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Andrew Parnaby et Todd McCallum

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NOTEBOOK / CARNET

Andrew Parnaby and Todd McCallum

SINCE THE LAST ISSUE of *Labour/Le Travail*, Notebook/Carnet (N/C) has undergone some changes. Rick Rennie has stepped down as co-editor; he is replaced by Todd McCallum of Queen's University. In terms of content, given the blanket coverage of various labour-related websites and mailing lists, N/C will no longer publish "calls for papers" and other conference information. As always, though, N/C welcomes commentaries on contemporary issues related to labour and the working class. Submissions should be about 1000 words in length and sent to: Andrew Parnaby and Todd McCallum, Notebook/Carnet, *Labour/Le Travail*, FM 2005, Memorial University of Newfoundland, St. John's, NF, A1C 5S7; e-mail: parnabya@uvic.ca; 4tlm8@qmlink.queensu.ca.

Paying the Price of Principle

Judy Fudge

OVER THE PAST YEAR and a half, the federal government has repeatedly proclaimed its enduring commitment to "the principle of paying women and men equally for work of equal value." But, evidently, it does not want to pay the price of principle. That is why it is appealing the Canadian Human Rights Tribunal ruling regarding the Public Service Alliance of Canada's (PSAC) pay equity complaint on behalf of its large clerical group component. On 28 July 1998, 13 years after the complaint was lodged, the Tribunal issued a 200-page decision. The union won the big ticket item: the appropriate methodology for comparing the work and wages of men and women. What's at stake in this case is not just the amount of money that the government will have to pay tens of thousands of its female employees, but the cost

of equity for its corporate cronies. Air Canada, Canada Post, and Bell all face pay equity complaints.

When Justice Minister Anne McLellan announced that the government was appealing the Tribunal's ruling, she was careful to emphasize the legal basis for the appeal. She claimed that the government was obligated to go all the way to the Supreme Court of Canada if necessary to clarify how equal pay should be calculated, pointing to the March 1998 decision of Mr. Justice Muldoon of the Federal Court in the dispute between Bell and the Canadian Energy and Paperworkers Union (CEPU), which represents 2,400 of Bell's predominantly female telephone operators and clerks. In that case, the judge adopted a methodology that not only reduced Bell's pay equity liability, but was similar to that rejected by the Canadian Human Rights Tribunal in the PSAC complaint.

But Marcel Masse, the Treasury Board President who has clobbered public servants harder than any cabinet minister in Canada's history, was much more blunt. He claimed that the Tribunal's decision over-compensated the women workers and that it was taxpayers who would pay the seven billion dollars price of equity. In emphasizing politics over principle, he was simply taking his lead from the prime minister. According to Jean Chrétien, if his government complied with the pay equity ruling, it would not be able to put more money into health care: "[T]here's only so much money unless you increase taxes. So you have to decide the priorities."¹

PSAC's legal position has been given a boost from the courts. In November 1998, the Federal Court of Appeal overturned Justice Muldoon's decision in Bell's pay equity case. It declared that it was up to the Tribunal (and not the courts) to decide the appropriate methodology for implementing pay equity. In July 1999, the Supreme Court of Canada, without giving reasons, dismissed Bell's appeal. Yet, the federal government has continued with its appeal. At the Federal Court, the federal government's lawyers argued that the Tribunal's methodology was all wrong.

But, whatever the weakness of the government's legal case, its political instincts are strong. The opposite is true for the union. The Bell pay equity saga should serve as an object lesson to unions about the shortcomings of a strategy that focuses on litigation. After the Federal Court of Appeal decided that the Canadian Human Rights Commission had the authority to appoint a Human Rights Tribunal to hear the CEPU's complaint, Bell announced that it was selling its telephone operator division to a US-based company, with the result that the mostly female employees would see their wages drop from nineteen dollars and fifty cents an hour to the industry average of twelve dollars. This would enable Bell to avoid having to make future pay equity adjustments, but it still faced the threat of having to cough up for pay equity back to 1992, when the complaint was first lodged. To add insult

¹ Edward Greenspon, "Pay-equity costs too high: Chretien," *The Globe and Mail*, 18 August 1998, A1.

to injury, the next day Bell announced that it was going to the Supreme Court of Canada to reinstate Muldoon's judgement. As a public relations gesture to calm the public outcry over Bell's shameless treatment of its employees, its chairman, Jean Monty, promised that the deal would be phased in over a couple of years so that its employees would have some time to adapt to the drop in their wages. Now the telephone operators are in the unenviable position of facing dramatic wage cuts while their union fights what will inevitably be a costly and expensive legal battle to win back pay.

