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Chair: Mr. Robert Morrissey

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• (1100)

[English]

The Chair (Mr. Robert Morrissey (Egmont, Lib.)): I call the meeting to order.

The clerk has advised me that nobody requires sound testing because all the witnesses are with us in the room. As well, all committee members are appearing in person.

Welcome to meeting number 123 of the House of Commons Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities. Today's meeting is taking place in a hybrid format, but everybody is appearing in the room.

I would like to advise committee members as well as witnesses on a couple of points.

Please follow the instructions on keeping your earpiece away from the mic when it's plugged in and you're not using it. If it's not plugged in, it's fine. This can create popping, which can damage the hearing of the translators. As well, please refrain from tapping the boom of the mic. Again, it can cause popping on the sound system, which is harmful to the translators.

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For those in the room, please wait until I call you by name before you speak. If you need to get my attention, raise your hand and I will recognize you. Wait until I recognize you.

Today, pursuant to Standing Order 108(2) and the motion adopted by the committee on Monday, February 26, 2024, the committee commences its study of compensation disparities between unionized and non-unionized workers in Canada.

In this hour, we have two witnesses from Statistics Canada: Isabelle Marchand, director of the centre for labour market information, and Josée Bégin, assistant chief statistician, social, health and labour statistics field.

Welcome. I believe both of you are giving an opening statement of up to five—

No, it's just one. Whoever is giving the opening statement, you have the floor for five minutes.

Ms. Josée Bégin (Assistant Chief Statistician, Social, Health and Labour Statistics Field, Statistics Canada): Mr. Chair and committee members, thank you for inviting us to this meeting, which is part of a study on the compensation disparities between unionized and non-unionized workers in Canada.

[Translation]

Statistics Canada has a number of data sources at its disposal, providing a comprehensive picture of the Canadian labour market. Most of the indicators I'm going to mention today are taken from the Labour Force Survey. This monthly survey of some 68,000 households is used to gather information on the characteristics of Canada's labour force, which includes both unionized and non-unionized workers.

According to the latest available data for August 2024, three out of ten employees in Canada were members of a union or covered by a collective agreement. This proportion has remained relatively stable in recent years, but was down slightly compared to 1997, when the question on unionization was introduced in this survey. At that time, 34% of employees in Canada were members of a union or covered by a collective agreement.

[English]

Employees who were part of a union in August 2024 earned \$37.26 per hour on average, which is higher than the average of \$34.30 per hour for employees who were not part of a union. In other words, the union wage premium was about \$3 higher, according to the latest data, or 9% higher, on average, per hour.

The difference between union and non-union wages has decreased over the years. In 1997, unionized employees earned 31% more on average than employees who were not in a union. This difference had fallen to 20% by 2017 and was 10% in 2023.

This is in part because wages of non-unionized workers have grown faster than those of unionized workers in recent years. For example, from January 2020, before the COVID-19 pandemic, to August 2024, wages rose 15% for employees who were part of a union but rose 25% for non-unionized employees.

This recent wage growth among non-unionized employees was most notable in a number of high-paying industries, like professional, scientific and technical services. The average hourly wage in this industry was just under \$48.00 in August 2024, 9% higher than a year earlier and 32% higher than in January 2020. This industry has one of the lowest rates of unionization at 4%.

Overall, union employees were less likely to have wages in the bottom or top of the wage distribution; rather, they have wages closer to the middle. For example, compared with union workers, non-unionized employees were more likely to be in the top 10% of the wage distribution—11% compared to 8% of union workers—but also more likely to be in the bottom 25% of the wage distribution at 31% versus 11%.

Union workers are also more likely to have a registered pension plan. According to the latest data from Statistics Canada's survey of financial security, 80% of union workers had a registered pension plan, compared with 23% of non-unionized employees.

Union workers were also more likely than non-unionized employees to have disability insurance—77% versus 48%—in 2023, and access to other workplace benefits, such as maternity and parental benefits, supplementary medical and dental care benefits, sick leave and vacation leave.

The higher wages and the greater workplace benefits for unionized workers can, in part, reflect differences in individual, job, workplace and industry characteristics. For example, union jobs are more typically held by core-age workers with full-time positions, which tend to pay more regardless of union status. On the other hand, youth and those working part time in jobs with low wages in industries such as food services or the retail trade are less likely to be unionized.

Indicators related to job quality point to other potential benefits of being in a union. For example, according to the latest data available, union workers were less likely to report that they might lose their job in the near future—6% versus 9%—and more likely to report having been offered the possibility of taking training through their employer, at 35% versus 27%.

Mr. Chair, this concludes my opening statement. My colleague Isabelle and I would be happy to answer any of your questions.

• (1105)

[*Translation*]

The Chair: Thank you, Ms. Bégin.

[*English*]

Before we begin, I would like to welcome Mr. Zimmer and Madame Gill to the committee.

We will begin with Mr. Seeback for six minutes.

Mr. Seeback, you have the floor.

Mr. Kyle Seeback (Dufferin—Caledon, CPC): Thank you very much, Mr. Chair.

Thank you very much for your information and data. I love data, so I'm really excited to ask some questions, to see if I can parse some more numbers or if you've done some more number-parsing on this.

I firmly believe that unions make good jobs great. I watched it happen when my son worked in a non-unionized environment in the construction industry, and then he moved to being in a union, and his wages, treatment and safety on the job went up—everything a father could ask for.

My concern is that in certain parts of Canada, we have seen significant declines in unionization rates, so I wonder if we can try to peel the onion a bit on that.

For example, in British Columbia—and I have a chart—in 1981 the unionization rate was 43%, and in 2022 it was 28%. Since 2018 there have been 9,000 job losses in the forestry sector in B.C.; virtually all of those would be unionized jobs, all of it as a result of the government's failure to get the softwood lumber dispute resolved.

Do you have any data to track, by sector, the loss of union jobs? To me, when I look at British Columbia, it looks like a huge number of these job losses and unionization losses are as a result of the loss of jobs in that industry.

• (1110)

[*Translation*]

Ms. Isabelle Marchand (Director, Centre for Labour Market Information, Statistics Canada): Thank you for your question.

Concerning the sources of information available to us, as we mentioned earlier, the main source of data is the Labour Force Survey, which collects data on a monthly basis from 68,000 households. It provides information on unionized and non-unionized employees. It can also provide a detailed portrait of the workforce according to certain characteristics, such as sector, industry and occupation, as well as demographic characteristics such as age and gender. Data is collected for different population groups, such as racialized groups, immigrants or people with disabilities. It is therefore possible to provide a variety of statistics in this respect. It is also possible to provide statistics on the number of employees at provincial and sub-provincial levels, as well as various labour market statistics. It is also possible to make comparisons over time.

[*English*]

Mr. Kyle Seeback: Can you provide to the committee how many unionized jobs were lost in British Columbia over the last 10 years in the forestry sector? Is it possible, if you go through all the layers of the data you collect, for you to provide that to the committee, or could you try to do it?

Ms. Josée Bégin: For sure, Mr. Chair, we can provide detailed information, a table with some of the elements that Isabelle mentioned. It will be in terms of the jobs. Every month we're counting jobs—not necessarily a comparison of job losses, but of employment levels each month.

Mr. Kyle Seeback: The other sector I'm really interested in is the coal sector. There was supposed to be a just transition for coal workers as a result of the phase-out of the use of coal. We know that the Auditor General provided a report that showed there was absolutely no just transition for coal workers.

Do you have any, or can you provide us with, some data on what happened to coal workers? According to the government's own report from the Auditor General, there was no similar alternative employment that was offered, so the coal workers went from a good-paying union job with a pension and benefits to, often, working at Walmart, for example, which to me is an absolute tragedy.

Would you be able to parse the numbers on coal workers, for example, in the loss of good-paying unionized jobs and where they went?

Ms. Josée Bégin: We'd have to do some kind of longitudinal analysis. What I propose is that we come back with an answer to your question as whether or not we are able to do that. We'll have to be able to identify those sectors in that industry and then see, through our sources of information, whether we can find them later and in which industry they've been associated.

I'm not sure we have the capacity to do that, but we can look into it, for sure, and come back to you with an answer.

• (1115)

The Chair: You have about 20 seconds.

Mr. Kyle Seeback: I'm fine, thanks

The Chair: Thank you, Mr. Seeback.

Mr. Long, you have the floor for five minutes.

Mr. Wayne Long (Saint John—Rothesay, Lib.): Thank you, Chair.

Good morning to my colleagues.

Thank you to the witnesses this morning.

It's great to hear MP Seeback's support for unions. I think that's very encouraging and refreshing.

The purpose of the study for me when I put it forward was.... To go back, when I grew up, my dad worked for a company. It was called Murray and Gregory in Saint John. It was a lumber and woodworking company. My mom and dad had three kids—my brother, my sister and me. We grew up, I would probably say, lower middle class, in west Saint John.

