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# Canadian Labour – The Need for Social Renewal Le besoin de renouveau social dans le syndicalisme canadien

## **Anthony Carew**

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### Article abstract

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# Canadian Labour – The Need for Social Renewal

## **Anthony Carew**

It is now necessary that the labour movement free itself from a short-sighted interest in ad-hoc gains and start to take into account, with far more bigour than before, the wider, social and economic spectrum.

In the aftermath of last May's CLC Convention in Toronto, at which labour elected a new leader and, to some extent, reformed its structure, it is an opportune time to take stock of the direction in which the organization is moving. Indeed, so rarely is any critical opinion voiced publicly by those on the inside, and so weak is the dialogue within the movement, that almost any time is a welcome occasion for a little soul searching.

Nevertheless, in the months following the convention, with the appearance of new faces at the helm in the Department of Labour, and the future promise of a revitalized industrial relations system emanating from the work of the Woods Task Force and Rand Commission, an appraisal of labour's capacity for dealing with the problems which will face it is not untimely.

The concensus among interested observers is that the limited reforms adopted by the CLC in Toronto offer little encouragement to the progressives who had hoped for substantial revision of both structure and attitudes. For several years now, academics and people sympathetic to the movement, together with a small minority of union members, have been preaching the growing inadequacy of labour unions in the modern North American social and economic environment. To date, the criticism has received scant attention within the

movement, and certainly at Toronto there appeared little awareness of the urgency of the problem.

CAREW, ANTHONY, Director of Research, Canadian Brotherhood of Railway, Transport and General Workers, Ottawa.

## A Dynamic Element: The Q.F.L.

However, the emergence of the Quebec Federation of Labour as a vigorous unified group within the Congress offers a ray of encouragement since this body has been one of the most dynamic forces for change in the labour movement in recent years. The admission of both its President and former General Secretary to the decision-making process will, hopefully, stimulate that basic reconsideration of union attitudes and objectives that the Commission on Constitution and Structure failed to touch upon and without which the labour movement must remain in the wilderness.

Of late, the leaders of the QFL have stood out noticeably from the rest of labour's hierarchy with their call for a radical approach to unionism that would better equip it to deal with contemporary problems and would reafirm its essential social role.

Addressing the QFL in October, 1967, Mr. Laberge, the QFL president, took to task the movement for its blindness in not seeing that its traditional philosophy and sphere of activity have little meaning for those unorganized workers living at or around the poverty level whose economic standing is seen to be falling further and further behind that of the organized sector. Labour's inability to see the significance of this development or to come to grips with it suggests that, in the future, the movement's sphere of activity will be that of a mere custodian of the economically strong and relatively privileged position of its membership. In failing to produce some program to deal with the problems of the underprivileged, the movement will have abdicated its responsibility for them and left the field open for any institution capable of bringing a wider social perspective to bear on the question.

Mr. Laberge suggested that, unless unions change their attitudes, the anger of the poor and economically weak could explode in Canada much as it has done among the U.S. negroes; and echoing the view expressed by many observers in recent years, he pointed to the aridness of much of labour's current thinking.

« We have become the victims of the capitalist society's scale of values. After so many battles with employers, we have identified with them... The selfishness of labour institutions and workers has presented the distressing spectacle of unionists who publicly envy each other and who callously fight over the public budget pie. This type of attitude

has resulted in class strikes — directed more against other groups of workers than employers.

• Never like now have we felt that some strikes were mainly called to punish an employer for giving something to someone else or maintaining the wage gap between groups of workers. I think that when trade unionism stoops so low, it must take a hardlook at its aims and orientation. • 1

The speech has been heralded as the most courageous and refreshing by a labour leader in recent years. These ideas are, of course, not new but the fact that a prominent member of the movement publicly advocated them is tremendously encouraging.

The incident provides the labour movement with an opportunity to discuss the circumstances that have brought about a situation in which it claims to be the official spokesman for the broad mass of the working class while, in reality, it is becoming the protectionist and rather introverted defender of a relatively privileged minority.

#### A Contradiction

The basic contradiction which the movement must face is the one which attributes to it two largely opposite roles at one and the same time. The situation has been described as a conflict between the traditional role and the evolved role which has developed as the by-product of an increasingly complex economic environment. The traditional role sees labour as a vigorous protagonist in the struggle with industrial management over the determination of wages and working conditions. The role which has evolved for labour requires it to take a more responsible approach to the development of the total economy and to undertake a partnership with government and industry in the sophisticated process of economic management. To what extent the emergence of the second role renders the traditional function obsolete is an academic point; what has to be understood is that only by a vigorous pursuance of the latter role can the movement effectively extend its sphere of influence.

<sup>(1)</sup> Louis Laberge, Presidential Address to 10th Annual Convention of the QFL, Montreal, October, 1967.

