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UNIONS AND FISCAL CRISIS IN THE LOCAL STATE:

A HISTORY OF BRITISH COLUMBIA GOVERNMENTS'

STRATEGY TO ORGANIZE LOCAL EMPLOYERS

1973 - 1982

For M.A. Political Science
Carleton University

Prof. L. Panitch
Prof. R. Mahon
Prof. G. Swimmer

By Miriam Edelson
October 1984

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"UNIONS AND FISCAL CRISIS IN THE LOCAL STATE:

A HISTORY OF BRITISH COLUMBIA GOVERNMENTS'
STRATEGY TO ORGANIZE LOCAL EMPLOYERS
1973 - 1982"

Submitted by Miriam Edelson, Hons. B.A.
in partial fulfilment of the requirements for
the degree of Master of Arts

Thesis Supervisor

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ABSTRACT

This thesis is a study of the British Columbia Government's strategy to reduce public expenditure on wages during the 1970's. It documents efforts to reinforce the bargaining strength of local government employers vulnerable to the bargaining strategies enacted historically by unions in that sector. Two aspects of the Government's strategy are investigated: the encouragement, through legislation regarding employer accreditation, of associations for the purpose of bargaining and the creation in 1977 of an employers' association exclusively for the public sector. The thesis argues that this strategy, while only partly successful, lay the groundwork for escalated attacks against working people during the early 1980's. It is asserted, further, that the strategy's unravelling was sparked by the explosive demand of Vancouver-area local government workers for equal pay during the civic strike of 1981.

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LIST OF ABBREVIATIONS

AIB.....Anti-Inflation Board
AUCE.....Association of University and College Employees
BCGEU.....British Columbia Government Employees Union
BCLRB.....British Columbia Labour Relations Board
BCSTA.....British Columbia School Trustees' Association
BCTF.....British Columbia Teachers' Federation
CLRA.....Construction Labour Relations Association
COPSE.....Council of Public Sector Employers (changed to PEBC,
April 1979)
CUPE.....Canadian Union of Public Employees
ECBC.....Employers Council of British Columbia
FIR.....Forest Industrial Relations
GERB.....Government Employees Relations Bureau
GVLRA.....Greater Victoria Labour Relations Association
GVRD.....Greater Vancouver Regional District
HEU.....Hospital Employees Union
HLRA.....Health Labour Relations Association
JNC.....Joint Negotiating Committee
KBLRA.....Kootenays Boundary Labour Relations Association
MIPEA.....Mid-Island Public Employers Association
NDP.....New Democratic Party
NUPGE.....National Union of Provincial Government Employees
OMMLRA.....Okanagan Mainline Municipal Labour Relations Association
PEBC.....Public Employers of British Columbia
PPWC.....Pulp and Paper Workers Union of Canada
UBC.....University of British Columbia
VMREU.....Vancouver Municipal Region Employees Union

CHAPTER ONE: INTRODUCTION

1

In July 1983, the British Columbia Government announced a series of bills designed to slash expenditure in the public sector. The Human Rights Commission was to be dismantled. Rent controls were scrapped. Consumer services were discontinued. And job security in the provincial civil service was undermined as Premier Bennett promised to trim the number of positions by twenty-five percent over the ensuing two years. Witnessed, in effect, was a deliberate and far-reaching disorganization of the working class; an attack not only on the labour movement but on public services developed historically in response, at least in part, to the demands of working people and their organizations for improvements to the quality of life.

Replacing the array of public services and labour legislation to which B.C. residents had grown accustomed would be social welfare services dispensed by the private sector, the encouragement of non-union workplaces, and the trumpeting of individual freedoms. Accompanying these retrograde measures was a powerful ideology which envisioned the Victorian family as the cornerstone of the ideal society; a society marked by stability, traditional values and security.

This attack on the working class did not come out of the blue. Initiatives launched in 1983 were the outgrowth of an earlier strategy undertaken by the B.C. Provincial Government. During the 1970's, the thrust to contain public spending was carried out through an attempt to organize the province's bourgeoisie while, simultaneously, disorganizing the working class. As B.C. Minister of Finance Wolfe explained in 1977:

In a province where forestry accounts for fifty cents of every dollar produced, public sector compensation must be guided by industry compensation levels. We cannot afford to put our wealth-producing sectors in difficulty because of irresponsibility or weakness in public sector compensation decisions.¹

This study is about how the Provincial Government undertook to organize the province's local government employers as a means toward reducing public expenditure. That organizing took place within the context of efforts aimed ostensibly at equalizing bargaining power between labour and capital. In order to proceed with this inquiry, theoretical clarification of three areas is required: the operative notion of equality, the role of the state and, finally, the nature of the dynamic of local politics.

First, the Labour Code enacted in 1973 was an attempt to establish equality between unions and management. Although a more fundamental inequality exists between labour and capital, unions, in particular conjunctures, and

---

1. Wolfe, News Release, October 14, 1977, p.2.

depending on a series of factors including markets and the organization of workers, have made important financial gains at the expense of their bosses. The 1960's and 1970's in B.C. were a case in point. Through militant organizing campaigns and bargaining, labour did in fact exercise an advantage. Workers (though not without significant struggle) achieved consistent high wage settlements during these years.

The Labour Code enacted after the upset NDP victory in 1972 was designed to encourage collective bargaining. It was assumed employers and unions may participate on an equal basis in the elaborating of structures, jurisprudence and systems of dispute resolution that reflect broadly a fair-- or unbiased-- character. Consequently, a major concern to policy-makers was the development and maintenance of that assumed equality. In the realm of industrial relations policy and legislation, equality was entailed in the notion of countervailing forces which must be balanced between employers and unions.

During the 1970's, the Government's emphasis was on organizing and reinforcing employers' strength at the bargaining table. Provisions in the Labour Code for the accreditation of employers and the encouragement of multi-employer bargaining served to reinforce the existence of a B.C. employer "community" which was essential to this effort. Although the Code also encouraged unionization and,

was therefore viewed as favourable to working people, certain of its provisions would later serve to block workers' advances. How exactly this occurred will become apparent in the investigation of employer accreditation in Chapter Three.

Second, the state is not neutral. Its primary role in capitalist society is to reproduce continually the conditions in which capital may be accumulated. Functioning through a complex array of agencies and institutions, the state both structures and reinforces the social relations and relations of production marked by class domination typical of capitalist society. The implementation of the Labour Code and the jurisprudence developed subsequently by the Labour Relations Board, as we shall see, contributed to this process.

State services have evolved partly in response to demands articulated by working people confronted with the social upheavals characteristic of a developing capitalist society. In many instances, the profound reorganization of society rendered the family incapable of providing the material and emotional care/supports required (broadly speaking) for the reproduction of labour power. The gap between what the family once provided and what it could deliver in a reconstituted society, coupled with new socially-determined standards for acceptable levels of care,

contributed to the state's intervention into the process by which labour power is renewed outside the firm. That process is carried out by the family and, in particular, by women, in conjunction with the state in order to sustain workers so their ability to work and sell their labour is renewed and/or nurtured.²

In advanced capitalist countries, the local state plays a critical role in the process described above. Although in Canada there is a great deal of overlap between provincial and local responsibilities, as well as considerable variation between provinces, it is the agencies of the local state that have historically interacted most directly with community residents in the provision of social and public services. The family has been and, remains, the main unit of society through which the local state interacts with the community.

Evidently, the capitalist mode of production depends on the family for the reproduction of labour power. But the conditions unleashed through the development of the productive forces have given rise to a new web of social and economic standards which contribute to the breakdown of that traditional family. As a result, it has become increasingly necessary that a variety of public and social services assist in the process of extended reproduction. The capitalist

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2. This process is known as "extended reproduction".

state has both volunteered and been called upon to provide these services in response both to popular demands and, pressure from the private sector that the benefits of social programs be generalized broadly and financed through the public sector.

This analytical framework is useful because it provides a window through which to regard the pivotal point in the history documented in this study. The 1981 Lower Mainland civic strike signalled the end of the 1970's strategy to strengthen employers and the beginning, in the early 1980's, of a strategy designed to attack directly the working class. The analytical window is helpful in two ways. First, the proliferation of services delivered by the local state such as child care, recreation and social welfare (and clerical support for the administration of these) was accompanied chronologically by the influx of women into the paid labour force, most often into jobs characterized by low pay and low prospects for advancement. Demands for equal pay for work of equal value on behalf of these primarily female workers in 1981 constituted a significant threat to the traditional relationship between groups in the gender-segregated labour market. It was a threat which entailed costs capital could not absorb easily. The vehement reaction provoked among the employer community heralded the end of an era. It had become amply evident that voluntary measures promoted during the 1970's could not guarantee the

wage pressure (and particularly, that entailed in the demand for equal pay for work of equal value) would be contained.

Second, this framework is crucial to understanding the powerful appeal of the ideology which accompanies the Social Credit Government's attack on workers and public services. It is an ideology that romanticizes the Victorian, traditional family in order to justify the dismantling of publicly-funded social services. That harkening to an earlier, predictable era takes account neither of the complex factors which underly the current breakdown/redefinition of the family nor, moreover, of the historic role played by women in that traditional family. In the conclusion to this study, we examine more closely the precise nature of that ideology.

The third clarification necessary before proceeding with this study concerns the dynamic operative in local politics. Local government is frequently regarded as the most responsive level of government. It appears to be an arena in which community residents may exert a considerable degree of influence over politicians and their decision-making. But the non-partisan electoral tradition reinforces a poorly defined notion of "the people"; that is, a populace not distinguished in terms of class, gender, or race. The view that local government is responsive, however, does not operate simply at the level of ideas. Political

institutions of local government function imbued, at least in part, with this notion of responsibility.

As shall become evident in Chapter Two, local governments in Canada have exercised historically only minimal autonomy in their spheres of activity. Constitutional, and hence, funding responsibilities of the provinces vis-a-vis municipalities have resulted in numerous structural constraints to local governments' ability to initiate or implement programs independently. As the economic crisis deepened during the 1970's, the absence of significant local autonomy emerged more strikingly. Restraint programs were implemented widely and provinces sought to control more stringently the expenditures of their municipalities.