As I got older and older, I realized that my dad never had a health plan. He never had a pension plan. He didn't have anything compared to a lot of his friends who were in similar industries. In fact, he made well below what they made. I kind of grew up in a non-union environment, but recognizing the value that union jobs had, the value they could bring to families and how they could kind of set the bar for wages.

Mr. Seeback talked about the union per cent drop across the country and what that would do to wages, but I want to change it to access to paid sick leave. I know that there was a study in 2023 in which the University of Regina found that workers with union coverage were more likely to have paid sick leave—80% compared to

55% for workers without union coverage—which, sadly, I don't think is a surprise to many of us. For workplace pensions, it was 82% compared to 37%, which is just stunning to me.

Ms. Bégin, thanks for your testimony. Can you talk about to what extent Stats Canada data on unionization and benefits is publicly available? Are there plans to release further data in this area?

[Translation]

Ms. Isabelle Marchand: Thank you for your question.

As far as benefits are concerned, the Labour Force Survey allows us to collect data from employees to find out what benefits they have access to, such as maternity benefits, parental leave, disability insurance, paid vacation and paid sick leave. Certain details are thus accessible.

The statistics we have on access to benefits show that, generally speaking, the rate of access to these benefits is higher among unionized employees than among non-unionized employees. What's more, as Ms. Bégin mentioned in her opening address, the proportion of unionized employees with access to disability insurance is 77%, compared with 48% among non-unionized employees.

As the Labour Force Survey collects data for different industries and geographic regions, and for different population groups, it is possible to provide these statistics in numerical form.

[English]

Mr. Wayne Long: Thank you.

Can either of you expand on the impact of unionization on benefits across different industries?

Ms. Isabelle Marchand: If we look at the latest data for industry and at the union coverage rate, we find the lowest union coverage rate in agriculture, professional, scientific and technical services, as well as accommodation and food services. If we look at the highest union coverage rates, we'll find them in industry, namely public administration, educational services, health care and social assistance. There is the ability to provide information about the union coverage rate as well as the union wage premium. It's data that has been collected since 1997, so depending on the request, it looks possible.

• (1120)

Mr. Wayne Long: Thank you.

I have another question.

Ms. Bégin, in your presentation you talked about the discrepancy in hourly wages between unionized workers and non-union workers.

Can you expand on that again, just for the record? I didn't get all of what you said.

I mean the difference and how it has evolved over time, etc.

Ms. Josée Bégin: Mr. Chair, would you like me to repeat some of the paragraphs from my opening statement, so it's clear or is there a specific question?

The Chair: That's not for me to determine. You can choose to answer, and if the questioner does not like your answer, they will question you again and clarify.

Ms. Josée Bégin: Thank you for your guidance.

Maybe I can add a little bit and go back to what we said earlier.

We know that employees who were part of a union in August 2024—this is the latest data we have available—earned, on average, \$37.26 per hour. This is higher than the average of \$34.30 per hour for employees who were not part of a union.

It's about \$3 more in terms of a wage premium.

The Chair: Thank you, Mr. Long.

[*Translation*]

Ms. Gill, you have the floor for six minutes.

Mrs. Marilène Gill (Manicouagan, BQ): Thank you, Mr. Chair.

Ms. Marchand and Ms. Bégin, I also thank you for attending the committee.

First of all, the disparity in treatment between unionized and non-unionized workers is well established. We know that unionization is a decisive advantage. You illustrated this many times in your introductory speech.

Two of my colleagues talked about the significant drop in the unionization rate. According to the information I have, this varies between the private and public sectors, but generally speaking, it is relatively stable. Can you tell me what the situation is, so that there's no longer any doubt as to what's going on, and to be useful to the committee? Obviously, it depends on the time scale used, since we can base ourselves on a period of five, ten, twenty or thirty years.

Ms. Isabelle Marchand: Thank you for the question. You referred to the unionization rate and how it differs between the private and public sectors.

Mrs. Marilène Gill: I'd rather know if there's a transfer from one to the other. We agree that it can't be stable in both sectors, but I'd like to know if the proportion of unionized workers remains the same in both sectors.

Ms. Isabelle Marchand: I'll share some statistics with you, and we'll see if that answers your question satisfactorily.

We currently observe a higher rate of union coverage for public sector employees. It stands at 76%, compared with 15% in the private sector. In general, public sector employees have higher salaries. As for the stability of the unionization rate, I don't have that data to hand today, but it's something we can study, depending on the reference period, and we can also disaggregate data.

Mrs. Marilène Gill: Thank you very much. So there's still a good unionization rate. It's relatively stable, but obviously that depends on the reference period.

I'd like to ask you another question. As I said, the unionization rate is a huge determining factor. That goes without saying. But what can we use here in this analysis? I'm not asking you to tell us exactly what we should do, because I know that's not your role. On the other hand, playing with numbers makes me think that you probably draw some conclusions.

How are we, as parliamentarians, in a position to further encourage unionization? For example, Bill C-58, regarding strikebreakers, has been passed. Can you think of other things that might be in our blind spot as elected officials that we could work on, without saying whether we should? I understand your position, but could you shed some light on this?

• (1125)

Ms. Josée Bégin: Thank you for the question.

From Statistics Canada's point of view, certainly our mandate is to collect information on the Canadian economy and the Canadian population and to ensure that it is accessible to all and supports decision-making and policy development.

As my colleague Ms. Marchand mentioned earlier, it's often important to look at disaggregated data. I would therefore recommend that the committee look at how unionization rates differ across different population groups, whether by age, occupation or sector of activity, for example, to see if there are any conclusions to be drawn.

Mrs. Marilène Gill: Thank you for directing us to data disaggregation.

Ms. Marchand, I could have asked you a question about women. For example, we're always talking about legal equity, but de facto equity isn't there. You mentioned some rather precarious workplaces, such as the restaurant business. The difference in unionization rates between women and men, by sector, can also be seen objectively in the statistics. This would add to Ms. Bégin's comments on the disaggregation of data and what there would be to highlight.

Ms. Josée Bégin: I can answer and give some highlights at a summary level. If the committee needs more information, we can provide an answer later.

We know that 32% of working women are unionized, compared to 27% of men. Since 2008, there has been a trend towards women in the professions being more unionized than men. What's more, according to our latest data, the difference in pay between unionized and non-unionized women is greater than that of men. Unionized women earn 16% more than non-unionized women. For men, the difference is 4%.

The Chair: Thank you, Ms. Gill and Ms. Bégin.

[English]

Ms. Zarrillo, go ahead for six minutes, please.

Ms. Bonita Zarrillo (Port Moody—Coquitlam, NDP): Thank you, Mr. Chair.

I want to thank my colleague from the Bloc, Madame Gill, for asking those questions around women and disaggregated.... It's definitely very important that we look at these groups separately. I'm happy to see that persons with disabilities are also protected under unions and have better wages.

Mr. Chair, I have a motion that I want to bring to the table right now. I'll start by saying that since Parliament rose for the summer, above-guideline rent increases have continued in Canada. In addition, we've learned that Dream Unlimited, one of the largest corporate landlords, has admitted to using software that the United States Department of Justice claims is used for illegal price-fixing between landlords. We have also learned that this software is common among Canada's corporate landlords.

Canadians deserve to know if their landlords are colluding on rent hikes to increase profits for investors and pension funds at their expense. We know that the Public Service Pension Investments, a Canadian Crown corporation, has partnered with one of these corporate landlords, Starlight Investments, to drive up corporate profits while kicking out the very tenants that their pension is supposed to protect. This is happening at 71, 75 and 79 Thorncliffe Park Drive in Toronto.

The Liberals twice gave Starlight Investments a free pass not to appear here before this committee. This government continues to protect the richest corporations and throw Canadians out on the street.

I will move the motion that I put on notice last week.

Given that,

while families are increasingly making hard choices about paying rent or keeping food on the table, corporate landlords have been contributing to rising rents in Canada by buying up previously affordable apartments and raising rents to increase profits for investors;

one of Canada's largest corporate landlords, Dream Unlimited, has admitted to using AI software that the U.S. government has alleged allows landlords to illegally coordinate rent increases, and that the software is commonly used by as many as 13 companies in Canada with more than \$5 billion in revenue;

today the biggest real estate investment firms collectively own close to 20% of the purpose-built rental units in Canada, nearly 400,000 rental units, up from zero in the 1990s;

the Public Sector Pension Investment Board, also known as PSP Investments, has significant investments in multi-family housing in partnership with Starlight Investments;

That, pursuant to Standing Order 108(2), the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities undertake a study of the role of financialized landlords on rising costs in Canada's rental market, including how the use of algorithmic pricing tools is contributing to rent increases and how pervasive this practice is across the Canadian rental market; that the Committee invite President of Dream Unlimited Michael J. Cooper, CEO of Starlight Investments Daniel Drimmer, CEO of Boardwalk REIT Sam Koliass, CEO of Mainstreet Equity Bob Dhillon, CEO of Canadian Apartment Properties Real Estate Investment Trust (CAPREIT) Mark Kenney, President and CEO of PSP Investments Deborah K. Orida, and other experts and stakeholders; that the committee hold a minimum of four meetings and report its findings and recommendations to the House; and that the government table a comprehensive response to the report.

