

Who Stands Up for Workers?



“WELCOME TO THE MIRACLE ON THE PRAIRIES!” WAS RALPH Klein’s victory cry after winning the 1993 provincial election. It was also a wry admission of how low the Conservatives’ standing and reputation had sunk under former leader Don Getty. Now, 11 years and three victories later, Klein is preparing to stand down as arguably Canada’s most successful post-war premier. How will his legacy be judged? He will no doubt be praised for delivering on the so-called “Alberta Advantage” and transforming the province into the nation’s leader in terms of wealth and productivity. More than that, of course, Klein’s government expunged all memories of the Getty years by balancing successive budgets, eliminating provincial deficits, and finally by slaying Alberta’s debt itself—an achievement no other provincial or state jurisdiction in North America has yet to manage. Klein himself has no doubts about his record. “Alberta is the envy of the nation,” he declared during the 2004 election. “We see a prosperous province that thrives on ingenuity and entrepreneurialism.”

And yet there is another legacy, one that receives little attention in the day-to-day media. Beneath the government’s regular boasts that Alberta leads the nation in worker productivity, employment rates and fewest days lost to strike action lies another story. Under Klein’s stewardship, Alberta workers have come to face the country’s most repressive labour laws, laws that curtail not just the right to strike but the right even to form a bargaining association. They are “protected” by some of

Canada’s loosest and most loosely enforced health and safety regulations, resulting in hundreds of on-the-job fatalities over the past decade. At the bottom end of the economy, Albertans were rewarded with what had long been the nation’s lowest minimum wage, \$5.90 per hour, while for the unemployed, the chronically poor and the elderly, Canada’s wealthiest province offers the lowest level of social welfare benefits. No wonder, then, that in her end-of-year report for 1999, Alberta Federation of Labour [AFL] president Audrey Cormack said that “It won’t be difficult to say goodbye to the 1990s.” What she did not know then, however, was that things were only going to get worse as Alberta entered the 21st century.

For the historical record, it is necessary here to set the achievements of Klein’s tenure as premier within the context of the widespread economic and social hardship that his government wilfully inflicted on working Albertans and the trade union movement. It may well be that his determination to emasculate organized labour will turn out to be Klein’s most enduring legacy. However, it is also necessary to consider in what ways and to what extent the labour movement itself has been culpable in its own demise. After all, Klein was remarkably consistent in his hostility toward organized labour—in word and in deed—and can have left no one in any doubt as to his intentions to complete the post-war transformation of Alberta into a “union-free” zone. (For background on this subject, readers

Are Union Leaders up to the Job?

By David Bright



Photograph Daryl Dyck Courtesy of AUPF

should refer to my earlier article, “Alberta’s Hostility toward Labour,” in the May/June 2000 *AlbertaViews* available at www.albertaviews.ab.ca). So how did the AFL respond and adapt to this challenge? How successful was organized labour in resisting the economic and legal pressures laid upon them? Why did so many workers—union as well as non-union—continue to vote for the Tories in large numbers throughout the decade?

THE “ALBERTA ADVANTAGE” SOON BECAME THE KEY SLOGAN of Klein’s first term in office and formed the cornerstone of all his major achievements. Often described in rather vague terms—“the unique combination of benefits that make the province an outstanding place to live, work and do business,” one official release declared—the “advantage” was premised on three commitments. The first of these was deregulation by removing government from determining prices for such things as electricity and registries. The second commitment was privatization, which similarly allowed open competition to provide goods such as liquor, and services such as health and education. Finally there were tax cuts, the pay-off for the reduced public services citizens could now expect. The government’s commitment in this respect culminated in the introduction of a flat tax in 2000, which replaced the old, progressive, three-tiered system of taxation.