So why has PSAC placed the legal process at the centre of its pay equity strategy? The simple answer is that it has few other options. In 1991, PSAC engaged in its first ever nation-wide, all-component strike only to be legislated back to work, the government's technique for dealing with recalcitrant unions. Between 1991 and 1998, its members have been subjected to draconian wage freezes. First prodded and now applauded by private capital, the government has managed successfully to portray public sector workers as over-paid and under-worked and the bureaucracy as bloated. Between 1992 and 1997, the Liberals chopped the equivalent of 73,000 full-time jobs from its pay roll, claiming that the deficit made them do it. Most recently, pitting debt-beleaguered taxpayers against greedy public servants, it introduced legislation that would, among other things, scoop \$28 billion in surplus from its employees' pension plan.

For the time being, the Liberal government wants to have its cake and eat it too when it comes to pay equity. In this respect, however, the government's position simply reflects public opinion. A poll commissioned by the Treasury Board just after the Tribunal's decision indicated that of the 1,510 people questioned, 85 per cent felt that money was not an issue when it came to providing equal pay for work of equal value in the federal public service. Yet, almost half of the respondents said that the settlement imposed by the Tribunal was "too much" and agreed with the government's decision to appeal the ruling.

The gap between supporting pay equity in principle and in practice is wide and increasing. The attack against pay equity is linked to a broader backlash against substantive equality which is fueled by a defense and celebration of the free market and declining economic prospects for young men. The *National Post*, the mantle-bearer of the far right, confidently asserted that "this battle over how to calculate the spoils of pay equity is continuing despite the lack of any convincing evidence that gender-based wage discrimination exists at all. Single, educated men and women earn practically identical wages. Any difference in income between the sexes stems from the fact that women exhibit greater labour market entry and exit in the course of child rearing."²

The ease with which those who object to pay equity for women workers can dismiss the well-documented history of occupational segregation and discriminatory wage practices against women workers is breathtaking, but not without

²Editorial, "Don't appeal, abolish," *National Post*, 1 June 1999, A 15.

precedent. Women's claims to equality have less political resonance in an economic climate in which men's employment conditions and prospects have deteriorated. In the 1930s, the last time there was a sustained deterioration in employment norms for men, the backlash was directed against married women's employment. Currently, the meaning of equality is undergoing an ideological shift away from a substantive understanding to a privatized conception in which the state is to confine itself to outlawing discrimination. This shift is likely to result in a retrenchment in the gendered division of labour to the detriment of women because it condones inequality that it regards as the reflection of different choices and talents.

But instead of a new conception of equality, what progressive forces need is a new understanding of the labour market. So long as the neo-classical model of supply and demand is accepted as common sense the work that women do, whether waged or unwaged, in the home or in the public sector, will be under-valued. According to this model, the work women perform in the home is simply an *individual matter of personal consumption, rather than a social requirement of production*. But this view is mistaken; domestic work is *productive* activity. In fact, it produces the key component in the labour process — labour power, which is essential for the production of other commodities. Waged work is the *exchange* of labour and is functionally dependent upon labour's production. The relationship between wages, which are a cost of production, and domestic work, which is unpaid labour, guarantees a high surplus — although it "is not directly obvious because labour is not sold by capitalists: the surplus is realized by capitalists not in selling labour but in buying it."³ By claiming that it is an individual woman's choice to raise children and, thus, that she should bear the labour market consequences, capitalists avoid having to pay directly for the full costs of production while simultaneously using women's child care responsibilities as a justification for paying them less than men.

From a progressive point of view, the damning feature of the neo-classical model is that it assumes that there is an inevitable trade-off between the size of the working population and their standard of living. Not only does it pit men against women, it also pits private sector workers against those in the public sector. Women workers are regarded as a source of competition that puts downward pressure on men's wages; at the same time, a decent social wage and strong public sector are seen as diminishing the purchasing power of wages. Sadly, too often these views have been accepted as common sense within the labour movement. But the political effect of such Malthusian notions is to displace social conflict from the profit/wage relation to an internal struggle within the working class. The neo-classical myth needs to be exploded if the backlash against women's equality and the public sector is to be defeated. The short term price of principle is a cheap price to pay for the benefits of equity and solidarity in the long run.

³ Antonella Picchio, *Social Reproduction: the Political Economy of the Labour Market* (Cambridge: Cambridge University Press 1992), 97.