Mr. Chair, people—

• (1130)

The Chair: Thank you, Madame Zarrillo.

Just for the committee members and witnesses, Madame Zarrillo has moved a motion, which is in order. It's her prerogative to do that in her time. Now we will continue with the motion.

Madame Zarrillo, do you want to add something?

Ms. Bonita Zarrillo: I have a very short wrap-up here.

People in my community are continuing to be squeezed by their rent while their rental homes fall into disrepair and are lost to corporate landlords.

I know that every member of this committee has heard similar stories in their communities. Canadians have had enough of this corporate gouging, and I encourage my colleagues to support this motion so that we can hold the actions of these corporations to account for Canadians.

The Chair: Thank you, Madame Zarrillo.

As I indicated, the motion is in order. It is now moved on the floor for discussion. I have Mr. Fragiskatos on the motion of Madame Zarrillo.

Mr. Peter Fragiskatos (London North Centre, Lib.): Thank you, Mr. Chair.

We have witnesses here who have taken time from their busy schedule representing workers. They have come here to inform federal policy on unions and workers. I've enjoyed listening to them so far. Obviously, most members around the table have been prepared to ask them questions. I think that should continue.

Ms. Zarrillo may know that the issue is being looked at by the finance committee as well. That's not to say that the matters that she has raised are not being examined; they are, at the finance committee, where they've been given a lot of attention, and I'm sure that will continue to be the case.

With that, Mr. Chair, I move that we adjourn debate on the motion.

The Chair: We have a motion to adjourn debate on the motion currently before us. With that, I have to go directly to a recorded vote on the motion to adjourn of Mr. Fragiskatos.

(Motion agreed to: yeas 9; nays 2)

The Chair: The debate is adjourned.

Madam Zarrillo, you are out of your time.

Now we will move on to Mrs. Gray for five minutes.

• (1135)

Mrs. Tracy Gray (Kelowna—Lake Country, CPC): Thank you very much, and thank you to the witnesses for being here today.

A recent report that you put out cited “Highest inflation rate in 40 years takes an outsized bite out of annual wages and salaries in 2022”. It showed how most wages in most sectors were down in terms of inflation-adjusted median annual wages by industry, meaning people's paycheques didn't go as far. The industries where wages declined the most included manufacturing, education services, public administration, transportation and warehousing, most of which would presumably be unionized jobs.

My question is this: Have you broken down that report or do you have another report that looks at inflation-adjusted median annual wages by unionized versus non-unionized sectors or positions? Is it something that you could table for this committee if you have that report now, or is it something that you could put together and table for this committee?

[Translation]

Ms. Isabelle Marchand: Yes, we can do it.

[English]

Mrs. Tracy Gray: Great. Thank you very much

Liberal ideology and policy, supported by the NDP, have led to union workers losing their jobs, including in forestry, energy and fisheries. Reports show that about 9,000 jobs were lost in forestry in British Columbia between 2018 and 2023. In 2019 the Tolko mill in Kelowna in my region permanently closed, with 217 permanent good-paying jobs gone. There were two more sawmill closures in B.C. just announced, which will be 500 job losses. My colleague, MP Zimmer, is in the room here today. It's in his region.

U.S. tariffs were cited as the primary reason. Union forestry workers were better served by the Harper government, which completed a softwood lumber agreement within three months of taking office and signed an extension that expired in 2015. Three U.S. administrations and nine years later, this Liberal government has completely failed to secure a softwood lumber agreement with the United States. When there are layoffs, governments talk about retraining.

Have you done analysis on the retraining or reskilling of workers who have lost their job in the forestry sector and if the new positions are comparable, including if previously unionized positions are unionized in their new positions, and if compensation such as wages and benefits were the same?

Ms. Isabelle Marchand: I'll start by saying that we have some information about the quality of employment—for example, access to skills development and training—that are part of the labour force survey for which we can provide some statistics.

In terms of, if I understand correctly, the retraining of specific workers and how it has affected directly their employment before and after, I'm not sure we'd have this information, but it's something we can look at.

Mrs. Tracy Gray: Thank you very much.

Could you go back and look at what my question was? If that's something for which you haven't done the analysis, if it's something that you could do and then table for this committee, it would be much appreciated.

The next thing that I want to move on to is the Minister of Energy and Natural Resources' just transition plan from September 20, 2022. On page 68, it estimated the Liberal government's just transition would lead to the elimination of 2.7 million jobs in sectors like agriculture, energy, manufacturing, construction and transportation. I've heard this uncertainty is incredibly stressful for workers.

Have you broken down these expected job losses according to jobs that are currently unionized versus non-unionized, and done a comparison of what the upskilled positions would be?

As well, would the compensation, such as wages and benefits, be the same? I'm running out of time here. If you haven't done that analysis, I'm wondering if that's something you could do and also table for this committee.

● (1140)

Ms. Josée Bégin: Mr. Chair, we haven't done that analysis. We can look to see if it's feasible, given the data sources and sample sizes we have. We can look into it.

Thank you.

The Chair: Thank you, Mrs. Gray. Your time is up, but the witnesses have your question. If they could provide that in writing to the committee, it would be appreciated.

Mr. Coteau, you have five minutes.

Mr. Michael Coteau (Don Valley East, Lib.): Thank you very much, Mr. Chair.

Thank you to our witnesses today.

I think that organized labour and unions in general have a very significant role to play in the future of this country when it comes to our workforce, especially with the changes that are taking place in our country with technology, an ever-changing workforce and the protection of workers overall.

My mother cleaned dishes at a children's hospital. They brought in contract workers. They formed a union and she was one of the organizers there. It was a perfect example of people getting organized to protect their jobs and to look for ways to better position the people who really make that institution, that hospital or that workplace successful.

I thought that the data you provided today was very good data. We saw the difference in pay, benefits, insurance and just better supports for workers. Thank you for collecting that data.

We know that because of organized labour in this country, we've seen higher wages, improved working conditions, better benefits and job security, and even vacation days to better support families. It wasn't long ago when the Conservatives, just a decade ago, put in right-to-work legislation in this country. They put a couple of bills in place—Bill C-377 and Bill C-525. These bills specifically targeted unions.

In 2014, the legislation that the Harper government put in made it difficult for unions to certify. They looked for strategic ways to actually stop the growth of unions in this country. I think it is important for Canadians to know that.

We need to look for ways to ensure that there are workforces where those barriers are removed, where people can organize and can present a case for better placement of workers in that workforce.

I have one question I want to ask. The statistics you provided were very detailed. I know that there were some questions around gender. Do you do have any disaggregated data based on race?

Ms. Josée Bégin: Thank you for the question.

We have multiple sources of information that we use to collect information around population groups. In the past, this was known as “visible minorities”. The census of population is one of those sources. With the census, we can go to a very low level of geography.

On the labour force survey, as Isabelle mentioned earlier, we collect various information, including population groups. Since the summer of 2020, since the beginning of the pandemic, we have been able to report key labour market indicators disaggregated by population groups.

Mr. Michael Coteau: Perhaps you don't have the information with you now, but could you tell this committee specifically how many people of African descent, percentage-wise, are part of unions? Is it a possibility to get that type of a breakdown?

Ms. Isabelle Marchand: For the example you provided, the data source would be the census. The labour force survey will provide information about the racialized group, so the statistics can be disaggregated, for example, by Black, Chinese, South Asian, etc. There are a predefined number of groups.

Mr. Michael Coteau: I'd like to request that, through you, Mr. Chair.

If there is any of that type of information that you think may be of value to this committee, broken down between....

I would also request that it be based on gender and other categories like disability, race and region, if possible.

Thank you so much.

I think I'm done, Mr. Chair.

• (1145)

The Chair: You have 14 seconds. Are you going to cede it?

Mr. Michael Coteau: I'll take the 14 seconds and say thank you.

The Chair: Okay. Thank you, Mr. Coteau.

I believe the witnesses were clear on what you requested that they report back with, so thank you.

[*Translation*]

Welcome, Ms. Chabot.

Ms. Louise Chabot (Thérèse-De Blainville, BQ): Good morning, Mr. Chair.

Good morning, witnesses. I'm very pleased to join you. I may ask questions that have already been asked, but I'll try to avoid that.

By way of a short introduction, you should know that before I went into politics, I was a union leader for a long time. When Mr. Long tabled this study motion, I had reservations about its substance. Unionization plays a major role in our society, particularly in Quebec. It's well known that there are advantages to being unionized, both in terms of wages and benefits, and I would even say in terms of certain social protection laws. However, unionization has been a battle. Returning to my reservations, I wondered what direction this study would take. Mostly, I hoped it would shed light on these issues rather than what I feared.

