



Unions hinder economic prosperity

Global Television - Danielle Smith - Calgary Herald

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On Sept. 3, 1872 members of seven unions paraded a group of workers more than a mile long to the home of then Prime Minister Sir John A. Macdonald, and extracted a promise from him to sweep away laws that made unions illegal.

The conservative leader made good on his promise, and repealed the laws a year later.

Declaring a national holiday in honour of workers followed 20 years after that.

However, this Labour Day, Canadian workers don't have much to celebrate.

A new Fraser Institute study that measures labour market performance in Canada and the United States, reveals the modern reality is, less union activity means greater economic growth.

In Alberta, which ranks first among the provinces in the survey, unions receive fewer advantages through labour laws, yet there are more jobs, and workers receive higher wages and benefits.

In Newfoundland, which ranks last, union protectionism is high and jobs are scarce.

Overdependence on employment insurance, excessive public sector employment and high minimum wages, also help to create an environment that kills job and growth prospects.

Nations need high-performing, flexible labour markets to reap the benefits of technological change, create jobs and enjoy rapid economic growth.

This is what makes workers more productive and allows them to earn higher wages, which is what most people really want.

Creating a better job market began in earnest more than 130 years ago, but clearly there's still more work to do.

I'm Danielle Smith of the Calgary Herald, and that's The Last Word.