This being so, it is tempting to view the “Alberta Advantage” as a reflection of Klein’s loose affiliation with and support for the

wave of neo-conservatism that swept Canada (as elsewhere) in the 1980s and 1990s. Yet this is misleading in two ways. First, Klein was never a political ideologue but instead a pragmatist, always willing to adjust or jettison policies if they threatened his majority. Second, other governments in Canada would subsequently adopt many of Klein’s policies to far less effect, for the simple reason that Alberta’s prosperity in the 1990s relied primarily on continued high prices for its main commodities, crude oil and natural gas. The price of West Texas Intermediate crude rarely fell below \$15 per barrel during Klein’s first two mandates (1993–2001) and since the terrorist attacks of September 11, 2001, has ranged between \$30 and \$50 per barrel. Similarly, the price of natural gas more than tripled, from \$1.66 per 1,000 cubic feet in 1993 to \$5.39 by 2001. It was the continuing prosperity of both these industries that fuelled the Alberta Advantage, pouring tax revenues into the government coffers, which in turn translated into healthy budget surpluses in the region of \$2-billion annually, notwithstanding royalty rates rather lower than those of other energy-exporting jurisdictions.

Against the background of such prosperity, Klein was able to boast toward the end of his first mandate that 100,000 new jobs had been created since 1993. Provincial statistics show that the number of working Albertans actually rose from 1.29 million in 1993 to 1.45 million by 1997, even more impressive than the premier’s claim. But the statistics hide some important shifts in

It may well be that his determination to emasculate organized labour will turn out to be Klein's most enduring legacy.



AUPE president Dan MacLennan holds up a copy of a court order he received because of his actions in an illegal strike being held by Alberta health care workers in Edmonton on May 24, 2000. Hundreds of elective surgeries were cancelled in Alberta that day. (CP PHOTO/Edmonton Sun/Walter Tychnowicz)

the nature of jobs that were being created in this period.

It is interesting, for example, that the number of employees falling within the occupational category of “mining”—which includes oil field workers—actually fell by almost 10 per cent between 1992 and 1996. The increase of oil profits and productivity was achieved, in part, through a substitution of technology for jobs. On the other hand, the number of manufacturing jobs rose by 10 per cent, reflecting an increase in the food processing sector. By far the greatest increase occurred in the service sector, however, which rose by more than 35 per cent during these five years. This was not a new development, of course, but part of a longer trend in shifting employment patterns. A generation earlier, in 1975, 206,000 Albertans had been employed in the service sector (26 per cent of the total). By 2001, this figure had risen to over 680,000, accounting for more than four out of every 10 workers in Alberta. Many of these jobs were part-time, offering low wages, few if any benefits and relatively little long-term security. Indeed, while the overall workforce more than doubled between 1971 and 2001, the number of part-time employees rose even faster—more than threefold from 95,000 to 295,000 by 2001.

The implications here are significant. If new jobs were being created as part of the Alberta Advantage—and they were—these were not the same kind of jobs as before. This fact was reflected in the pattern of weekly wages during this period. Between 1992

and 2002, for example, gains in the nominal value of the average weekly wage were in fact more than offset by a slightly greater increase in inflation, leaving workers worse off at the end of the decade than they had been at the beginning. Much worse off, in fact, as many workers were working far longer hours than previously, with almost 20 per cent of Albertans working more than 50 hours per week. At the other end of the scale were those working fewer than 30 hours per week. The overall effect was thus a polarization of Alberta’s workforce, between those working longer weeks just to stand still and those unable to secure sufficient hours.

At the bottom end of the labour force were those who worked for minimum wage. Under Klein, Alberta’s minimum wage was raised from \$5.00 to \$5.40 in October 1998 and again, in two stages, to \$5.90 by October 1999. It remained at that level four years later, by which time Alberta—arguably Canada’s richest province—was paying workers Canada’s lowest minimum wage. Not once in the 1990s did Alberta’s minimum wage ever approach the national average, and in real terms its value had dropped by 40 per cent between 1977 and 1997.

