Labour movement activists and leaders need their own "story line," to explain to workers why the crisis occurred, why concessions won't solve the problem, and what alternatives we can fight for. This requires us to deconstruct the vague, trite idea that "These are tough times, and everyone must tighten their belts." Instead, we must explain exactly what caused this crisis – and will cause the next one, too, unless the rules of the game are changed. Bill Saunders reports on a successful economic literacy program launched by the Vancouver and District Labour Council, that could be a model for similar efforts by other unions and labour councils.

Priority #7 (John Cartwright): *Build a Multi-Racial and Inclusive Labour Movement*. It is well-established that racialized workers (including new Canadians and aboriginal communities) are now the source of all net labour force growth in Canada. The labour movement must therefore dramatically strengthen its roots in those racialized communities, or face gradual isolation from these workers who both desperately need union representation, and who will constitute an eventual majority of the working class. John Cartwright describes the innovative efforts of the Toronto and York Region Labour Council to build a genuinely multi-racial coalition for workers' rights.

Priority #8 (Winnie Ng): *Integrate Unemployed Workers (Union and Non-Union) into the Fightback*. Organizing the swelling ranks of the unemployed is an essential, if challenging, dimension of the labour movement's response to the recession. Workers without jobs face the most immediate and painful costs from the downturn; most of them lack union representation, not to mention decent access to EI and other supports. Winnie Ng describes the remarkable efforts of non-union plastics workers in Toronto who fought back against their sudden job loss, and the theft of \$30 million in owed compensation. Through this fightback, victims were transformed into activists, and the labour movement earned considerable credibility for its role.

Priority #9 (Bryan Palmer): *Build a Socialist Left, Inside and Outside of the Unions*. While it is unlikely that this recession will be as deep or long-lasting, there are nevertheless similarities between the current crisis and the Great Depression of the 1930s. And labour activists, confronting the pessimism and defensive struggles around us, can be inspired by knowledge that the labour movement came out of the 1930s (a much worse downturn) stronger than it went in. This required the workers' movement to successfully innovate with new ways of organizing and mobilizing (including, most importantly, the rise of industrial unionism). However, labour historian Bryan Palmer cautions there are crucial differences between the present juncture and the 1930s. One of the most important is the absence of an independent socialist consciousness among labour activists. That ideology could help to strengthen links across unions, and expand the capacities of the movement to place blame for the crisis on the structures of the economic system (rather than on workers themselves). Some socialists in Canada have been highly critical of what they see as the incrementalism, reformism, and economism of Canadian unions in recent years; yet these weaknesses may reflect more on the failure of socialism (to build a visible and cohesive base within the labour movement), rather than a failure of unionism. In any event, it is clear that the labour movement would be stronger if both the economic system, and unions themselves, were to be challenged more vociferously by the analysis and demands that arise from a broader socialist perspective.

Economic Crisis, Union Density, and Union Organizing

One of the central challenges facing unions today is not directly addressed by the foregoing short-list of priorities, and that is the increasingly urgent need to boost new member organizing and reverse the decline in unionization. Union density has declined in Canada's private sector throughout the neoliberal era, and unions now represent well under one in five private sector workers. This erosion of union power has been partly offset by continued membership strength in the public sector (where density has held steady at around 70 percent). Canada has experienced a smaller decline in unionization (despite the many initiatives implemented under neoliberalism to restrict and roll back collective bargaining) than most other developed countries – especially the US. But overall union density is still eroding here.⁵ And this poses obvious threats to the long-run economic and political power of the labour movement.

5. Ironically, the unionization rate tends to *increase* slightly during a recession, as private-sector jobs (which are much less heavily unionized) are lost more quickly than public-sector jobs. This is a temporary cyclical phenomenon, however. The more important longer-run impact of the crisis on unionization rates will depend on whether employers are able to take advantage of the crisis to further attack the organizational (and ideological) basis of unions, or whether the labour movement can seize on the crisis to expose the failures of the free-market model and rebuild its power and credibility.

Virtually every union recognizes the historic importance of organizing, and has allocated more resources and leadership attention to that priority. So far, however, the results have been cautionary. Construction is the only private-sector industry in which union membership has held its own in the past decade. This reflects, in part, the prevalence of alternative voluntary-recognition and dispute-settlement strategies, as well as the unions' success in winning a crucial change in labour law in Ontario (where card-check certification was restored for the construction sector). Elsewhere, increased union organizing efforts have run into a wall of ruthless, sophisticated employer opposition, unfriendly labour laws, and doubt among many non-union workers about whether a union would make any difference anyway.

In the US, turning the tide of deunionization will necessarily constitute a central plank in the labour movement's response to the economic crisis. Indeed, the coming debate there over the Obama Administration's labour law reforms (embodied in the proposed *Employee Free Choice Act*, which would restore card-based certification procedures and provide opportunity for first-contract arbitration) will be central to the labour movement's future there. The parallel to Wagner Act labour reforms, introduced in the middle of the last Great Depression, is immediate, although it is doubtful that Obama's proposals (even if enacted, despite the current no-holds-barred counter-offensive from employers and business lobbyists) would spark the same resurgence of union organizing as occurred in the 1930s.⁶ In Canada, fighting for similar changes in labour law (including protecting and expanding card-based certification measures) should surely be a central focus for the movement's political efforts. (Removing card-check certification was one of the first acts of the new hard-right provincial government in Saskatchewan – just as doing the same was the first priority for the Mike Harris government in Ontario after it was elected in 1995.) Where those political efforts have been successful (as with the reintroduction of card-check provisions in Ontario's construction industry), the benefits for union membership are obvious. So far, however, the required focus to mount a meaningful battle for labour law reform has been absent from the Canadian labour movement.

On the other hand, it is also obvious that labour law reforms alone would

6. There is an interesting Canadian dimension to the US debate over the Employee Free Choice Act. US business lobbyists have attempted to invoke the Canadian experience to warn of the "dangers" of excessive unionization, citing in particular a contracted study (Anne Layne-Farrar, "An Empirical Assessment of the Employee Free Choice Act: The Economic Implications," *LECG Consulting*, March 2009, ssrn.com/abstract=1353305), which purports to prove that higher Canadian unionization rates have caused higher unemployment here. This is especially ironic in light of the fact that Canadian labour market indicators are considerably stronger than those in the US – despite a collective bargaining coverage rate that is more than twice as high. US business scare-mongering about Canadian labour law is reminiscent of similarly misleading attacks by health industry lobbyists there on the Canadian Medicare system. The Centre for Research on Work and Society at York University has organized a response to these false claims from Canadian labour market scholars; see www.yorku.ca/crws.

not be sufficient to ensure the success of union organizing efforts.⁷ A revival of a broader culture of expectation among working people in Canada, whereby they come to demand more from the system than they are currently receiving, will be a precondition for a broader revival of support for forming unions and fighting for a better deal in the workplace. One of the greatest successes of neoliberalism has been the clawing back of popular expectations that the economic system "owes" anything to workers, replaced by the acceptance of an individualism in which "you get what you get." Overcoming this general cultural view, and re-legitimizing the notion that every worker is entitled to a secure job with decent pay and decent security, will be an essential precondition for an upsurge in successful union organizing.

"Perhaps the most important thing unions can do to rejuvenate their organizing possibilities is to contribute to building a wider oppositional movement and hence facilitate a change in the broader social climate. In other words, perhaps it is only in the context of a movement that extends beyond unions, but includes unions that are participating in, if not leading, struggles against every kind of oppression and every attack on the quality of our lives, that we can really anticipate the long-sought explosion of workers organizing themselves into unions."⁸

In this regard, the challenge of union organizing is fully coincident with the other priorities identified earlier in this article: for the labour movement to develop and propagate an alternative analysis of why this crisis occurred; to show that it wasn't workers' fault; to show that labour concessions cannot solve the crisis; to hold accountable those (like the financiers) whose actions did cause the problems we face; and to fight for policies both to address the harm caused by the crisis and to prevent the next one. If the labour movement can do these things, we'll show workers that fighting back makes a difference – and their interest in joining that fightback, including by forming unions in their own workplaces, will be boosted accordingly.

The labour movement in Canada, like most countries, has been on the defensive against neoliberal policies for a quarter-century. This economic crisis could spark an historical reversal of that painful trend. For this to happen, unions must seize on the failures of the neoliberal model, proving to workers (unionized and non-unionized) that their economic future and security are jeopardized by a system governed by the unregulated pursuit of private profit, and showing them that collective bargaining (and collective action more generally) is the only way to protect themselves. On the other hand, if unions respond passively and defensively to the stepped-up attacks that are coming (launched, with no shame, by those who caused the crisis in the first place),

7. Roy Adams makes this point in "The Employee Free Choice Act: A Skeptical View and Alternative," *Labor Studies Journal*, 31(4) (Winter 2007) 1–14.

