Policy Analysis by the Labour Movement in a Hostile Environment

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by

Andrew Jackson and Bob Baldwin

1. Introduction: From Junior Insiders to Outsiders

Canadian unions are a significant economic and social force. One in three employees belongs to a trade union, with membership now divided equally between women and men. The unionization rate has slipped from 36% to 30% since the mid-1980s, and private sector density has fallen from 26% to 18% over this period (Akyeampong 2004). By most accounts, union bargaining power, the ability to organize new members, and political influence have eroded over the past two decades (Rose and Chaison 2001). Nonetheless, the Canadian labour movement is also widely judged to have been relatively successful in adjusting to the major economic and social changes which have affected organized labour in all advanced industrial countries. Canadian unions remain a significant force in the workplace, and have been engaged in an ongoing process of renewal and internal change to retain relevancy (Kumar and Murray 2003).
The fact remains that Canadian unions have been, and perceive themselves to be, very much on the defensive, facing major challenges to their legitimacy, role, and effectiveness within the workplace, and relatively marginalized from the policy process. The latter role of unions has been little studied compared to extensive research on union impacts on the economy and the workplace, and on union involvement in party politics. This paper explores policy analysis by Canadian labour against the background of a changing relationship to the policy process. This section provides a broad historical overview of labour’s role within, and growing marginalization from, the policy process, with some comments regarding the historical evolution of the policy analysis function within the labour movement. Section 2 reports on labour’s relationship to the policy process, and specific policy analysis activities over the past decade or so. Section 3 details attempts by labour to shift the terms of public debate over policy, and Section 4 provides some concluding observations.

Given the paucity of published research, this chapter is based mainly on the personal knowledge of the authors. Due to limits of space, only a few comments are made on policy analysis at the provincial level, and the paper does not cover the activities of unions which are not affiliated to the Canadian Labour Congress.

In the so-called Golden Age of the post-War period through to the
mid-1970s, Canadian labour grew in numbers (mainly because of the strong growth of public services unions in the 1960s), successfully translated rising productivity into real wage gains for members, greatly expanded workplace pension and other benefits, and was a significant political force behind the expansion of social programs and public and social services (Morton 1998; Heron 1996). Organized labour played a major role in winning key social gains of the 1960s and early 1970s, such as the Canada/Quebec Pension Plan, the Canada Assistance Plan, Medicare, and an expanded Unemployment Insurance system. The extent of incorporation of labour into the “Fordist” Canadian economic and social order was limited, reflected in very high levels of industrial conflict compared to many other countries, but the legitimacy of collective bargaining in larger private sector workplaces, and later, in public and social services, was generally accepted. In this context of relative acceptance, labour played what could be described as a junior insider role in the policy process.

Indicative of this junior insider role, from 1956 (when the Canadian Labour Congress or CLC was formed from a merger of two earlier labour central bodies), the CLC presented a lengthy annual policy memoranda (the so-called “cap-in-hand brief”) to an annual meeting of labour leaders with the Prime Minister and senior Ministers covering the
major economic and social policy issues of the day. Ministers of Labour, usually senior cabinet Ministers with recognized responsibility for co-operatively managing the government’s political and policy relationship with labour, ensured ongoing labour contact with other Ministers. They were even invited to address labour conventions. The CLC nominated representatives to a wide range of advisory boards and commissions, notably (to take 1974 as an example) the Economic Council of Canada, the Unemployment Insurance Advisory Committee, the Canadian Manpower and Immigration Council, the Canada Pension Plan Advisory Committee, and various advisory boards on training and adjustment, and also had a say in some government appointments (Forsey 1990, p.88). The legitimacy of formal labour input, especially on labour market and workplace issues, was recognized, though advisory bodies operated at some distance from the policy process. For example, the mandate of the Economic Council of Canada was to study medium to long-term issues, and it operated more in a research than consensus-building capacity in its later years. Labour representatives also participated as junior partners of business in policy fora such as the C.D. Howe Institute and the British North American Committee.¹

The policy analysis role of labour in this period was modest, confined to a handful of staff in the CLC research and legislation
department in Ottawa and research departments in the larger unions. Some
linkages were maintained with labour-friendly economists, such as Jack
Weldon at McGill. The recollections of long-time CLC research director,
Eugene Forsey, and former CUPE research director, Gil Levine, suggest
that only a few research staff with advanced educational qualifications
were in place before the 1970s, when labour leaders gradually began to
see the need for more than purely technical support (Levine 1997; Forsey
1990). Until at least the mid-1970s, the main focus of union research was
on collective bargaining rather than public policy issues, and even CLC
staff spent a lot of time on bargaining as opposed to policy issues. Labour
staff did, however, prepare respected analysis and prescription on
economic and social issues. One notable example is the lengthy CLC brief
to the Gordon Commission on Canada’s Economic Prospects. Levine
notes that co-ordination of research between the CLC and researchers in
unions was limited and exceptional.