The Conservatives did that back in the day, with the two bills Mr. Coteau just mentioned. If we play that game, I'd say that, even if the right to unionize plays an important role, the interdiction of freedom of association, even in unionized environments, is still frequent. I'm thinking here of labour disputes. When there are lock-outs, the use of scabs is an attack, a direct attack on the rights of association and negotiation.

That said, until recently, and you'll correct me if I'm wrong, Quebec had one of the highest rates of unionization in Canada. We also know that what contributes to this rate is the public service, which is highly unionized. This is the case in health care, education and the public service in general. However, there are figures that show that in the private sector, the unionization rate has declined.

Is it true that we're seeing a decline in unionization rates in the private sector? If so, could you point us to some sectors?

Ms. Isabelle Marchand: Thank you for your question.

In terms of union coverage, Quebec ranks second among the most unionized provinces. The first is Newfoundland and Labrador, with a rate of 39.6%, followed by Quebec at 38.9%.

As for the relative unionization rates of the public sector and that of the various private sector industries, we don't have the figures today, but we can get them.

Ms. Louise Chabot: Thank you.

The Chair: Your time is up, Ms. Chabot.

Ms. Louise Chabot: All right. It was a pleasure.

[*English*]

The Chair: Your time is up, madame.

Madam Zarrillo, go ahead for two and a half minutes.

Ms. Bonita Zarrillo: Thank you, Mr. Chair.

I'm always hopeful that the data we collect from Canadians is used for Canadians. How does the government use the data they get from Statistics Canada to improve the lives of Canadian workers? Please share an example of a government policy it has informed.

I'm really interested in a focus on equity, so if you can, please think of an inequity that you saw that needed to be corrected, and the government took that insight and created policy.

• (1150)

Ms. Josée Bégin: As I said earlier, the mandate of Statistics Canada is really to collect information from Canadians, whether it's on businesses or the population, and provide the information and make it accessible to Canadians and to policy-makers.

I wouldn't be able to comment on how the data have been used and what kind of impact they may have had on the population.

Ms. Bonita Zarrillo: Okay, that's great. I can understand that they have to ask you for the data.

You mentioned the middle of the wage distribution, and I was very interested in this when I was looking at the data. Is it mean or is it median?

The average, I understand, is our mean, but is the median...? I'm very interested in how women are affected by this and whether the majority of the women are below or above, because sometimes those very high ones and those very low ones can be outliers.

Is the middle of the wage distribution the median?

[*Translation*]

Ms. Isabelle Marchand: When we presented the statistics on wage distribution, we were talking about the average hourly wage, not the median. However, the median is also available, and I can provide it. In fact, it's the wage distribution—

[*English*]

Ms. Bonita Zarrillo: I'm sorry. I'm really short on time.

Can you get us the median of those wages by gender, please?

My last question is in relation to the fact that the government just accepts the information you collect. Does the labour force survey capture workers who are currently doing unpaid primary care work, like caregivers in the home?

Ms. Josée Bégin: The labour force survey collects information from Canadians around employment. The main focus of the labour force survey is whether a person is in the labour force, if they are retired or unemployed, and how long they've been unemployed. We would capture everybody, including if they are doing unpaid work. That's the first thing I want to say.

The second point is that we do have sources of information outside of the labour force survey that provide detailed information around unpaid work in the care economy specifically.

The Chair: Thank you, Madam Zarrillo.

I need a little direction from the committee. We have only a few minutes left in the first hour. Do you wish to adjourn while we transition, or should we go three and three?

Mr. Kyle Seeback: Three and three.

The Chair: Okay. You got it, whoever wants it.

Mr. Kyle Seeback: Great.

The Chair: Mr. Seeback, go ahead for three minutes.

Mr. Kyle Seeback: Thank you.

What I think is interesting to do with data is to break it down into different subsets. We've seen the decline in the unionization rate in general. We got that information, but what I find interesting is the decline in the unionization rate in private sector unions versus public sector unions.

The information I was able to see is that from 2015 to 2021, which is the only data I could find, the unionization rate in the private sector declined from 15% to 13.8%. Those are the years that this government has been there. They say they're friendly to unions and labour, but we've actually seen a pretty precipitous decline in the number of union members in the private sector. That's as a result of loss of jobs in industries like forestry, mining and others.

Do you have the numbers for the decline of unionization in the private sector with you, or could you provide those to the committee for the period from 2015 to as close to the present as possible?

Ms. Isabelle Marchand: We can provide statistics about the trends for private and public sectors.

Mr. Kyle Seeback: Wonderful. Thank you.

I know you're with Statistics Canada, but I did a little bit of research myself. I looked at private sector union wages on average in Canada, which I determined to be about \$31.14. If you have a different number, please provide that to the committee.

I don't know if you can do this, but I looked at the private sector average union wage in the United States, and it's actually \$41.17, so it is a \$10-an-hour difference. If you could confirm that, that would be wonderful for the committee.

This goes back to the terrible trend we've been seeing in Canada with the decline in per capita GDP. We know there's a huge gap between Canada and the United States, and it looks like this discrepancy is hitting particularly hard in the private unionized sector.

Is that something you'd be able to provide to the committee?

• (1155)

Ms. Josée Bégin: Yes, we can provide that information afterwards.

Mr. Kyle Seeback: Wonderful. Thank you very much.

I think I have 10 seconds, so thank you very much for coming today.

The Chair: Thank you, Mr. Seeback.

We will conclude this round with Mr. Van Bynen for three minutes.

Mr. Tony Van Bynen (Newmarket—Aurora, Lib.): Thank you, Mr. Chair.

Some time ago, the Conservative Party eliminated the long-form census. Has the data that we've lost as a result of that influenced your analysis of the information that we're looking at now?

Ms. Josée Bégin: As I said in my opening statement today, most of the statistics that were cited were coming from the labour force survey and not from the census.

I would also like to state that information from the long-form census was collected again in 2016 and 2021. It is one of the sources of information we use to provide information about labour market indicators at a very fine level of geography. Most of the data that we publish on a regular basis are coming from the labour force survey, which is our flagship survey around employment.

Mr. Tony Van Bynen: According to the 2022 Statistics Canada article drawing on data from the survey of work history and the labour force survey, the rate of union membership, as you mentioned earlier, has diminished over the last four decades.

What factors have contributed to this decline in union membership, and how has the decline in union membership correlated with the trends of earnings and compensation? To what extent can a causal relationship be determined?

[*Translation*]

Ms. Isabelle Marchand: Thank you for your question.

To take into account all the external factors that may explain the decline in unionization rates or the impact on earnings, we would need to conduct an in-depth analysis. We've presented you with some high-level statistics, which can be disaggregated into certain categories, but it's important to bear in mind that what this will highlight is the relationships between different factors. There is no causal effect between one particular factor and another. Statistics need to be put into context.

[*English*]

Mr. Tony Van Bynen: Would you be able to provide that information to the committee?

[*Translation*]

Ms. Isabelle Marchand: We will verify this information before providing a response to the committee.

[*English*]

The Chair: Thank you. That is your three minutes, Mr. Van Bynen.

With that, thank you, witnesses, for attending. That concludes the first hour of this particular study.

We'll suspend for five minutes to give time to bring in our next witnesses, who are all appearing virtually.

Again, witnesses, thank you for coming. There was quite a bit of information requested by the committee, and we'll follow up on that.

With that, committee members, we will suspend for five minutes.

• (1155) _____ (Pause) _____

• (1205)

The Chair: Committee members, the clerk has advised me that the sound for the two witnesses appearing virtually has been tested and approved.

With that, we will commence the second hour of this study with Pierre-Antoine Harvey, an economist with Centrale des syndicats du Québec, as well as Courtney Glode, director of Public Affairs, Fish, Food and Allied Workers-Unifor.

Mr. Harvey, you have five minutes for an opening statement, and you will be followed by Ms. Glode.

Mr. Harvey, please go ahead.

[*Translation*]

Mr. Pierre-Antoine Harvey (Economist, Centrale des syndicats du Québec): Good morning, Mr. Chair.

I thank the members of the committee very much for inviting me to testify. I have provided a lengthy presentation in hard copy, which should subsequently be translated into English and forwarded to committee members.

Following Ms. Bégin's and Ms. Marchand's presentations, I'm going to dispense with re-demonstrating the union movement's impact on improved wages and greater access to various benefits, and instead address the issue of the declining union advantage in wages, which Ms. Marchand and Ms. Bégin have demonstrated. I will briefly explain the reasons for this decline.

Next, I'll look at whether the union advantage comes at the expense of other workers. In fact, I'll show that it's quite the opposite.

Simply put, union presence in Canada has declined from 38% in 1981 to less than 29% in 2022. This may explain some of the decline in the union advantage, and therefore all of what you call "wage disparity". However, it's more the changing composition of the union membership that may explain this phenomenon.

In fact, when you look at the statistics, since 1997, the biggest drop in unionized jobs has been among men with lower levels of education, so those in jobs that require a high school diploma or post-secondary education. When we really look at the union presence rate, it's among men, private sector jobs and workers with fewer diplomas that the decline in unionization has been greatest. Yet union impact is stronger among this type of workforce. And when you look at the wage differential, it's really in these jobs that unionization makes the biggest difference. By having a lower proportion of members in these sectors, the influence of unionization has been weaker. Examples include construction, manufacturing, natural resources, transportation and utilities.