8. Sam Gindin and Jim Stanford, "Canadian Labour and the Political Economy of Transformation," in Wallace Clement and Leah E. Vosko, eds., *Changing Canada: The Political Economy of Transformation* (Montreal 2003), 433. Emphasis in original.

then the present downturn will only cement the longer-term erosion and weakening of the labour movement. Whether we come out of this crisis stronger (as occurred in the 1930s) or weaker, therefore, depends on the response that we are able to mount.

Holding the Line in the Canadian Pulp and Paper Industry

Priority #1: Draw a Line in the Sand to Defend Past Gains

Fred Wilson

AMIDST THE ECONOMIC crisis of 2009 and the loss of tens of thousands of manufacturing jobs, one key strategic challenge for Canadian labour is how to hold the line and protect the fundamental standards and rights in collective agreements. In the weighing of risks, union leaderships are more than aware that either losing a collective bargaining struggle, or failing to rise to the challenge of a struggle, can result in more than a bad contract. Even worse, these defeats can dramatically change the rules of the whole game for the worse. In particular, industry and pattern-bargaining regimes that increase and protect standards for large groups of workers can be undermined or broken.

Strategic leadership has never been more important. In my experience, the leadership we need involves several features. First, a clear basis of unity and set of principles that allows members to make choices – often difficult, painful choices. Unions must also have organization that gives a concrete form to solidarity. And leadership must ensure that resources are in place to allow unions to take on a fight to the finish, and to finish it.

It is hard to imagine a group of workers more besieged by globalization and the economic crisis of 2009 than Canadian pulp and paper workers. In the past two years, about a quarter of their industry has been closed. Their goals today are certainly defensive, but, in my view, highly strategic. They are making choices, organizing, and struggling to hold the line.

In October 2008 at the national convention of their union (the CEP), President Dave Coles set out the choice that the union had made. "When this battered industry emerges from this dark period, our ranks will be smaller – they already are. But our pensions, our standard of living and our pattern bargaining systems will be intact."

The pulp and paper industry in Canada has highly centralized bargaining with two pattern systems, a western pattern and an eastern pattern. The two patterns follow each other on key issues like wages and term.

Workers in Eastern Canada from 100 local unions and about 50 mills come together in a caucus which develops a common bargaining agenda and selects

the pattern company. The caucus has a rich tradition of solidarity, and in 1998 it won a fifteen week strike against Abitibi Consolidated over the sole issue of group bargaining. In that dispute, the caucus began a "supplementary strike fund" that in three labour disputes to defend the pattern since 2005 has provided \$18 million of extra strike pay for workers (paid through weekly deductions directly from the working members in the caucus).

In November of 2006, the caucus faced a major test. Abitibi Consolidated had convinced the local unions at its Belgo, Quebec mill to open their agreement and give concessions that broke the pattern. The caucus met immediately to resolve that this breach would not be repeated and they developed new guidelines for crisis negotiations when mills faced imminent closure. They agreed that local efficiencies and short term cost relief could be negotiated, but the terms of the industry agreement could not be compromised. Six months later, the company underscored the point that breaking the pattern would not save jobs, when it closed the Belgo mill despite the concessions. Many painful decisions have been made while mills have closed in 2008 and 2009, but no local unions have since agreed to fruitlessly try to "save the mill" by breaking the pattern.

In the case of Grand Falls, Newfoundland, workers were forced in 2008 to vote on demands from AbitibiBowater to eliminate about half the jobs in the mill and to allow contracting out of all "non-core" work. Knowing fully the stakes, the membership voted twice by overwhelming margins to refuse the concessions, and in December 2008 the company announced that this mill would close also. Soon after, the province seized the company's timber rights and hydro dams, provoking a high profile dispute and the threat of a NAFTA case against the province. By refusing to absorb the effects of the crisis through concessions in their contract, the Grand Falls workers forced the pressure in other directions – in this case sparking a startling change in political direction.

The Grand Falls decisions seemed to indicate that members have accepted that bargaining backwards won't ultimately change the economic fundamentals that result in a decision to close a mill. Nor did they believe that the survivors left after the cuts would have a very viable future. In short, they were psychologically ready to tell the company to do what it would do.

The union has been forced to reaffirm its choices repeatedly in crisis bargaining. In April 2008, AbitibiBowater asked the union to open bargaining a year early and to give wage and pension concessions. The union signaled that a cost-neutral agreement was possible, but not concessions, and the early negotiations failed. By the start of 2009, the economic crisis had hit and the company then asked the union for a "roll-over" agreement, similar to the one it walked away from in 2008, but which would now forfeit a wage increase pattern that had been set in the interim in western Canada. The CEP caucus met and, in spite of growing fear of bankruptcy at AbitibiBowater, told the

company that it would not agree to a roll-over that would break the western pattern.

In the countdown to the expiry of the industry agreements on May 1, 2009, the drama surrounding AbitibiBowater's attempt to refinance debt at the risk of bankruptcy has once again raised the stakes. In a bankruptcy-driven restructuring, should the union then roll back wages and benefits at some mills? Would it be any more likely in that situation that concessions could save jobs?

The CEP's paper industry caucus has made a choice to hold the line and, to this point, they have not crossed that line. The caucus is convinced that if separate deals to save mills undercut their industry agreement, not only wages and benefits, but the overall pattern bargaining system and the caucus itself will be undermined.

Dave Coles' prediction that the union's paper caucus will be smaller when it emerges from the crisis is certain. But if it does so with pattern bargaining intact and without sacrificing its basic wages and benefits, tens of thousands of pensioners and the next generation of workers will owe these union leaders a great debt. By holding the line on our existing standards, defensive struggles against concessions – even if they involve plant closures and job losses – will be historically important in both preserving the value of our movement's past gains, and in demonstrating concretely that workers will not pay (through concessions) for a crisis they did not create.

Pushing the Envelope: Defining and Fighting for a Living Wage

Priority #2: Demand More From the System, Not Less, Despite the Crisis

Marcy Cohen

Families who work for low wages face impossible choices – buy food or heat the house, feed the children or pay the rent. The result can be spiraling debt, constant anxiety and long term health problems. In many cases it means that the adults in the family are working long hours often at two or three jobs just to pay for basic necessities. They have little time to spend with their family, much less to help their children with their school work or participate in community activities.⁹

THESE WORDS APPEAR in the introduction to a recent report from the BC branch of the Canadian Centre for Policy Alternatives calling on private and public sector employers in Vancouver and Victoria to pay their direct and con-

tract employees a "living wage." The living wage initiative differs in a number of ways from the labour movement's traditional demand to increase the minimum wage. The minimum wage sets a statutory minimum below which the wages of an individual cannot legally fall. The living wage, on the other hand, addresses the adequacy of wages. It focuses on the basic economic needs of families, and is directly tied to the actual cost of living in any given community.

In BC, as in the rest of Canada, the majority of families are falling behind compared to a generation ago.¹⁰ They are working longer hours and yet find it harder to make ends met. With the economic downturn, this situation can only get worse. Organizing in support of the living wage concept provides a way for unions to build alliances with community partners – in contrast to employers and government, who will try to manage the economic crisis by limiting the earning power of low-wage families.

We know, based on a growing body of evidence, that children from low-income families are less likely to do well at school, have lower literacy levels, and are more likely as adults to suffer from job insecurity, underemployment, and poor health.¹¹ Ensuring that families with children have a living wage is therefore a sound, far-sighted public policy.

The principles underlying the living wage build on the work of Harry Arthurs, who recently reviewed the Canadian federal labour standards. He argues that no matter how limited the bargaining power of a worker, "no worker and by implication their family should receive a wage that is insufficient to live on... or be required to work so many hours that he or she is effectively denied a personal or civil life."¹²

The living wage is defined as a wage sufficient for working families to pay for basic necessities, support the healthy development of their children, and participate fully in their communities without experiencing undue stress. A living wage is calculated with reference to families with young children. But the intent is to ensure that the wage level is adequate to support families throughout their life cycle. The living wage concept is relevant even to families without children – so that young people, for example, are not discouraged from having children, and older workers are able to support a family member with chronic ailment or disability.