Labour’s linkages to formal processes were influenced by ties with
the NDP. These were closest for the former CIO industrial unions that
tended to the view that policy issues could safely be left to the party.
However, labour never put all of its political eggs in a single basket, and
maintained close contacts with Liberal governments until the major
parting of the ways over wage and price controls in 1976. This involved
labour withdrawal from the annual meetings with the Prime Minister and from many consultative boards and processes, including the Economic Council of Canada. However, some notable attempts to renew the relationship were made through consultative processes during, and in, the aftermath of controls. Despite a major shift in macroeconomic and social policy, the Trudeau government continued to be interested in microeconomic planning, and labour’s ties to the NDP had been loosened by its position on wage controls.

Several rounds of tripartite (government-business-labour) discussions closely involving the CLC officers and research staff were held to discuss alternatives to, and ways out of, controls, and some direct discussions were also held with business. The CLC briefly flirted with the concept of a continental, European-style, formalized tripartist approach to economic and social policy-making, advanced most coherently in the 1976 CLC document, “Labour’s Manifesto for Canada,” drafted by CLC research director Ron Lang (Morton 1998: Chapter 26; Waldie 1986). Such proposals were deeply controversial within the labour movement and did not move beyond the discussion stage with Ministers. However, in the late 1970s, the CLC and its affiliates were consulted quite closely on labour market policies, and played a major role on bipartite (business-labour) taskforces dealing with a wide range of economic issues. Labour
economists played a major role in the drafting of the so-called Tier II report on industrial and labour market strategies and the Report of the Major Projects Task Force. These set a model for consultative processes in which labour nominated a co-chair and had its own staff, and the close involvement of expert labour staff in these processes was seen by unions as key to their success (Waldie 1986).

The bipartite Canadian Labour Market and Productivity Centre was set up with a major endowment of government funds in 1984 to provide joint policy advice on productivity and labour market issues to the federal government. It was partly the result of government interest in a productivity institute, and partly the result of labour advocacy for a labour market planning board on the Swedish model. One notable feature of the CLMPC staff reorganization of 1987 was the establishment of a separate, small research staff to serve each of the labour and business sides. From 1988 through 1991, the CLMPC labour branch not only supported labour members on bipartite CLMPC taskforces on training and other issues, but also published a series of policy-related research studies and bulletins.

Formal policy consultations and the modest expansion of the policy analysis function ran out of steam by the early 1980s as the shift to restrictive macroeconomic policies generated very high unemployment, and as labour involvement in such processes became more controversial.
within the movement. However, labour continued to be represented on the Canadian Employment and Immigration Advisory Council through the 1980s until it was abolished in 1992. This was an advisory council to the Minister with several labour and business members which met about six times a year and issued major reports on such issues as labour adjustment policies for older workers. One CLC staff person sat on the Committee and spent much of his time in the development of labour recommendations and the drafting of Council reports.

In the 1980s, unions also engaged in policy analysis through the then popular medium of Royal Commissions. Labour was (not without internal controversy) represented on the Macdonald Royal Commission on the Economic Union and Development Prospects for Canada of 1982-1985 in the person of Gerard Docquier, President of the Steelworkers Union. He obtained only limited labour-staff support. Docquier’s dissenting comments in the final report highlighted the gulf between the research program of the Commission, which was heavily influenced by mainstream academic economists advocating free trade, deregulation, privatization, and labour market deregulation, and what Commissioners heard from a wide range of unions and non-governmental organizations. The critical research capacity of the labour movement was shown in The Other Macdonald Report (Drache and Cameron 1985), a book of against
the trend submissions to the Commission which included major critiques of the prevailing drift of economic and social policy by the UAW and CUPE, among other unions and organizations. This book marked the start of the great ideological cleavage between labour, on the one hand, and governments and business on the other over free trade, which was now added to the growing gulf over macroeconomic and social issues.

Labour also played a notable role on the Forget Commission of Inquiry into Unemployment Insurance (1986) and, indeed, all but hijacked its work. Labour staff were very closely involved in the research work of the Commission, and ultimately the two labour commissioners produced a book-length minority report of detailed program analysis and recommendations which was the product of close labour staff involvement. Surprisingly, the labour minority report was broadly endorsed by the Conservative majority on the relevant House of Commons Committee, and was closely heeded by the opposition parties. While the UI program was trimmed in 1989, major cuts were not implemented until the mid-1990s.

While labour was involved in a number of consultative activities through the 1980s which involved policy research and analysis, these must be seen against the backdrop of government rejection of most policy advice from labour. From a labour perspective, the years from the mid-
1970s to today have been the years in which the limited post-War consensus on economic and social policy was torn apart, in which unemployment was deliberately tolerated and increased through tough monetary policies in order to contain wages, in which unions and labour market regulation measures, such as the minimum wage and employment standards, came to be constructed as barriers to job creation and sources of economic inefficiency, in which the ability of unions to organize and strike was increasingly constrained through legislation, in which social programs (particularly income supports for unemployed workers) were trimmed and then slashed, in which previously regulated industries, such as transportation and communications, were deregulated, in which public enterprises were privatized, and in which activist and nationalist economic development policies were abandoned in favour of the free market and free trade. The squeeze on public finances arising from slower economic growth and the drive to balance budgets brought governments into particularly sharp conflict with public sector unions, while the great national debate over the Canada-US Free Trade Agreement marked a very fundamental cleavage of views between the labour movement and business.