Debating Productivity

Mark Leier

IT WAS EASY to see this coming. With the deficit under control, business needed another 2 x 4 to smack workers upside the head. It has picked up "productivity" as the handiest stick. If we're not careful, this could be the biggest scam since the deficit, and the aim is the same: to make it easier for business to take more money away from working people and shovel it upstairs.

The game plan is the same as the one used for the deficit. Business will try to create a public scare over a bogus issue. This is done by distorting figures, making false analogies, and obscuring the real issues. It is what happened with the deficit. Big numbers were thrown at people without context. We were told that running a government was like running a household, and that debt was bad. Business never told us that most governments have usually run deficits; indeed, government debt was one of the reasons for Confederation in 1867 and for British Columbia joining Canada in 1871. Business never pointed out that the debt and deficit were bigger in 1945 than they were in the 1980s and 1990s. Business refused to explain why debt was bad for government but good for business as corporate debt shot up over the last twenty years.

No, instead, we were told by business that we had to make sacrifices to the deficit. And we did. Our health care system was dismantled and more Canadians suffered. Unemployment grew to Depression levels while business insisted we could do nothing. Unemployment benefits and welfare were chopped, access to education was restricted so fewer people had a crack at college and university. Wages were forced down, the working day was extended for the first time in a century, unions were broken, and more people had to work in worse conditions. Canada became nastier, meaner, and uglier all through the 1980s and 1990s. The deficit debate and the misery had one aim: to make business richer by taking away from everyone else. And it worked. The gap between rich and poor has grown wider over the last two decades. The whole time, business and governments blamed us. They told us to tighten our belts and lower our expectations, our hopes, our dreams.

But Paul Martin has balanced the books. Business needs another scary monster to beat up working people. It has dreamed up the chimera of "productivity." It is perfect. Productivity is hard to measure. That's why one recent study says Canadians are more productive than before and another says we are less productive. That is one reason business has picked up the notion: it makes it easy to muddy the debate. There's another reason. Until you think about it, "productivity" sounds like a good thing. If we're less "productive," that must mean we're lazy. And if we're lazy, why, it is all our fault and we had better get used to working harder, faster,

longer. In fact, it is possible to double a company's "productivity" overnight by firing half the workers and making the other half work twice as hard. Or you can buy a machine and fire nearly everybody. If it is done in the name of "productivity," you might even get some of those newly unemployed people believing that it was a good thing they lost their job. It is pretty obvious who benefits from that kind of reasoning.

Business is not any more interested in productivity than it was in the deficit. It's interested in profit. It's too hard to make a profit by innovating and creating and lowering CEOs' salaries. It is easier to make workers labour longer and harder. That is the reality behind the invented "productivity gap." It is a con game to suck even more money out of working people and funnel it up to the executive suite. Do not fall for it. If business wants to be more productive, let it pay more in taxes to help fund our schools and create better educated workers. Let it pay more taxes to fund health care, because healthy workers are better workers. Let's shorten the working day, strengthen unions, and raise wages so workers are better rested and happier. That is the way to increase "productivity."

* * *

A small controversy has broken out over an article I wrote for the *Vancouver Sun* [above]. Titled "Productivity Latest Stick to Beat Workers," I argued that the current debate over productivity was really about forcing workers to labour harder, faster, and longer to increase profits for business. It generated over 40 e-mails, 4 letters printed in the *Sun*, several requests to reprint the article, and 3 invitations to appear on radio shows. The response is worth examining for it brings into focus some important ideas about business, democracy, the media, and labour. The writers made it clear that whatever the pundits may say, class is still a reality in Canada. That is, how one views the world very much depends on whether one is an employer or an employee.

Most of the 70 per cent of the callers and writers who agreed with me were workers, not bosses. Their responses were often personal and moving. They talked about jobs they had lost due to "downsizing," about being replaced by machines, about aged parents forced to pay \$1,700 in health insurance premiums in "low tax" Alberta. They told me about working long hours for low pay in the "new economy," and how worried they were about making ends meet. They worried about the dismantling of employment insurance, health care, and education. Some said it gave them hope to learn that other people felt the same way; a couple even suggest I write a regular column for the *Sun* (note to editor: I'm available).

Those who did not agree with me had one thing in common. Not one offered a cogent argument against my position. They were quick to call names, none very creative, several obscene. One writer demonstrated his anger BY TYPING HIS E-MAIL ALL IN CAPS, the Internet equivalent of shouting. One even insulted the way I look.

I have to confess, he has got me there: it is a face only a mother could love. But not one critic offered a rational, logical, response to my argument.