<sup>(2)</sup> JEAN-REAL CARDIN, Canadian Labour Relations in an Era of Technological Change, Economic Council of Canada, Ottawa, Queen's Printer, 1967, p. 37.

What has led to this contradictory situation? For labour, the general concept of the responsible partner in the economic planning process is welcomed by many in the hierarchy, yet its wider implications have probably been given thoughtful consideration by only a small number of the theoretically inclined.

General endorsement of this role in union policy statements and resolutions should, therefore, be seen for what it probably represents—the appeal of a vague abstraction rather than total dedication to the achievement of some priority goal.

The dominant trade union function is still the traditional one, that of the demander, the private operator, characterized by a lack of any clearly defined long-term goals. This pragmatic approach has its origin in the haphazard development of the labour movement in a predominantly liberal, capitalist economy. Under this system, the sanctity of free enterprise, the rights of private property, and the principle of competition in product and factor markets were firmly entrenched by the time organized labour began to develop any collective strength. With the framework of the economy already established, all that remained for labour was to devise for itself a method of operation in keeping with the overall structure and enabling the organized sector to win the maximum economic share possible within the given constraints. Over the year the movement seems to have accepted more and more this pragmatic role, while the radical ideals that it formerly held have gradually faded into the background.

In connection with this, Jean-Real Cardin has commented:

- « This « Gompers » tradition, or « business unionism », practised originally by the old craft unions, was adopted by the large industrial unions organized between the two world wars. It accounts for the concrete, immediate and detailed character of union objectives, and for the short-term procedures adopted by unions concerning the means to be used for achieving these aims...
- « It must be pointed out here that the unions have simply acted according to the logic of a financial system forced on them by other groups whose control of the industrial production apparatus has been just about complete. In accepting the free-market system of trade and production, the unions have necessarily confined themselves to a role of pure bargaining and the constraint of management decisions concerning working conditions and job security. » <sup>2</sup>

<sup>(3)</sup> JEAN-REAL CARDIN, Ibid., p. 7.

Yet as Laberge points out, the principles of the liberal economy with its propensity to micro-economic myopia have not only been passively accepted by the labour movement but positively endorsed and embodied in its own methods of operation. Consequently, union attitudes are frequently adopted on a local basis with a limited view as to the wider relationship they may bear on other issues, and with a strictly parochial concern for the well-being of the immediate proponents of the position. The resultant lack of solidarity within the movement is at once a symptom and cause of the problem as identified by Mr. Laberge.

Clearly, free enterprise trade unionism in its classic form does not blend smoothly with the more sophisticated role which it is now suggested that labour play, and there are those who already see it in a state of decline.

The most recent authority to express this viewpoint is, perhaps, Mr. J. K. Galbraith who contends that the growth of the corporate « technostructure » has radically changed the entrepreneurial function and that the underlying mutuality of interests between this group and a conciliatory labour movement has had the effect of rendering the traditional role obsolete.

« What the technostructure gives to the union, it can also give without a union or to avoid having a union. At a minimum, the union shrinks in stature. A fighting lawyer is a figure of great majesty before a hanging judge. His stature is less before one who places everyone on probation. » 4

Thus he suggests that the modern, industrial system has encompassed the labour movement, and in pre-empting some of its basic functions has greatly narrowed its area of action. Whether or not his sweeping analysis proves to be totally accurate remains to be seen but it does lend weight to the theory that, to raise its level of effectiveness, the labour movement must free itself from a short-sighted interest in ad hoc gains and start to take into account, with far more vigour than before, the wider, social and economic spectrum.

Try as one might, one is hard put to find in any of the CLC's deliberations at Toronto, a suggestion that the labour movement is

<sup>(4)</sup> J.K. Galbraith, The New Industrial State, Boston, Houghton Mifflin Company, 1967, p. 266.

approaching this problem with renewed vigour. General statements there were decrying the continuing presence of hard-core poverty in the midst of plenty, but there was little mention of labour's specific role in helping to alleviate this and no recognition that such a role may very well require a fundamental change in labour's traditional manner of operation.

The Commission on Constitution and Structure, on which most hopes were pinned for a revitalized movement, had laboured for two years and produced a mouse of a report. Its recommendations are only marginally likely to improve the movement's capacity for discharging its traditional role in the field of collective bargaining, and in no way do they presage the expanded social role for labour which increasingly is seen to fall outside the scope of collective bargaining.

Labour is, in fact, hung up on a near-total reliance on industrial action for the attainment of its stated goals and this is a clear measure of the extent to which trade unionism has been absorbed by the free enterprise system. In this connection the movement's antipathy towards the market economy, so evident in many of its pronouncements, must be judged against its reluctance to set aside the traditional preoccupation with free enterprise unionism in the pursuit of its own objectives. An understanding of the extent to which free enterprise ideals are in fact accepted in the labour movement goes a long way to explain the muddled thinking which has limited the organization's success in achieving certain of its goals. The equivocation over the correct approach to technological change as it affects job security is but one example.

