

‘Right-to-work’ will cause labour chaos, experts warn

By Mohammed Adam, The Ottawa Citizen - December 26, 2012

The bitter teachers’ dispute that has caused chaos in schools across the province is setting the stage for a new wave of labour unrest Ontario has not seen in decades, experts warn.

With Tory leader Tim Hudak, the favourite to win the next provincial election, talking tough against unions and promoting a so-called right-to-work agenda, they warn that Ontario is heading for labour discontent that could cripple the province. The experts say if teachers’ unions today are up in arms because the Liberal government is curbing their right to negotiate contracts or go on strike, Ontarians can only imagine what would happen if the Tories enact a right-to-work law that could strip unions of their ability to function and hasten their demise.

“Right-to-work is too loaded and incendiary, and if a majority Conservative government passes such a law, it would produce huge anger and blow-back,” says Carleton University business professor Ian Lee.

“It is a bridge too far to take away the Rand formula... If Hudak was elected and it went through, the union movement would pull out all the stops and declare war against the government.”

At its core, right-to-work will deny employers the power to collect dues on behalf of unions in the workplace. The president of the Ontario Federation of Labour says over time, this policy would dry up union funding and kill them. Sid Ryan says even as teachers are battling the Liberal government today, the union movement knows that a Conservative government would be worse, and Hudak’s right-to-work proposal — an “Orwellian slogan” that will “destroy” unions — says it all. He warns any government contemplating such legislation better buckle up for a protracted labour war.

“This fight we see right now with school teachers is about just the right to collective bargaining. Imagine if this is a fight over the right to join a union or for freeloaders to hold their money and destroy the labour movement. It will be an incredible fight,” Ryan says.

“The days of protest under Mike Harris when we had 200,000 protesting on the streets of Toronto will be like a Sunday picnic compared to the fight that will go on if they try to take away the Rand formula.”

The Rand formula is named after the author and former Supreme Court Justice Ivan Rand. More than 60 years ago, he established the principle that an employer must collect dues from all employees in a bargaining unit — and not only from those who are union members. Rand’s decision, handed down in 1946 when he was asked to arbitrate a strike in Windsor, has been upheld by the Supreme Court as a reasonable limit on individual freedom of association. It has remained the bedrock of union activity in Canada ever since, and it is this fundamental principle that Hudak wants to eliminate.

A series of White Papers issued this fall outlined the initiatives the Conservatives would pursue to regenerate the economy if elected. These include freezing public sector wages, reforming public pensions, ending closed tendering for contracts and privatizing workers' compensation by allowing the private sector to compete with the Workplace Safety and Insurance Board. But the one that has hit a raw nerve (and baffled some experts) is Hudak's "worker choice" reforms, under which employers will no longer deduct union dues from workers' pay cheques.

Hudak doesn't use the term right-to-work. But he points out in policy documents that U.S. states that have adopted "worker choice" policies under which workers are free not to join unions are thriving and creating jobs. Hudak says the U.S. "manufacturing renaissance is expected to take place primarily in states with worker choice reforms," and Ontario should follow a similar path to prosperity. But since unions already exist in workplaces across the province, Hudak wants to weaken them by hitting them in the pocket.

"It's time the law is modernized to give Ontario employees more choice and control, and to encourage the kind of flexible workforce Ontario businesses need to be competitive. It's essential to creating jobs," he says.

And his policy document spells it out clearly: "No clauses in any provincial legislation, regulation or collective agreement should require a worker to become a member of a union or pay union dues as a condition of employment. Union leaders, not employers should collect dues from the workers they represent."

Lee, who teaches strategic management at Carleton's Sprott School of Business and once ran for the federal Progressive Conservatives, is mystified by Hudak's endorsement of right-to-work. He says the Tory leader was on a winning path talking about deficit reduction, pension reform, a public sector wage freeze and cutting spending, which many Ontarians readily identify with. But veering into an area like right-to-work, which is largely identified with Southern U.S. states such as Alabama, Mississippi, South Carolina, is baffling.

Right-to-work was used by southern states starved of manufacturing jobs to attract plants that companies had been reluctant to locate in the south. Lee says the policy has succeeded in attracting new jobs even though "you work for less money."

Lee points out, however, that unions have been on the decline in Canada and the U.S. since globalization took hold and developing countries such as China, India, and Brazil became manufacturing hubs. He notes that today only 31 per cent of the Canadian workforce is unionized. In the private sector, the figure is 17 per cent while the number in the public sector is about 75 per cent. In Ontario, about 28 per cent of the workers are unionized, and Lee says with membership declining or flat, there is not much to be gained in taking on such an emotionally-charged issue as right-to-work.

Even in the public sector, where unions are strong, their power has been waning with governments chipping away at wages and benefits. Public sector pay freezes or one-per-cent increases and smaller pensions are going to be the norm, he says.

The Tory base may welcome tough right-to-work policies, but Lee says Canadians and Ontarians "are more centrist than Americans" and right-to-work could backfire. Centrist and independent voters Hudak might need for a majority could be repelled by what they may see as a mean-spirited attempt to kill unions.

"For that political strategic reason, and because it is simply unnecessary, it would be a waste of valuable political capital, similar to challenging gay rights or abortion," Lee says.

Nelson Wiseman, a University of Toronto political scientist, says political parties don't adopt policies out of the blue. The only explanation that makes sense is that Tories may have talked to focus groups and come away believing that such a policy would be popular. But he doubts right-to-work would go far unless Hudak wins a majority.

"Right now I don't see the Conservatives winning a majority. I see a minority, and I don't know if Hudak will bring right-to-work in a minority," he says.

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