In parallel to this, we have also seen the arrival of a large number of jobs in sectors which, historically or by their structure, are less inclined to unionization. Take, for example, the finance, software and IT sectors, which offer high salaries and very little union representation.

The other question I want to address is: Does union advantage come at the expense of other employees? The reality is more complex than what we are taught in Economics 101. The impact of unions is not a zero-sum game. In developed countries, union advantage does not come at the expense of non-unionized workers. On the contrary, union action leads to a reduction in social and income inequalities throughout society.

The first reason is highly intuitive. The mere threat of unionization will drive employers to improve the working conditions of their non-unionized employees, in order to discourage them from organizing collectively. The best example of this was recently seen in the USA, when GM and the United Auto Workers (UAW) signed an agreement leading to wage increases of 33%. In the weeks that followed, non-unionized U.S. automakers unilaterally decreed wage increases ranging from 10% to 25% to avoid the UAW coming after their employees.

In studies, we find that the stronger the threat of unionization, the more non-union members see their working conditions approaching those of union members. The stronger the unions, the less the union advantage is statistically visible.

The other way unions improve working conditions for all workers, whether unionized or not, is of course through participation in democratic activities. They can take part in debates, which will put policies in place and bring about greater social justice, as well as a reduction in inequalities. They can also work in coalition with grassroots and feminist groups, or exert pressure politically, including by proposing policies such as higher minimum wages, pay equity laws, better social protection measures or fairer taxation, to name but a few.

The good thing is that studies worldwide also show that this increase in equality and the rise in income for all workers does not come at the expense of economic growth.

• (1210)

After publishing an inventory of all the studies on the subject, the World Bank made a finding that I find disappointing, because neither I—a staunch advocate of unionization—nor the denunciators of unionism can rely on this work to argue for or against unionism.

The results of these studies show that the impact of union presence on economic growth, investment levels, inflation, unemployment and productivity levels is often negligible.

This last element is surprising, because it has been demonstrated that unions contribute to increasing the cost of labour. This increase is offset by other union actions within the company. For example, union presence often promotes efficiency within the company. Indeed, job security for workers facilitates the adoption and adaptation of new technologies. A stable workforce encourages investment in training and development. The presence of unions enables openness in what are now called quality groups—

The Chair: Thank you.

Mr. Pierre-Antoine Harvey: It's my pleasure.

[*English*]

The Chair: We have one more witness.

Madame Glode, you have five minutes.

Ms. Courtney Glode (Director, Public Affairs, Fish, Food and Allied Workers - Unifor): Thank you, Mr. Chair, for the opportunity to address the committee today.

I'm here on behalf of the Fish, Food and Allied Workers Union, which represents community-based fishery workers throughout our province, encompassing over 13,000 owner-operators, crew members and seafood processing plant workers. As the largest private sector trade union in our province, our membership also includes Newfoundlanders and Labradorians in marine transportation, metal fabrication, brewing, hospitality and more. The FFAW is also an affiliate of Unifor, Canada's largest private sector trade union, representing over 300,000 Canadians in every major sector of the economy.

Unifor and all unions fight for a more secure future for our members, being a strong voice for equity, safety and social justice. The motion put forth by MP Long calls for a comprehensive study on the disparities between unionized and non-unionized workers. This study is not just timely; it's crucial for understanding how we can bridge the gap and ensure fair compensation and continued job security for Canadians.

The FFAW is celebrating our 53rd anniversary this year, and the imprint our union has had on the historical fabric of our province cannot be overstated. The work our members have done to drive and protect and develop community-based fisheries is renowned and respected by fishing industry representatives around the world. This is because we continue to be successful in collectively uniting these 13,000 owner-operator harvesters, crew members and processing plant workers, all under one resilient and robust trade union banner. It's a unique model, and it's one that no other province was able to achieve before corporate concentration and control in those fisheries became too entrenched to reverse.

As your study will likely uncover, unions that represent a critical mass of workers in a particular sector, industry, or occupation or geographic area can often influence market wages for all workers, and this has been the case in Newfoundland and Labrador since 1971.

Honourable members, most fisheries around Canada and the globe have faced dramatic and devastating corporatization whereby community-based fisheries are steadily eroded by corporate entities receiving increased access and allocation of wild fisheries. Such corporate concentration, particularly by foreign-owned multinational companies, serves to maximize value for shareholders and not the communities that rely on the adjacent fisheries.

Without the important work of the FFAW over these decades, the hundreds of rural coastal communities around our province would look much different today, so for our members, the benefits of unionization go far beyond the disparities in compensation.

Fish processing companies like Royal Greenland and OCI do not operate with the best interests of workers in mind; they operate with the best interests of their profits in mind. Their primary objective is to eliminate small boat harvesters and use only factory draggers, effectively eliminating the need to ever land a pound of product in our province. These companies are well known for their use of illegal controlling agreements, whereby they unlawfully assume financial control of inshore licences, and they are known to suppress local employment in favour of the often-abused temporary foreign worker program.

Previous DFO ministers have done significant work to put protections into the federal Fisheries Act to support the preservation of the owner-operator fishery and to recognize the importance the small boat fishery has to the economic and cultural sustainability of coastal Canada. Unfortunately, the current minister has made decisions contrary to supporting Canadian community-based fisheries. Minister Lebouthillier, and Newfoundland and Labrador Liberal MPs in the current sitting government, have weakened and destabilized unionized workers we represent and have failed to act according to the mandate set forth by the federal Fisheries Act and relevant policies.

Even though the current federal government purports to back Canadian unionized workers, resource management decisions reflect a very different agenda. This year, Minister Lebouthillier publicly declared a significant distribution of redfish to the corporate fleets, sabotaging years of collective work on economic diversification and sustainability by the Gulf of St. Lawrence fleet. The decision is so momentous that enterprises based in Newfoundland, Que-

bec and New Brunswick are now expected to go bankrupt in the coming months and years.

Minister Lebouthillier's reopening of the commercial cod fishery solely for the benefit of domestic and international corporate draggers indicates an agenda to further undermine the sustainability of unionized fishery workers and Canadian community-based fisheries.

Moving on to a more general perspective, unionized workers in Canada enjoy significant advantages over their non-unionized counterparts. According to the available data, unionized workers earn more per hour than non-union workers. For women and young workers, this is even more pronounced, and these differences are not just in numbers: They represent real improvements in quality of life, financial stability and future security. Unionized workers are more likely to have additional health benefits, pension plans, life and disability insurances and other protections that contribute to long-term well-being.

• (1215)

One thing we ask your study to reflect upon is the differences between public and private sector unions. Union density remains high within the public sector, increasing between 2019 and 2023, which helps explain the maintenance of strong public sector wages and benefits, despite examples of legislated wage restraint. Private sector union density, on the other hand, has dropped over the same time period. Continuing decline highlights the need for policies to support private sector unionization, such as single-step card-check certification, anti-scab legislation, contract flipping legislation and, particularly relevant for our members, resource management decisions that support working people.

We must do more to reverse this erosion of the middle class. Better understanding of the reasons behind compensation disparities will enable the federal government to formulate policies that promote fairness and equity, and, with more robust information, we can better support working Canadians and help more people realize the benefits of unionization.

Thank you, members, for your attention to this issue, and thank you for your time today.

The Chair: Thank you, Ms. Glode.

We will now begin with Mr. Seeback for six minutes, please.

Mr. Kyle Seeback: Thanks very much for the testimony you've just given.

I want to drill down a little bit more into this. Some of the questions I asked Statistics Canada were about the decline in unionized workers in coal and forestry, where we've seen staggering declines as a result of government policy. Now it sounds like there's a risk of these declines coming to the fishing industry and the people you represent, again as a result of government decisions.

With this recent decision that you described, how many jobs do you think could end up being lost, good union-paying jobs?

Ms. Courtney Glode: In Newfoundland and Labrador alone, there are approximately 20,000 or so fisheries workers, and these jobs support more than just the fishery. Because of the geographic distribution of our province, our coastal rural communities depend on the fishery to support other industries as well.

We saw the effects of this after the 1992 cod moratorium without the protection of the owner-operators and ensuring that product has landed here. We have owner-operator enterprises that support good jobs. We're looking at the eradication of not only our community-based fisheries but also the schools, the health care centres and all of those spinoff jobs that come from the fishery.

• (1220)

Mr. Kyle Seeback: It sounds like this is a devastating decision.

You contrast that with trawlers, I think you said. I'm not an expert on fishing, and I apologize, but I how many good-paying union jobs would result from these foreign trawlers coming in and harvesting fish as a result of this decision?

Ms. Courtney Glode: From my understanding, there are probably a couple of hundred people who work on the trawlers, including maybe a few dozen from our province. That is compared to over 10,000 fish harvesters who work in the owner-operator fishery.