In this context of fundamental disagreement, continued participation in consultative and formal policy processes became highly
problematic within the labour movement. The explicitly anti-union content of economic orthodoxy and its rejection of most of organized labour’s policy agenda for labour market regulation and income security made critical distance all but inevitable.² There has been an ongoing tension between engaging in policy analysis to change the details of policy and challenging the fundamental assumptions on which policy has been based. While this tension has never been resolved definitively, more attention came to be focused on the development of labour’s broad policy alternatives. The public policy statements which are debated and passed at CLC and union conventions denounced the turn away from centrist and social democratic policies to the nostrums of the new right, the increased dominance of business in economic and social policy-making, and the perceived exclusion of labour from participation and influence in the policy process. Leaving aside some brief periods of harmony with relatively labour-friendly provincial governments, organized labour has been, and has seen itself to be, an outsider in the policy process for a generation and more. This has clearly shaped the policy analysis activity of the movement.

2. The Contemporary Labour Movement and the Policy Process:
Structure and Policy-Related Activities of Unions and the Canadian
Labour Congress

Following a series of mergers and new organizing in non-traditional sectors, most unions are very large and diverse. Industrial unions, such as the auto workers (CAW) and steelworkers (USWA), have organized workers far outside their traditional areas of jurisdiction, and boundaries between the private and public sectors have become blurred as public sector unions like the Canadian Union of Public Employees (CUPE) have organized in the non-governmental social services sector. Two-thirds of CLC members now belong to the eight largest unions, each of which has more than 100,000 members. CUPE alone has more than 500,000 members (Workplace Information Directorate 2003). The dominant activities of these unions are, naturally, collective bargaining, ongoing management of industrial relations, union education, and organizing new members, but policy-related work by professional research staff is significant. All large unions have become more important policy actors and sites of policy analysis than in the past. Public sector unions have become major intervenors in policy debates over how such public and social services should be financed, organized, and delivered, partly because public policies impact very directly upon the employment and working conditions of members.

Most large unions have policy analysis capacity within their
research departments and produce policy-related research on a regular basis. Visitors to their Web sites will find a considerable amount of policy-related research, with a tilt towards issues of greatest immediate interest to members. Unions have clearly recognized that public policies are of fundamental importance in shaping the evolution of sectors in which their members are employed, and put forward not just critiques, but also reasoned alternatives. There are many notable recent examples of sophisticated policy research analysis and prescription.

The CAW has undertaken detailed analytical work on shifts of investment and production in the North American automotive industry and advanced the case for a new automotive industry policy featuring targeted subsidies to new investment and support for a new generation of highly energy-efficient vehicles.³

CUPE has undertaken extensive research on public finance and the changing contours of public service delivery at the local government and community social services level through privatization, municipal contracting, alternative service delivery, and public-private partnerships. It has also commissioned research on practical public finance alternatives, such as centralized municipal borrowing facilities and greater scope for pension fund financing of local governments.⁴

The CEP has undertaken extensive work on forestry, climate
change, and energy issues, linking environmental and employment issues. The CEP’s energy policy is comprehensive, and a conscious attempt to articulate an alternative to current export and resource extraction intensive policies. It proposes dealing with pressing environmental issues such as global warming and rapid conventional resource depletion through closer control of exports and greater investment in conservation and renewable sources of energy in such a way as to maintain high quality employment in the energy-related sectors where the union has many members. This work, which emerged from close consultation with members, was important in building broad political support for Canadian implementation of the Kyoto Accord, and undercut the attempt by some parts of the energy industry to mobilize employee opposition to its provisions. Currently, the CEP and other unions are closely involved in the Kyoto implementation plan.

A particularly notable recent union intervention in public policy-making came when the Canadian Federation of Nurses Unions advanced a detailed proposal and arguments for a national drug plan as one potential vehicle for renewed federal government involvement in health care, *Can We Afford to Sustain Medicare? A Strong Role for the Federal Government.* This proposal directly influenced provincial premiers and briefly dominated the run-up to the federal-provincial health accord of 2004.
Some three in four union members belong to unions affiliated to the Canadian Labour Congress (the major exceptions being the CSN and CEQ in Quebec and some large teachers’ unions). With a total annual budget from affiliation fees of some $15 million, and some 100 national and regional staff, the CLC has significant resources for a non-governmental organization. The Congress now has almost no direct involvement in collective bargaining or union organizing, though many of its activities, such as union education, are internal to the labour movement. A major role of the CLC is to represent the labour movement in policy terms nationally and internationally. It is the single most important site of policy analysis work by labour, though policy analysis is only one small part of CLC activities, and member unions play a major role. The provincial federations of labour play a comparable role to the CLC at the provincial level, though rates of affiliation are often lower and staff resources are very limited. (The FTQ in Quebec has a formalized special status relationship with the national labour movement and much greater resources.) Well over one hundred local labour councils also exist across the country.