In British Columbia the Province's pursuit of fiscal control over its municipalities, however, encountered in certain communities a phenomenon whereby typically non-partisan electoral campaigns provided a forum for organized pressure from certain elements within the populace. Unions, in conjunction with tenants' and women's groups, for example, organized at the municipal level in some communities to run candidates and elicit support for union demands during bargaining, the funding of childcare facilities and low-income housing. Although it is certainly arguable that the non-partisan nature of local politics serves most

frequently to mask the involvement and domination of real estate interests, in particular, in decisions about zoning and land development, it is that non-partisan character precisely which afforded the opportunity for elements of the working class to organize municipally in issue-based coalitions involving residents with a broad spectrum of political views.

Due to the high level of unionization in B.C., coupled with the existence of a tangible social democratic and socialist politics, workers and their organizations were able in certain instances to intervene in the decision-making of elected municipal and school board councils and influence politicians toward positions, or indeed reforms, favourable to workers. While clearly this strategy relied to a significant degree on the class composition of each community,³ in the context of British Columbia this dynamic reveals a tension between the Provincial Government's desire for financial control and the potential responsiveness of local government institutions.

Further, as a result of the success of such electoral campaigns in certain B.C. communities, elected

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3. A mining town such as Trail, in the Kootenays, demonstrated such a dynamic in part because residents have developed the expectation that their local government be accountable, whereas agricultural villages in the Okanagan or Fraser Valleys, with very different class composition, exhibit more conservative tendencies.

officials at the local level have not always embraced the conservative political agendas of their Provincial counterparts. While the fiscal and constitutional constraints facing local government remain substantial and may, to a large extent be unalterable, the influence of pressure groups with roots in the working class constituted, as we shall see in Chapter Three, a weak point in the Provincial Government's concerted effort to reduce public expenditure on wages and social services. In B.C., given certain historical and sociological conditions, this has meant that the practice and pursuit of responsive, accountable local government is rooted in the institutions, as well as the ideas, of these communities. And while there is no guarantee as to the outcome of such struggles (that union lobbyists prevail over the interests of local real estate developers, for example) it is the presence of this dynamic of local politics that creates a terrain on which such battles may be contested.

In the following pages, then, we examine the history of the B.C. Government's strategy to contain public expenditure during the 1970's. In Chapter Two, the stage is set through an investigation of labour in the B.C. political economy, the role of the NDP's 1973 Labour Code and finally, the nature of labour relations in the local state. The following two chapters constitute the heart of the study. Chapter Three examines one aspect of the Government's strategy, the creation of employer associations for the

purpose of bargaining. These associations were encouraged explicitly by the Provincial Government which passed accreditation legislation in 1970 to give each employers' association the "legal glue" to bargain jointly as the exclusive representative of its members. That legislation, unique in Canada for its application to the province's public, as well as private sector, changed the legal relationship contained in collective agreements between unions and employers. No longer would workers bargain exclusively with their own employers; rather, agreements were negotiated between the employers' organization and the employees of each of its members. And, under certain circumstances, individual employers could be bound against their will to agreements negotiated on their behalf.

Chapter Four investigates the second, and later, developments indicative of that era in B.C. industrial relations policy and practice: the creation in 1977 of a publicly-funded council of public sector employers. Established by the Provincial Government as a "monitoring agency" for the immediate post-Federal Anti Inflation Board period, the Council was to facilitate the gathering of information and sharing of expertise between public employers. Also, the Council was meant to promote cohesion and a sense of community among previously unassociated local government employers. In addition, it was important to the Provincial Government that its commitment to restraining

public sector wages be demonstrated clearly to private industry. The new Council was meant to fulfill this role while maintaining at least the appearance of autonomy from the seat of government in Victoria.

In Chapter Five, the impact of the 1981 Lower Mainland civic strike is analyzed. As will become evident, the aim during the 1970's to strengthen employers proved insufficient to curb the spending of local governments. By 1981, the strategy based on voluntary measures had unravelled. The 1981 strike and, the equal pay demand in particular, signalled the beginning of a new era in B.C. industrial relations; an era to be characterized by explicitly coercive measures designed to dismantle publicly-funded social services and disorganize the working class.

CHAPTER TWO: LABOUR AND THE LOCAL STATE IN THE B.C.
POLITICAL ECONOMY

It is not uncommon for British Columbia's labour movement to be characterized as the most militant on the North American continent. Strong traditions of trade unionism, left-wing political movements, as well as the more recent expansion of Canadian unions are all elements of the province's rich political culture. That militance had particular repercussions for B.C.'s local state sector during the latter half of the 1970's.

Local government was a sector in which the vast majority of the workforce was unionized and belonged primarily to one organization, the Canadian Union of Public Employees (CUPE). It was also a sector in which local municipal and school board councils were highly independent; residents elected leaders to manage their community's affairs. And notwithstanding the appearance that each local authority constituted a defender of its proper interests, constraints were placed increasingly on local governments as they became the purveyors and administrators par excellence of services initiated and funded by senior governments. When, in the mid-1970's, it became evident that union demands for increased wages in the local sector threatened to outpace not only revenues available but, also, wage demands in other sectors, the Provincial Government stepped in.

In this chapter, we begin with an examination of the political economy of B.C. labour. What, for example, was the nature of the province's economy and the composition of its workforce? Had the extent of unionization among B.C. workers made relatively high wage rates a source of concern to investors? To what extent had the bourgeoisie viewed militant labour activity since the mid-1960's as a threat to its hegemony? Finally, what role had the Provincial Government played in creating conditions favorable to the practice of collective bargaining?

Following an exploration of these questions, we turn to labour relations in the local state and a look at the peculiar constraints facing local governments. When did municipal workers join unions? How have the responsibilities of local governments changed since the 1950's? To what extent have wage costs contributed to the fiscal crisis of the local state? Through an investigation of these three areas: labour in the B.C. political economy; the role of the NDP's new Labour Code; and labour relations in the local state; and, moreover, the challenges they posed, the stage will be set for our inquiry into the Provincial Government's strategy for containing expenditure in this fragmented sector.

LABOUR IN THE B.C. POLITICAL ECONOMY

The British Columbia economy is primarily resource-based and export-oriented, with American, Canadian and Japanese ownership of the mining and forest industries. Although the United States is British Columbia's major export market, metals, forest products, natural gas and coal exports are also supplied to Japan and certain European countries.¹ In 1979, the mining industries accounted for just over 40 per cent of the province's Gross Domestic Product. Used in the manufacture of housing and automobiles, demand for these industries' products typically fluctuates with the overall economy. Due to the province's heavy reliance on resource industries, its economy tends to be especially hard-hit by world-wide economic weakness.

The character of both the industries and the market have encouraged political activity among workers.² Monopoly (or oligopoly) power over the resource sector, for example, has had a definite impact on the welfare of workers in those industries. Companies were concerned about rapid exploration and development of resources, not health and working conditions. Consequently, labour mobilized politically to

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1. Employers' Council of British Columbia, Collective Bargaining Environment 1982, p. 13.
  2. The ensuing three paragraphs draw upon Paul Phillips, No Power Greater, 1967, pp. 160-65.

contest monopoly power and to win protective legislation such as the eight-hour day, workers' compensation, and safety regulations.

Specialization in primary industries has meant that the British Columbia economy is typically unstable. That instability was (and is) manifest in cyclical periods of extreme unemployment. Trade unionists and unemployed workers who, with the return of better conditions again became trade union members, became aware that union action alone could not solve the structural problems plaguing the economy. Rapid unionization in the late nineteenth and early twentieth centuries coincided with the spread of radical and socialist critiques of society; ideas not unappealing to working people suffering from the economic hardship and social turmoil typical of B.C. during that period.

Finally, the frontier nature of economies reliant on extractive industries have typically demonstrated a higher propensity for conflict. The geographic isolation, high proportion of transient single workers, barriers against maintaining a stable family life, and the physical hazards of the work itself all tend to contribute to a high degree of conflict between workers and management. Further, "...institutions for handling conflict, in particular collective bargaining machinery, had not developed. This was reinforced by the employers in these industries who opposed

the development of collective bargaining institutions through violent opposition to union recognition³." It is in this context that the labour movement became an organized force with which employers have had to grapple.

Union membership, for example, has been more significant historically in British Columbia than in other provinces. In 1980, 49.2 per cent of the non-agricultural workforce was unionized, as compared to 37.6 per cent in all of Canada.⁴ Although the degree of union membership cannot be equated simply to labour force militancy, it does give some indication of the prevalent labour relations climate. Further, since in legal terms collective agreements cover all employees in a firm whether or not they are union members, membership figures tend to underestimate the scope and direct influence of unions in the industrial relations system.

With respect to the public sector, in particular, union membership is very high. According to the Public Employers of British Columbia (PEBC), 91.7 per cent of full-time public sector employees were unionized in 1981. While full-time public sector employees made up only 13.7 per cent of B.C.'s employed workforce, the unionized full-time public sector workers constituted 31.4 per cent of total trade union membership in the province (See Table I).

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3. Phillips: 1967, 64.

4. Wood and Kumar, The Canadian Industrial Relations Scene 1980 Kingston: Queens' University Press, 1980, p. 177.

TABLE I: TOTAL NUMBER OF FULL-TIME EMPLOYEES
IN BRITISH COLUMBIA'S
PUBLIC SECTOR - DECEMBER 21, 1980⁵

JURISDICTION	TOTAL NO. OF FULL-TIME EMPLOYEES	UNIONIZED EMPLOYEES	EXECUTIVES	MANAGERIAL EXCLUSIONS	OTHER NON-UNION EMPLOYEES
Provincial Government	33,630	30,400	30	2,300	900
Crown Corporations	23,918	21,311	262	2,345	--
Universities and Colleges	14,857	12,816	235	968	838
School Districts	41,272	40,331	184	438	319
Municipalities	21,460	18,597	534	1,217	1,112
Libraries	990	801	47	123	19
Health Care Organizations	28,477	26,714	479	1,078	206
Totals	164,604	150,970	1,711	8,469	3,394

Wage levels have been affected by the extent of unionization in the province. Average annual wage increases have tended to be higher in B.C. than comparable figures for the rest of Canada and the United States. In Table II below, for example, the average annual negotiated percentage change in wages for 1972 was 9.1 in B.C., 7.9 in Ontario, 8.0 in Canada, and 6.4 in the U.S. Similarly, in 1980, the figures were 12.4, 9.5, 10.1, and 7.1, respectively.