In the CCPA report, therefore, the calculation of the living wage is based on a family with two parents and two young children, with both parents working full-time and year-round. We recognize, of course, that there is a diversity of

10. Armine Yalnizyan, *The Rich and the Rest of Us: The Changing Face of Canada's Growing Gap*, Canadian Centre for Policy Alternatives (Ottawa 2007), 3.

11. Health Officers Council of British Columbia, *Submission on Child Poverty to the British Columbia Conversation on Health* (Vancouver 2007), 4.

12. Harry Arthurs, *Fairness at Work: Federal Labour Standards for the 21st Century*, Human Resources Development Canada (Quebec 2006), 47.

9. Tim Richards, Marcy Cohen, Seth Klein, and Deborah Littman, *Working for a Living Wage 2008. Making Paid Work Meet Basic Family Needs in Vancouver and Victoria*, Canadian Centre for Policy Alternatives (Vancouver 2008), 6.

family forms. Making ends meet will be even harder for families with only one wage-earner, or for families with more than two children, or families facing other special needs (such as disabilities or elder care needs). The two-parent two-child household is just a prototype, that allows a certain economic standard to be defined, but we must never forget that different families will have different needs.

The living wage must provide for necessities like housing, food, clothing, child care, and transportation expenses. But it does not include money for saving for a down payment on a house, making debt payments, or saving for retirement. Amounts set aside for recreation, education, vacations, and emergencies are minimal. In other words, the living wage provides only for a very modest, bare-bones budget, lacking many of the features of life that many Canadians take for granted. For Vancouver in 2008 the living wage was \$16.74, and for Victoria it was \$16.39. A similar report was published by the CCPA to estimate a living wage for Toronto, which was set at \$16.60 for 2008.¹³ In each case, the living wage is the wage *each* of the two parents would have to earn, working full-time for the whole year, to support their family at the basic standard of living specified in the report. For those experiencing temporary, seasonal, or precarious employment, even a living wage won't allow them to meet the minimal living standard (since one or both of the parents won't have enough hours of work to reach the required income).

Public service provision has a tremendous impact on the level of the living wage. After all, many of the components of necessary family consumption depend in whole or part on services provided by governments – including health care, education, public transit, and child care. The more extensive and universal these public services are, the less individuals have to pay for those things, and hence the lower the level of private income that must be attained (through employment) for the family to adequately support itself. Similarly, tax and transfer policies (such as the Canadian Child Tax Benefit) also affect the level of income that must be generated through employment for a family to reach the minimum living standard. This dimension of the living wage analysis provides an important opportunity to explain how strengthening public programs is as important as winning higher wages for enhancing the living standards of working families.

The idea of the “living wage” is relatively new in Canada, but in the US more than 120 cities have passed living wage ordinances (requiring public contractors to meet that minimum standard in their own hiring). Similarly, in Britain many leading public and private sector employers pay living wages to both their direct and contract employers. For example, in London the Greater London Authority is a living wage employer, and as the host of the 2012

Summer Olympics, the city has agreed to pay everyone working at the site the London living wage.

In a time of economic hardship, fighting to define and promote the concept of a living wage is more important than ever. We can highlight the social costs that result from poverty among working families. By the same token, we can point to the fiscal savings to government that will result when those social costs are avoided, thanks to decent living standards among working families. We can also emphasize the benefits of better pay for local economies. It is well known that low-income families spend most of their money locally, on the necessities of life (rather than on foreign travel and imported luxuries). Every dollar put into the pocket of a low-wage worker multiplies as it circulates among local businesses and services. And businesses that have agreed to pay living wages report higher productivity and reduced turnover among their workers.¹⁴

In BC (and in Ontario), the living wage was defined at a level that is roughly twice as high as the legal minimum wage. It may seem audacious to demand, in essence, a *doubling* of the minimum standard that we expect workers to be able to earn. But this is both a legitimate demand, and a strategically important one, for the labour movement to advance. The living wage demand pushes the envelope, which is crucial at a time when many workers (and their unions) are likely to feel naturally defensive. Through living wage campaigns, we can highlight that wages for a very large share of workers in our economy are not enough for a family to support itself at a very basic standard of living – even with two parents working full-time, full-year. (Barely more than half of employed Canadians earn a “living wage,” by the standard defined in the CCPE studies.) We must challenge governments to address this fundamental failure of the labour market (by increasing the statutory minimum wage; by supporting collective bargaining; and by expanding the provision of social programs and services which, as noted above, supplement the living standards of working families). We must also challenge employers, by demanding that they pay living wages to their workers. That demand has an extra degree of moral credibility when it is backed up by a concrete, item-by-item description of the cost of running a household and raising a family.

For example, the living wage was a key bargaining demand in the April 2009 contract talks between the Hospital Employees Union (HEU) and the three multinational service providers (Sodexo, Aramark, and Compass) that have been contracted by regional health authorities to provide cleaning and food services in hospitals in the greater Victoria and Vancouver regions. Although these workers – mostly immigrant and visible minority women with children – have little traditional bargaining power (they are considered an essential service and hence have no right to strike), the union did succeed in negotiating increases that will be bring these workers very close to the living wage in just

13. Hugh Mackenzie and Jim Stanford, *A Living Wage for Toronto*, Canadian Centre for Policy Alternatives (Ottawa 2008).

14. Tim Richards *et al.*, 39–40.

over two years. The demand that these companies pay a living wage, backed up by careful, community-specific research that defines that standard, was a powerful tool in the NEU's successful campaign. The victory would not have been possible without a systematic educational and organizing campaign that connected union members with community partners (such as child poverty and faith based groups, teachers, municipal councils, etc.), and provided the union with many opportunities to talk with health authorities, MLAs, and the public about the link between low wages, high turnover, and poor cleaning standards in hospital.

Even in non-union settings, the living wage can be a powerful rallying point. In Vancouver, anti-poverty advocates have begun targeting employers (including municipal government, private companies, and high-profile non-profits like the VanCity Credit Union) to meet the "living wage" challenge in their own employment practices.

It is often said that the best defense is a good offense. The labour movement must point out that even *before* the onset of the current crisis, millions of working Canadians did not earn enough from their jobs to cover the basic necessities of life and community participation. The living wage initiative is an example of what can be achieved, even in a challenging economic climate, when unions work with the broader community around an issue that touches so many – the daily struggle of so many Canadian families to pay their basic bills.

Employment Insurance: Liberal Design, but Harper's Downfall?

Priority #3: Set Winnable Goals, and Mobilize to Win Them

Lana Payne

IT IS A STRANGE SORT of irony; some might call it hypocrisy. But then politics is full of such happenings.

Canada's lean-and-mean Employment Insurance system is the product of painful changes implemented largely under a Liberal federal government in the 1990s. Yet now it is a Conservative government facing intense pressure – from the labour movement and all three opposition parties (*including* the Liberals) – to undo some of those painful changes, or else potentially face being turfed from office. But this is more than just another story of political duplicity. It is a story of how fighting back makes a difference, of how years of patient educating and organizing can pay off, finally, in the potential to win incremental, but important reforms. And in this context, the EI struggle has a

much broader significance: it is a parable of how workers *can* win change, by picking winnable goals and then fighting effectively to attain them.

In the 1990s, the federal Liberals "reformed" Canada's social safety net. A key piece of this reform was dramatic and wholesale changes to the country's Unemployment Insurance system. And in 1996, Unemployment Insurance became Employment Insurance.

The essence of those changes was to make it tougher to qualify for smaller benefits. At the same time, the federal government raked in billions and billions of dollars in what were now Employment Insurance premiums. Since 1996 a cumulative total of over \$50 billion collected in premiums were not spent in benefits for those who are supposed to get them: the unemployed, the sick, or new parents.

Instead, these EI premiums (paid by working Canadians and their employers) were transferred into general government revenues and used to fight the deficit, reduce the debt, and to hand out billions in corporate tax cuts. It is no wonder that the labour movement has said that the deficit and the debt have been fought on the backs of the unemployed and disproportionately on the backs of unemployed women – because they have been.

In addition to slashing benefits, the government also cut premiums substantially over the past dozen years – with employers benefiting significantly from smaller contributions while the unemployed continued to suffer.

The new qualifying rules meant many could not access benefits – especially women. Just four in ten unemployed Canadians collect regular benefits. And those benefits have not kept pace with inflation. (In fact, the maximum weekly benefit was reduced in 1996 and then frozen for 11 consecutive years until 2007.) The almost 60 percent of unemployed people not receiving benefits include those who actually qualified for EI, but whose benefits have run out even though they are still looking for work. Benefit duration is much shorter than in previous recessions.

