



Canadian Centre for
Policy Alternatives
Manitoba Office

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Business Wins Big: Throne Speech 2016

Throne speeches typically are run-of-the-mill exercises that say very little while evoking lofty ideals such as prosperity, innovation and “establishing an open principled government that reflects the values and priorities of Manitobans . . .”. Pretty hard to argue with any of that.

But in case you’re wondering who gets to decide what Manitobans’ priorities are – because let’s face it, we’re a pretty diverse group with different ideas – the answer is quite clear: business gets to decide what Manitobans’ priorities are.

We certainly had a sense that business would be co-piloting the next four years with the appointment of the new boards of the crown corporations. The fact that the Department of Labour disappeared also did not bode well. The removal of labour representation from key advisory councils – and the Manitoba Liquor and Lotteries Commission Board – may please business, but a sustained attack on labour does not necessarily reflect the values and priorities of all Manitobans.

The most obvious sign is the pledge to restoring the ‘right’ to a secret ballot vote and ‘allowing’ Manitobans, “whether union members or not, to participate in bidding for work on publically tendered projects”.

The use of the words ‘right’ and ‘allow’ speaks volumes. The idea that workers should have the right to a secret vote when faced with the decision of whether or not to unionize is not in fact more democratic as argued. In fact, the voting process gives the employers time to intervene and bully workers into voting no. The current card check system protects workers from unfair intimidation by employers who are trying to prevent unionization. Senator

Joan Fraser found that when examining the record in jurisdictions where a mandatory secret ballot system is in place “[. . .] there are fewer applications for certification; and [. . .] the success rate of those applications that are made diminishes.” The long-term effect (and goal) of this strategy is to decrease union density.

And here’s the rub: when union density decreases, so does overall prosperity. Over one hundred years of data show that the national wage bill closely follows union density; the more workers who are unionized, the greater portion of GDP goes to workers. As unions density falls, so workers’ incomes. One need only compare American data with Canada’s: the US, with the greatest income inequality in the industrialized world, has amongst the lowest rates of unionization.

The other promise from the Throne Speech that rings false is “to work in partnership with our province’s best and brightest front-line workers, public servants, entrepreneurs and community leaders [. . .]”. How can workers be part of a partnership if they’re not allowed to participate as a group, or if their democratically elected representatives are removed from advisory groups and boards? What about the thousands of average workers who are dealing with precarious jobs and low wages and will now find it harder to organize?

Previously some non-unionized workers benefitted from Project Labour Agreements (PLAs). These agreements are used in large government infrastructure projects such as the Floodway Expansion. In fact it was Conservative Premier Duff Roblin who

205 - 765 Main St.

Winnipeg, MB

R2W 3N5

204-927-3207

lynne@policyalternatives.ca

www.policyalternatives.ca

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ERROL BLACK CHAIR
EBC
IN LABOUR ISSUES

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introduced PLAs at the time the Floodway was first built. They were seen as a necessary tool to prevent unscrupulous contractors from low-balling bids by using poorly trained and paid workers. When all contractors have to pay the same fair wage, they then have to compete on quality. How do contractors do that? They pay their fair portion of training, resulting in a more productive workforce.

PLAs, when properly designed, also include provisions for the training and hiring of under-represented workers. The Floodway expansion PLA, for example, included equity training and hiring provisions that ensured much-needed opportunities were available to Aboriginal businesses and workers. The word ‘allow’ would be better used in the context of PLAs as it is these sorts of opportunities that allow precarious workers to prosper. By disallowing PLAs – as the new provincial government has promised - this government will ensure a return to the Wild West of contact bidding, close the door on disadvantaged Manitobans looking for their first decent job, and increase the instances of workplace injuries.

MacKinnon explained that when the 2004 Floodway renewal PLA was announced, critics warned that since 95 percent of heavy construction companies in Manitoba were non-unionized, the requirement that all workers pay union dues (which allow unions to train and educate workers) could increase costs by as much as \$65 million. The Conservative opposition, the Winnipeg Chamber of Commerce, Manitoba Heavy Construction Association, Canadian Federation of Independent

Business, Merit Contractors Association of Manitoba, and Winnipeg, rural Manitoba and Canadian Construction Associations, opposed the plan and called for “open and fair competition that protects taxpayers from increasing costs and respects workers’ democratic choice.” There were also suggestions that the Manitoba government enter into a public-private partnership (P3) agreement as a means of holding down costs.

But these critics were wrong. The project was complete -- on time and within budget. In fact, cost savings allowed for the construction of two additional bridges. Approximately 2,500 workers and 120 companies were involved in the project, and equity training and hiring provisions ensured that much-needed opportunities were available to Aboriginal businesses and workers. If, as stated, the government is truly concerned about building a meaningful relationship with Aboriginal people, it should be ensuring that they have access to training and decent jobs. PLAs do just that.

No amount of reasoned information will convince this government not to march down a course it has clearly charted in its election platform and now in the Throne Speech. While it might be true that prosperity will grow (it was, after all, growing before the election), the big question now will be for whom.

Lynne Fernandez holds the Errol Black Chair in Labour Issues at the Canadian Centre for Policy Alternatives MB.

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