

### CASE STUDY 3

## The Case of the Workers' Strike

Most Canadians work for a living. **Who or what determines the wages and hours of Canadians on the job?**

This case study explores the rights of workers, and their impacts on economic decision making in Canada. As you read this section, consider how market and mixed economies might respond differently to worker rights.

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**strike:** a cessation of work by workers. Strikes pressure employers to respond to issues that concern workers.

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### Strike looms over Saskatchewan health care

September 5, 2002

Saskatchewan health-care workers have voted to go on strike. They will walk off the job tomorrow.

The workers' union is demanding higher wages. Union president Stan Dmnik says hospitals are losing workers to better-paying jobs. He says this means patients are not getting the care they deserve, and waiting lists are getting longer.

The strike has prompted the Regina Qu'Appelle Health Region, a provincial agency responsible for delivering health care services in southern Saskatchewan, to cancel some surgeries. The agency has announced that there will be no cardiac surgeries until the strike is over.

The agency also warned of further disruptions unless the strike is resolved quickly: more bed closures and more cancelled surgeries. Newborns requiring specialized care will be transferred out of province.

Saskatchewan Health Minister John Nilson rejected calls for the government to intervene in the labour dispute. The government could pass a law requiring the strike to end, with penalties such as fines if the union does not comply. The minister said such "back-to-work" legislation was always a last resort.

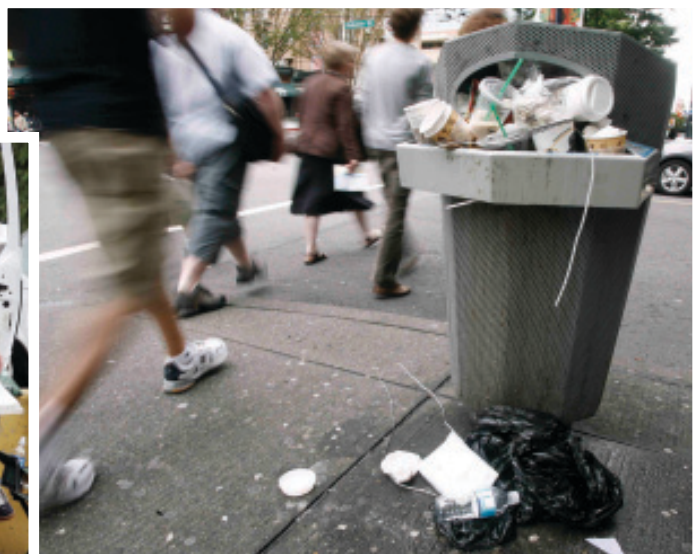
— Based on research into events, views and perspectives.



These health care workers are attending to the needs of child with an injured leg. The child needs their help, and the workers need fair compensation for their skills and services. **Think critically: Why might Canadians have different views about how to solve a health care strike? How might a health care strike affect your quality of life?**

## WHAT ARE SOME OTHER EXAMPLES OF STRIKES?

Vancouver’s outside workers went on strike in July 2007 over wages. Strikes can also involve issues about benefits, such as time off and pensions, or working conditions.



Vancouver residents and businesses began strategizing about what to do with their garbage. This photo shows a refuse container in downtown Vancouver.



**Why do strikes happen? How do they affect quality of life? From whose perspective?**

Striking CN workers march in front of the CN tower in Edmonton on March 11, 2004. The strike disrupted rail service across Canada. The workers were seeking better pay from CN rail.



Air traffic controllers in the U.S. are no longer unionized because of a decision in 1981 by then-U.S. president Ronald Reagan. The controllers went on strike for higher wages and shorter hours, which disrupted airports. Reagan refused to negotiate with the controllers’ union and fired the striking controllers. He then replaced the controllers with supervisors and military personnel, until more air traffic controllers could be trained.



## WHAT'S A LABOUR UNION?

- Workers organize **labour unions** to represent their needs to employers. Unions provide a way for workers to act as a group. Unions make **collective bargaining** possible.
- By organizing workers into groups, unions can pressure employers about wages, working hours and workplace safety. Strikes are a form of pressure. During strikes, workers as a group refuse to do their jobs.
- Today, unions exist in many parts of Canada's economy, including transportation, education, health care, forestry, construction, manufacturing, public service and others.
- Because of unions, Canada has labour laws, such as the Canada Labour Code. Canada's labour laws establish that workers have a right to form unions. They also describe bargaining procedures for unions and employers, and set standards for wages, hours, safety, holidays and other matters.
- Governments in Canada have opposed unions at times. You can read more about this on page 234.

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**collective bargaining:** negotiating as a group. Collective bargaining is the key right established by unions for workers.

**labour union:** an organization of workers that acts to protect workers' rights and interests

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## DID YOU KNOW?

Many factors can contribute to the wages and working conditions of workers. For example:

- Unions influence the wages and conditions of unionized jobs. Not all jobs are unionized, however. For example, most retail workers don't belong to unions.
- Labour shortages can drive up wages, as businesses compete for workers to fill jobs. Consider how this relates to the principle of supply and demand.
- Economic slowdowns can drive down wages, as companies cut jobs and pay less to workers to stay in business.