5. Employees' Council of British Columbia, Industrial Relations Review, Vol. 13, No. 26.

TABLE II: AVERAGE ANNUAL NEGOTIATED PERCENTAGE CHANGE IN WAGES⁶

1972 - 1980

YEAR	BC	ONTARIO	CANADA	USA
1972	9.1	7.9	8.0	6.4
1973	12.0	9.4	10.5	5.1
1974	18.1	13.0	14.8	7.3
1975	17.9	14.4	17.3	7.8
1976	8.2	9.8	10.1	6.4
1977	7.0	7.4	7.7	5.8
1978	6.6	6.4	7.0	6.4
1979	9.3	7.1	8.2	6.0
1980	12.4	9.5	10.1	7.1

With the exception of 1976-78 inclusive, where the Canadian national average was somewhat higher, average annual increases negotiated in B.C. have been significantly higher than those in the rest of the country.

That three year period, 1976-78, coincides with the imposition of the Federal Anti-Inflation Program. It is interesting to note, from this same table, that in 1979 and 1980, average annual increases negotiated in B.C. and Canada were 9.3 vs. 8.2, and 12.4 vs. 10.1, respectively. That B.C. workers were able to make substantial "catch-up" gains relative to the national average immediately following the tenure of the AIB indicates the impact of greater union organization and militance in that province.

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6. ECBC; Industrial Relations Bulletin, Vol. 13, No. 31, p.1.

Further, figures regarding average weekly earnings suggest that B.C. workers have led the national average consistently for more than just the last decade. This fact is evident in Table III which covers the twenty year period between 1960 and 1980. In 1965, for example, average weekly earnings in B.C. were \$100.71 as compared to a \$91.01 average for all of Canada. Figures for 1980, similarly, show average weekly earnings of \$363.48 and \$317.38 respectively.⁷ It is likely that the extent of unionization has contributed to the relatively high income level enjoyed by the B.C. workforce.

A further comparison between income levels in B.C. and those in the rest of Canada also bears out this difference. Average weekly salaries for selected office occupations in Vancouver between 1956 and 1975 increased more quickly than those in Halifax, Montreal, Toronto and Winnipeg. A male junior office clerk in Vancouver in 1956, for example, earned \$47 per week compared to \$41 in Winnipeg, \$47 in Toronto, \$43 in Montreal and \$41 in Halifax. In 1975, the salaries were \$161 in Vancouver, \$125 in Winnipeg, \$131 in Toronto, \$125 in Montreal and \$124 in Halifax.⁸

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7. See Table III, next page.

8. Statistics Canada, Historical Statistics of Canada, Series E 326-375.

TABLE III: AVERAGE WEEKLY EARNINGS
IN CURRENT DOLLARS⁹

YEAR	B.C.	CANADA
1961	78.24	84.99
1962	80.54	87.10
1963	83.27	90.10
1964	86.51	94.11
1965	91.01	100.71
1966	96.34	107.33
1967	102.83	114.50
1968	109.90	120.76
1969	117.64	129.35
1970	126.82	137.97
1971	137.65	152.50
1972	165.08	149.22
1973	178.22	160.46
1974	200.55	178.09
1975	229.97	203.34
1976	259.52	228.03
1977	284.13	249.95
1978	301.26	265.37
1979	327.14	288.25
1980	363.48	317.38

Similarly, if we compare average weekly salaries for a female junior typist between the same years, we find that in 1956 the rate was \$40 in Vancouver, \$35 in Winnipeg, \$42 in Toronto, \$41 in Montreal and \$39 in Halifax. By 1975, however, the salary in B.C. had surpassed that paid in other cities. The same junior typist earned \$142 in Vancouver, \$122 in Winnipeg, \$132 in Toronto, \$118 in Montreal and \$116 in Halifax. For both the male junior office clerk and female junior typist positions compared, it is evident that even

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9. Statistics Canada, Current Wage Developments, ECBC, Industrial Relations Bulletin, Vol. 13., No. 31, p.2. Dominion Bureau of Statistics 72-002, Employment and Average Weekly Wages and Salaries, Dec. 1970. Department of Industrial Development, Trade, and Commerce, Province of B.C., Economics and Statistics Branch, Summary of Economic Activity in British Columbia 1970, Victoria, p. VII, Ministry of Economic Development, Province of B.C. British Columbia Economic Activity 1978 Review and Outlook Vol. XXX January 1979, p. 57.

levels were roughly the same, the 1975 salary level in Vancouver significantly exceeded that paid in the four other localities.¹⁰ The higher incomes paid in B.C. compared to those in other provinces indicate, at least in part, that B.C. workers have been better able to press successfully for significant wage increases.

Another measure of labour activity which indicates the militance of the B.C. workforce is the number of person days lost annually due to work stoppages. Table IV compares days lost in B.C. and all of Canada between 1950 and 1981. Of particular interest is the percentage of total days lost in Canada to occur in B.C. each year. Between 1950 and 1959, 19.4 per cent of all person days lost in Canada due to work stoppages occurred in B.C. In 1960-69 and 1970-79, the figures were 11.2 per cent and 15.5 per cent respectively. Since B.C. accounts for approximately 11 per cent of the country's active workforce,¹¹ these figures suggest

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10. Statistics Canada, Historical Statistics of Canada, Series E 326-375.

11. Statistics Canada, The Labour Force, Catalogue 71-001, (June 1980) pp. 15-18.

TABLE IV: PERSON DAYS LOST DUE TO WORK STOPPAGES¹²

YEAR	B.C.	CANADA	% OF WORK STOPPAGES TO OCCUR IN B.C.
1950	29,500	1,387,500	2.1
1951	71,340	901,620	7.9
1952	1,213,670	2,765,510	43.9
1953	213,300	1,312,720	16.2
1954	108,060	1,430,300	7.6
1955	27,170	1,875,400	21.2
1956	35,030	1,246,000	2.8
1957	242,440	1,477,100	16.4
1958	447,540	2,816,850	15.9
1959	1,348,200	2,226,890	60.5
1960	33,960	738,700	46.0
1961	35,230	1,335,080	2.6
1962	35,860	1,417,900	2.5
1963	83,820	917,140	9.1
1964	321,180	1,580,550	20.3
1965	92,290	2,349,870	3.9
1966	240,230	5,178,170	4.6
1967	350,730	3,974,760	8.8
1968	486,400	5,082,732	9.6
1969	323,730	7,751,880	4.2
1970	1,684,463	6,539,560	25.8
1971	275,580	2,866,590	10.0
1972	2,120,848	7,753,530	27.4
1973	705,525	5,776,080	12.2
1974	1,609,131	9,221,890	17.4
1975	1,864,596	10,908,810	17.1
1976	1,470,757*	11,609,890	12.7
1977	448,460	3,307,880	13.6
1978	754,022	7,392,820	10.2
1979	669,273	7,834,230	8.5
1980	483,823	8,975,390	5.4
1981	3,232,817	8,928,830	36.2

* does not include October 14 Day of Protest (est. 139,150)

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12. Labour Canada, Strikes and Lockouts in Canada and Ministry of Labour, British Columbia, Labour Research Bulletin (Jan. 1982), p.14.

strike activity in the province has been consistently above the national average.

It is important to recall that during the 1950's, B.C.'s workforce, which was found predominantly in resource sector industries, was approximately 46 per cent unionized whereas the figure for all of Canada was approximately 33 per cent. During the 1960's, B.C.'s unionized workforce as a percentage of the total paid labour force was approximately 43 per cent, whereas the figure for all of Canada was approximately 31 per cent. The increase in white collar unionization in all of Canada beginning in the 1960's accounts for the smaller proportion of days lost due to work stoppages in B.C. as compared to the national figure.¹³

The NDP's New Labour Code

It was in this context of worker militance that in August 1972, the New Democratic Party (NDP) victory broke Social Credit's twenty-year reign. The year preceding the election had been wracked by industrial conflict and NDP campaign promises to overhaul completely the province's labour legislation proved inviting. In March 1973, a Royal Commission of highly-reputed industrial relations practitioners was charged with drafting a new provincial

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13. B.C. Dept. of Labour, A Survey of Collective Agreements in B.C., 1966-67, Research Branch, Victoria and Labour Canada, Directory of Labour Organizations in Canada 1983, p. 18.

labour code; a code which was to reflect a "positive commitment" to the collective bargaining system.¹⁴

That commitment reflected a new orientation from the seat of government in Victoria. It was an orientation that proposed, through legislation, to equalize the bargaining power exercised by labour and capital. And it was an orientation that provoked enormous fear among a bourgeoisie well-versed in the wielding of political influence. In essence, the NDP's election and, moreover, its legislative project, reinforced the polarization of classes in B.C. Ironically, as we shall see, that polarization, which had developed historically through years of open and violent industrial strife, was deepened in response to the very legislation which was meant to diminish conflict by channeling it into manageable areas.

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14. Dr. Noel Hall, interview held in Vancouver, April 29, 1982. Each of the three appointees had rather impressive credentials. Dr. Hall was Director of the University of British Columbia (UBC) Centre for Industrial Relations and later, Dean of the UBC Business School. Ted McTaggart was a partner in one of Vancouver's oldest labour law firms and later, a judge. He also subsequently acted as Chairman of the 1979 Ministry of Labour Inquiry into multi-employer bargaining and accreditation. James Matkin was a professor of law at UBC and became deputy-minister of labour under the NDP. Interestingly, he was the only senior NDP appointee to survive the Social Credit victory of December 1975. Donald Gutstein, "How the Lawyers Came to Labor" in Vancouver (March, 1982) pp. 37-44, 141-3 and Paul Weiler, Reconcilable Differences: New Directions in Canadian Labour Law, Toronto: The Carswell Co. Ltd., 1980, pp. 4 and 9.