The labour movement has carried out a sustained campaign to strengthen EI, beginning with the debates over EI "reforms" in the early 1990s, but continuing since then. That campaign, during stronger economic times, resulted in many improvements to the program (especially for those living in high unemployment regions of the country). It also resulted in an expanded parental leave program. This ongoing labour campaign required systematic efforts to educate union members and activists about EI issues, mobilize political pressure, and take advantage of openings to win incremental improvements in the program. These openings appeared from time to time, thanks to the shifting political landscape – especially with the onset of repeated minority governments since 2004.

This sustained educational and political building – combined, unfortunately, with the onset of the worst recession in six decades – laid the groundwork for what we are seeing today: a near consensus that the EI system is deeply flawed, and a historic opportunity to win significant changes. These changes will be

important not only because of their direct significance to the quality of life of unemployed people, but also as an example of how working people can win by organizing themselves and fighting back.

From labour leaders to premiers, from bank economists to workers and even some CEOs, the call to help the unemployed and provide much needed economic stimulus by fixing EI has been loud and clear. It appears now that only the Harper government is in disagreement.

At time of writing, it was an open question whether Prime Minister Stephen Harper and his ruling Conservatives would bend to pressure – applied both by the growing campaign led by the labour movement, and by efforts of the three opposition parties, which (on this issue, at least) were united in their efforts. It was also an open question whether the opposition Liberals would stick to their guns on this issue, or bargain it away as part of their broader political positioning. Another key factor in the upsurge of demands to fix EI has been the sense of betrayal, even rage, among individuals who paid into the system yet suddenly found that the system wasn't there for them when they needed it. That rage is both legitimate and powerful.

The current recession has highlighted the deep failings of the EI program, indeed plastering them on the front pages of newspapers. But despite its flaws, Canada's employment insurance system is an important economic stabilizer for communities and the economy, and it remains a critical part of our nation's social safety net – a social safety net that has seen better days. Incremental improvements to the EI program, including the following, would substantially strengthen that net:

- reducing to 360 the hours to qualify for all benefits no matter where you live
- increasing the benefit rate to at least 60 percent of a worker's best 12 weeks of earnings, and hiking the maximum weekly benefit from the current \$447
- providing an additional year of "special extension" if national unemployment exceeds 6.5 percent, paid for from general revenues
- eliminating the two-week waiting period
- stopping the allocation of severance pay

Canada's unemployment insurance program was created nearly 70 years ago because of a fightback campaign led by the unemployed, workers, and their unions. We still have an unemployment insurance program today, despite decades of attacks, thanks only to sustained efforts by the labour movement. The program would be a lot worse than it is were it not for unions. Indeed, it is doubtful we'd have much of a program at all were it not for our many years of struggle and activism.

This global financial and economic crisis has presented progressive forces with an opportunity to promote a different vision of our world – including a world that does not abandon the unemployed, but rather protects them and

their families from the poverty they would otherwise experience without a just income replacement system.

It is ironic, to say the least, to see Liberals threatening to bring down a Conservative government refusing to undo painful changes in the EI system which the Liberals themselves introduced over a decade earlier. But these days, victories of any kind – and this one would be a big one – are crucial for the labour movement, showing our members and activists that change is indeed possible. In that context, a victory on EI would be testimony to years of careful, consistent struggle – not just to a Liberal change of mind.

The Successful Campaign for a \$10 Minimum Wage

Priority #4: Build Cross-Sectoral Alliances to Win Things for ALL Workers

Kristin Schwartz

THE DAILY GRIND OF WORKING for poverty wages is usually ignored or taken for granted by people with more privilege. But in Ontario in 2007, an energetic grass-roots campaign to raise the minimum wage to \$10 per hour brought the plight of low-waged workers to the front pages of newspapers, and even to the corridors of power. Initiated by the Toronto and York Region Labour Council, the campaign roused a sleeping giant in communities and workplaces across the province. Tens of thousands of ordinary people signed on to the demand. Faced with mounting public pressure and possible losses at the ballot box, the ruling Liberal provincial government committed to raising the minimum wage from \$8 to \$10.25 by 2010, a 28 per cent increase over three years.

A core strength of the campaign was its clear message: "\$10 Now!" Anti-poverty activists had been calling for a \$10 minimum wage as far back as 2000, and the clamour grew through the 2003 election, when the widely reviled Conservative government was defeated. The Tories had frozen the minimum wage for eight long years as part of their overall attack on low-income communities. But once in power, the Liberals did little to repair the damage done under Tory rule. As the gap between rich and poor continued to widen, urgency to address the issue mounted. Under the banner of "A Million Reasons," the Labour Council took up the ambitious goal of improving incomes for the one million Toronto workers who earn low wages – including the hundreds of thousands who are paid at or near the minimum wage.

By late 2006 the Labour Council recognized that a precious political opportunity existed to score a concrete victory. NDP MPP Cheri DiNovo introduced a private member's bill to immediately raise the minimum wage to \$10 per hour, with regular increases indexed to inflation. Unexpectedly, her bill passed first reading. When the *Toronto Star* editorial board came out in favour of the bill, it was clear that the measure had some support even among the political and

economic elite. But DiNovo herself was aware that her bill would accomplish little without popular mobilization. "The only way to affect a majority government is by a grassroots campaign that frightens the politicians enough that they think twice about not doing something," she said. The Labour Council took up the challenge and launched its campaign in early 2007.

Crucially, the strategy to win the \$10 minimum wage involved both organized labour and community organizations. Retail sector locals in the Canadian Auto Workers and the United Food and Commercial Workers committed staff time to mobilize their own membership, with the result that thousands signed the campaign's petition cards. Meanwhile, the Labour Council built on established relationships with community organizations to host a series of Town Hall meetings in low-income neighborhoods across Toronto. Hundreds of residents participated. There were tears and anger as people described their struggles to stay ahead of bill collectors, or to spend time with their families while holding down two or three jobs. At each Town Hall, the panel discussion on the issues of low-wage work and poverty was followed by small-group strategy sessions on how to actually *win* a \$10 minimum wage. "It's a way of organizing where you don't have three or four experts and the rest are listeners and learners," said Labour Council organizer Judy Persad. "We're all experts in what is happening in our lives. And it showed people they are not alone."

Workers of colour are overrepresented at the bottom of the pay scale, and under-represented among decision-makers. Creating opportunities for workers of colour to take leadership on the \$10 campaign was critical to the campaign, which featured the Labour Council's first Chinese-language press conference and a Chinese community Town Hall. At the Town Hall meetings, many spoke of their encounters with racism and discrimination on the job. "There's a glass ceiling when it comes to new immigrants," said René Adams, a single mother of two from South Africa who spoke at one Town Hall. "People are sold a bill of goods. They think they are coming here to good jobs and work in their field. They find that's not the case."

The energy of these meetings was translated into direct political pressure when participants signed petition cards and the Labour Council made sure that letters were sent to their MPPs through an innovative web-based system. Individual MPPs were hearing from hundreds of their constituents that the issue mattered to them. More dramatically, in a February by-election the Liberals lost a historically safe seat to NDP candidate Paul Ferreira, whose campaign was focused on the minimum wage issue. This was an ominous warning to the Liberals, coming just months before the October provincial election.

Clearly shaken, the Liberals responded. Two days after the by-election, Finance Minister Greg Sorbara proclaimed "Poverty is my issue." And six weeks later the Liberals endorsed the \$10 target for the minimum wage, phased in over three years. Once it's phased in, Ontario will have the highest minimum wage in Canada.

The success of this campaign put a little more money in low-waged workers' pockets. Perhaps more importantly in the long-run, for many the campaign provided a rare experience of speaking out and being heard. Organized labour positioned itself as taking up the issues of predominantly non-unionized workers, their families, and communities. Community-based activists learned the potential of coordinating their activist efforts with the interventions of supportive politicians. For the Labour Council and its many allies and partners, these accomplishments heightened optimism, confidence, and solidarity. And that laid the foundation for our future work together in the movement for economic and social justice.