The CLC’s elected officers have responsibility for directing and promoting the policy work of Canadian labour between policy-making conventions, with the advice and direction of the heads of affiliated unions.
and provincial federations who sit on the CLC Executive Council. This body meets at least three times per year and takes the lead role on social and economic policy and international issues. At the staff level, most policy analysis activity is undertaken by the Department of Social and Economic Policy. However, some related activity is also undertaken in the International Department and the Departments of Women’s and Human Rights, Anti-Racism and Human Rights, and Health, Safety and Environment. Currently, the Social and Economic Policy Department has five professional staff, down from a high of about eight in the mid-1980s. Some sense of current policy priorities can be gained from the rough division of labour among staff, with one person being primarily responsible for each of pensions and retirement issues; economic policy, including macroeconomic policy and labour market analysis; social policy, health policy and privatization; Unemployment Insurance and training; and international economic issues. The core focus on economic, pension, labour market, training, and income support issues is long-standing, while that on international economic issues is more recent and has been one product of labour’s engagement with trade issues and the new realities of “globalization.”

In addition to providing technical material to support the work of the CLC officers, the Social and Economic Policy Department is primarily
responsible for producing briefs and submissions to Ministers, officials and Parliamentary committees, and also produces research papers, labour position papers, and material for policy and political campaigns.  

The Department has produced thirty research papers since 1995, produces some half-dozen briefs and submissions to government per year, and publishes regular research bulletins on each of economic, pension and unemployment insurance issues. This material is extensively circulated within the labour movement, and to an external mailing list which includes the media, elected politicians, government officials, academics, researchers, and activists in other organizations. Some policy-related work has also been published in books and journals. (See: e.g., Jackson 2005.) Staff in the Department maintain regular contact with research staff in unions through committees (e.g., on training and technology, and on pension issues) and through an annual meeting of labour researchers. There is some informal sharing and co-ordination of policy research between the CLC and affiliated unions.

*Continuity and Change in Labour’s Policy Goals*

Economic and social policy statements passed at recent CLC conventions show a broad continuity in key priorities from at least the
post-War period: a full employment objective in macroeconomic policy; a high level of public services, such as health and post-secondary education, delivered on a citizen entitlement basis through the public sector and supported by federal transfers with broad national standards; decent income support for the unemployed; good public pensions; support for policies of income security for all workers as well as redistributive social transfers funded from a progressive tax system; support for unions and legislated minimum labour standards; and advocacy of greater public and employer investment in training and labour adjustment policies. There have, however, been some changes dating back to at least the late 1980s.

First, labour has become more explicit about defining its own policy goals and objectives, as opposed to simply attempting to marshal electoral support for the NDP. “Labour’s Manifesto for Canada” of 1976, which called for a major labour role in economic policy, reflected some tension with the NDP role in the debate on wage and price controls. This turn was reinforced by the election of 1988 when the CLC rather than the NDP took the lead in forming a broad popular coalition in opposition to the Canada-US Free Trade Agreement. Experiences with NDP governments and, most importantly, growing recognition that “the corporate agenda” and ascendant “neo-liberalism” had to be fought through a battle of ideas have all reinforced the felt need to develop
labour’s own policy agenda. CLC conventions, which used to spend much of their policy time debating short resolutions, have been presented with increasingly lengthy and analytical policy statements, drafted mainly by union research staff over a series of meetings and approved for discussion by the CLC Executive Council.

Second, partly reflecting the stronger voice of union women and workers of colour, labour’s policy goals have expanded to include more explicit support for human rights instruments (e.g., pay and employment equity legislation; support for expansive interpretations of the Charter; measures to accommodate persons with disabilities in the workplace and in the community) and closer attention to issues facing working women and families, such as access to quality child and elder care, and hours of work. Legal action on human rights issues has become an increasingly common means to shape policy.

Third, much greater focus has been placed upon developing labour’s alternatives to the current set of so-called free trade agreements and to specifying needed changes in global economic institutions. Indeed, arising from the experience of the new generation of trade agreements which began with the Canada-US Free Trade Agreement and NAFTA, the CLC has played something of a policy leadership role in international trade union organizations, such as the International Confederation of Free
Trade Unions (ICFTU) and the Trade Union Advisory Committee (TUAC) to the OECD. The CLC has supported the ICFTU case for core labour rights to be entrenched in trade and investment agreements, but has successfully pushed for a wider critique of the way in which these agreements intrude upon national policy choices in such key areas as how to deliver public and social services. Through the ICFTU and TUAC, the CLC has been quite closely engaged in international policy debates, participating, for example, in fora with heads of state prior to G7 summits, OECD Ministerial Councils, and meetings with senior officials at the IMF and the World Bank.

