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# FAST FACTS

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## Scott Walker is not welcome in Canada

**O**n March 4, 2011, the *Financial Post* published an article by Niels Veldhuis and Milagros Palacios titled, “We need Scott Walker here.” Scott Walker is the Governor of Wisconsin who is funded in part by the wealthy Koch brothers and is leading the assault against American public sector unions. That the Fraser Institute, which is bankrolled by business corporations, including big media, would produce such a document comes as no surprise, since the main purpose of this organization is to promote the interests of corporations and the wealthy, and attack the rights of workers and trade unions.

In this article, Veldhuis and Palacios rattle on about the looming fiscal crisis in most provinces and at the federal level. Rather than focusing on the real cause of the crisis — massive mismanagement by the financial sector — they place the blame for this situation on public sector unions which are able to exploit their position with monopoly organizations “to hold the general public for ransom.” As examples of unions in these situations they cite health care, education, garbage collection and transit services - all of them activities that the Fraser Institute insists should be privatized. Presumably, police, fire and similar services are included in the “etc.” at the end of its list of examples.

Veldhuis and Palacios attempt to demonstrate the significance of this advantage by invoking the example of how things work for “unionized workers at a grocery store,” compared to public sector workers. The example is absurd, but it doesn’t matter to the authors since its main purpose is to suggest that they have no problems with private sector unions (which is, as we know, an untruth; the Fraser Institute is opposed to all unions).

This sleight-of-hand serves two purposes. First, it allows them to divide unionized workers into two groups, namely, public-sector workers, bad, and private-sector workers, good. Second, it sets the stage for the Fraser Institute’s recommendations as to why we should follow Scott Walker’s example in Wisconsin. In brief, what they propose is that public sector workers be stripped of their collective bargaining rights “by banning the right to strike for public sector workers and having their wages and benefits linked to private sector counterparts [by having public sector compensation determined by independent wage boards].”

The central mission of the Fraser Institute is to undermine the rights of workers and unions on the grounds that this will create more flexibility



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## *FAST FACTS continued ...*

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in the labour market and this in turn will result in a higher standard of living. To this end, the Institute periodically publishes a comparison of labour laws in Canada and the United States. The authors of the 2009 edition are Alex Gainer, Amela Karabegovic, and Neils Veldhuis.

It is noted in the introduction to this report that unionization rates in 2008 for Canada were higher than the U.S. in both the private and public sectors. In Canada the rates were: private sector, 17.9%; public sector, 74.2%; total, 31.2%. The comparable rates for the U.S. were 8.4%, 40.7% and 13.7%.

As part of the comparison, the Institute has constructed an Index of Labour Relations Laws (based on union organizing, union security and regulation of unionized firms) to “measure which jurisdictions [do the best job of achieving] balance and flexibility in their labour relations laws.” The overall results of this exercise yield four groups of jurisdictions:

First are the 22 US Right-to-Work (RTW) states [with a score of 9.2 out of 10.0. The remaining 28 US states ... [have] an overall score of 7.5. Alberta, which received a score of 5.3, falls into a third category [a category unto itself]. Finally, there are the remaining nine Canadian provinces and the Canadian federal government, which all failed to receive scores of [at least 5.0]. These jurisdictions have biased labour relations laws that impeded labour market flexibility. The federal government (score 1.1) and Quebec (1.3) had the most rigid and biased labour relations laws. Manitoba (1.8) as well as British Columbia, New Brunswick, and Newfoundland & Labrador (tied at 2.8) also have very weak scores.

This is what passes for science at the Fraser Institute. Define labour market flexibility as situations in which “it is almost impossible to certify and easy to decertify; workers are not

obligated to either belong to a union or pay dues if they are in a certified bargaining unit; and unions are denied the tools they need to become entrenched and achieve sustainable benefits for their members.” We shudder to think what states would be inducted into the Fraser Institute Hall of Fame by achieving a perfect 10 in creating labour market flexibility.

Of course, those of us who believe that democracy, human rights, and the rule of law in the workplace trump the Fraser Institute’s values would rank these jurisdictions in reverse order with the federal jurisdiction in Canada at the top rather than the bottom of the ranking.

In sum, it is evident that in its role as water boy for corporate Canada and right-wing organizations, the Fraser Institute has demonstrated that it has nothing but contempt for the democratic institutions that exist in Canada to protect the rights and interests of Canadian workers and the Canadian labour movement. We need to spread this message far and wide.

*Errol Black and Jim Silver are CCPA-MB board members.*



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