Private-Sector and Public-Sector Workers are in this Together

Priority #5: Rebuild Active Solidarity Within the Labour Movement

Gil Levine

IN SOME WAYS, PRIVATE-SECTOR and public-sector union members almost seem to inhabit two different worlds. Unionization in the public sector is close to 80 per cent, and has held steady over the last two decades. In the private sector, unionization has been eroding, and is now below 20 per cent. The battles fought by public sector workers are just as tough as those in the private sector, to be sure – as demonstrated by the vicious attacks on public sector workers that have recently been unleashed. But so far the brunt of the economic crisis has hit private-sector unionists first, especially in hard-hit sectors like manufacturing and forestry: hundreds of thousands of jobs have been lost, and private-sector unions face incredible pressure for concessions.

So in the wake of the current economic crisis and the intensification of attacks on unions from both employers and governments, it seems obvious that public-sector and private-sector workers are ultimately in the same boat – and they badly need each other, if they are to keep that boat afloat. There is a glaring need to rebuild active solidarity between public and private sector unions, as the labour movement confronts the effects of the crisis, fights to preserve past gains, and strives to shore up its organizational and political power.

All Canadian workers, both public and private, are being hammered by the economic crisis. Public sector workers may have been somewhat shielded from the first effects of the recession. This is certainly true in terms of employment (which has continued to expand in the public sector, in contrast to massive job losses in private businesses), pensions (where most public sector workers still enjoy defined benefit plans, a benefit which is under siege in the private sector),

and a few other areas. But this will change, and soon. Public sector employers will inevitably use looming deficits as the excuse to attack collective agreements and dismantle workers' rights that have taken decades to establish. The anti-concessions struggles by civic workers in Windsor and Toronto are clearly just the beginning of more vicious fights to come, as deficits swell and opportunistic politicians try to turn public frustration against public sector unions.

Fewer good jobs in the private sector (in manufacturing and other higher-wage sectors) mean fewer tax dollars. That puts increased pressure on the job security of public sector workers and the quality of the services that they are able to provide. So public sector workers have a direct interest in the preservation of well-paying industries in the private sector. In other words, public sector workers will not be able to remain in a protected zone. In their own interests, they will have to engage directly in the economic struggles of their brothers and sisters in the private sector.

This need for all unions to work together was well put by Paul Moist, National President of the Canadian Union of Public Employees, when he told a recent CAW conference that "the labour movement cannot be split; no Canadian Labour Congress affiliate can afford to isolate itself from the rest of the movement. Your support for Medicare and other public services is critical. Our support for good manufacturing jobs is also critical."

As the economic crisis unfolded and trade unionists recognized the severity of the economic and political threats facing our movement, there have been positive signs of improved cooperation between public and private sector union leaders. Paul Moist has spoken to conventions of the CAW, the Communications, Energy, and Paperworkers Union (CEP) and others. In turn, Ken Lewenza, CAW president, has spoken at the CUPE Ontario convention and is slated in the fall of 2009 to speak to the CUPE National Convention. In this modest way, each union becomes more aware of the issues facing other unions. While this is a healthy development at the leadership level, much more emphasis needs to be placed on building solidarity, shared activity, and exchange at the local level. This solidarity needs to encompass union-specific collective bargaining and strike struggles, as well as broader social and political campaigns.

For example, there have been some encouraging examples of public and private sector unions sharing facilities in political election campaigns. Recent municipal election campaigns in Vancouver, Ottawa, Toronto, and elsewhere highlighted the common interest between public sector and private sector unions in electing more progressive candidates. Labour councils in these cities shared facilities and mobilized members to elect progressives, both for the obvious benefit of the municipal employees in each city, but also for the well-being of the community at large.

Another timely issue to stimulate closer cooperation between public and private sector unions is the matter of public procurement, and efforts to ensure that major government purchases are directed to made-in-Canada, preferably

unionized suppliers. For example, Canada Post plans to further motorize its letter carrier operations. There would seem to be a perfect match between the needs of this Crown Corporation (which plans to purchase approximately 5,000 new light vehicles in coming years) and the needs of Canadian auto workers (who are being laid off because of weak vehicle sales).

Given Canada Post's and the federal government's record, these new vehicles might well be imported from outside Canada. Accordingly, the Canadian Union of Postal Workers and the CAW issued a joint statement in the spring of 2009 calling on Canada Post to ensure that the new trucks be made by unionized Canadian workers. The joint statement made the more general point that the loss of good-paying manufacturing jobs has a ripple effect on other sectors of the economy -- including the public sector through the loss of tax revenues from the auto and related industries.

The logic of mutual benefit in this issue is obvious and compelling: auto-workers see a public institution actively supporting the hard-pressed Canadian manufacturing base, while postal workers fight for their employer to put something back into the communities they serve. Most important of all, both unions get to know each other better, fight for common goals, and build solidarity in action. We need more examples of this common cause in practice.

Other efforts at cooperation are being made at the local level. A major and lengthy strike by CUPE members against the City of Windsor, which demanded huge concessions from its civic workers, received strong support from the Windsor Labour Council and the CAW. Meanwhile, joint public and private sector rallies have been held in St. Catharines, Kitchener, Belleville, Oshawa, Moncton and other cities. A rally for laid-off Stelco workers in Hamilton drew 2,000 people, including many public employees. Similarly, a CEP rally of several thousand on Parliament Hill in support of forestry jobs, pensions, and better board support from across the board. In another recent strike by CUPE school board workers in London, Ontario, retirees from both the Steelworkers and the CAW joined CUPE members on the picket line. With the ranks of retirees growing faster than the regular work force, organizing and mobilizing retirees will play an increasingly important role in our political and economic battles.

To its credit, the Canadian Labour Congress has tried to become significantly more active in mobilizing members of affiliated unions in joint campaigns around political and economic issues. This marks a hopeful change from the inactivity and divisiveness of recent years, when the movement's leaders seemed more concerned with inter-union rivalries than with building the potential of the working class movement to fight for change. But the structure of the CLC (constrained by the need for virtual unanimity from affiliated leaderships, before being able to undertake meaningful mobilizations) and its limited resources still restrict the effectiveness of its campaigns.

In any economic crisis, workers and their unions have a fundamental choice: to cave in to inaction, or to fight back. Labour history has shown that labour unions can be most capable of fighting for workers' rights when the

going gets toughest. Even in the midst of the Great Depression of the 1930s, when both unemployment and political repression were more severe, workers organized and made wage gains. Successful past struggles (such as the Days of Action campaign against the Mike Harris government in Ontario in the 1990s) showed that mobilizing public sector and private sector workers, arm in arm, is not only possible – it is essential.

So this recession, with all of its negative impact on workers, provides new opportunities. Workers may be more receptive to come together and fight back. But no single local or union can do it by itself. To be successful, a fight-back campaign will require strong coalitions between private and public sector unions, together with our community allies and social partners.

Workers Need their own Story Line

Priority #6: Political-Economy Training for Labour Leaders and Activists

Bill Saunders

CAPITALISM HAS DISCREDITED itself and by any measure should be on the defensive today. Its proponents made many promises that now seem very hollow if not totally false. They claimed that if the private sector took over almost every aspect of our economic life and ran it according to the logic of profit, then efficiency would improve and living standards would rise. Supposedly we would all be better off. Finance, housing, transportation, manufacturing: all parts of our economy were subjected to this "private-sector-is-better" recipe.

How have they done? Not well at all, as is obvious from the state of the world around us. Clearly, other alternatives need to be developed and proposed.

Thus the current crisis presents an opportunity for labour, as well as a challenge. But to make the most of this opportunity (and to make sure it is the system on the defensive – not us), we need to educate ourselves, our leaders, and our activists. The labour movement needs to focus on economic alternatives that work for the average working Canadian. We need to bring this discussion about alternatives into the rank and file membership of our unions and into our communities. And in order to do that we will have to increase our level of economic literacy, so that we are confident proposing alternatives and are not fooled by the false solutions that will be offered up in the coming debate.

In short, workers need their own story line. We need our own story to tell about what caused this crisis and about its likely effects and consequences. We need to be able to reject the claims that workers somehow are responsible (through our wages or our pensions), or that governments somehow caused it (through taxes and publicly run programs). We need to defend ourselves

against the attacks that are coming at us and to arm ourselves to fight for better alternatives.

That's why I believe that systematic efforts to train our leaders and activists in economic literacy, broader political-economic analysis, and skills should be a crucial movement-building priority for labour right now.

Teaching economics to trade unionists is a hard sell, I admit. Their eyes tend to glaze over when you bring up the subject. We've been led to believe that it's too technical or abstract or just plain boring and that only the "experts" can hope to understand it. We are also very busy with all the pressing tasks of defending our members' interests every day, and often feel we don't have the time to focus on expanding our longer-term capacities.