**Policy Analysis Related to Party Politics**

Through the 1990s, the CLC and many of its affiliates spent a great deal of staff time and funds on political action, usually meaning attempts to directly and indirectly mobilize electoral support for the NDP. However, changes to federal party financing legislation, which labour supported, will force a turn to campaigns around issues rather than partisan activity. There has long been ongoing, informal contact between labour researchers and the research staff of the federal NDP and formal involvement in the policy development processes of the party. Research
staff from the CLC and some major affiliates, notably the steelworkers, have been very closely involved in the development of the federal NDP election platforms since the party lost much of its research capacity following the electoral setbacks of the 1990s. This has been particularly the case with respect to technical details and costing.

*Engagement in the Formal Policy Process*

As noted, labour today tends to intervene in the policy process at a general and political rather than bureaucratic and specific level, and conducts its policy analysis activities accordingly. Between elections, the CLC is fairly closely engaged with the Parliamentary process, producing an annual pre-Budget brief to the Standing Committee on Finance and frequently appearing before Parliamentary committees considering legislation or holding general policy reviews. Some affiliates also participate in these processes. Engagement with Ministers and public servants is less frequent, but not uncommon. The CLC usually has ongoing contact with the Ministers of Labour and of Human Resources Development (now Human Resources and Skills Development) with regard to issues of worker training, workplace issues (including labour issues in the federal jurisdiction), and Unemployment Insurance, though
these relations tend to wax and wane depending upon personal relationships between Ministers and the labour leadership. On occasion, the depth of engagement has been considerable, and this has been particularly true with respect to training issues.

The CLC and labour leaders, closely supported by union research staff, played a major role in the taskforces on training and labour adjustment called for and funded by the Mulroney government in 1988. The taskforces were conducted under the auspices of the bipartite (labour-business) Canadian Labour Market and Productivity Centre, and their reports (CLMPC 1990) directly led to the creation of the Canadian Labour Force Development Board in 1990 as a formal advisory body to the federal government (Haddow 1995). A somewhat parallel process of extensive engagement by labour leaders and staff in tripartite consultative processes led to the establishment of provincial training boards and some bipartite sectoral training initiatives in the 1990s, notably in Ontario (Gunderson and Sharpe 1998; Sharpe and Haddow 1997). In a handful of industries, notably steel and electronic products manufacturing, rather extensive training and adjustment programs were developed and delivered jointly by unions and employers in the early 1990s with government financial support. Despite the general demise of training boards, broad
planning for labour needs continues to take place today through bipartite national sector councils.

It could be argued that the rather pronounced shift to bipartite policy input and design of government-funded training and labour market planning at the national, provincial, and sectoral level in the early 1990s partly reflected policy analysis and innovation by the labour movement. Labour thinking was influenced in some significant ways by a major policy paper issued by the Canadian steelworkers in 1988, “Empowering Workers in the New Global Economy,” which called for expanding labour’s role from collective bargaining and political action to taking an independent advocacy role in industrial restructuring and training through social bargaining with employer associations and governments. A labour paper, “A Labour Perspective on Training,” was issued as part of the CLMPC reports, and major position papers on training and workplace change were issued by a number of unions in the early to mid-1990s. Labour leaders and research staff were intimately involved in the policy processes leading to the creation of the Ontario Training and Adjustment Board and experiments in sectoral industrial policies under the Rae government which have been described as near-corporatist in terms of devolving policy responsibility from government to business and labour (Atkinson and Pervin 1998; Bradford 1998). However, there were
significant divisions of opinion within labour over how deeply to embrace
what critics denounced as the politics of “progressive
competitiveness” (Bradford 1998). 11

These attempts to devolve some responsibility for training and
labour market policies to boards including labour, let alone embrace union
initiated sectoral strategies, ultimately foundered in the face of difficulties
in forging an employer-labour consensus, and the reluctance of the federal
government in particular to genuinely cede authority to an arm’s length
body (Sharpe and Haddow 1997). Ultimately, labour engagement in social
bargaining with employers and governments depends on the willingness of
governments to promote such arrangements in the face of employer
indifference or hostility, and this has only rarely been forthcoming.

Labour appointees and staff also played a major role in developing
and drafting the analysis and policy recommendations of the Donner Task
Force (the Report of the Advisory Group on Working Time and the
Distribution of Work, 1995) and the Collective Reflection on the Changing
Workplace (1997), though advocacy of changes to employment standards
in both reports fell on deaf ears. Consultative processes involving labour
in discussion of labour law, employment standards, and workplace issues
generally have been very difficult due to fundamental differences of view
with employers, and government’s unwillingness to act on labour
proposals in the absence of bipartite consensus. While the federal
government abandoned formal consultative structures on Unemployment
Insurance with the abolition of the Canadian Employment and Insurance
Advisory Committee, there is still some scope for continuing input into the
EI policy process through the office of the workers commissioner and ad-
hoc meetings with public servants. Labour also has some continuing input
into the detailed shaping of policies with respect to public and private
pensions, which have been the subject of numerous CLC briefs and
several research papers.