The new Code was enacted in November 1973. It encouraged unionization by allowing unions to apply for certification with only 35 percent worker endorsement instead of 50 per cent.¹⁵ In addition, coverage of the Code was extended to the police, firefighters and hospital workers. And striking workers were given legal sanction to picket employers' other places of business, a militant trade union tactic widespread in B.C. Finally, the Code increased the size, jurisdiction and power of the Labour Relations Board which, through its judgments and interpretations, was to realize the Code's (and the NDP's) favourable disposition toward collective bargaining.

Enacted concurrently to the provincial labour code was new legislation to cover Provincial Government employees. The Public Service Labour Relations Act was passed in mid-November 1973, providing collective bargaining rights to approximately 35,000 of the province's 40,000 civil servants. It established the province's Public Service Commission as the Government's bargaining agent, set up a process to negotiate master agreements for the three major categories of workers¹⁶ and extended to these employees the right to strike.

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15. The information in this paragraph is drawn from Dr. Donald Wood, The Current Industrial Relation Scene in Canada (1974), Kingston Ontario: Industrial Relations Centre, 1974, pp.S-G-2 and 3.

16. The three categories were psychiatric and registered nurses, other licensed professionals, and a public service bargaining unit including all other employees. Ibid, p.S-G-3.

Employers greeted these innovations with mistrust. As noted in the introduction to this study, B.C. employers regarded themselves already as members of a community and moreover, a community linked together by its need (or at least, perceived need) to defend itself against labour. The Employers' Council of B.C., formed in 1965, and the existence of numerous associations for the purpose of joint bargaining, attested to this cohesion. Initiatives taken by the new Government were thus viewed with suspicion. Would they constitute a threat to capital's dominance? As we shall see in Chapters Three and Four, the situation unfolded quite differently. The very structures envisaged by the NDP's Labour Code to equalize power between labour and capital, would, in the particular conjuncture of the late 1970's, contribute to the subordination of labour. But before we move to an analysis of that period, let us examine briefly labour relations in the local state.

Unionization of Local Government Employees

Unionization of the Canadian municipal workforce began in the early part of the twentieth century. Police and firefighters tended to be the first organized, normally in separate unions. Spurred by the full employment economy of the 1940's, municipal organization increased dramatically. By 1958, 92.4 per cent of the workers in twenty-four major

Canadian cities had joined unions.¹⁷ In Vancouver and Victoria by that year, over 99 percent of all municipal employees belonged to unions.

Unlike provincial and federal employees who only obtained the right to bargain collectively once special legislation was passed, municipal employees in most provinces were covered by the general labour legislation. Since municipal corporations were not regarded as sovereign but rather, were creatures of the provincial legislatures, there was no legal obstacle to including municipalities under the statutes governing private sector employees. Consequently, unless a province excluded municipal employees explicitly from the legislation (as in Ontario)¹⁸ they enjoyed the

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17. M.Z. Prives, Unionism and the Merit System in Municipal Labour Relations in Canada, Montreal: Canadian Federation of Mayors and Municipalities, 1958, p. 9. Data extrapolated from his table. This figure compares to close to 98 per cent in Winnipeg, 85 per cent in Toronto, almost 100 per cent in Montreal and only 54 per cent in Halifax.

18. H.W. Arthurs, Collective Bargaining by Public Employees in Canada: Five Models, Ann Arbor Institute of Labour and Industrial Relations: The University of Michigan, Wayne State University, 1971, pp. 13-15. Whereas most provinces included municipal employees under the general labour statutes, in Ontario they were excluded explicitly until the mid-1960's when brought under private sector legislation. Some municipalities in Ontario, however, practiced collective bargaining as early as the 1920's. Prior to 1966 there was a provision in the Ontario Labour Relations Act that a municipal council could by bylaw bring itself outside the statute "...thus leaving its relations with employees to be governed by common law principles."

same rights as workers in the private sector. As such, municipal workers were something of an anomaly with respect to debates during the 1960's and 1970's about the merits of public sector unionization. Rather than having certain rights awarded after considerable debate as in the case of federal and provincial employees, "...municipal governments simply were included in the definition of 'employer' and members of the municipal service considered as 'employees' under the labour legislation enacted in each province."¹⁹

That most Labour Relations Acts passed by the provinces during the 1930's permitted municipal workers to organize is not suprising given that such unions already existed in many jurisdictions. It is likely that the historical predominance of blue-collar workers in municipal employment was a central factor. In 1958, 33.1²⁰ percent of the employees in twenty-four Canadian municipalities were "outside", manual workers. In Vancouver in the same year, outside workers numbered roughly 1800 to 1200 clerical. And in Victoria, the ratio in the same year was approximately 325 to 200.

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19. T.J. Plunkett "Municipal Collective Bargaining" in Collective Bargaining in the Public Service, Toronto: Institute of Public Administration of Canada, 1973, pp. 1-2.

20. My calculation based on Prives: 1958, 9.

The high proportion of blue-collar workers was important in two related ways. On the one hand, tradespeople in similar occupations in the private sector were normally union members. Similarities both in the labour process and the conditions of employment between the two sectors, provided compelling impetus for municipal workers to unionize. Coupled with the historically and culturally determined attitudes and expectations prevalent among tradespeople, these acted as important contributing factors to the organization of the municipal workforce. Correspondingly, the relative sparsity of white-collar workers who, until recently, demonstrated a marked reluctance to joining unions, helps to explain why local government was the first public sector to unionize. Unlike provincial and federal sectors where white-collar occupations predominated, the composition of the municipal labour force mitigated against the tendency for office and clerical workers to reject unionization.

Another important factor in the unionization of municipal workers was the significant increase in the size of most municipal workforces. Between 1946 and 1966, for example, municipal employment increased four-fold from 56,760 to 224,715. (See Table V below). During the same period, total government employment tripled, whereas the federal government barely doubled its workforce and provincial employment multiplied five-fold.

TABLE V: GROWTH OF GOVERNMENT EMPLOYMENT IN CANADA²¹

<u>Year</u>	<u>Federal</u>	<u>Provincial</u>	<u>Municipal</u>	<u>Total</u>
1946	116,657	50,041	56,760	223,458
1956	155,892	108,775	101,942	366,609
1966	228,325	257,115	224,715	710,155

The increase in size of the workforces also indicated a corresponding increase in the services provided by local governments.

Growth of Local State Services and the Fiscal Crisis

Since the early twentieth century, municipalities have changed enormously in character. The concentration of people and capital into urban areas meant new demands for services from local governments. New responsibilities, including land-use planning, garbage and waste disposal, traffic control, pollution, parks, recreational facilities, urban renewal and housing were all added to local councils' mandates. In addition, although since 1939 responsibility for funding welfare services had shifted to the provincial and federal levels, local governments remained mainly responsible for the administration of those services. The launching of the Canada Assistance Plan in 1966 streamlined the funding and provision of health, welfare and homes for special care. And programs that provided general welfare assistance to individuals and needy families, child care, and aid to the elderly generally came under shared provincial-local responsibility.

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21. Arthurs, 1971, p. 7.

In most instances, provinces set the guidelines and municipalities were responsible for administering the programs.²²

For example, in B.C. the province and municipalities shared the costs of income assistance programs, day care subsidies, health care programs, maintenance of dependent children, homemaker and adult care. Programs were coordinated through the Provincial Ministry of Human Resources.²³ The province paid 80 percent of welfare costs to municipalities, with the condition that every municipality with over ten thousand residents have a social welfare department.²⁴ But the administration costs incurred for office space, equipment, personnel, etc. were the responsibility of local governments.

In attempting to understand what impact the historical expansion of local government services had on municipal financing problems, we must distinguish between responsibilities for which funding was available from senior governments, and responsibilities which arose indirectly from programs funded by senior governments, but for which little

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22. Canadian Tax Foundation, Provincial and Municipal Finances: 1981, 262-3.

23. Ibid., p.277.

24. Donald C. Rowat, Your Local Government, Toronto: MacMillan, 1975, p.100.

or no additional funding was provided. It is in this context that the consideration of administration and personnel costs becomes important. The employment of personnel accounted for 70 percent of local government revenues, excluding spending requirements for debt service and education.²⁵ In the absence of adequate funding to cover these costs, demands for increased wages posed a significant dilemma.

Further, the expansion of locally-administered public and social services gave rise to a more highly developed and, costly, array of local state agencies and institutions. The problem was not simply that local governments spent more than they were able to generate through revenues. Substantial costs were inherited at the local level, for dramatically expanded programs initiated by senior governments. Although these costs had to be absorbed by local governments, no significant increase in independently-generated municipal revenues occurred. In fact, by 1974 Canadian local governments met less than half their total expenditures out of their own revenue sources, with grant transfers from provincial governments and municipal borrowing making up the rest.²⁶

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25. Anne McAllister, An Approach to Manpower Planning and Management Development in Canadian Municipal Government, Toronto: The Institute for Public Administration of Canada, 1979, p.13.

26. T.J. Plunkett and G.M. Betts, The Management of Canadian Urban Government, Kingston: Queen's University Press, 1978, p. 73.

Coupled with this structurally-based problem was that since the early 1970's Canadian governments followed policies of fiscal restraint. As a result, cost-shared programs dependent on significant support from senior governments suffered. With little room to manoeuvre in terms of the revenue base and, virtually no ability to extract adequate sums in the form of transfers from senior governments, the financial crisis facing local governments became particularly acute.

The intersection of these structural, historical and political factors led to a serious political accountability problem for local governments. As demand for local services increased, higher levels of government stepped in to help fund these programs. In addition, local government was used to implement programs, especially social services, initiated at the provincial level. As policy and funding was increasingly centralized at higher levels of government, local officials found themselves inundated with extensive policy guidelines. Although local representatives were charged with providing their communities with certain services, they had less and less autonomy in terms of program design and the specific details of their operations.²⁷

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27. This point is discussed in detail in Warren Magnusson's introduction to City Politics in Canada University of Toronto Press: Toronto, 1983. pp. 20-25.