Mr. Kyle Seeback: Then they're not really going to add any jobs, right? In fact, my understanding is that often the catch doesn't come to the processing facilities in Newfoundland, which is where your unionized members are. This would be done either on the ship or somewhere else. Is that correct?

Ms. Courtney Glode: Exactly. Most of these draggers are large factory freezer trawlers. They can fish for weeks at a time. They can harvest millions of pounds at once, and they don't have a need to land and process here in the province.

Mr. Kyle Seeback: One thing I talked about in the earlier hour was that there was supposed to be a so-called "just transition" for coal workers when coal was being phased out by the current government. What the Auditor General found is that very few people transitioned into good-paying jobs. Their pensions weren't bridged. There was no system set up to help people move into a comparable job where they'd make a comparable salary and benefits. In fact, the exact opposite was seen. You saw a cratering of incomes and other things.

When you're talking about the job losses that are going to come as a result of this Liberal government decision to your union members, what kinds of jobs will your members transition to? What will be the economic effect, beyond just losing their jobs?

Ms. Courtney Glode: That's one of the challenges we face here in Newfoundland and Labrador.

One thing I think that the just transition strategy was sorely lacking was consideration for our rural coastal communities and the fact that people can't just fall back on other jobs. Number one, we hardly even have cellphone and Internet service in most of our rural areas, so expecting these people to do a work-at-home job or something like that is just not feasible.

It's also about maintaining our connection to our culture and our history. Newfoundland and Labrador is known for the fishery. This is why we have such a vibrant tourist industry; people come here to see this way of life. The further erosion of it is going to mean a lot more losses than just the fishery; it's also, as I said, our culture, our way of life, our tourism and everything that we're known for.

Mr. Kyle Seeback: You talked about corporate control that's going to take place as an effect of this. Is that what's going to happen? Is the owner-operator who's a member of your union going to potentially lose their livelihood, go bankrupt and be replaced by a corporation, and probably a foreign corporation, because it's being opened up to foreign trawlers? What does the effect of that decision look like in that light?

Ms. Courtney Glode: The inshore owner-operator fishery is complex, and there are a lot of policies and legislation in place to protect them, but it's well known through the federal government and through the industry that these companies will look for loopholes. They will look for other ways to work around these policies.

Illegal controlling agreements are one. They've already been eroding the share and ownership of community-based fisheries by trying to take more and more financial control of the licences. The erosion has already started to happen on this end.

By allocating future quotas to corporate fleets instead of community-based fisheries, we're preventing this seasonal industry from being able to sustain itself. The struggle in the fishery is always to make sure people are getting enough weeks of work and enough hours of work per week in a year, and by providing more quota allocations to community-based fisheries, we are providing more hours of work and more economic sustainability to these people. It also makes it more attractive for younger people to look at this industry and say, "I want to stay in my community, and if I'm going to work in the fishery, it needs to be able to support me and my family."

These are things that are really important when we look at resource management decisions.

Mr. Kyle Seeback: Government decisions matter.

The Chair: Thank you, Mr. Seeback.

We went a little over the time.

Before I move to the next questioner, I will remind committee members again to make sure your devices and any alarms are on mute, because they are significantly amplified through the sound system. We are missing one of our interpreters, so just please be conscious of that.

We'll now move to Mr. Fragiskatos.

• (1225)

Mr. Peter Fragiskatos: Thank you, Chair.

Thank you to the witnesses.

Ms. Glode, at the tail end of your presentation you talked about “the benefits of unionization.” You used that exact phrase. Could you talk about union dues and how they help workers realize those benefits?

Ms. Courtney Glode: When you're part of an organization and you expect a certain level of service, that's what your dues provide.

We're a unique model, as I said, and the union dues that our fish harvesters provide allow us to offer a number of services. Our members have life, death and disability insurance included in their membership dues. They also get all the servicing that we provide, like helping with EI claims and DFO issues. We handle organizing committees and stuff around the province, we support resource management decisions and we also have a lot of involvement in science and research.

These are just the types of services that dues provide to members and the benefits they bring them.

Mr. Peter Fragiskatos: Thank you very much.

What are your thoughts, in light of what you just said, on the so-called right-to-work laws enacted in some U.S. states, whereby individuals are allowed to opt out of paying union dues?

Ms. Courtney Glode: In principle, our union believes that dues should be mandatory if you are part of the union, because all people in that industry will inherently benefit from the work done by that union. By allowing people to opt out, you'll inherently be weakening the power of unions and the power of collective action.

Mr. Peter Fragiskatos: I agree with you. Unfortunately, the Conservative Party of Canada's 2023 official policy book states, on page 6, that the "Conservative Party of Canada...supports right to work legislation to allow optional union membership."

Do you have a view on that?

Ms. Courtney Glode: Yes. Our union would certainly disagree with that and not support that policy.

Mr. Peter Fragiskatos: It was also interesting that just a few days ago, the Alberta Federation of Labour issued a statement saying policies like this could lead to a pay cut of almost \$2,300 a year. I'm not asking you to agree with their analysis, because you haven't looked at the numbers, but does it seem to make sense to you that they've arrived at that conclusion?

Ms. Courtney Glode: Yes, it would make sense that you would be reducing the level of service you can provide, whether it's negotiating power, research departments or that sort of thing. If you have fewer resources, you provide less service.

Mr. Peter Fragiskatos: Premier Smith in Alberta is moving in this direction as well. This is apparently the policy of her government.

Thank you very much for that.

[Translation]

Mr. Harvey, what is your opinion on this matter?

Mr. Pierre-Antoine Harvey: Thank you for the question.

The problem with making the union contribution voluntary or not is that we run the risk of ending up with free riders, people who,

without paying the price, will benefit from both the collective agreements negotiated by the unions and the various protections and improvements to their working conditions. In the long term, if a small minority ends up paying for services that benefit all workers, it will discourage both participation in union action and the creation of unions.

Mr. Peter Fragiskatos: Mr. Poilievre spoke of a “right to work”, but perhaps he was making a play on words.

Mr. Pierre-Antoine Harvey: Yes, there is a right to work. However, just as we can't exempt ourselves from municipal or provincial taxes under the pretext that we don't want to belong to that organization, when we choose, democratically, to unionize and organize collectively to have a group that represents us and negotiates our working conditions, it seems illogical to me to be able to exempt ourselves from financing part of that organization's operations.

Mr. Peter Fragiskatos: Mr. Harvey, what are the results of these laws in the United States? What is your opinion in this regard?

• (1230)

Mr. Pierre-Antoine Harvey: I haven't done any specific studies on the subject, but when you look at all the data and make a comparison between states with laws defending the “right to work” and those with more automatic unionization procedures and dues, you find that the former have a much lower unionization rate than states with laws that offer better protection for unions. Unionization is especially low in the private sectors that need it most, i.e., those where competition is strong and wages and working conditions are low. So they are depriving the workers who need protection the most of a collective tool.

[English]

Mr. Peter Fragiskatos: I know I have 20 seconds left, Mr. Chair.

I don't doubt the sincerity of colleagues like Mr. Seeback, who began today by talking about his son's experience. I'm sure that's quite true. As I say, he's very serious about that, but there's a bit of a contradiction when it comes to the Conservative Party's policy on unions and what exists in practice. Again, their policy book talks about the so-called right to work, which is detrimental to the rights of workers, as we've just heard.

The Chair: Okay, your time is up. Thank you, Mr. Fragiskatos.

[Translation]

Ms. Chabot, you now have the floor for six minutes.

Ms. Louise Chabot: Thank you, Mr. Chair.

I'd like to thank both witnesses for being here.

These exchanges are not directly aimed at the subject, but they will allow us to recognize that unionization must be promoted because it brings benefits to society and to workers. No government, of any party, should aim to eliminate or diminish it.

Mr. Harvey, you were launched on a topic and I'd like to hear the rest before asking my question.

Mr. Pierre-Antoine Harvey: Thank you, Ms. Chabot.

I was saying that the union advantage, as my colleagues at Statistics Canada have clearly demonstrated, is not to the detriment of workers as a whole. On the contrary, in countries with a high concentration of trade unions, equality has increased across society as a whole. What's more, this increase does not come at the expense of economic growth or productivity.

I want to focus on the impact unions have on increasing efficiency within companies. Among other things, job security and stability contribute not only to workforce training, but also to the adoption of new technologies, as well as greater openness in exchanges between employers and employees, whether in quality circles or in human resources management. Unions also stimulate savings, with unionized companies often offering their employees retirement funds that will enable them to save, and at the same time contribute to the creation of venture and investment capital.

The case of Quebec is quite interesting in this respect. The Fonds de solidarité de la Fédération des travailleurs et travailleuses du Québec and the Fondation fund of the Confédération des syndicats nationaux inject tens of billions of dollars into the Quebec economy every year, making it one of Canada's venture capital leaders.