Instead, most insisted that I should not have published my opinion in the first place. Some complained that they did not buy the *Sun* to read ideas like mine, and hoped never to see such ideas in print again. One poor fellow was so panicked by my column that he vowed to talk his daughter out of going to university lest she become infected with uncomfortable views. Several suggested, rather firmly, that I should not be allowed to express such ideas, and that no one who did not run a business should be allowed to talk about such matters as productivity and profit. When you think about it, that argument is pretty frightening. Since the vast majority of Canadians do not own businesses, the implication is that only a handful of tycoons should be able to comment on politics and economics. This is a dangerous, undemocratic view.

Why did the pro-business critics attack not my ideas but my right to express them? I think it is because business knows that the interests of bosses and workers are not the same. What is good for one side is not necessarily good for the other side, and this will likely remain true as long as workers' incomes are employers' costs. Sharing the economic pie, therefore, is always a struggle between the two sides. This struggle takes place in the boardrooms, workplaces, and legislatures of the nation. It also takes place in the media. Business works very hard to make sure its view is heard all the time, and it is pretty successful. That's not surprising: it has lots more money to buy ads, pay experts, and influence stories. And of course newspapers themselves are businesses, and thus they tend to promote the ideology of business. As some of those who liked my article pointed out, the *Sun* itself is generally pro-business; business has its own section and several regular columnists. As a result, the voices of working Canadians are rarely heard.

The billionaire financier George Soros has recently argued that the market is the biggest threat to democracy and liberty in the world today. He was referring to currency trading and high finance. But the response of the BC business community to a single article in the *Vancouver Sun* suggests that the threat to democracy is more widespread than he feared. Business is not much interested in debate or the free exchange of ideas, because many of these ideas will necessarily be anti-business. Since business has much greater access to the media than ordinary Canadians, it is all the more important for the rest of us — the majority — to speak up. Democracy demands it.

Girls on Film

DURING WORLD WAR II, a severe "manpower" shortage on Vancouver Island prompted the management of Alberni Plywoods Limited — located in Port Alberni, BC — to hire scores of local women to work in its plywood factory producing ammunition boxes, airplane parts, and other war-related materials. The experiences of these working women are the subject of a recently released documentary film called "The Plywood Girls," produced by Susanne Klausen and Don Gill. Based on interviews with union representatives, company managers, and, most importantly, the "plywood girls" themselves, this fifty-minute film provides an intriguing examination of the class and gender politics on the job and in the community at a time when working women across the country were challenging, at least for a short time, age-old notions of what constituted "men's" and "women's" work. For more information about the film, or to order a copy, contact Susanne Klausen or Don Gill at: 2177 Malaview Avenue, Sidney, BC, V8L 2E6; e-mail: 3sk41@glink.queensu.ca. Interested readers might also want to consult Klausen's article on the "Plywood Girls" in *Labour/Le Travail* #41.

Labour on Line

THE CITY OF VANCOUVER Archives is now on-line. As of 1 June 1999, researchers will be able to search the archives' extensive collection of government records, non-government manuscript collections, and pamphlets by going to: www.city.vancouver.bc.ca/ctyclerk/archives. Over 4,000 photographs can be viewed (and purchased) on line as well. The new web site also provides a link to the BC Archival Union List, a gateway to all archives in the province.

Students and scholars interested in working-class culture might want to check out the website for the Center for Working-Class Studies at Youngstown State University in Youngstown, Ohio, at: www.as.yosu.edu/~cwcs/. The website includes detailed information about the centre's programme, current research projects, and tips for innovative teaching.

Particularly useful is a bibliography of working-class fiction and an extensive catalogue of links to other labour-related sites.

For Sale



Photo courtesy of Jill Perry, Victoria, BC

THIS CAST BRONZE SCULPTURE of V.I. Lenin by Slovakian artist Emil Venkov could be yours for the low, low price of \$150,000 (US), or best offer. Reputed to be the “only representation ... [of] Lenin surrounded by guns and flames, instead of holding a book or waving his hat,” the statue was brought to North America from Poprad, Slovakia, in the early 1990s by Lewis Carpenter, an American veteran teaching overseas who found it “lying face down” in the street after it was “toppled in 1989 Revolution.” Today it is located in the Fremont district of Seattle, WA, “a symbol of an artistic spirit that outlasts regimes and ideologies, and as tangible proof that art does outlive politics.” To purchase this seven ton piece of Cold War booty — a “vision of Lenin as a violent revolutionary” — please contact the Fremont or Seattle Chamber of Commerce.

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