The absence of significant independent sources of revenue exacerbated this problem. Four sources of revenue predominated: taxes, the sale of goods and services, the sale of debentures, and transfer payments from senior levels of government. Local taxes were derived from either corporate and property or school taxes.²⁸ In 1978, these taxes accounted for 39 percent of the total gross general revenue of Canadian local governments. The sale of goods and services, especially water, license and permit fees, and fines, accounted for 10.5 percent of total gross general revenue in the same year. Transfer payments comprised the bulk of the remaining revenue.²⁹

A third source of revenue for municipalities was the floating of bonds and debentures. Municipalities normally secured capital for various projects through this type of borrowing. Provincial and Federal governments in Canada played an increasing regulatory role in municipal

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28. The tax structure at the local level also serves to reinforce the "normal" family as the basis from which assets, and hence, taxes are assessed.

29. Figures based on calculations from data found in Provincial and Municipal Finances (Toronto, Canada Tax Foundation, 1979), Table 3-7 "Gross General Revenue Estimates of Local Governments by Province," 1978: 45.

borrowing.³⁰ In British Columbia, for example, a central purpose of the Department of Municipal Affairs established in 1934 was to "exercise some control and supervision particularly in the field of capital financing..."³¹ At present, one provincial agency, the Municipal Finance Authority of B.C., is responsible for floating all debentures and determining their total amount. Regional districts and, consequently, municipalities, no longer establish their spending priorities independently.

The fourth, and major source of revenue to local governments was transfer payments from higher levels of government. In 1980, the combined federal and provincial transfers accounted for 55.2 percent of local government expenditure. This figure had risen from 1970 when the same transfers as a proportion of total local government

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30. Provincial and federal governments became involved in municipal borrowing for the first time during the Depression years. Payment of relief to the unemployed proved a significant drain on municipal funds. As a result of widespread default on municipal loans, their credit ratings became virtually worthless. State intervention served to guarantee the loans, and hence, reduce the risk factor experienced by banks. (Plunkett and Betts; 1980-85). Support among capitalists for state-funded unemployment insurance during this period, for example, stemmed from this dilemma. Federal payments to unemployed workers alleviated the strain on municipal budgets caused, in part, by the unprecedented consumption of local state services by large numbers of single, unemployed men. (For a detailed discussion of this see Carl Cuneo, "State Mediation of Class Contradictions in Canadian Unemployment Insurance 1930-35" in Studies in Political Economy, No. 3 (Spring, 1980), pp.37-65.

31. Dept. of Municipal Affairs, Local Government in B.C., Victoria, 1966, p. 12.

expenditure were 47.8 percent.³² Even with an increased proportion of total local expenditure paid for by transfers from higher levels of government, local governments have consistently faced budget deficits. These shortfalls reflect, in part, the contradiction between the necessity for local state services which, in conjunction with the family, are directed toward the extended reproduction of capitalist relations outside the firm and the limited tax base available to it (i.e. the family's assets rather than its income or expenditures as in federal income tax and provincial sales tax, respectively).

As we have seen in this section, the local state was severely circumscribed in terms of its expenditures. Senior levels of government encroached repeatedly into its areas of jurisdiction through controls on municipal borrowing, the creation of new programs (or reorganization of those already established), and the imposition of policy guidelines for services whose administration had to be funded out of a limited revenue base. As a result, a disparity developed between the constitutional responsibility of local governments to provide certain services and their ability to deliver. That disparity may contribute to a problem of legitimacy for local governments since the dynamic of local

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32. Statistics Canada, National Income and Expenditure Accounts, Catalogue 13-001 (Ottawa: Ministry of Supply and Services, August 1977), p.12 and (April, 1981).

politics operative in this country gives rise to a widespread (if mistaken) belief that local government should be most responsive to constituents' demands. Further, given the historical role of the local state in reproducing, in conjunction with the family, the relations of domination typical of capitalist society, the fiscal crisis at this level may, depending on a range of complex conditions, pose a particularly potent challenge to the maintenance of those relations.

Certain of these conditions were indeed present in B.C. during the 1970's. Substantial wage increases loomed ominously. In addition, the social mystique surrounding local government operated to underscore the responsibility municipal councils felt toward "their" employees. And the enactment of the Labour Code in 1973, with its emphasis on equality, appeared to shift the balance further in labour's favour.

But labour's militance did not exist in a vacuum. Employers had organized interest associations in every industry, including the public sector. And the new labour legislation reinforced further their desire to band together for the purpose of joint bargaining. In fact, the new Code valued highly the trend toward more centralized and, supposedly, more efficient, structures for collective bargaining. Faced with the spectre that spiralling wage

costs would undermine the dogged pursuit of fiscal restraint, the Provincial Government, in conjunction with capital, adapted to meet the higher stakes posed by a militant labour force.

It is the character of that response which forms the basis of the next two chapters of this study. Employer accreditation and the creation of a council exclusively for public sector employers were two related aspects of a strategy aimed at reducing the degree of fragmentation characteristic of the local sector. That fragmentation had mitigated historically the state's ability to rationalize local government expenditure. In Chapters Three and Four, we explore in detail the strengthening of employers through the implementation of this strategy.

CHAPTER THREE:

CARVING A NEW CONSENSUS:
ACCREDITATION AND MULTI-EMPLOYER BARGAINING.

In the last chapter we examined the political economy of British Columbia's labour movement and the characteristics of the local government sector in order to evaluate the context in which employers joined together to form bargaining associations. Our concern at present is to investigate in more precise terms the nature of those associations. What concrete advantages, for example, did they provide employers? Could a dissatisfied employer be constrained from leaving an accredited body? What was the attitude of local government employees' unions to participating in accredited bargaining? Was this union position reflected in any specific labour-management disputes? Devoted to the investigation of these and other questions, the present chapter is divided into seven main sections. It will be shown that the introduction and development of accredited bargaining in B.C.'s local government sector changed significantly the character of negotiations in that domain.

Whereas in an earlier period, unions played one independent local employer off against another in attempting to achieve high wage settlements, encountered at the bargaining table during the 1970's was a cohesive employer

bloc. And that bloc was assumed by the Labour Code and, in turn, by the Labour Relations Board, to constitute a necessary 'countervailing force' equivalent to employee unionization, against the power of unions. The application of this notion of equality by the Board, as we shall see, was a thread which ran throughout the history of accredited bargaining and the controversy which surrounded it during the 1970's.

In addition, accreditation and jurisprudence that was developed by the Board to govern these practices had an impact on the autonomy exercised historically by school board and municipal employers. Under certain circumstances, unions were able to have an impact on the decision-making of their employers by bringing political pressure to bear upon their elected representatives. As shall become apparent, the Labour Board ruled consistently against the wishes of these elected bodies, thereby contributing to the insulation of bargaining from the political process. That insulation was not accidental and inspires speculation as to how an explicitly class-based structure such as the Labour

Board¹ may serve to thwart working class interests advanced in the parliamentary arena.

Finally, the creation of combined units of local employers made possible a more efficient process of consultation between the state and these bodies. During the West Kootenays dispute in 1978, for example, the Province was forced to respond to a labour crisis which had transpired due, in part, to accredited bargaining. Just as the ensuing public inquiry into the appropriateness of accreditation was a direct response to an explosive situation, it also constituted an example of how the state may organize (or structure) the interests of those groups with whom it consults. These associations created a forum for previously unassociated local employers to meet, discuss issues and develop a common view. Encouraging the development of that consensus helped not only to rationalize the interests of these bodies, but was a fundamental underpinning to the administration of a policy to restrain public spending. In the ensuing pages, we examine how that policy was applied in the 1970's.

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1. The B.C. Labour Relations Board is composed of a chairman, a number of vice-chairmen and an equal number of representatives of both unions and employers. "A panel appointed by the Chairman of the Board to hear a case under the Labour Code usually consisted of the Chairman or one of the Vice-Chairmen, one representative from the employer community and one from the union community." (B.C. Ministry of Labour, Guide to the B.C. Labour Code: 1980, p. 12.

What is Employer Accreditation?

Multi-employer bargaining had a long history in British Columbia. Developed initially among private employers, by the 1970's it was practiced widely in both the private and public sectors. As early as 1923, the British Columbia Shipping Federation (now known as the British Columbia Maritime Employers' Association) negotiated on behalf of its member firms with the Longshoremen's Union. And Forest Industrial Relations (FIR), representing companies in the forest industry, operated as the exclusive bargaining agent for its members since 1946. Multi-employer bargaining currently occurs in the construction, milk production, trucking and cartage, hotel, retail food, auto dealership, and towboat industries. At present, well over one-half of unionized employees in British Columbia bargain with employers who belong to associations² (see Appendix 1).

Multi-employer bargaining in the province's public sector was a more recent phenomenon. Although the concept of voluntary employer accreditation was present in British Columbia legislation since the late 1940's, it was not until 1970 that explicit provisions were devised to formalize and

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2. PEBC, Brief to Committee of Special Advisors to the Minister of Labour on Multi-Employer Bargaining and Accreditation, 1979, p.1. This committee and its proceedings will hereafter be referred to as the "Accreditation Inquiry". PEBC, Reference Report, No. 27, June 30, 1979, p.1 .

regulate the terms of multi-employer bargaining. In that year, Bill 22, "An Act to Amend the Labour Relations Act" was passed by the Provincial Legislature. Its main purpose was to permit employers' organizations to accredit for the purpose of collective bargaining. Since then, a major increase has occurred in the incidence of multi-employer bargaining, with its extension to the public sector especially evident.³

Accreditation provided employers the opportunity to engage in joint, rather than individual, bargaining. The Bill passed in 1970 simply gave legal sanction to a practice well-established in many industries. In effect, accreditation meant that workers no longer bargain exclusively with their own employers. Rather, the legal relationship in a collective agreement was between the employers' organization and the employees of each of its members. Once accredited, that organization had the exclusive authority to bargain on behalf of a member employer and to bind that employer by collective agreement. An accredited organization also had the right to make policy (usually by a majority vote of the members) which was then binding on all members. And individual employers could decide to relinquish the day-to-day enforcement and administration of their collective agreements to the expertise of the accredited body.