In Ontario, craft workers were among the first workers to organize a union. In 1872, they began the "Nine Hour Movement," which lobbied employers for a shorter workday — from twelve hours down to nine. Craft workers were skilled in trades such as tailoring, baking, printing, bricklaying and shoemaking. **Think critically:** In what way were their actions an example of active and responsible citizenship? In what way did their actions improve quality of life for Canadians?

This photo dates from 1912 and shows a 14-year-old coal miner in Canada. He has a lamp on his head, so he can navigate and work in the underground mine shafts. This boy would have worked full time in the mine. Because of unions and labour laws, Canada no longer allows employers to hire children full time, or for dangerous jobs like coal mining. **Think critically:** How has this affected your quality of life?



## DID YOU KNOW?

In 2005, Alberta's government changed rules about hiring young people to work in restaurants. Before 2005, employers needed government permission to hire children younger than 14 years of age. Since 2005, they can hire children 12 years of age and older without permission. The decision partly aimed to ease a labour shortage in the restaurant business.



**CRITICAL THINKING CHALLENGE** Employers provide jobs for workers.

Workers provide employers with labour. Why do employers and unions need to bargain with each other?

## connect to the big ideas

1. Find examples in the media of issues related to labour disputes. Use these examples to develop a collective-bargaining scenario between a union member and an employer. Consider the views of each individual and propose a settlement that meets both their needs. Role-play the scenario or write a script for it.
2. Research a labour union from Canada or the U.S. to extend your learning about the role of unions in mixed and market economies. Compare your research with a partner. Find out:
  - The history and goals of the union.
  - The scope of its membership.
  - Services it provides to its members.
  - An issue that it is currently involved with.
  - The ways that the union has affected the economies of the U.S. or Canada.

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## LETTERS TO THE EDITOR

### Government must respect unions

All Canadians benefit when workers are fairly paid and have proper, safe working conditions. We have unions to thank for that. They have a role in the economy that government, and everyone, needs to respect.

Unions balance the power of employers in the economy. They are the voice of workers. Before there were unions, employers had too much power to make economic decisions.

They alone determined how much workers would be paid and how long they would work. And, generally, employers did not treat workers well.

Governments passed labour laws to correct this situation. Labour laws recognize the rights of workers, including their right to form unions. They establish minimum working conditions and rules for bargaining, when unions and employers come into conflict over working conditions.

These laws are an essential part of how Canada governs itself. They contribute to fair economic decision making in Canada. Protecting worker rights, and unions, is an example of why government must take a role in the economy.

— A mixed economist



### Government must control unions

Unions are a fact of life, but we have to be careful that they don't become too powerful. They can make demands that are not good for the economy or for workers.

Unions can price their workers right out of jobs. If unions strike for higher wages in Canada, employers can move their businesses to other countries, such as Mexico or China, where labour is cheaper. Because of unions, Canadians end up unemployed in places like Smiths Falls, Ontario.

Unions also hold society hostage. It isn't fair that a workers' strike can shut down essential services, such as health care. The U.S. government understands this, and at times in its history has taken steps to break unions.

Government has a role in controlling the impact of unions on the economy. It should be willing to pass laws that force unions back to work when they go on strike with unreasonable demands. This will protect jobs and essential services.

— A market economist



## connect to the big ideas

1. Examine the letters on this page carefully. What evidence can you find of the values that shape each one? Identify an example from each letter and describe how it connects to citizenship and quality of life.
2. Draw a cartoon about the relationship between unions and management.