Neither has labour been entirely absent from discussions of
economic policy. Even in the immediate wake of the Free Trade
Agreement, CLC and other labour representatives participated in the
International Trade Advisory Committee and the Sectoral Advisory
Groups on International Trade. With respect to macroeconomic policy,
meetings of CLC officers take place with the Minister of Finance and the
Governor of the Bank of Canada, and trade union economists currently
meet annually with Department of Finance and Bank of Canada officials.

In summary, labour had some very modest, continuing input to the
federal government’s policy process through the 1990s, especially in those
areas like training where unions are perceived to have some expertise and
play an independent role in the workplace which policy-makers have to
take into account in order to achieve their objectives. Somewhat surprisingly, links through consultations were arguably somewhat closer under the Mulroney government, despite the free trade schism, than proved to be the case under the Chrétien government until very late in its mandate when the focus began to shift from deficit reduction and tax cuts back to social investment. Labour’s relations with the federal government have become somewhat closer in the recent period of social reinvestment, marked by recent rounds of meetings with Ministers by the CLC Executive Council, and a meeting of the labour leadership and the Prime Minister in November 2004. As of late 2004, the labour movement was quite actively engaged with the newly re-elected Martin government on a few priority issues: health; child care; Employment Insurance reform; training; pensions and bankruptcy legislation. Detailed policy analysis work at the CLC has been undertaken in support of all of these activities. Most notably, the CLC has conducted significant empirical research on the impacts of changes to the Employment Insurance program and has advanced specific program alternatives with respect to EI entitlements and access to training through EI.

_Policy Analysis by Labour at the Provincial Level_
It is not possible to discuss this topic in detail, but a few brief comments can be made. Into the 1990s, there have been some continued examples of sustained consultative processes deeply involving labour leaders and research staff, notably in Quebec under PQ governments, in Ontario through the Premiers Council in the early 1990s, and most recently in Newfoundland and Labrador. The Quebec situation is unique given the strength of the labour movement, its capacity to be a policy innovator, and the close relations it has often enjoyed with the government of the day. In the rest of Canada, labour has been a weaker actor with less policy capacity, and significant influence and engagement in the policy process has usually depended upon the election of NDP governments. Relations of labour to such governments have been highly variable and always marked by tensions over funding of public services and public sector labour relations. That said, many examples could be cited of labour’s role as a policy innovator at the provincial level. It can be noted that labour’s policy capacity at the provincial level has usually been very modest, that it has often been weakened by the movement of labour staff into government positions when NDP governments have been elected, and that governments have often engaged with individual unions rather than with provincial federations of labour.
3. Shifting the Contours of Public Policy “Against the Prevailing Winds”

CLC Research

As indicated, a major goal of policy analysis by the labour movement has been to shift the broad contours of public and policy debate away from current neo-liberal orthodoxy. One way of doing so has been to conduct detailed empirical research on the wages and living standards of Canadian workers, highlighting the stagnation of real wages, declining employment security, increasing family income inequality, cuts to social transfers, and deteriorating conditions in workplaces which took place through much of the 1990s. (Some of these dismal trends did begin to reverse to some degree in more recent years.) Currently, such analytical material is published in the quarterly CLC publication, Economy, and in an annual report on the state of the labour market “Is Work Working for You?” In 2000, the Canadian Centre for Policy Alternatives published mainly CLC research on labour market, workplace, and income issues in “Falling Behind: The State of Working Canada 2000,” and similar material will be published in book-form as Work and Labour in Canada: Critical Issues by Canadian Scholars Press in 2005 (Jackson 2005). CLC research has closely tracked income trends among the elderly, changing patterns of retirement, and the impact of public and private pension
policies on income security in retirement (Baldwin and Laliberté 1999; Baldwin 2004).

This analytical work has sought to draw some links from major changes in macroeconomic, trade, and social policies to working and living conditions, and has been policy prescriptive to a limited degree in highlighting the positive economic and social impacts of trade unions, labour market regulation, and social programs. For example, CLC pension work has detailed the success of the public and private pension arrangements put in place by the mid-1970s in terms of achieving income security and rising incomes in retirement. CLC research papers have also developed detailed critiques of the orthodox prescription for labour market deregulation as the key to job creation in an attempt to influence policy. To give one example, a CLC research paper on the negative impacts of the theory of a NAIRU- (or “non-accelerating inflation rate of unemployment”) driven monetary policy on employment in Canada was presented to an OECD seminar, circulated to Department of Finance and Bank of Canada officials, presented to the annual meetings of the Canadian Economics Association, and published in Canadian Business Economics (Jackson 2000). In sum, the CLC has sought to develop some credibility and technical expertise in labour market and income security issues in order to influence the general tenor of public debate over the
relative success or failure of current policies. Trade union economists and researchers have also published books, articles, and technical papers on social and economic policy issues (e.g., Stanford 1999; contributions to Scarth 2004).