It was not all about money. Alberta’s worksites had become more dangerous, lethal even. In terms of the bigger picture, from 1975 to 2000, the fatality rate (per 100,000 employees) had fallen substantially from 15.1 to 9.1, while at the same time fewer work-accident claims were being made by a smaller percentage of employees. Even the AFL recognized these long-term improvements, noting in a 2001 publication that “the current generation enjoys a measurably safer workplace—thanks largely to a real government investment in the area between 1976 and 1986.” Yet this was rather a backhanded compliment, for that same investment and improvement had come to a halt in the Klein years. In 1994, the workplace fatality rate was 8.2 per 100,000 person-years in Alberta. By the end of the Klein Tories’ first mandate, this had risen to 11.5—an increase of 40 per cent. It remained high thereafter, with a rate of 10.0 in 2003 translating to a total of 127 deaths that year—the largest total in Alberta’s history.

“The problem is getting worse, not better,” said Kerry Barrett, then AFL secretary-treasurer and soon to be president. “Alberta is losing the fight against workplace death.” All too often, workplace fatalities go unreported in the media, a hidden cost of the advantage of doing business in Alberta. An exception to this, however, was the case of 14-year-old Shane Stecyk, who was killed while working on a construction site in Edmonton in July 2000. Then Human Resources Minister Clint Dunford rejected the idea that this was anything other than a tragic accident, but

If new jobs were being created as part of the Alberta Advantage— and they were—these were not the same kind of jobs as before.

the courts disagreed and eventually fined the company involved \$138,000 for safety violations.

To what extent was Klein's government at fault for allowing such accidents to occur? Between 1993 and 2000, the number of government health and safety inspectors was reduced from 69 to just 58 and they were responsible for inspecting more than 70,000 work sites across Alberta. "It's like trying to mop up an ocean with a sponge," protested Les Steel of the AFL. Inspections were only part of the problem. If employers were found to be in contravention of standards, they would be given an order to comply. Failure to address the problem would result in a conviction and fine. How did this system work in effect? To give one example: in 1997, inspectors conducted 2,315 inspections (approximately 3 per cent of all worksites); 127 orders to comply were issued; two convictions resulted. Fines were minimal. Between 1996 and 2000, a total of six companies were fined for health and safety violations, the fines averaging less than \$20,000. Overall, the Occupational Health and Safety department's budget was cut by more than 40 per cent between 1990 and 2000, from \$12.2-million to \$7.2-million. In effect, this meant that by 2000 the Alberta government was spending less than \$5 on the safety of each worker. "There is no political will on the part of the government to make sure workers are safe," said the AFL's Audrey Cormack in 2000. "They would rather let employers police themselves."

Against this background—of increasing work hours, declining pay, the emergence of a new workforce outside traditional labour organizations, and the underfunding of health and safety inspections—it might well be imagined that the Klein years should have been fertile ground for an aggressive labour movement seeking to restore previously won gains and to share in the much publicized wealth. There was, in short, more than enough work for the labour movement to do.

Founded in 1912, the AFL had long established itself as the central, coordinating voice of the province's trade union movement. In the early part of the 20th century, Alberta had in fact been at the forefront of trade union growth and activism, with strong unions establishing themselves in the cities and coalfields. The labour movement continued to grow in the newly prosperous years after the Second World War, from 38,000 in 1948 to 61,000 by 1960, but at the same time, Ernest Manning's Social Credit government passed a new labour law in 1948 that restricted the scope and effectiveness of those unions. This pattern would persist under the Conservative regimes of Peter Lougheed and Don Getty, with new labour laws being passed in 1977 and again in 1988. As a result, by the time Klein formed

a government in 1993, the rate of unionization in Alberta had already fallen far behind the national average. By the late 1990s, Alberta's rate was just 22 per cent, compared to 35 per cent across the country. In Alberta's private sector the rate was even lower, a mere 12 per cent. Alberta's low union participation is partly a reflection of its economy, with employment skewed toward industries traditionally resistant or outright hostile to organization such as gas and oil, and away from previous mainstays of union support such as manufacturing.