## How has the recognition of worker rights in Canada changed over time?

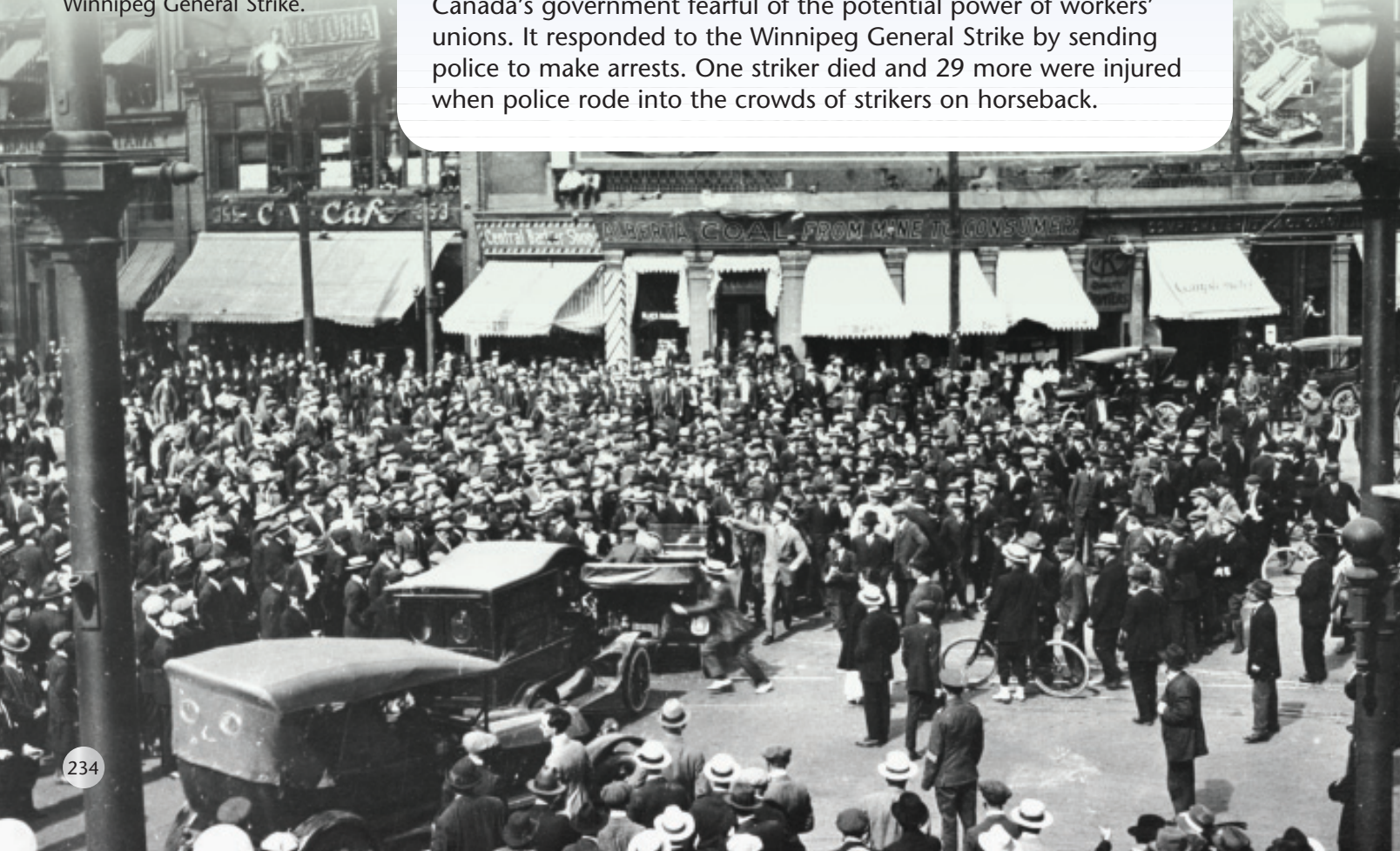
Examine this page and page 235 for evidence about the position of Canada's government on the right of workers to form unions in the past and now.

As you work through these examples, think about historical context. Historical context concerns events, and accepted values and attitudes, that shape responses to issues. **What is key to the historical context of the Winnipeg General Strike on this page? What is key to the historical context of the Supreme Court decision on page 235? Describe how these two events reflect change in Canadian society.**

### WHAT WAS THE WINNIPEG GENERAL STRIKE?

A general strike is when workers in different sectors of the economy in a particular place — a city or nation, for example — organize to stop working at the same time. This happened in Winnipeg in 1919. The Winnipeg General Strike happened after World War I, when many people had trouble finding jobs. It also happened two years after the Russian Revolution, in which workers had organized to help overthrow Russia's government. The Russian Revolution made Canada's government fearful of the potential power of workers' unions. It responded to the Winnipeg General Strike by sending police to make arrests. One striker died and 29 more were injured when police rode into the crowds of strikers on horseback.

Workers crowd the streets in June 1919, during the Winnipeg General Strike.



## Supreme Court rules that Charter protects collective bargaining

June 8, 2007

The Charter of Rights and Freedoms protects collective bargaining, the Supreme Court of Canada ruled yesterday. The decision will affect workplaces across the country.

The court said that freedom of association under section 2 of the Charter guarantees that workers can unite and present demands to employers. It also said section 2 creates an obligation for employers to negotiate with workers. The ruling comes from a case launched by unions against the government of B.C. In 2002, the B.C. government passed a law that cut the jobs and wages of health care workers. This violated an agreement reached with the workers' union through collective bargaining. The government passed the law to control health care costs.

The ruling struck down parts of the B.C. law, saying that governments cannot create legislation that "substantially" interferes with collective bargaining. It may mean that governments, among other things, can no longer end strikes with back-to-work legislation. Canada's government legislated striking CN rail workers back to work in April 2007.

— Based on research into events, views and perspectives.



### CRITICAL THINKING CHALLENGE

The Supreme Court decision about collective bargaining represents an interpretation of the Charter of Rights and Freedoms, and establishes collective bargaining as a right protected by the Charter. In what way does this decision reflect values that underlie political and economic decision making in Canada?

### connect to the big ideas

Scan television, Internet, newspapers and other media for articles about mixed and market economies and labour unions. Look for examples of government involvement, strikes or other labour disputes. Write a summary of the issues involved and how these affect quality of life.