Labour Policy Analysis in Relation to Non-Governmental Organizations and Think-Tanks

Labour has also intervened in the policy debate by supporting and actively participating in the work of non-governmental organizations and policy research institutes. The CLC and individual unions are quite closely engaged in the activities of a number of umbrella policy advocacy groups, including the Canadian Health Coalition, the major lobby organization for a public health care system; the Child Care Advocacy Association of Canada; Campaign 2000, the national coalition dealing with child poverty issues, and the Canadian Council on International Co-operation. In recent years, labour researchers have participated in the policy analysis and development activities of each of these organizations. Partly as a result, elements of labour’s policy agenda have been included in the policy positions of advocacy coalitions. For example, the 2004 Report of Campaign 2000 stressed the importance of raising the wages of the
working poor through labour market regulation as part of any solution to child poverty, and the Canadian Council on International Co-operation has supported and promoted the importance to international development of trade union rights as defined in the conventions of the International Labour Organization. At the same time, the CLC and unions have incorporated the policy work of these organizations into their own positions and work. For example, the CLC Budget brief of 2004 spoke to the importance of the detailed positions being advocated of the Child Care Advocacy Association and the Canadian Council on International Co-operation.

In terms of linkages to policy think-tanks, the closest ties have been to the Canadian Centre for Policy Alternatives (CCPA). However, labour representatives have also been involved in an expert advisory capacity with the research work conducted by the Work Network of the Canadian Policy Research Networks, with the work on social policy of the Canadian Council on Social Development, and some labour research has been published and circulated by the Caledon Institute of Social Policy. Labour links to the CCPA are very close, and this institution was launched in the early 1980s with labour support explicitly in order to counter the increasingly influential policy interventions of the business-supported think-tanks, notably the Fraser Institute and the CD Howe Institute. The
CCPA is still partly labour-financed, and a number of labour movement policy analysts are intimately involved in its activities together with independent researchers and academics. Provincial CCPA offices have now been established in British Columbia, Saskatchewan, Manitoba, and Nova Scotia, and in Ontario, specific studies have been undertaken.\textsuperscript{12}

Two streams of CCPA work over recent years are examples of ‘best practice’ labour policy analysis. First, the CCPA’s trade and investment research project, funded from labour contributions, has been responsible for several monographs and books on the policy impacts of trade and investment agreements such as the NAFTA and the General Agreement on Trade in Services. These have highlighted the shrinking policy space which is open to Canadian governments in a range of domains because of obligations entered into through trade and investment agreements. Labour researchers, notably from the CLC, CUPE, the CAW, and the Canadian Union of Postal Workers (CUPW), have been closely involved in initiating subjects for research and have provided continuing input to the research program. Perhaps the most notable result of this work was the CCPA research program on globalization and health which was commissioned by the Romanow Commission on health care. This research suggested that trade and investment agreements (particularly provisions for investor compensation in the NAFTA and GATS provisions still under
discussion) could potentially undercut the ability of Canadian governments to continue to mainly deliver health services through public and not-for-profit institutions and agencies, as opposed to for-profit, commercial delivery. The central argument was that experimentation with privatized delivery had the potential to turn into a one-way street due to trade obligations. The CCPA research (Canadian Centre for Policy Alternatives 2002) and the Romanow report made some recommendations for how to avoid these constraints through changes in both trade policies and health delivery policies. In short, labour has been increasingly engaged in sophisticated analyses of the implications of complex provisions of trade agreements and in the specification of clear alternatives which would retain policy space for Canadian governments. These recommendations are being increasingly heeded by policy-makers.

A second major ongoing area of CCPA activity has been the annual preparation of Alternative Federal Budgets. (These have now also been produced for several provinces, including British Columbia, Saskatchewan, Manitoba, Ontario, and Nova Scotia.) The first federal AFB was produced in 1995 as a joint project of the CCPA and a Manitoba organization, Choices, and the project continues into 2004 in somewhat changed form.13
From its inception, the AFB has closely involved labour movement policy analysts from the CLC and almost all of the larger CLC affiliated unions, as well as staff from various popular sector organizations concerned with social policy, international development, and environmental issues, and CCPA staff and a few academics. While a collaborative project which has involved many people, it is relevant here to note that much of the analytical work on macroeconomic policy in the first few AFBs was undertaken by Jim Stanford of the CAW, that Hugh Mackenzie of the USWA took the lead on tax issues, and that staff from the CLC Social and Economic Policy Department have taken the lead in a number of specific issue areas such as health care, EI, training, and employment issues.

In the period before 1997, the major focus of the AFB and its associated technical papers was upon demonstrating how alternative macroeconomic policies could reduce and eliminate the federal deficit and the debt without reducing levels of spending on social programs and public services. Since 1997, the focus has shifted to showing that more ambitious social investment programs than those introduced by the Liberals were fiscally feasible, and to arguing the economic and social case for public investment as opposed to tax cuts and debt repayment. The AFB has advanced numerous specific expenditure proposals, such as a
national child care and early childhood development program and expanded child benefits; a comprehensive tax reform agenda; proposals for a fundamental re-structuring of federal-provincial fiscal arrangements, and a detailed environmental and international development agenda. In sum, the AFB – particularly the book-length versions published as the Alternative Federal Budget papers in 1997 and 1998 – have amounted to a broad, multi-year, costed, internally consistent alternative legislative and budgetary program for the federal government. This program is seen as technically feasible, and it has been explicitly endorsed at CLC conventions as a concrete translation of labour’s policy goals into a detailed agenda.