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3. Dr. Hall, Interview held in Vancouver, April 29, 1982 and Ibid.

British Columbia became the only province in Canada which provided legislation for employer accreditation outside the construction industry. With the exception of Manitoba where there was no formalized accreditation at all, all other provinces restricted it to that industry.⁴ The character of the construction industry motivated employers historically to bargain together in order to minimize the occurrence of successive strikes by separate groups of unionized tradespeople. Sub-contractors on each work site were necessarily interdependent in terms of their work schedules; avoiding delays and contract penalties due to strikes (or, conversely, receiving bonuses for contracts completed ahead

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4. PEBC, Brief to Accreditation Inquiry, pp. 8-10. This is not to say that employers in other provinces did not associate for the purposes of maximizing their bargaining power. But the legal sanction of accreditation reflected a particular orientation among British Columbia industrial relations practitioners and their firms. Dr. Hall suggested, for example, that although a kind of "hidden accreditation" operated out of the Petroleum Club in Calgary, the "conservative" outlook of employers in Alberta's oil industry resulted in their reticence to view one another as potential allies. Because they saw one another primarily as competitors, employer accreditation was an alien concept. See Appendix 2 for a synopsis of accreditation legislation in other provinces. Appendix 3 provides information regarding the total number of bargaining unit employees under accreditation.

of schedule) was important to their respective profit margins. And building trades' unions agreed to accreditation because centralized bargaining mitigated against strikes which were prolonged by small (and sometimes, rival) groups of workers attempting to maintain wage differentials.⁵

The construction industry, was in fact, the specific target of the Bill passed in 1970. Nonetheless, as mentioned previously, it simply gave legal sanction to practices already taking place. Consequently, when the provincial Labour Code was re-written in 1973, employer accreditation was the only section left virtually untouched.⁶ Sections 59 and 60 of the Code set out the formal and legally-binding procedures for employer accreditation. (See Appendix 4 for copies of the appropriate sections).

Section 59 authorized the British Columbia Labour Relations Board to "accredit the employers' organization as the bargaining agent on behalf of the employers named in the

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5. Centralized bargaining has also had an impact on the relative influence of different building trades' unions and on their respective internal practices.
6. Dr. Hall, one of the Code's authors, mentioned in an interview that the Committee had, however, hoped to alter the terminology used. Consistent with a "universal" view of unions, he said, they wanted to call accredited employer organizations "unions" of employers. Apparently the Employers' Council of B.C. "balked" at such a suggestion--leaving the committee little choice but to make a hasty retreat on even such stylistic points.

accreditation order." It stated that the Board must conduct an enquiry before granting such an application. Three conditions had to be satisfied. First, the Board had to be convinced that the employers named in the application constituted a group appropriate for collective bargaining; Second, the Board had to be satisfied that the employers named were indeed members of the employers' association; Third, the Board had to be satisfied that the employers named agreed to the accreditation of the applicant as the bargaining agent.

Especially evident in the latter condition applied by the Board was the notion that accreditation must be voluntary. This was a central feature of employer accreditation; it provided a structure in which employers could choose to participate. Specifically, the intent was to strengthen employers' bargaining power relative to that wielded by unions, but only with the consent of each individual employer at the time the organization was accredited. In a fashion consistent with much of the Code, accreditation provided a structure devised to balance power equally between the two parties. As Stephen Kelleher, Chairman of the B.C. Labour Relations Board asserted:

All that accreditation accomplishes is to compel the union to recognize the association as the representative of the employer, just as certification forces the employer to recognize the union as the exclusive bargaining agent for the employees.

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7. Stephen Kelleher, interview held in Vancouver, April 22, 1982.

Although the structure was seen to promote more efficient bargaining, the Code was adamant in its view that accredited organizations be entered on a voluntary basis.

Consequently, the Code also allowed an employer named in an accreditation order to apply to the Labour Relations Board to have its name deleted. Only permissible in the fourth and fifth months immediately following the execution of an agreement entered into by the accredited association on the employer's behalf, the Board could "in its discretion" grant the application. The stipulation of particular months in which applications for "de-accreditation"⁸ would be received underlined the Code's (and by interpretation, the Board's) orientation toward accredited bargaining. Stability of the group was the prime concern.

Erosion in the size of the accredited group is not permitted during the period of bargaining crises and possible work stoppages. The policy of the law is that such applications may only be made to the Board some time after a collective agreement has been signed and the dust from the bargaining dispute has settled.⁹

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8. The term "de-accreditation" is derived from the phrase "deletion from an accreditation order" and was coined in B.C. industrial relations jargon to mean: withdrawal by an employer from an accredited employer's organization. Since legally only an employers' organization is accredited, only it can be de-accredited. This notwithstanding, the term will be employed in its conventional sense, that is, to refer to individual employers who apply to withdraw from an association.
  9. BCLRB, Ocean Construction, 7/76, p. 18 quoted in PEBC, Reference Report No. 27, June 30, 1979, p.3.

What are the advantages of accredited bargaining?

Private sector; public sector

Most simply put, employers chose to accredit their organizations as a means of enhancing their bargaining power. Such a decision, however, involved giving up some degree of their individual autonomy. Particularly in a sector where there was no glut of unemployed tradespeople to dampen wages, firms did not easily accept constraints against offering higher wages in an effort to secure an advantage over competitors. Similarly, neither did firms wish to be constrained from making gains where a competitor's production was stalled due to a strike or lock-out.

Accreditation, in certain industries, constituted such a constraint. Certain employers therefore resisted what they viewed as unnecessary and imprudent encroachment on their autonomy. A group known as the "Retail Food Industry Council" including Woodward's, Safeway and Supervalu stores was one such example. It refused to accredit on precisely this basis. Since maintenance of competitive advantage was the prime concern, accreditation was viewed more as a hindrance, than a help.¹⁰

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10. Dr. Hall, interview April 29, 1982

In making such a decision, an employers' association had also to consider the strength of the union(s) with which it dealt. If the union(s) could coordinate strategy against a group of employers in attempting to win better terms and conditions of employment, solidarity amongst employers might have been to their mutual benefit. This was precisely what occurred in the British Columbia beer industry in 1979.

Major brewers bargained separately until that year. The brewery workers' union was able to manipulate its strategy so that only one brewery would be closed down in a strike. Gains made in the dispute were then generalized to all workers in the industry. In addition, by striking only one firm, the union could assure that adequate funds continued to flow into the union's strike fund. But when a beer company was on strike, it had more than the prospect of an increased wage bill at stake. Its market share was also at risk.

People go to the liquor store and if they don't see Labatt's on the shelf they don't leave. They pick up Molson's. And then they get in the habit of drinking Molson's. When the strike is over, Labatt's may never get its market share back...¹¹

In this instance, the same union was negotiating with different employers. But in 1979, the Brewery Employers Labour Relations Association (BELRA) was formed.¹²

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11. Stephen Kelleher, interview, April 22, 1982

12. Weiler: 1980, p.164

Accreditation provided otherwise competing employers the combined strength to withstand the unions' demands; employees at the plants not on strike would simply be locked out. As a result, the union would be put under greater pressure. Unlike in other provinces where there was no 'legal glue' of accreditation outside the construction industry, joint bargaining by employers was impossible without the consent of the unions.¹³

Where members of employers' associations recognized their common bond as greater than internal competitiveness, then, accreditation was often adopted. Clearly, the nature of the particular industry was an important determinant. And while non-accredited organizations might continue to offer services and advice to their members, they possessed no legal sanction.¹⁴ They could not compel their members to

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13. Nonetheless, employers in other jurisdictions could and did coordinate their bargaining strategies on a more informal basis. Where contract termination dates co-incided, employers might decide to call sympathy lock-outs, putting a similar pressure on the union.

14. One exception to this found in the public sector was the Greater Vancouver Regional District Labour Relations Committee. Although a non-accredited organization, it devised a complex series of regulations and sanctions for its members. These were formalized in the Letters Patent of the Regional District, under the terms of the Provincial Municipal Act. The GVRD Committee's operation tended to blur the distinction between accredited and non-accredited organizations because through a series of agreements obtained from each member regarding regulations and sanctions, the GVRD Committee attained most advantages afforded to an accredited association. See Chapter V for more on this.

cooperate. But they did, as we shall see later in this chapter, possess a greater amount of flexibility should individual members wish to bargain separately.

One further consideration for employers was the size of an accredited bargaining structure. Centralized bargaining normally meant greater likelihood that industrial peace would be maintained because the group was larger. At least, a view reflected in the Code was that the threat of a large dispute was greater than that of a small one. Consequently, accredited bargaining was thought to push the two sides toward reaching an agreement. Where both union and management subscribed to the bargaining procedures involved, the potential difficulties of a major dispute tended to channel conflict into manageable areas. As a result, occasions of industrial unrest would be diminished.

For public sector employers, the stakes involved in joining an accredited organization were somewhat different. Fear of losing competitive advantage due to work stoppages was less relevant since most public services did not have any competitors. Depending on the particular structure and practices of the services, however, the fear of being "whipsawed" by union demands could be an important impetus. This was precisely the case for municipalities and school

boards which, as autonomous entities, bargained individually with their employees at separate intervals. As a result, they were vulnerable to union efforts to pattern all settlements in the sector after the most lucrative one. This was the most important factor leading to widespread multi-employer bargaining in the local government sector.