Here, the outward appearance is one of total and unswerving dedication to the proposals of the Freedman Commission Report, but beneath the surface, at least among many thinking unionists, is a reluctance to do anything that would radically alter the managerial function or force labour to forgo its role of loyal opposition and thereby assume the responsibility of joint decision-making. This fact, as much as anything, has caused a number of union groups (notably the railway unions) to sign away their claim for full participation in decision-making and has ensured that labour's protests in this matter have been largely resricted to policy statement and verbose memoranda.

The problem of how far the union movement can afford to rely on the functioning of the market system is a fundamental one which labour, its traditional disregard for theory notwithstanding, must resolve before it can reassert its dedication to a social role. Accommodation to the methods and ideals of the liberal economy may well be the best way of obtaining instant recognition and achieving immediate gains, but very much in doubt is the matter of whether such a conciliatory approach has within it the power to produce long-term social changes. Indeed, it leaves unanswered the question of whether labour would have the willpower or capacity to change its long established role even in the event that external circumstances demanded an immediate metamorphosis.

Ultimately, any basic questioning of its social role, vis-à-vis the market economy, will cause labour to undertake a thorough reconsideration of its attitude towards income redistribution, for if the movement is to have a function other than that of industrial policeman it must be seen as a force making for the reapportionment of income shares. Once again this will require a change in emphasis.

As has been seen, the major characteristic of traditional unionism has been its near total dependence on the institution of collective bargaining. That such is the case is not surprising in view of the widespread acceptance of basic liberal economic philosophy. Yet increasingly, observers are seeing bargaining as a creaking institution, incapable of adapting to the contemporary scene. Essentially, the drawback stems from its parochialism and its seeming inability to deal in terms other than the short run. And while a multitude of freely negotiated agreements, each with its own particular solution to immediate, localized problems, may stand as a tribute to democratic procedure, it would be tempting fate to suggest that the sum total of these isolated settlements added up to the most rational or equitable way of dealing with problems on a national scale.

Certainly there has never been a clear indication that collective bargaining in wages has brought about a fundamental redistribution of wealth, and yet labour's traditional attitude has been that this institution represents the one sure means of obtaining economic redress. In fact, labour income per head as a proportion of total national income has remained relatively constant in Canada over the last twenty years (a case can even be made to show a slight decrease); and equally unconvincing is the suggestion that organized labour has gained at the

expense of the salaried and managerial classes. The more likely case is that the economically powerful groups of rentiers, managerial executives and organized labour, have all improved their relative standing to the detriment of the economically powerless at the bottom of the social scale.

It would be dangerous to push this argument too far, for to suggest that organized labour has made gains to date solely at the expense of the unorganized sector leaves one a prey to those who, detecting an element of exaggeration, would disclaim any shred of truth in the case. The point is, however, that under its traditional role, the labour movement has little to say to those who fall outside its sphere of influence; and this brings us back to the central point of Mr. Laberge's argument.

Sooner or later the labour movement will be required to outline in greater detail than heretofore its attitude towards government proposals for an incomes policy, and this will be a prime test of its ability to shake off the trapping of a market-oriented institution. In all fairness, however, it must be conceded that the movement's ice-cold response to recent calls for wage « restraint » has been entirely justified, for without some indication of the extent of the restraint visualized, and in the absence of corresponding belt-tightening by other groups, the idea does not warrant serious consideration.

Having made that point it must then be said that this does not absolve labour from the responsibility of determining in some detail just how, and under what circumstances, it would willingly participate in an incomes policy. Unfortunately, one's distinct impression is that this is the last issue on which labour wishes to declare itself for it is doubtful if, even under the most favourable circumstances, it could divest itself of its predominantly laissez-faire mentality. However, in view of the movement's concern for an equitable redistribution of income within a planned economy and, since to be effective this will require some control over wage and other income shares, it is not unreasonable to expect labour to declare the quid pro quo under which an incomes policy would be acceptable.

The unfortunate tendency is for the discussion to break down over priorities, and at this point the negative attitude of the movement is most noticeable. An indication of a clear committment to comprehensive planning on the part of the government is a necessary precondition required by labour before it will temper its customary opposition role. Yet as John Crispo has pointed out, without a policy for incomes, economic planning makes little sense. <sup>5</sup> Thus the debate degenerates into a « chicken or the egg » proposition and one wonders whose long-term interests are being best served by this inflexible approach.