The AFB has had several notable impacts. It has promoted collaborative policy-related work among labour researchers to a greater degree than used to be the case, and also fostered closer links with policy researchers from non-labour organizations. Many non-governmental organizations – from child care and anti-poverty advocates to environment groups – have helped shape AFB spending proposals, and have used it as an analytical framework within which to advance their own proposals. To some degree, then, the AFB has promoted unity of policy analysis and proposals among groups which used to compete for attention in the policy process. The AFB has advanced the credibility of labour and popular
sector organizations on fiscal, economic, and social policy issues, and
played an important role in terms of labour’s internal education programs.

In essence, the AFB has come to be regarded as holding up one
side of the national debate on broad budgetary priorities. Arguably, it had
some impact upon the slow shift back towards social investment in federal
program spending from about 2000. The AFB also helped promote greater
labour and popular sector participation in the policy process. As Minister
of Finance, Paul Martin engaged in lengthy annual meetings with lead
project participants to discuss the AFB and encouraged some follow-up
with government officials in specific areas (while also making very clear
his substantive disagreements). Overall, the AFB can be judged as a
success in terms of deepening policy analysis within the labour movement
and advancing labour’s policy agenda.

Labour Collaboration with Academic Researchers

In the past, labour researchers have rather episodically collaborated
with academic researchers, for example, in studies of workplace
conditions and the restructuring of work. Formalized links and contacts
between academics and trade unions have been established through
university research centres, most notably the Centre for Research on Work
and Society (CRWS) at York University which has organized numerous conferences and publishes research papers. As well, an electronic annual journal, *Just Labour*, publishes some policy-relevant work by both academic and labour researchers. More recently, funding for academic research programs closely involving labour researchers has been facilitated though the Community-University Research Alliance and other programs of the Social Sciences and Humanities Research Council (SSHRC).

As of 2004, there are several major academic research programs underway which bring academic and trade union researchers together in policy-relevant work. For example, the “Restructuring Work and Labour in the New Economy” project, coordinated by the CRWS, brings together researchers from 10 universities and eight unions, and specific projects are examining the role and impact of labour standards on quality of work and the role of unions in training and skills recognition. A project based at the University of Montreal, is undertaking policy-relevant work on labour market regulation in the new economy (CRIMT: “Rethinking Institutions for Work and Employment in a Global Era”) and joint projects are underway on pensions, workforce aging, and training for the new economy. Union researcher involvement goes beyond participation in conferences and advisory groups to include partnerships on specific
research projects. While these projects are still in their early stages, new funding mechanisms and the growing interest of academics in working with union researchers is likely to lead to a major increase in sophisticated, policy-relevant research by the labour movement. Unions also often engage academics in their own research activities, and sometimes support academic research and conferences on issues which mesh with labour’s policy agenda.

4. Concluding Thoughts

Policy analysis by the labour movement has been neglected as an area of study, but is nonetheless significant. The CLC and member unions employ a modest number of professional staff who are engaged in serious research, and this function has become more, rather than less, important in recent years. Labour has been relatively marginalized from the national policy process for more than a generation, and this has shaped the policy analysis activities of the CLC and member unions. On the one hand, continuing efforts are still made to shape the details of public policy through formal and informal consultations. Government demand for policy advice from labour has usually been confined to workplace and labour market issues where unions are still important actors. Even here,
labour advice has tended to be heeded only when it has been part of bipartite processes, which have receded greatly in importance since the early 1990s. Labour’s role as a critic of the general drift of policy and as an advocate for fundamental change has, however, increased greatly, and become more sophisticated. Notable examples exist of labour policy research undertaken independently or in collaboration with other popular sector organizations and with labour-friendly academics. Both of these poles of activity will likely continue, while the balance will shift with changes in the overall policy climate.
References


Notes

1 Details of CLC policy-related activities are reported in the reports of the Executive Council to CLC Conventions, available in the CLC Library.

2 On the centrality of labour market deregulation to current economic orthodoxy, see: Baker et al. 2002.


4 <http://www.cupe.ca/www/privatization>

5 <http://www.cep.ca/policies/policy_917_e.pdf>


8 Much of the policy analysis material is posted at <http://www.clc-ctc.ca/web/issues/policy/en_index.shtml>.

9 See recent CLC convention policy statements and pre-Budget briefs to the House of Commons Finance Committee, available from <http://www.clc-ctc.ca>.

10 The Board was abolished in 1998.

11 On the internal labour debate, see the contributions by Hugh Mackenzie, and Sam Gindin and David Robertson in Drache 1992.

12 <See: www.policyalternatives.ca>.

13 On the history and impact of the AFB, see: Loxley 2003, and contributions to Akram-Lodhi et al. 2004.