A second, but related, concern among public employers was the availability of services provided by an employers' association. Not unlike small private employers, the opportunity to make use of an association's staff and expertise was an important advantage. Normally the cost of providing such services on an individual basis was prohibitive. Since public employers wanted to prevent lucrative settlements in one locale from influencing demands and expectations of unionized employees in another, membership in such an association was useful. According to Paul Weiler:

The virtue of an employers' association is that in exchange for that empty freedom to negotiate on their own after the pattern-setting contract was signed, the smaller employers now have the ability to participate beforehand in discussions in which employers as a whole establish their industry priorities and send their negotiators to the bargaining table to achieve them...¹⁵

Although small private employers might experience similar benefits to membership in employer associations due to the relatively small scale of their operations, it is unlikely

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15. Paul Weiler: 1980, p.175.

that unions could set patterns among diverse employers as well as among largely homogeneous (though independent) local government employers. In effect, the success of pattern bargaining in this sector was due partly to the unions' comparisons between substantially similar jobs performed in different locales.

Often it was the smaller municipalities and school districts, unsophisticated in their knowledge and approach to collective bargaining, that gave in to union demands.¹⁶ As a result, patterns for high settlements (or the inclusion of contract language sought by the union, for example) were established for the entire sector. But the fixed (or at least, limited) tax base and funding sources available to these employers reinforced their desire not to be caught by the unions' strategy. Accredited bargaining constituted a strategic step toward overcoming both the structural weakness of the local employers' position and the threat posed by a union able to coordinate a militant bargaining strategy.

Although accreditation in the public sector was unique to British Columbia, local industrial relations

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16. While employer organizations enhanced the bargaining power of their members through information-sharing and other services, they also sometimes cajoled and/or coerced unsophisticated employers into accepting employees' unionization and the related array of procedures governing the employment relationship. While certainly not their prime function, employers' associations encouraged their members to operate within the "fair" boundaries of institutionalized channels.

practioners were reluctant to view it as a novel or unusual concept. As in the private sector, accredited organizations developed in response to particular structural and economic conditions--coupled with the pressures and potential threats exerted by the unionized workforce. The Provincial legislation passed in 1970 served to facilitate and encourage practices which had already begun.

The British Columbia School Trustees Association (BCSTA), for example, did not form specifically for the purpose of collective bargaining. Although during the period in question, it negotiated on behalf of a large number of school boards in the province, it started as an organization with a number of interests related to the well-being and quality of educational services. As the school boards found themselves pitted against unionized workers in bargaining, the structure of BCSTA was simply altered to maximize its members' ability to deal effectively with the unions.¹⁷

Accredited bargaining through the BCSTA began as a means of correcting a perceived imbalance of power between unions and management. Dr. Hall suggested that unions' excessive strength derived from the fact that they had consistent objectives and, normally, a continuity of leadership--unlike elected school trustees who came and went.

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17. Dr. Hall, April 29, 1982

"CUPE would always prefer to bargain with individual school boards and municipal councils since if they bargain one-to-one, they'll beat them every time."¹⁸ In the late 1960's and through the early 1970's, until the imposition of federal government wage controls in 1975, this was largely the case.

Industrial relations practitioners conceded however, that accredited associations of public employers faced certain unique constraints. They were "unstable" because management was ultimately responsible to the electorate. And if collective bargaining objectives established by the accredited association were unacceptable (in the event, for instance, that the union ran a successful public campaign on the issue), elected officials could not resort to explanations about the binding nature of accredited bargaining without running the risk of negative political consequences.¹⁹

It was precisely this factor of "instability" which accreditation addressed in the local government sector. One consequence of employer accreditation was that unions were

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18. Ibid.

19. This point was raised by Dr. Hall, Graham Leslie and Lois Spindler in their discussions of the difficulties posed by the fact that elected officials played a dual role as managers of the municipal workforce and representatives elected to serve the community.

less able to mount public campaigns around controversial issues which had, in the past, influenced the outcome of particular sets of negotiations. This limiting of the union's potential influence over elected officials was a necessary aspect of the Provincial Government's strategy to reduce expenditure in this sector.

De-Accreditation Applications at the B.C. Labour Board: A Synopsis

Controversy over B.C.'s accreditation legislation centred around the Labour Board's interpretation of Section 59(6) which dealt with applications for deletion from an accreditation order, or simply, "de-accreditation." Witnessed in both the public and private sectors, the Board's reluctance to grant such applications had a profound effect upon both bodies already accredited and, those which aspired to become so.

As mentioned previously, employer accreditation was viewed as a rough parallel to union certification. Accreditation provided employers the opportunity to voluntarily associate themselves for the purposes of collective bargaining. It constituted one of many structures in the Labour

Code devised to enhance employers' bargaining power and, thereby maintain the desired balance of power between management and unions. Just as the Board looked unfavorably upon requests from individual union members to decertify their unions, applications for de-accreditation were subject to careful scrutiny.

In this section the rationale developed by the Board in response to applications for de-accreditation is outlined. Since that rationale developed in the form of legal jurisprudence in a cumulative fashion, extensive reference to the relevant Labour Board decisions will be made. It is hoped the Board's precise orientation will thus be presented most accurately.

The first test case of the 1970 accreditation legislation took place during the following year. A private firm, Columbia Cellulose Co. Ltd., applied to the Board to have its name deleted from its accreditation order in 1971. Although the company's request was denied, the Board did not provide any reasons for its decision. Once the Labour Board was reconstituted in 1974, however, considerable jurisprudence on the matter was developed.

Ocean Construction (LRB 7/76) was known as the 'landmark' decision with respect to employer de-accreditation.

Its significance lay in the cogent logic applied by the Labour Board in demonstrating its reluctance to grant such applications without extremely "compelling" reasons. As the decision stated:

"It is not sufficient, for purposes of s.59(6), that an individual employer is dissatisfied with the representation it has obtained from the accredited bargaining agent and prefers to go to it alone in future bargaining. It is commonplace with collective bargaining that certain members of the group will be dissatisfied both with the process and the results. That happens all the time with particular groups of employees who do not like the majority verdict of an employees unit.

Similarly, the individual situation of certain employers may not be totally served by the bargaining strategy of the employer association. But just as with union certification, so also with the association's accreditation, that a feeling of dissatisfaction cannot be a sufficient reason to allow the individual member to opt out of the collective bargaining process...

If this is the basis for the application under s.59(6), the applicant should be required to show that dissatisfaction with the accredited agent's performance is wide-spread and that a majority of the members no longer desire such collective representation. (Again, this is by analogy with the standards contemplated by the Code in applications for decertification or raids by one union against a rival union's certification.)"
(RB 7/76, 180)²⁰

Thus emerged a first principle governing the Board's decisions: it had to be convinced that dissatisfaction with

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20. Citations throughout this section are from the decisions stated. Selections from Labour Board decisions prepared by the Public Employers of British Columbia, published as Reference Reports #27-27(E) (June 30, 1979-May 29, 1981) have also been used.

the accredited association was widespread and not, simply individual, if applications for de-accreditation were to be granted.

A second condition outlined by the Board in the Ocean Construction case stemmed from the notion of 'appropriate group' for bargaining as defined by the Labour Code. Explicit in s.59(4) of the Code was the stipulation that the Board be satisfied that the employers named in an application for accreditation constituted a group appropriate for the purpose of collective bargaining. Accordingly, the rationale explicated in the Ocean Construction decision emphasized that the Board did not grant accreditation to "just any employer group" that formed. Central to the Board's deliberations, the decision noted, was an evaluation of the group's ability to function together in a coherent fashion in "effective collective bargaining" over a protracted period of time.

The Board applied the same logic in its consideration of applications for de-accreditation. It had to be persuaded that the position or the business of the individual employer was such that collective bargaining could not be sensibly carried on within the format of the employers' association.²¹ Such an evaluation was based

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21. LRB 7/76, pp. 180-81.

on an analysis similar to that utilized in defining 'community of interest' between employees who applied for union certification.

"And, just as is true of an application to vary, to contract, or to fragment a certified bargaining agent, the Board requires the applicant to make a strongly persuasive case that its interests can no longer be adequately served by what has been an ongoing bargaining structure."²²

Finally, although the Board recognized that individual members might suffer some "discomfort" should their applications for de-accreditation be denied, its prime concern was the stability of the association. Any withdrawal which might threaten to "unravel" the group was therefore not to be granted. Obvious from the arguments enumerated in the Ocean Construction decision, was the Board's reluctance to allow any disruptions to an employers' association that might hinder its ability to bargain effectively.

The notion of 'community interest' was defined further in a Board decision taken later that same year. In Davis Wire Industries Ltd.,²³ it was argued that the Code did not require members of an employers' association to be involved in identical enterprises. Rather, it was noted, the notion of community of interest referred to the efficacy of the *bargaining structure*.²⁴ The fact that the structure

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22. Ibid.

23. LRB 20/76.

24. *Italics mine.* PEBC, Reference Report No.27, p.5.

was considered paramount in defining community of interest meant that employers' associations representing quite diverse bodies were accredited by the Board. As we shall see further in the text, this practice in the public sector, where municipalities, school boards and community colleges bargained jointly under the auspices of the same bargaining agent, was central to the unions' objection to employer accreditation.

Measurement of 'community of interest' was detailed further in another de-accreditation decision made later that year. Alberni Engineering²⁵ emphasized the

degree of successful interaction among the various employers and an objective assessment of whether or not 'conditions favourable to the, orderly and constructive settlement of disputes have been advanced by the accreditation.'²⁶

As such, the Board's second major condition for granting de-accreditation--the related notions of 'appropriate group' and 'community of interest'--was developed over the course of several cases.

A third principle underlying the Board's rationale (not ranked in order of importance) was the notion of voluntarism. In Ocean Construction it was pointed out that individual employers must voluntarily join accredited organizations. Although withdrawal from an accredited

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25. LRB, 92/76.