Moreover, this tendency towards self-delusion extends into other areas. Thus while the insistence on a higher priority in our scale of values for full employment than for price stability is perfectly justified, it is futile of the movement to suggest, as the CLC Executive Council maintains, that Canada is not experiencing price inflation at the moment. As part of a policy to counter the call for wage restraint the approach may have some value, but its wider effect is to divert attention from a legitimate problem. Certainly the economically deprived in the unorganized sector who have no power of redress at the next round of negotiations are unlikely to congratulate labour on this divertionary tactic.

In breaking away from this depressing pattern, labour must decide at what point it would be prepared to modify its practice of free-enterprise trade unionism. This is essential if only for the comfort of having, in private, a position which does not lack for consistency. For instance, on the question of income redistribution, how far would the wholesale implementation of the Carter Commission proposals go to meet the conditions for a more enlightened approach to income determination? Consideration of questions like this need in no way prevent labour from taking a tough opposition line where such were called for, and would certainly help to clarify some of the murky areas in its own thinking.

### Conclusion

The conclusion to be drawn from this is that labour must begin a process of critical self-examination if it is to combat the schizophrenia

<sup>(5)</sup> JOHN CRISPO, « Organized Labour and National Planning », in *The Prospect of Change*, ed. Abraham Rotstein, Toronto, McGraw-Hill Company of Canada Ltd., 1965

<sup>(6)</sup> Canadian Labour Congress, Report of the Executive Council to the 7th Constitutional Convention, May 1968, p. 6.

inherent in many of its attitudes. This will involve a reassertion of its long-term objectives and a clear examination of whether its current beliefs, and equally, its current methods, are the most conducive to the attainment of these ultimate goals. Hopefully, this process would lead to an abandonment of ad hoc approaches and a recognition that, if the movement is to extend its sphere of influence, it must enhance its social role at the expense of its present business mentality. As Jean-Real Cardin has said: :

« Trade unionism must undertake an « ideological reappraisal » within its organizations in order to resolve this superficial dilemma of necessary contention as opposed to equally necessary participation with the other sectoral groups in the public policy decisions which concern it. » 7

The emphasis on continuing opposition is not unhealthy, but it is not a role to which labour should cling at all costs. The movement has a more positive contribution to make, one that can have lasting results; and while it is true that the invitation to participate fully in overall economic and social management has not yet been extended, labour will have no excuse for being unprepared when the time comes.

## LE BESOIN DE RENOUVEAU SOCIAL DANS LE SYNDICALISME CANADIEN

En mai dernier, le CTC tenait un congrès à Toronto. On y choisit un nouveau chef et les structures furent modifiées dans une certaine mesure. Nous croyons qu'il est opportun, après de tels événements, de nous demander dans quelle direction se dirige cette organisation.

Il y a concensus autour de l'idée suivante : les réformes adoptées à Toronto offrent peu d'encouragement à ceux qui avaient relevé les imperfections des syndicats canadiens et avaient osé espérer une revision substantielle des attitudes et des structures. Cependant l'émergence de la Fédération des travailleurs du Québec comme un élément vigoureux de changement stimulera, nous l'espérons, une réévaluation des attitudes et des objectifs syndicaux, thèmes que la « Commission on Constitution and Structure » n'a pas étudiés.

<sup>(7)</sup> JEAN-REAL CARDIN, op. cit., p. 38.

Le mouvement syndical fait face à un problème fondamental: il y a conflit entre son rôle traditionnel et celui qu'on peut appeler « évolué », qui en fait est le sous-produit d'un contexte économique de plus en plus complexe.

Le syndicalisme endosse généralement le rôle de partenaire responsable dans le processus de la planification économique. Cependant la fonction syndicale traditionnelle prédomine toujours. Le syndicat apparaît alors comme un « private operator » caractérisé par un manque d'objectifs à long terme clairement définis. Cette approche pragmatique a ses origines dans le développement « hasardeux » du mouvement syndical dans une économie libérale et capitaliste. Cette approche a été de plus en plus acceptée avec les années pendant que les idéaux radicaux des débuts du syndicalisme se perdent peu à peu.

Pour retrouver son niveau d'efficacité, il est maintenant nécessaire que le syndicalisme dépasse les intérêts à court terme et commence à prendre en considération les questions sociales et économiques de grande envergure. Le syndicalisme est malheureusement au crochet d'une action industrielle dans le but d'atteindre ses objectifs et ceci est une bonne représentation du point auquel nos syndicats sont absorbés par le système de libre entreprise.

En guise de conclusion, disons que le syndicalisme doit se réévaluer s'il veut combattre la schizophrénie inhérente à plusieurs de ses attitudes. Ceci implique une reformulation de ses objectifs à long terme et un examen approfondi pour savoir si ses croyances et ses méthodes actuelles sont les plus efficaces pour l'atteinte de ses buts.

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