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FAST FACTS

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Lessons of the Canada Post lockout

Recent events tell us a lot about some of the challenges facing working people in Canada today.

The Canadian Union of Postal Workers (CUPW) began rotating strike action on June 2nd, after over seven months of negotiations with Canada Post Corporation (CPC) for a new contract covering some 48 000 postal workers. CUPW members had voted almost 95% in favour of authorizing a strike if necessary, with a turnout that set a record for the union.

The reasons why postal workers were so determined to strike if need be are not hard to understand. Starting in Winnipeg, CPC management is introducing new machinery and reorganizing work. Under the new system letter carriers must now carry two or more bundles of mail, leading to more work-related injuries. Inside workers face cuts in full-time positions, more evening and night shifts and a faster pace of work.

CPC has been a profitable Crown Corporation for the last 15 years yet management was insisting that workers make major concessions. As postal worker Cindy McCallum Miller put it, the employer was aiming to “gut our collective agreement for the next wave of workers as they plan for a future where workers have weaker rights, benefits and protection” (“What’s at stake at Canada Post?”

http://newsocialist.org/index.php?option=com_content&view=article&id=441:whats-at-stake-at-canada-post&catid=51:analysis&Itemid=98).

Postal workers’ past struggles won a living wage (approximately \$50 000/year on average), benefits and rights for what was once low-wage work. CPC went into negotiations demanding that new hires receive lower pay and a worse pension than current workers. Management also wanted workers to give up their sick leave rights and accept an inferior Short Term Disability plan. These concessions would be steps towards the goal -- shared by Conservative and Liberal federal governments -- of a privatized postal service whose workforce is smaller, cheaper and has many fewer rights.

Many media commentators initially claimed that the strike wouldn’t have much impact. But the rotating local strikes did affect some businesses and therefore CPC’s revenue, without causing much disruption to most people’s postal services. CPC tried to provoke CUPW into calling an all-out strike but failed. So on June 14 CPC locked out the workers.

The next day the Conservative federal government announced it would bring in legislation to force an end to the dispute. It appears that CPC’s goal all along was government intervention to impose the kind of settlement on postal workers



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that it was unable to achieve through collective bargaining. The lockout gave the government the excuse it was waiting for.

It's no secret that the Conservatives hate CUPW -- the union has consistently opposed the corporate agenda, defended public services and supported social justice struggles. So it was no surprise that when the final vote on the back-to-work bill was held in the House of Commons "the Conservative benches erupted in cheers and back-slapping" ("Mail could resume within days as back to work bill for Canada Post passes," <http://www.winnipegfreepress.com/business/breakingnews/filibustering-mps-not-only-ones-talking-in-postal-dispute-but-resolution-elusive.html>).

What wasn't as predictable was just how aggressively anti-worker the legislation would be. Many media reports have mentioned that it imposes wage increases lower than CPC's previously-tabled offer (also well below the inflation rate for consumer prices). But that's not its worst aspect by any means.

The law dictates that the new collective agreement for urban postal workers will be determined by an arbitrator appointed unilaterally by the Minister of Labour, using a method called final offer selection (FOS). FOS is uncommon in Canada, and is very rare in back to work legislation.

In this case, the union and the employer are each required to submit a final offer covering the many disputed issues. The arbitrator will then select one offer or the other in its entirety. In addition to allowing the Conservatives to handpick whoever they want as the arbitrator, the law includes guidelines that the arbitrator must follow in choosing a settlement. These are clearly designed to weight the outcome in favour of weakening postal workers' rights and benefits, including their pension plan. This puts intense pressure on CUPW officials to submit a final offer that includes concessions they would never have agreed to in bargaining, in

the hope that the arbitrator will pick their offer rather than an even-worse one from the employer.

With this law the Conservatives are sending a signal to unionized workers: if you resist the concessions that employers demand you risk ending up with an even worse outcome. The Harper government's move against CUPW encourages provincial governments to intervene in similar ways against striking or locked-out workers in their jurisdictions.

The legislation threatened earlier this month against workers at Air Canada -- a private company, unlike CPC -- who had just gone on strike sent the same message. Public sector workers are not the only ones who should be concerned about governments intervening yet again on the side of employers to suspend the basic democratic right of workers to collectively negotiate their wages and working conditions.

Just how hostile the Tories are to unions isn't the only lesson here. Another is that unions confronted by governments need *much* more solidarity action by other people than CUPW received in order to avoid defeats. The sympathy strikes that took place in British Columbia to support hospital workers in 2004 and teachers in 2005 point to what's needed to improve the odds for unions attacked by governments. For this reason the call by the Fredericton labour council for a National Day of Action to support CUPW and Air Canada workers was a small step in the right direction.

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