Many also think, frankly, that economics is simply *wrong*. Most trade unionists have been told too often by one biased economist or another that they must tighten their belts, that they must accept less, or that things that seem to make perfect sense (like building homes for homeless people) just aren't economically feasible. They've come to see economics as a barrier to social progress, rather than as a tool we can pick up and use for our own purposes.

But those economists weren't working for us, of course. They were working for the other side. Economics is not neutral. There are a lot of different ways to organize economic life, not just one.

It's not enough to simply explain to our own people the specific mechanics of this particular crisis (the failures of sub-prime lending, the resulting cascade of financial failures and business collapses that produced an unprecedented global recession). Yes, we need to understand all that. We also need to understand that this crisis is just one specific example of a much deeper problem. It was produced by a set of policies and relationships (market forces) that will cause the same problem again if we don't change the rules of the game. Otherwise people will be tempted to just hunker down, to wait it out in the hope that things get better. That won't be enough.

Naomi Klein explains in *The Shock Doctrine* how ruling elites take advantage of moments of popular fear and confusion to force painful changes that people wouldn't otherwise tolerate. That's exactly what will happen again if we are not ready to push back with our own analysis of what happened, why it happened, and what we can do about it.

The Vancouver and District Labour Council recently undertook one initiative in this area of developing popular economic literacy that was important and successful. In January, we hosted a weekend-long conference on the economic crisis and some possible alternatives (co-sponsored by the BC Canadian Centre for Policy Alternatives). It featured a keynote talk by Jim Stanford on his book *Economics for Everyone*; two panel discussions on what the crisis meant for BC and how labour could fight back. We left plenty of time for audience input and dialogue. We attracted 150 rank-and-file labour activists and other progressives to that event.

Then we followed up with a twelve-week structured reading group in

economic literacy for trade unionists and other activists. We used Stanford's book as a guide, but went far beyond it – with additional topics, reading material, and guest speakers.

By the end of our course we had 30 confident, capable activists who felt a lot better about taking on economic debates and talking to their co-workers and neighbours about economic issues and alternatives.

As one participant put it, "I've been waiting to have this conversation for 20 years."

That alone won't change the world, of course. But if we do more of it, we'll be better prepared ourselves to help change the world. Our participants found the discussion both interesting and useful. Indeed workers take to it instinctually. After all, when they realize what real economics is actually about – their daily lives – they understand that they already know a lot about it.

I think of political-economy training as a kind of "road map" for labour activists and socialists. Like any map, we need it for three things: to figure out where we are, where we want to go, and how to get there. I would like to see all unions, local labour councils and labour centrals step up their efforts on this front. We need to equip our leadership and activist base with a stronger critique of the current situation, and to arm them as citizens with a better understanding of the alternatives we can and must be fighting to win.

Organizing in a Global City

Priority #7: Build a Multi-Racial and Inclusive Labour Movement

John Cartwright

Since the First Nations gave Toronto the name 'a gathering place' the city and region have been the destination of choice for generations of immigrants, who come with their skills and dreams of making a better life for themselves and their families. While many found those dreams fulfilled, opportunity and prosperity were never fully shared.

Many factors contributed to our quality of life: active government engagement; a strong industrial base with middle income union jobs; a well-funded education system; cohesive public services and social programs; the struggles of women, immigrants, and racialized communities for equality; the dedication of community activists for social justice; and a deep desire for environmental sustainability. However, the growth of inequality and environmental degradation challenges us all.

THESE WORDS INTRODUCE the *Declaration on Good Jobs for All*, endorsed by one thousand participants at an extraordinary and diverse gathering: the Good Jobs Summit in Toronto in November 2008. The Declaration, like the Summit itself, was the product of months of planning and consultation. Thousands of activists were engaged in an extensive pre-Summit dialogue about the need for good jobs – both today and for the next generation.

The process of bringing together one of the most multi-racial gatherings of labour and community activists in Canadian history did not happen by chance. It is one part of a long journey undertaken by labour and social justice movements in Toronto. While "social unionism" is practised in cities and towns across the country, in Toronto it is the equity focus that makes this journey unique. To do otherwise would be to ignore the multi-racial reality of the working class in Canada's largest urban centre.

Individually and collectively, activists and leaders at all levels have worked for inclusion and equity, and to build solid links in the diverse communities across greater Toronto. Going back many decades, workers of colour led the fight against racism and discrimination. That was never easy, and there were disappointments and hard lessons as well as victories along the way.

Starting in 2003 the annual Aboriginal/Workers of Colour Conferences (sponsored by the Toronto and York Region Labour Council) have created a space that is crucial in connecting activists of colour, and linking local struggles with global efforts for social justice. The first one called for recording the legacy of labour's anti-racist work. The creation of that – a booklet and video *Breaking Barriers, Linking Struggles* – has been an important educational tool for the entire movement.

Then, with the 2005 release of its longer-run strategy document, "A Million Reasons to Take Action," the Labour Council made it clear that it saw its mandate as helping to raise the standards of one million workers in the region, mostly non-union, whose work was underpaid and undervalued. That served as a framework for specific campaigns in varied sectors – hotel workers, manufacturing, and social services. In each of those efforts, new lessons were learned, particularly about organizing among immigrant and newcomer communities. And new relationships, and new bonds of solidarity, were carefully built and nurtured between unions, anti-poverty and community groups, and a constellation of neighbourhood and ethnic organizations.

Some of those fights, such as the "Made In Canada Matters" struggle around government procurement, defended traditional high-wage union jobs. But other struggles, like the fight for a \$10 minimum wage (described elsewhere in this forum by Kristin Schwartz), also showed that labour is willing and able to fight for more than just its own members. That campaign, in essence, constituted "political bargaining": demanding, in the political arena, a substantial increase in wages for the hundreds of thousands of Toronto-area workers who toil at, or near, the minimum wage. The campaign featured extensive grassroots organizing – town hall meetings in ten low-income neighbourhoods, a mass petition campaign, and movement building combined with formal election work.

In the wake of these ongoing efforts to prepare the ground, when the Labour Council then invited 30 organizations to plan a summit on good jobs, the response was immediate and positive. Each group had its own substantial base of supporters, and a proven ability to mobilize. Each group also had an interest

in something more than just a one-day event. The outreach for the Summit involved presentations and discussions in scores of meetings, and a dozen different languages. The *Declaration on Good Jobs for All* evolved from those interactions, and went through numerous amendments.

The Summit was held on 22 November 2008. People who had never been in the same room before exchanged ideas and shared a determination to work together for a society that we could all be proud of. Presenters posed hard questions, and workshops buzzed. In the closing, Summit co-ordinator Judy Vashti Persad captured the spirit of the day with one word – magic.

The Good Jobs for All Coalition has continued to develop – planning joint campaigns and supporting each other's efforts. The Coalition is holding rallies to fight for improvements in Employment Insurance, supporting new regulations on temp agency work, demanding investment in social infrastructure, and advocating for a green economy with good local jobs. This coalition will no doubt face many challenges. But it represents an authentic expression of the changing working class in Toronto, and just may become a new model of community/labour organizing in the 21st century.

The demographic reality is that the clear majority of the future working class will come from communities of immigrants, aboriginal, and racialized workers. The labour movement must root itself, authentically and powerfully, in these communities if we are to have a base that is able to defend past gains and fight for new victories.

PMP Stands for "Politimize, Mobilize, and Power"

Priority #8: Integrate Unemployed Workers (Union and Non-Union) into the Fightback

Winnie Ng

ON JUNE 30, 2008, Progressive Moulded Products (PMP, the largest employer in Vaughan, Ont.) filed for bankruptcy protection and closed its eleven facilities. The company closed up shop owing its 2400 workers a total of over \$30 million in severance and termination pay. Ninety per cent of these non-union workers were born outside of Canada. The realization that they were used, abused, and now tossed aside like scrap metal, ironically on the Canada Day long weekend, completely shattered their notion of Canada as a society that upholds fairness and human rights. The resulting shock and sense of betrayal inspired the workers to stage a sixteen-day round-the-clock blockade to stop the company from removing heavy machinery from the main plant.

For these workers, predominantly workers of colour, turning rage into collective action and resistance was an extraordinary act of defiance. Their strength, courage, and sense of justice captured the support, respect, and

imagination of the labour movement in Toronto. Other unions organized a two-week solidarity picket involving activists from various unions marching alongside the former PMP workers; this solidarity action exemplified the essence of community and social justice unionism.

