

2017 Josie Gould Memorial Scholarship Essay
How and Why are Unions Important in Today's Society:

The Relevance of Unions in a Post-Industrial Economy

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The rise of unions traces back to the eighteenth century and the industrial revolution. The solidarity of workers produced a strong and collective voice to protect common interests, and provided influence on workplace decisions that would otherwise be reflective of the interests of the factory boss only. Membership in unions peaked in the 50's and 60's and it has been in gradual decline ever since. From 1981 to 2012, Canada's unionization rate, defined as percentage of employed individuals who are union members, declined from 38% to 30%ⁱ. The decline was most remarkable in the 1980's and 1990's.

The labour movement formed the fabric of our current society and has produced a legacy of basic rights that are widely enjoyed today – notably, public holidays, maternity leave and improved working conditions. In a post-industrial economy with basic rights now legislated and accepted as a given, and a declining unionization rate, are unions still important and relevant in today's society? Absolutely.

Unions were founded on several core principles, all which are still relevant today:

1. Protection of job rights, including policies for reasonable work hours, employment security, and the hiring, firing and promotion of workers.
2. Raising the standard of living for the working class.
3. Promoting and enforcing safe working conditions.
4. Increasing benefits for both workers and their families.

Protection of job rights

A new class of workers has emerged in our post-industrial economy that very much requires union representation. The rise of the “gig economy,” such as freelancers, and self-employed

workers in companies like Uber, is creating a block of temporary and part-time workers with no sick pay, health insurance or guaranteed minimum level of work and earnings. This group makes up a significant part of our workforce; Forbes estimate that freelancers now make up 35% of the U.S. workforce.ⁱⁱ

Millennial friends defend the benefits of a gig economy, citing flexibility, independence and the ability to be your boss. However, all of this comes at an inequitable and dangerous tradeoff. Without unions and the protection of worker rights, we are regressing in a direction where the employers' objectives of profits and reduced responsibility for workers' welfare take precedent. While mobilizing independent freelancers can be a challenge, there has been positive momentum in the UK with Deliveroo, a bicycle restaurant delivery service. The International Workers Union of Great Britain (IWGB) currently has a case with a tribunal to recognize it as a union for Deliveroo workers, so it can move forward in negotiating a collective pay deal for its riders.ⁱⁱⁱ This case is interesting as it validates the need for unions even in a changing economy.

Raising the standard of living

Unions have fought hard for collective agreements that protect workers' wages. A common perception of unions is that its workers are overpaid. However, Time Magazine notes that "unions lift wages for *non*-union members too by creating a higher prevailing wage^{iv}." Therefore, even non-unionized members are impacted by the efforts of unions. Even if you aren't a member your pay is influenced by the strength or weakness of organized labour. Furthermore, the Harvard Business Review notes that the rise of income inequality since the 1970's is, at least in part, due to the steady decline of labour unions^v.

Promoting and enforcing safe working conditions

Despite excellent progress in occupational health and safety legislation, workplace accident and fatalities still occur today due to employer negligence, lack of training and unchecked

workplace hazards. I see this every day in my work with the Workers' Safety and Compensation Commission. In addition, emerging complex issues such as PTSD, workplace bullying, and home violence carried into the workplace, require consistent pressure on legislators and employers for adequate safety measure and policies. Even climate change, while seemingly unrelated to occupational health and safety, is exposing workers to new occupational hazards such as extreme weather. This can result in increased stress and fatigue, making workers more vulnerable to workplace injuries^{vi}.

Increasing benefits for workers and their families

Advancing benefits for workers and families continue to require union support despite significant gains made in the last sixties years. Canada still does not have a national childcare program and the government has been working hard to erode pension benefits through Bill C-27. This bill seeks to amend the *Pension Benefits Standards Act* to allow federally regulated employers to replace their Defined Benefit plans (which provide a guaranteed retirement income irrespective to financial market risks), to a Target Benefit Plan (which transfers the risk of financial market performance to workers). Pensions are vital part of retirement income security and needs to be protected.

Conclusion

Admittedly, public perception on the importance of unions in today's society is declining. Non-unionized workers, and even some unionized workers, believe that unions are no longer required in a post-industrial economy. However, a rapidly transforming economy shifting towards a gig economy, increasing wage inequality, emerging issues on occupational health and safety, and increased governmental action to erode workers' rights demonstrate that unions are still very much important in today's society. Unions are needed now more than ever.

ⁱ Statistics Canada, "Unionization rates falling", March 3, 2017 (<http://www.statcan.gc.ca/pub/11-630-x/11-630-x2015005-eng.htm#def1>)

ⁱⁱ Elaine Pofeldt, "Freelancers Now Make Up 35% Of U.S. Workforce", Forbes, October 6, 2016 (<https://www.forbes.com/sites/elainepofeldt/2016/10/06/new-survey-freelance-economy-shows-rapid-growth/#29246de97c3f>)

ⁱⁱⁱ Costas Pitas, "A union has started a fight with Deliveroo about whether its riders are self-employed", Business Insider UK, May 23, 2017 (<http://uk.businessinsider.com/the-iwgb-has-started-its-fight-with-deliveroo-about-whether-riders-are-workers-2017-5>)

^{iv} Eric Liu, "The decline of unions is your problem too", Time, January 29, 2013 (<http://ideas.time.com/2013/01/29/viewpoint-why-the-decline-of-unions-is-your-problem-too/>)

^v Justin Fox, "What unions no longer do", Harvard Business Review, September 4, 2014 (<https://hbr.org/2014/09/what-unions-no-longer-do>)

^{vi} Crimmins, A. et al, "The Impacts of Climate Change on Human Health in the United States: A Scientific Assessment", U.S. Global Change Research Program, 2016 (<http://dx.doi.org/10.7930/JOR49NQX>)