I'll conclude simply by saying that, according to the data presented, the union advantage is strongest in those areas of the private sector where wages are lowest, jobs require few diplomas and competition is high. If we want to maintain this advantage, we need to strengthen access to unionization for all workers in these environments. This, of course, requires changes to labour laws. Labour laws are a matter for the provinces, but the federal government can set an example in this respect in the Canada Labour Code.

When you want to allow union certification of workers in more difficult sectors, where competition is stronger and the workforce denser, you have to go a little further than the Canadian and North American certification system. I think the example of sectoral unionization that Ms. Glode mentioned is an interesting one, and that we need to encourage the creation of these kinds of sectoral and professional unions. The construction sector and the Union des artistes in Quebec are good examples. Why not a sectoral union for commerce, where salespeople and cashiers could group together by sector rather than by company? Again, it's an example the provinces could follow.

In Quebec, certain sectoral collective agreement decrees allow negotiated agreements to be extended to all sectors, so that all employees in various sectors can benefit from negotiated working conditions. In the past, such a decree applied to the sewing industry in Quebec, but it has unfortunately been abolished.

Finally, multi-employer certification is another solution that enables small companies to band together to take advantage of larger

unions and bargaining tables. A good example from Quebec, which can also be found in all the provinces, is that of shelters for victims of domestic violence. These are often small centres, whose employees unfortunately do not enjoy very good working conditions. Organizing them one by one would be complicated. In this case, multi-employer certification is an option. In the private sector, this already exists in some unions, but the model should be extended to facilitate access to unionization.

• (1235)

Ms. Louise Chabot: My question concerns female-dominated employment. You say that, according to the statistics, non-unionization is mainly seen in small jobs, those requiring fewer qualifications. Are women at a greater disadvantage in these sectors?

Mr. Pierre-Antoine Harvey: The data do show that union advantage and unionization are highest in small private sector businesses with low degree requirements, particularly on the men's side. In sectors with comparable, low-wage, female-dominated jobs, there has never been mass unionization.

So we can presume that, if measures were put in place to encourage unionization in the sectors with more vulnerable jobs—both male and female-dominated jobs—we could see a significant improvement in the working conditions of Canadian women. So it is really important to facilitate access to unionization in the sectors where it will be most beneficial, for both men and women. We can change history and make progress in female-dominated sectors.

The Chair: Thank you, Ms. Chabot.

[English]

Go ahead, Madame Zarrillo, for six minutes.

Ms. Bonita Zarrillo: Thank you so much, Mr. Chair.

Thank you to the witnesses today.

My first question is for Ms. Glode.

Thank you for highlighting why we're doing this study, why unions matter as that offset of the employer and, as we're seeing in an environment of growing corporate greed, how workers' rights are being eroded.

You mentioned the Liberal government's weakening of local workers' rights in favour of corporations and corporate greed, and quite often in favour of international interests rather than interests at home. You also introduced the idea of contract-flipping and successorship. I wonder whether you could expand a bit more on the negative impacts contract-flipping and successorship have on workers, and why employers are so eager to do it.

Ms. Courtney Glode: I can speak about a recent example of contract-flipping here in Newfoundland and Labrador.

You might be familiar with the mining company Vale. They undertake a lot of work here in the province, and they hire a lot of skilled trade workers. They recently flipped a contract on about 200 skilled trade workers and retendered the contract to a new company. What that meant was that 200 people, who had unionized jobs and a strong contract, were effectively put on the street and told, “If you want to come back to work for this new company, you can do that, but you'll be taking a 30% pay cut and losing your benefits.”

These are the impacts that contract-flipping has on working people. It's one thing, as I said, that is really eroding that middle-class job and reducing the purchasing power and the economic sustainability of skilled trade workers.

Ms. Bonita Zarrillo: Thank you so much for sharing that.

Mr. Harvey, I ask you also whether you have any experience or an example you can share about how contract-flipping and successorship is affecting your workers.

• (1240)

[*Translation*]

Mr. Pierre-Antoine Harvey: Since I work for a union that primarily represents public sector employees, I can't give you concrete examples. However, from the early 2000s to 2010, there were a lot of union struggles over subcontracting. We have seen that, both in Quebec and in the rest of Canada, one of the strategies employers used to reduce their labour costs was subcontracting.

In Quebec, we have fought to reduce an employer's ability to transform unionized jobs into jobs for non-union subcontractors. I think we have made gains in this area. It was impossible to transfer union certification to a subcontractor without maintaining it.

I think it is important that similar reforms be introduced in the various Canadian provinces where there is no such protection.

[*English*]

Ms. Bonita Zarrillo: Thank you.

Does contracting out and flipping drive down wages, Mr. Harvey?

Then I'll ask the same question to Ms. Glode.

[*Translation*]

Mr. Pierre-Antoine Harvey: On that point, the evidence is clear that contract flipping and subcontracting are strategies that are essentially aimed at reducing costs for employers. This cost reduction is not achieved by increasing efficiency, but rather by reducing working conditions for workers.

[*English*]

Ms. Bonita Zarrillo: Thank you so much. I'm happy to hear that it doesn't happen so much in the public service.

Ms. Glode, are you able to share...?

Ms. Courtney Glode: Yes. Absolutely, contract-flipping definitely drives down wages and benefits, especially for the middle class in particular, in our example.

Ms. Bonita Zarrillo: Ms. Glode, I was involved in a rally on contract-flipping for personal support workers. That's not necessarily an area you are talking about today, but I know that for women, these contract flips really set them back, because they were going back but were unable to increase their wages.

In your industry, is this also something you're seeing at Unifor that is affecting women, racialized groups and minority groups?

Ms. Courtney Glode: I can't really speak to that specifically in our example. The contract flips we experienced were in predominantly male-dominated industries.

We do represent other workplaces, such as cleaning companies, and the majority of those contract workers are women, so it is something we can be looking at in the future if Vale again flips the contract to somebody else. I feel that it can certainly affect all people equally.

Ms. Bonita Zarrillo: Mr. Harvey, do you have any comments about the gender split and how contract flipping might be affecting gender-marginalized groups?

[*Translation*]

Mr. Pierre-Antoine Harvey: I don't have specific data broken down by gender. However, in the public sector, we see that the jobs for which subcontractors or social or private enterprises are most easily used are low-wage jobs that require a lower level of education. So it is often women, but also immigrants and members of visible minorities who are affected by this subcontracting, with inferior working conditions.

The Chair: Thank you, Mr. Harvey.

[*English*]

Mr. Seeback, I believe you have the floor for five minutes.

Mr. Kyle Seeback: Thank you very much, Mr. Chair.

I feel like I have to clean up a little bit of misinformation or disinformation that we heard from the Liberal member previously. The Conservative leader is on the record as saying that there will be no legislation from a Conservative government with respect to the right to work. It's the same thing with Bill C-377, which was mentioned by a Liberal member. It's official and it's public, so I just wanted to clean up the misinformation surrounding that.

I want to go back to you, Ms. Glode, for a couple of questions.

Did you speak about your concerns to the Liberal government with respect to the decision on the cod fishery? If so, what was their response to your pleas that they reconsider this decision in light of the effect it will have on your unionized workers?

• (1245)

Ms. Courtney Glode: Unfortunately, the Newfoundland and Labrador Liberal MPs have completely frozen us and our members out since the decision was made. We've been unable to discuss the reasons.

More than that, the minister is responsible for providing a written statement explaining the decision, I believe, within 60 days of the decision being made public. We're hundreds of days out from that now, and we still have no written statement on why that decision was made.

One thing that we heard from Gudie Hutchings was that they had an obligation to NAFO, and that if they reopened a commercial fishery, that's the obligation to NAFO. What they're being disingenuous about is that there was no reason to reopen the commercial fishery to begin with, and there was no precedent. There was not even any support from science to do this. From our perspective, the only ones who benefit from this decision are the corporate fleets.

Mr. Kyle Seeback: To me, it's shocking that you've had such a terrible response from the Liberal government on such an important issue.

You talked about contract flipping and the detrimental effect this is having on unionized members and Unifor in particular. I'm wondering if you or Unifor has raised this issue with the Liberal government. They've been the government for almost 10 years, and I'm sure you've been advocating on this issue for a long time as well. What you described is horrific—that some would have to take a 30% pay cut in order to continue to have their job. The government could have made a change on this.

Have you pursued a change with this Liberal government on contract flipping? What has been their response? Is it similar to the decision you've just talked about?

Ms. Courtney Glode: Unfortunately, when it comes to contract flipping and labour legislation, it's provincially set. We have been provincially lobbying for changes to contract flipping legislation. It has been raised federally. I think that federal support and coordination and setting best practices will be essential to help the provinces get in line as well.

Mr. Kyle Seeback: Okay, thank you very much.

I have one final question.

The Liberal member talked a lot about this alleged policy declaration from the Conservative Party—I think it's about 10 or 12 years old—by members who go to a policy convention that decides something. What's the bigger threat to your union and your workers—is it this obscure section in a policy document or the actual decision that the government has made with respect to the fishery?