The CAW stepped forward to act as a sponsoring organization with the provincial government, in order to establish the PMP Workers' Action Centre to provide support services to the unemployed PMP workers. Fa Lim, one of leaders of the blockade and now the Centre's internal coordinator, aptly describes the CAW's action as akin to "offering us a lifeline when we were drowning."

The Action Centre has been warmly embraced by the PMP workers as their "second home". The Centre is grounded in the principle that workers who are going through job loss themselves are the most appropriate persons to provide support and assistance to their fellow workers. The Centre has become not just a source of practical assistance and support (for job search, referrals, and more). It has become, more importantly, an organizing base where victims of plant closure are transformed into social change activists. Over 60 workers have volunteered as peer helpers or committee members. From assisting their former co-workers (over 1900) to file for severance and termination pay claims, to mobilizing them to march in the leading contingent of last year's Toronto Labour Day Parade, these activists have applied the same intensity and generosity of spirit they demonstrated on the picket line to the day-to-day running of the Centre.

For many, it has been a journey of recovery and transformation. They have found their own voices, participated in rallies, and gained the confidence to speak up. As a result, more stories of past workplace discrimination have emerged. In as much as this transition has been a period of grieving over their lost jobs and their sense of workplace community, it has also been a healing process of asserting their own continuing presence as workers with rights, dignity, and voice.

This has also been a politicizing process for many of the PMP workers, as they experience the injustice of federal bankruptcy law which places them at the bottom of the list as "non-secured creditors," despite their many years of service. They are now keenly aware that they are casualties of a legalized fraud that dismisses workers as powerless, and therefore, insignificant and irrelevant.

The PMP experience demonstrates that there are many non-union workers in the community who also bear the brunt of economic restructuring (despite the focus of the media and politicians on higher-profile crises at unionized firms, like General Motors, AbitibiBowater, or Air Canada). Displaced non-union workers generally must face the stress and challenges of job loss without the support of an action centre or adjustment program (of the sort regularly negotiated in unionized plant-closure situations). In the unfamiliar and often confusing terrain of adjustment and community services, workers are reduced to being "clients" waiting to be "case-managed" by community

service providers. It is critical for the labour movement to extend a hand to these workers and provide the much-needed support and advocacy to assist them through this transition. For unions that run action centres for their laid off members, extending centre services to unemployed workers within the same geographical community would reflect more than a generosity of spirit. It would also be an act of solidarity that participating workers would remember for a long time – including the next time a union comes knocking.

In the coming months, more and more workers will exhaust their EI benefits and face the grim reality of losing their homes. Some former PMP workers have already started to borrow from their credit cards to pay their mortgages. What should the labour movement's response be to this inevitability of foreclosure within our communities? Can we afford to stand idly by and watch unemployed workers and their families being locked out from their own homes? Can we afford to see abandoned neighbourhoods, replicas of those in destroyed US cities, mushrooming within our own communities?

Therefore, in addition to pushing for EI reform and providing action centre services (including to laid-off non-union workers), we need a labour campaign aimed at government and the banks to "give unemployed workers a break". And we need to look beyond traditional mass protests and lobbying. Imagine what reactions would be sparked when (not if) our labour and community leaders were willing to form blockades to stop unemployed workers' homes from being foreclosed. This is a desperate time, and we must be ready with desperate measures.

Corporate and government elites will try to take advantage of the current crisis to impose a far-reaching structural adjustment on workers, communities, and public programs. Part of their strategy will be to exploit the disunity of the working class: pitting unionized against non-unionized workers, lower-paid against better-paid, unemployed against employed. Defining the labour movement's struggle as one for all workers, rather than as a struggle on behalf of employed union members alone, will be crucial for our movement to cement our political and moral credibility with the broader public (and with potential future union members).

It is not easy to organize workers without jobs, for many reasons. They have little direct economic power, they experience great flux and turnover in their lives, many struggle with depression. On the other hand, they have lots of time, and many are motivated by intense anger over the unfairness of their situation – both losing their jobs, and then being underserved and disrespected by the EI system and Canada's weak network of social services. Workers without jobs are a huge potential resource for the labour movement, and we must find new ways to engage and integrate them into our continuing struggles. And we cannot allow the artificial divide of unionized versus non-unionized workers stop us from re-imagining and re-building a community where no one needs to stand alone: a movement of hope, justice, and solidarity. In the PMP struggle,

the labour movement extended an umbrella to non-union workers who found themselves caught in a downpour. That gesture, small as it may be, is a symbol of the movement-building we can and must undertake – worker by worker, and community by community.

That was Then, and This is Now: Socialist Reflections on Responding to Capitalist Crises

Priority #9: Build a Socialist Left, Inside and Outside of the Unions

Bryan D. Palmer

SOME HAVE SUGGESTED that the present global financial meltdown and resulting worldwide recession compare with and rival in significance the economic collapse of the 1930s. It is commonplace to hear in the capitalist west that we now face the worst economic downturn since the Great Depression. It is difficult to adjust the television set to CNN and not hear this. It has become part of *Obamaspeak*.

There are other analogies (more political than economic) to the 1930s that are also made, and that labour and socialist activists must consider carefully, as well. They often relate to how workers and their organizations responded to capitalist crises, past and present.

The suggestion is made that out of the last great economic crisis came considerable working-class advance. True on many levels, this claim should not, as I suggest below, be taken to imply that such advance can automatically be assumed as the outcome of the current crisis.

I will forego a serious analysis of the structural issues of political economy that necessarily frame understanding of the current context and that are obviously fundamental to labour's struggle against the consequences of capitalist crisis. It is nonetheless important to recognize a number of salient points that provide a central background to my perspective:

- 1) The current crisis is one phase, albeit advanced, of an ongoing, inexorable, and inevitable crisis of capitalism, rooted in the fundamental tendency of the rate of profit to fall, and the consequent necessity of capital to seek alleviation from pressures in various historically-situated expansions (imperialism, colonialism, technological change, war, "globalization").
- 2) Whatever the "wildness" associated with the subprime mortgage meltdown in the United States and elsewhere, the current crisis is not an aberration, nor can it be reduced to the "irresponsible" acts of certain individuals or economic sectors. The more seriously destabilizing "crisis of production," in

which the demise of the global auto sector is merely the tip of an iceberg of economic malaise, betrays a more generalized and systemic dysfunctionality.

- 3) Capitalism's "old fixes," be they material (Keynesianism or the expansion of the welfare state) or ideological (anti-communism) have dead-ended, as perhaps have the seemingly limitless possibilities for exploiting the labour and resources of the globe.
- 4) That said, it is nonetheless also true that capitalism's "buffer-zone" infrastructure is more developed now than it has ever before been. There are many sides to this. Two can be mentioned here. On the one hand, the grid of regulatory institutions and bodies of economic management reaching across nation states and extending at times to a global governance, are more developed than has ever previously been the case. Capitalist capacity to massage and manoeuvre, as well as to discipline and incorporate, is not to be discounted. On the other hand, the alternatives to capitalism have been materially weakened. Compared to 1929, when the Soviet Union was often looked to (however wrongly) as a beacon of Red alternative, 2009's socialist horizons are limited indeed. The Chinese Revolution that was in the offing in the 1930s, is now, ironically, shoring up American capitalism's clearly flagging fortunes. Stalinism has squandered much, but when it fell in 1989–90, capitalism was undeniably strengthened rather than weakened. The United States, as the world's leading capitalist nation, appears to be both in a state of economic disarray *and* in the process of consolidating an unrivalled global hegemony. Such are the ironies of capitalism's current crisis.

What about working-class activism in the current crisis? What about the view that the last Great Depression ushered in an age of trade union advance and great improvements in the lives of workers? Here I lay out several differences between the 1930s and today. They suggest the need to appreciate that the struggle before us is actually perhaps more difficult than it was in a period of earlier crisis, and that the stakes are higher in as much as what can be wrestled from capitalism *within a framework of capitalism's continuity* is more constrained now than it was in the past.

The battle is, I would argue, more decisively a struggle for socialism precisely because not to fight for this end may well precipitate us into a more unambiguously barbaric set of circumstances, in which the past gains of workers are relentlessly eroded and ultimately jettisoned. It is difficult not to see the current crisis as being precisely about this need to eviscerate a working class that, within the advanced capitalist economies, fought and achieved a set of historic, if limited, victories. But that was then and this is now.