Still, the Alberta government continued to contribute to organized labour's difficulties as well. First, there were the restrictions it placed on certification, the process by which a union is established in a new workplace. Even if a clear majority of workers are in favour of joining a union, Alberta labour law requires that a vote be held on the question after an "election" period of up to 10 weeks, which gives employers time to bring pressure to bear on their workforce. Even if granted, however, certification does not compel employers to recognize the union as the official collective bargaining unit or to enter into contract negotiations with it. Also, the Alberta labour code outlaws the practice of "automatic check-off"—the right of unions, once established, to collect dues from all workers who fall under its collective agreement—a practice which is the cornerstone of trade unionism across Canada. Alberta also refuses to pass anti-strikebreaker legislation and instead permits employers to bring in non-union replacement workers in the event of work stoppage.

Removing the right to strike became a central point of conflict between organized labour and the Klein government in the 1990s. By expanding the designation of "essential services" to nurses, teachers and even janitors, the government denied many groups of workers the basic right to strike.

Despite such difficulties, the AFL did actually manage to increase its membership during the 1990s, growing from 253,000 in 1997 to 268,000 a year later and to more than 280,000 by 1999. But the AFL's single largest member, the Alberta Union of Provincial Employees (AUPE), had been hit by Klein's cuts to the public service and lost more than 20 per cent of its membership between 1900 and 1998. In a bid to recover its strength, the AUPE began a campaign to recruit new members from other unions, an action that ultimately led to a war within the labour movement. Eventually, the National Union of Public and General Employees accused the AUPE of "raiding," and in 2001 the latter was expelled from the Canadian Labour Congress and consequently from the CLC-affiliated AFL at the same time. This was a massive blow to the Alberta movement, for the loss of

40,000 members (and their dues) hit hard. Staff at the AFL office were laid off, the AFL's journal was reduced to a cost-recovery publication, and per capita dues were increased in order to prevent further cuts to staff and programs. At the same time, the AFL instigated a new recruitment drive of its own and in the spring of 2001 scored a major coup when the United Nurses of Alberta agreed to affiliation, bringing in a one-time gain of 18,500 new members. However, even with that boost the AFL now represented only about 100,000 workers across Alberta.

How did the AFL leadership respond to this, and to the broader challenges posed by the Klein government's hostility toward trade unions? The 1990s and early 2000s were a time of both change and continuity for Alberta's major labour organization, with three new leaders taking the helm. Audrey Cormack served as president for three terms from 1995 to 2001, having been secretary-treasurer for six years before that. Replacing her was Les Steel, secretary-treasurer during Cormack's tenure, who headed the AFL from 2001 to 2004. In turn, he was succeeded by Kerry Barrett, who herself had served as secretary-treasurer under Steel.



Brian Mason, Alberta NDP leader, walks the picket line with Finning employees in Edmonton. Photo by Pieter de Vos.

To judge from speeches made on Labour Day at the AFL's biennial conventions, and in their presidential end-of-year statements, Cormack, Steel and Barrett shared two major beliefs on which they based their leadership. The first was that wages, working conditions and life in general had deteriorated under Klein. The second belief was that trade unions and the labour movement in general still mattered and that they alone could stand up for the rights of workers. "Protecting the interests of

working people from attacks by conservative governments and unscrupulous business people has never been easy," Cormack told the AFL convention in Calgary in April 1999. "But based on the energy and commitment that was demonstrated ... this week, I'm convinced that unions in Alberta are up to the challenge. The Alberta labour movement is strong and united—we are ready, willing and able to do what we do best—and that's to fight for the interests of working people." Cormack echoed this belief at the end of the year, pledging to "continue our fight to ensure that working people get the best deal possible." On taking charge in 2001, Les Steel declared that "working people are stronger when they stand together," and that his top priorities as president would be to fight for fairer labour laws, to publicize the many benefits of union membership, and to partner with groups opposed to privatizing health care. "I am confident that we will be able to build an even stronger and more united labour movement over the next few years," he concluded.