Ms. Courtney Glode: It's definitely a combination of things. Resource management decisions affect our members the most, but a lot of policy and legislation needs to be looked at to support unionization and unionized workers in all industries.

Mr. Kyle Seeback: Can you give an example of how your union or other unions are more effective in promoting safety, particularly within your industry, than the corporate structure, which risks taking over things out in Newfoundland?

Ms. Courtney Glode: Our union has been successful in establishing two provincially coordinated safety associations. We were successful in establishing the Newfoundland and Labrador Fish Harvesting Safety Association. Commercial fish harvesters have the most dangerous job in the world; a number of members lose their lives every single year. Our union, in taking a step in establishing this association, has done a lot to improve fish harvesting safety.

On the processing side, we've been successful in establishing a subcommittee for processing plant workers, because people in different sectors face different obstacles to safety and different issues. There are a lot of unique health and safety challenges for people who work in fish processing, like crab asthma, occupational disease, injuries and ammonia leaks. There are a lot of things that need to be talked about that are hidden by companies in the interest of profits.

Mr. Kyle Seeback: I want to thank you so much for coming. Hopefully the government will finally listen to your pleas on these issues.

The Chair: Thank you, Mr. Seeback.

Mr. Collins, go ahead for five minutes.

Mr. Chad Collins (Hamilton East—Stoney Creek, Lib.): Thank you, Mr. Chair.

I'll start by correcting the record. The policy that my friend and colleague referenced wasn't 12 years old; it was actually from the Conservative playbook in 2023.

• (1250)

Mr. Kyle Seeback: That's not true.

A voice: Holy smokes.

A voice: We'll send it to you.

Mr. Kyle Seeback: The whole document was updated in 2023 from policies from 20 years ago.

The Chair: Mr. Seeback, you don't have the floor. Nobody interrupted you when you did.

Mr. Collins, go ahead.

Mr. Kyle Seeback: You have to correct lies.

Mr. Chad Collins: Mr. Chair, do I still have the floor?

The Chair: Yes, you do.

Mr. Seeback, guard your comments.

Mr. Collins, go ahead.

Mr. Chad Collins: Thanks, Mr. Chair.

Thank you to both of the witnesses for attending today on this very important study.

Mr. Harvey, maybe I can start with you, because you represent the public service.

When I was first elected to the Hamilton city council in 1995, Premier Harris, the premier of the day, had his common-sense Conservative...common-sense revolution playbook that targeted public sector employees, and at the time, thousands of unionized public sector employees took to the streets because they were the target of government policies trying to erode some of the gains unionized members here in the province of Ontario had made over a course of decades.

I watched that with interest. Coming from the city of Hamilton, I know the importance of unions and what they do on behalf of their membership over a period of time and how hard they fight to secure some of the benefits and the gains that their members, in some cases, have fought decades for.

I watched with interest when common-sense Conservatives targeted unionized employees in the 1990s. That was overturned with a Liberal government, and those policies were reversed, thankfully. Then I watched, still as a city councillor, Prime Minister Harper with two pieces of legislation that again targeted unionized employees with bills C-377 and C-525.

It wasn't too long ago here in my province that Conservative Premier Ford targeted nurses and educators with a bill that was challenged in the courts. It was a bill he passed that undermined a collective bargaining process, imposing 1% caps on teachers, nurses and other public sector employees for a period of three years. Of course, the courts shot that down, thankfully, and reversed that legislation. The province is now in the process of paying tens of millions, if not billions, of dollars for that mistake.

I give you those as instances when governments—they all seem to come from the same party—attacked and demonized unionized workers by trying to paint a picture of them for the public as expensive and by saying they stand in the way of progress and that there is no benefit to the rights that they've secured.

In the legislation, whether I go back to Premier Harris or Premier Ford or Prime Minister Harper, the playbook from common-sense Conservatives seems to be the same, which is to try to chip away and erode the benefits and the pay packages that have been secured over a period of decades by union membership and by union leadership over that same period.

When legislation is presented and those public debates happen and you and/or your members are demonized by a level of government, what does that do to morale? What does that do to the leaders who have fought very hard for these benefits?

I know I've given you some examples that are out of province, but I think over the years you've probably followed some of these same stories.

[*Translation*]

Mr. Pierre-Antoine Harvey: Thank you for the question, Mr. Collins.

I'll answer indirectly. First of all, one of my roles at the Centrale des syndicats du Québec is to take part in negotiations with Québec's public sector, so I was at the bargaining table during the last round to negotiate the wage conditions of 600,000 workers in the health, education and college networks.

In negotiations, regardless of the government's stripe, it seems that public sector workers always cost too much. It's something we hear from all sides. Indeed, we're presented as accounting for 60% of public spending, which isn't surprising, given that government services are services, not products. So it's only natural that labour accounts for the lion's share of these expenditures. It remains just as difficult for our members to be properly recognized at the table, no matter the government. This is particularly the case when it comes to female-dominated jobs, such as those designed to meet care, education and support needs. These are vocations that have never been recognized for their true worth.

What's more damaging, however, is the attack on the structure of debate, negotiation and collective representation of these workers. It adds a burden to the unions and their members. I'm not talking about formal negotiations, where the employer wants to pay less and the unions are asking for pay increases, which is a normal debate. When you attack unions' ability to represent their members, for example with legislation, it makes it more complicated to improve working conditions in the public sector—

• (1255)

The Chair: Thank you, Mr. Harvey.

[*English*]

Thank you, Mr. Collins.

[*Translation*]

Ms. Chabot, you have two and a half minutes.

Ms. Louise Chabot: Mr. Harvey, I always talk too much, but I have to say that here at the federal level, there are examples of labour legislation that should be corrected. You talked about contract flipping and gave some examples. This affects Air Canada maintenance technicians, among others. You can switch subcontractors and rehire the same employees, who lose all their rights and are given \$10 an hour less. That's just plain rude. The laws need to be changed.

It's the same thing in the telecommunications sector. Right now, we're seeing attacks that are reducing union representation because good jobs in Quebec and Canada are being relocated abroad. We're seeing it at Telus and at Videotron. This is the kind of thing we should really be addressing.

We know the merits and benefits of unionization. It's fortunate that fisheries workers are unionized, because I can't even imagine what conditions they would work under if they weren't.

The CSQ led an important fight that contributed to the unionization of home-based child care educators. Has this had an effect on other female workers in the same field who aren't unionized?

Mr. Pierre-Antoine Harvey: Yes, the unionization of home-based child care educators has led to wage increases or wage catch-ups. Their wages have nearly doubled over a 20-year period, following successive rounds of negotiations. In the last cycle, there was a 30% wage adjustment and a recognition of the expenses related to their child care services.

Following that, the Government of Quebec put in place policies that set basic compensation for all workers in the sector. So this is a government policy that applies to all these workers, somewhat like a collective agreement decree, but which was won by the union members. The case of family educators is an interesting case of non-traditional unionization that should inspire us.

The Chair: Thank you, Ms. Chabot and Mr. Harvey.

[*English*]

We go to Madame Zarrillo for two and a half minutes to conclude the questioning.

Ms. Bonita Zarrillo: Thanks, Chair.

What fantastic witnesses we have had today. There has been so much insight. I just want to thank them so much.

I also just wanted to echo the fantastic comments that Madame Chabot made about contract flipping.

Mr. Chair, we heard today in committee of the detrimental impact that contract flipping has on workers. We must, as parliamentarians, do what we can to protect workers from this. This committee can address a current loophole in the Canada Labour Code right now in relation to contract flipping for airport workers. There is a Unifor campaign called the Air Transportation Workers' Charter of Rights and Freedoms. They have nine tangible asks. One is protection from contracting out. I have a motion, Mr. Chair, in relation to the testimony today:

That in the opinion of the committee the Canadian Labour Code be amended to close a loophole that annuls existing labour contracts or collective agreements

when there is a change of employer for subcontractors working at Canadian airports by implementing amendments outlined in NDP C-330, titled An Act to Amend the Canada Labour Code (successor rights and obligations—airports), and that the committee report this to the House.

The clerk has that in both official languages to send out to the committee.

The Chair: Thank you, Madam Zarrillo.

It's time.

Madam Zarrillo, we'll deal with this at a subsequent meeting, because we are out of time and there wasn't notice.

• (1300)

Ms. Bonita Zarrillo: Mr. Chair, it didn't have to be on notice. It relates to the discussion today.

The Chair: Yes, that's your interpretation. I'll get guidance.

Ms. Bonita Zarrillo: It's not my interpretation. Those are the rules.

The Chair: Okay, thank you.

That concludes your time. We haven't dealt with the motion that you put forward. We'll get it.

There are two items I need direction on. You all had the draft news release—

Ms. Bonita Zarrillo: I'm sorry, Mr. Chair. There's a motion on the floor.

The Chair: Thank you, Madam Zarrillo, and it wasn't dealt with. With that, the time has gone by. Thank you.

Thank you, witnesses, for appearing.

The meeting is adjourned.

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