In addressing how the past struggles of labour in a context of capitalist crisis differ from today, it is useful to bear in mind the following:

- 1) Worker resistance in Canada and the United States during the 1930s was NOT, it needs to be said, a continuous and always successful revolt. In the opening years of the Great Depression, routinely referred to by radicals as "the dog days," most indicators of class struggle suggested, not strength and advance, but the hard realities of retreat. With the economy routed, unions in a weakened state and very much on the defensive, and the ranks of the unemployed growing by the day, the working class response to the economic collapse of the early 1930s was handcuffed by the obvious and daunting material conditions. Where workers did fight back they almost always did so defensively, in often-losing efforts to stave off a wage cut or to fight back against employer offensives that aimed to turn the clock back on gains of the past. The 1920s had not been, overall, a decade of upturn in the class struggle, but the early 1930s saw even further declines. In Canada in 1930–1931, for instance, the number of strikes was less than one-quarter of those that had been fought out at the height of class struggle in 1919–1920, and the number of strikers involved was just over 10 per cent of those who had withheld their labour in the earlier strike wave. Moreover, these early years of the Great Depression saw far fewer working-class victories than might be considered normal.
- 2) It was not until 1934, and then 1937, with the Depression clouds lifting, that the strike movements associated with the militancy of the working-class unfolded. In the United States, general strikes erupted in Minneapolis, San Francisco, and Toledo in 1934; and the sit-down strike, pioneered in Sarnia, Ontario and Flint, Michigan, was decidedly associated with 1937. The organizing wave of industrial unions linked to the fortunes of John L. Lewis's Congress of Industrial Organization (CIO) rocked the complacency of the American Federation of Labor craft unions. The gains to be realized nevertheless did not come until the later 1940s. Of decisive importance in this period of consolidation was that World War II, and its demands for production, "rescued" capitalism from the economic collapse of the Great Depression. Reconstruction of a Europe decimated by war fuelled a capitalist recovery that needed a dual peaceful coexistence: with the Soviet Union on the one hand, and with organized labour on the other. In this context, Roosevelt's New Deal formula reached past its origins in the mid-1930s, and parlayed the Democratic Party into the seeming advocate of workers' organization, a largely *ideological* and *rhetorical* obfuscation that would wear more and more thin as the rude actualities of class struggle unfolded. A different political trajectory evolved in Canada, but the Mackenzie King Liberals advanced by incorporating elements of the program of the Co-Operative Commonwealth Federation, paving the way for later arrival of a full-blown welfare state, one plank of which was the postwar recognition of collective bargaining rights.

3) Finally, of course, not all labour resistance was associated with point of production strike activity and union organizing. A massive unemployed movement arose, battled civic authority, and pressured all levels of the state – municipal, provincial/state, and federal – demanding jobs, relief, and other provisioning. In Canada this culminated in the On to Ottawa Trek of 1935, which met a repressive end when the Mounties attacked the trekkers and beat them into retreat at Regina. But before the much-heralded Trek, and long after its leaders had been snubbed by the Canadian Prime Minister, R.B. "Iron Heel" Bennett, local campaigns and challenges stamped the social relations of everyday life with a series of formal "refusals": evictions were beaten back by neighbourhood gatherings to blockade the removal of furniture and belongings by landlords; bank foreclosures of farms resulted in auctions whereby the alienated acreage would yield bids of \$1, and the land thus "sold" was then returned to its original occupier; the poor might, in the equivalent of an 18th century bread riot, descend on grocery-store chains to "liberate" the necessities of life. Women and children, not only "industrial" men, played important roles in these happenings.

This review highlights the important differences between then and now. Virtually all of the actions described were organized and led, not by the mainstream trade union movement, but by an organized left that was both outside the trade unions, yet embedded within them. In Canada, 90 per cent of the strikes of the early years of the Great Depression were either organized or pushed in certain directions by communists, who had chartered independent unions distinct from the American Federation of Labor. The eviction protests alluded to above, as well as an array of other seemingly informal and spontaneous acts of resistance, were most often championed by left coalitions of mavericks, in which Communist Party, Co-operative Commonwealth Federation, a few Marxists of the "third way" (not communist and not social democratic), anarchists, and Social Gospel religious advocates figured prominently.

The early unemployed movement in Canada was not exactly a wholly owned subsidiary of the Communist Party, as it is often depicted. It had its CCF and other components, to be sure. But communists dominated, and they continued to do so right up to the Regina Riot. When the general strikes erupted in 1934 in the US they were led, not by AFL bureaucracies and craft union leaders, but by socialists, Trotskyists, and communists. To be sure, John L. Lewis charted the founding of the CIO, but the old red-baiting UMW leader of the 1920s made his peace with communist organizers, and sent them into the field. Lewis used such communists well in building a revived union movement based on the semi-skilled and unskilled immigrant mass production workers who had been locked out of the union movement since the IWW's demise following World War I's reactionary vigilante assaults. Lewis knew well what he

was doing: when challenged about his reliance on communist organizers, he smiled knowingly. "Who gets the bird," he asked, "the hunter or the dog?"

This overview raises in stark, undeniable relief the single most important point that socialists must address in fighting back against the contemporary capitalist crisis. The decisive impediment to us resisting the debilitating consequences of capitalist collapse is the lack of an organized left that can actually promote new ideas, challenge old ossified thought and practice, and build new alternatives. On the eve of the Great Depression an organized left did indeed exist in Canada and the US. It may not have been what we would today, in hindsight, have liked it to have been. But it was present, and it did lead the fight, inside and outside the unions.

However, those unions (as they exist now in Canada and the United States) are both *the* central institution in the fight against the consequences of capitalist crisis *and* an ambiguous legacy in the necessary mobilization. They have been through the wars, so to speak, and they have been structured and restructured in the aftermath of the Great Depression. Every victory that they have achieved has come with a price that is paid in further integration into the overall capitalist order. As unions have achieved respectability, and as collective bargaining (partially outlawed as unions entered the Great Depression) has become state policy, union bureaucracies have grown and solidified. Union democracy has withered. Anti-communism has become a fundamental touchstone of most labour leaders since the Cold War fights inside the unions in the late 1940s and 1950s. Social democracy has become little more than tepid liberalism, which is now in turn not much more than progressive conservatism. The entire political spectrum within which we as socialists live (and within which the trade unions develop) has moved so far to the right over the last 30 years that left voices are difficult to raise, and even harder to hear clearly.

Without a left wing embedded in the unions and able to effectively challenge the trade union tops, without a left wing that recruits youth and supporters from other sectors of society, the possibility that the trade unions will be able to do the job they must do in opposing the current capitalist crisis is a long shot indeed. The existence of that left wing in the 1920s and its relative non-existence today is arguably the most important subjective factor that separates now from then, and it does so in negative ways.

To fight effectively, in and through the unions, we need to rebuild, consolidate, and regroup the left, and we need to do it fast. We must remember that the trade unions *ARE* indeed the major vehicles of class resistance to capitalist crisis and restructuring. Unions need defending, and that will be a central task in any resistance to the tides of reaction that are going to start rolling over all of us. But the trade unions also need to be something that they have not been for some time: a force of initiative defending workers and all of their natural allies; a force of alternative and substantive critique of all that exists. To do this they need an infusion of socialist thought, of socialist bodies, of socialist

commitment. In the 1930s, this was done, but in the 1930s the rallying cry of "organize the unorganized" could resonate in factories in Ohio and Ontario. The unorganized still need to be organized, but the great upsurge of the CIO is something we can not quite replicate. Our rallying cry of equivalence is likely to be one that shifts, not so much the organizational direction of the working class (although this may of course happen), but the political direction of the working class.

We have learned that we cannot build a new society in the shell of this old one. We must build an entirely new social order, one premised on production for use not for profit, one that lives by the old trade union maxim that an injury to one is an injury to all, one that takes a reactionary globalization and substitutes for it a true socialist internationalism.

The last Great Depression ushered in a reformed capitalism that recognized collective bargaining rights and the welfare state. But the price paid for such substantial progress was a world war, and the subsequent hardening of Cold War stasis. This current capitalist crisis will either end up dismantling those past gains and one-sidedly solidifying capitalist hegemony on a world scale, or it will move us in the direction of a socialism that we ourselves have to envision, build, and consolidate. It is hard to imagine a middle road that leads where we need to go. And the stakes have never been greater. For this reason, a crucial prerequisite for building a more ambitious, powerful labour fightback will be the building of a socialist left, independent from but embedded within the unions, that can raise and expand workers' understanding of the crisis we face, popularize and defend a more convincing and complete vision of the changes we need to struggle for, and challenge and contribute to the resistance that trade unions will figure in centrally.

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