YET IF SUCH OPTIMISTIC DECLARATIONS WERE TO BEAR FRUIT, even as workers continued to suffer under the Klein regime, it was obvious that the labour movement would have to rethink its approach. There were those within the AFL who admitted as much. "All of labour's current strategies, tactics and ideologies need to be re-examined," wrote Jim Selby in "Losing Ground: The Slow Decline of Workers' Rights and Privileges in Alberta, 1975–2000," a pamphlet produced by the Federation's research department in 2001. "They aren't working." The titles of other AFL reports published during the Klein years echo this sense of failing. "Crumbs From the Table" (1997), "Missing Out on the Boom?" (1998), and "Running to Stand Still" (2003) all captured the sense that workers had fallen behind, despite the AFL's professed best efforts. Indeed, polls taken over the years indicated that union members were almost as likely to vote for the provincial Conservatives—and the federal Canadian Alliance—as were members of the general public. "The fact that so many rank-and-file union members vote Conservative may be hard for union leaders and activists to understand—and it may be even more difficult to swallow," concluded one AFL report. "But it is a reality."

Faced with this reality, then, how has the AFL adjusted its strategy and tactics? One approach has been to reach out to other groups and interests in society to forge what has been termed "social unionism." Thus in the past decade the labour movement has been an active element in the opposition to Klein's plans to privatize health care and education, in the efforts to protect and preserve Alberta's environment, in protests against the

The time has come for Alberta labour to reconsider its traditional support of the NDP... and even of renouncing partisan politics altogether.

deleterious effects of globalization, and in the move to safeguard civil liberties in the wake of “war on terror” legislation. This widening of scope has dangers, as the AFL recognizes. “Advocates of this approach admit that ‘socializing’ victories may not seem particularly important to union members in the short run,” noted the research paper “Now More Than Ever” (1999), a review of the challenges facing the Alberta labour movement in the 21st century. “But they argue that working with coalitions improves the reputation of unions and increases long-term support for the labour movement in the broader community.”

Yet just when or how that long-term support would be realized is never quite clearly articulated. Whatever the inherent and tactical merits of social unionism, in the short run the labour movement has always had to be self-reliant. “What we in the labour movement must realize is that we really have only two tools to balance the power of big business,” states a position paper (“Breaking out of the Rut”) delivered to the AFL’s 2001 convention. “The first is our collective strength in the workplace and the second is democracy.” As to the former, Alberta workers have fought to protect their jobs, wages and collective agreements. Many bitter and often prolonged stoppages—workers at Safeway and the *Calgary Herald*, nurses, paramedics and ambulance drivers, A-Channel and CBC employees, and the Lakeside meatpackers at Brooks, among others—have galvanized the movement and secured substantial public sympathy and support. The Lakeside struggle is a special testimony to the enduring strength of unionism. After many years of attempting to organize workers at the plant, in the face of employer opposition and largely unsympathetic media coverage, Local 401 of the United Food and Commercial Workers union finally secured certification there in August 2004, by a vote of 905 to 857.

As to the question of political action, there are already murmurs within the AFL that the time has come for Alberta labour to reconsider its traditional support of the NDP. Given that the Alberta NDP has never been a serious contender for power and that many union members openly support other parties anyway, there have been suggestions of pursuing formal alliances with those other parties, of forming a new Labour Party, and even of renouncing partisan politics altogether and dealing with political concerns issue by issue. Whatever the road taken in future, it seems clear that the labour movement in Alberta will have to deal with the long-term legacy of Ralph Klein’s extended stay in office for years to come. A reminder that the struggle continues occurred just this past October with the closure of the Celanese Canada plant in Edmonton. The company moved operations to Mexico, where labour is much cheaper, throwing



Audrey Cormack, President of the Alberta Federation of Labour, (left) laughs as she and provincial New Democrat leader Raj Pannu tickle the ivories in Edmonton on March 11, 2001. Pannu was on hand to speak at the breakfast put on by the Alberta Federation of Labour. (CP PHOTO/Edmonton Sun/Darryl Dyck)

more than 300 high-tech employees out of work. “For years, the Alberta government has relied upon the energy sector to carry the provincial economy,” said AFL president Kerry Barrett in response to the move, “but their lack of any commitment to long-term planning or to any kind of industrial development plan is now costing hard-working Albertans their jobs.... This plant closure should come as a wake-up call to Albertans.”

It should. But it will be a miracle if it does.

David Bright is a professor at Brock University and an award-winning writer in the fields of labour, and social and criminal justice history.