26. Ibid., quoted in PEBC, Reference Report, No. 27, p.6.

association was at the Board's discretion, the option to apply for the accreditation order in the first place lay with the individual employer. Further, as Alberni Engineering outlines, inherent in the design of Section 59 of the B.C. Labour Code, was a kind of accreditation that was not compelling in effect. Although

from time to time it has been proposed that the labour laws of the Province be amended so as to permit employers' organizations to bind by accreditation employers in a given sector or industry, whether or not they belong to or agree with the organization seeking the order...the voluntary approach has enjoyed considerable success in British Columbia, and the notion of compelling accreditation finds no support in the Labour Code.²⁷

A fourth condition underlying the Board's decisions on de-accreditation applications was the concern that management and unions be evenly matched. In Peter Pollen Ford Sales,²⁸ the Board pointed to the Code's fundamental premise that the countervailing of bargaining power was a desirable public objective. Evident in several of the written decisions on de-accreditation, this notion was continually reinforced by the Board's reticence to allow any disruption of collective bargaining structures which appeared to operate efficiently.

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27. Ibid., p.8

28. LRB, 3/76.

Obvious from the four major principles outlined above was the Board's interest in maintaining stable and efficient structures for collective bargaining. Although considerably more jurisprudence was developed by the Labour Board to deal with private employers, the cases cited above provided the foundation for all subsequent decisions. But the Board did not wish to simply safeguard the centralized procedures entailed in accredited bargaining. At stake, moreover, was the relative strength of employers--were they able to withstand militant activity from a labour movement which had, historically, extracted relatively lucrative wage settlements? In the particular conjuncture of the late 1960's and early 70's, the answer was "no". Thus the Board's interpretations served to extend the Code's commitment to equalizing bargaining power between labour and capital. Furthermore, the imperatives of the marketplace influenced these decisions. Protecting the accumulation of capital against such a threat was a role carried out by the state in conjunction with its agencies. The Labour Board, through its jurisprudence on de-accreditation in the private sector, joined in that process. As we shall see in the next section, the legislation and practices constructed to meet that objective had particular effects when applied to the local government sector.

Accreditation and De-Accreditation in the Public Sector

Public sector employers who came before the Labour Board under section 59 of the Code were dealt with in a consistent manner. Legal jurisprudence developed in the 'leading case' Ocean Construction, and arguments refined in subsequent decisions, were applied without prejudice to public employers and their associations. It was the application to public employers of rationale developed with respect to private sector labour relations that was at the core of CUPE's objection to employer accreditation. The following outline of two specific cases provides a further indication of how the Board interpreted the province's Labour Code.

In September 1976, the Board heard a case involving the Greater Victoria Labour Relations Association (GVLRA). The Association had applied to be accredited as the bargaining agent for five municipalities and one school board in the same region. Opposing the application were the two Canadian Union of Public Employees' locals employed by the Greater Victoria School District.

The six employers in the association employed collectively some 2,500 persons, of which 91 per cent belonged to CUPE. Among the six, the school district was the

largest single employer of the unions' members. Accreditation had been sought initially in order to reduce the unions' ability to set patterns based on the most lucrative settlement.²⁹ Joint bargaining and the accompanying commitment that any strike affecting one employer would precipitate "sympathy" lock-outs by the rest, was seen as a way to block the unions' strategy.³⁰ And, in the Code's view, the threat of a big dispute would help to bring the two parties closer to a settlement.

CUPE opposed the inclusion of the School District in the accreditation order on a number of grounds. First, inclusion of the School District would be inconsistent with the Board's previous practice of granting accreditation only within and on a one-industry basis. Second, the union argued that the municipalities' terms and conditions of employment (as well as the range of job classifications) differed

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29. LRB 74/76, pp. 2-7.

30. The legislation governing lockouts is outlined in Part V of the Code, Sections 79-82 inclusive.

1. No lockout during the term of the agreement
2. Union and employer must have engaged in collective bargaining.
3. There must be a vote. If accredited, and the majority agree, the lockout occurs.
4. Lockout notice must be written to the employer 72 hours in advance and if a Mediation Officer has been appointed by the Ministry of Labour, the officer must have already made his report.

considerably from those in the School District. In addition, the union believed inclusion of the School District would jeopardize the "good relationship" characteristic of past negotiations between the local and the School Board's administrators.³¹ Neither did the Public Schools Act permit School Boards to delegate or assign away any of their duties.³² And finally, CUPE maintained that should the School District be included in the accreditation order, there would be no commensurate countervailing power on the side of the employees.³³

The Labour Relations Board granted the GVLRA accredited status notwithstanding the unions' arguments. In the written decision, the Board maintained that the group of employers under question shared a "substantial degree of homogeneity" and could therefore constitute an appropriate entity. Further, the decision stipulated that no language in the Public Schools Act precluded the School District from exercising its right as an employer to become part of an accredited association provided for by the Labour Code.³⁴

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31. LRB 74/76, p.10.

32. Ibid., p.2.

33. Ibid., p.8.

34. Ibid., p.12.

In response to the union's view that employees had no countervailing bargaining power, the Board was adamant. Although it agreed CUPE locals could, on occasion, act autonomously,

it is plain that they are equally capable of closing ranks, at least where collective bargaining is concerned. The uncontroverted evidence is that the unions employed the same team of negotiators and pursued a single bargaining strategy in recent collective bargaining negotiations.³⁵

With respect to the contention that including the School District would adversely affect the bargaining climate, the Board stated although it was "sensitive" to the union's "anxiety", it did not consider the problem of future bargaining prospects to be one of great substance. Rather, the Board argued

...the concern of the Unions at the appearance of the Association may be likened to the kind of concern expressed by an employer on the certification of a trade-union, replacing an in-house employees' association, for example. Such concerns are real enough, but do not reflect an appreciation of the realities of the Labour Code.³⁶

In the GVLRA case it was the union--and not the School District employer--that objected to the application for accreditation. The Board carried out its central responsibility by ruling that accreditation, once implemented, would promote harmonious relations between union

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35. Ibid., p.14.

36. Ibid., p.16.

and management. Since the group of employers (including the School District) believed itself to be at a disadvantage due to CUPE's strategy of coordinating its locals' bargaining, employer accreditation served to correct a perceived imbalance of power between the two sides.

The Board's decision in this case established moreover, a significant precedent which would be used later in very different circumstances. In rejecting the union's argument that school trustees had no authority under the Public Schools Act to delegate their powers to an accredited association, the Board also had an effect upon school district employers that wanted to withdraw from such bodies. And that precedent, when coupled with those enumerated in Ocean Construction and subsequent cases, meant that public employers were unable to extricate themselves from accredited bodies--even when their political mandate had been to do just that. The following case illustrates this point.

In January 1980, the Labour Board heard a case for de-accreditation on behalf of School District No. 68, Nanaimo.³⁷ The School District wanted to withdraw from an accredited employers' organization known as the Mid-Island Public Employers' Association (MIPEA). Accredited since 1975, the other members of MIPEA were all public employers in the

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37. LRB 59/80

same geographic area. The association was composed of three municipalities and a community college, all of whom employed members of various locals of CUPE.

Established to improve coordination and communication among public sector employers, the Association's central objective was to avoid excessive settlements due to union practices of "leapfrogging" and "whipsawing". The Association was directed by its executive which was composed of elected representatives of each employer group. Decisions were reached on the basis of a two-thirds majority vote. Separate collective agreements and sets of negotiations on all issues were carried out between each member employer and its union local.

During the Labour Board hearing, three main arguments were submitted by counsel for the School District.³⁸ First, responsibility for negotiating collective agreements should rest with elected representatives of the School District and not be delegated to an employers' association.

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38. It is an interesting comment on the rapid growth of labour law as a profession and the overtly non-partisan nature of the B.C. industrial relations community following the institution of the Labour Code that Stephen Kelleher, present Chairman of the Labour Relations Board, acted as counsel for the School Board in the Nanaimo case.

Second, the same 'community of interest' was not shared by the School District and other members of the MIPEA. Third, the Public Schools Act gave responsibility for the management of the school system to the trustees and they ought not, therefore, delegate that responsibility to the MIPEA.³⁹

The School District's position on accreditation developed over a period of years. It was a key issue in school district elections since the mid-1970's, when the MIPEA had been involved in a 12-week lockout/strike affecting schools in the region. The issue was raised consistently in the 1976, '77 and '78 election campaigns. At every public meeting during those campaigns, candidates were asked by members of CUPE or of the public-at-large, to express their views on Nanaimo's membership in the MIPEA. According to Bill Holdum, then (and now) Chairperson of the Board, accreditation "...was one of the clearest issues where candidates had to say where they stood."⁴⁰ Consequently, the issues received considerable attention in the local press.

Candidates for school board positions in Nanaimo did not run on the basis of party endorsements. Rather, a

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39. LRB 59/80, pp. 20-25.

40. Bill Holdum, Interview by telephone June 28, 1984. The information in this and the following paragraph was provided during this interview.

series of independent candidates ran for election, some with the support of various community groups. Leaving the MIPEA was part of Holdum's personal campaign platform, for example, since 1976. By late 1979, the majority of school board members were against accreditation for Nanaimo. And during their election campaigns, these members had promised to take the school district out of the MIPEA.

In its decision, the Board stated that it saw no reason to depart from the policy framework established in earlier cases, just because the employers were public, rather than private, sector.⁴¹ In dealing with the School District's first point regarding the right of trustees to delegate their responsibilities for collective bargaining, the Board stated that the maxim delegatus non potest delegare (that a delegate cannot re-delegate), was not a rule of law. Rather, it argued, it was a tool to be used "when a statutory provision which confers a discretion on a named authority is being construed."⁴² Citing the GVLRA case outlined above, the Board applied the identical argument regarding an employer's right, under the Code, to be represented by an employers' association. Further, the Board argued, the School District had the right to delegate its powers to the Association for collective bargaining since there was no

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41. PEBC, Reference Report No. 27 (B), October 24, 1980, p.2

42. Ibid., p.34.

evidence that, by so doing, it had abandoned its powers. Specifically, the Labour Board viewed the School District as no different than any other manager. Consequently, it had the same right to accredit as any other employer, since to do so did not formally constitute a relinquishing of responsibility for management.⁴³

With respect to the School District's second point, that it did not share a 'community of interest' with other members of the Association, the Board simply disagreed. Citing past precedents for establishing 'community of interest' or lack thereof, the Board argued that none of the conditions it had set out in previous decisions had been met. For example, according to the Board, School District No. 68 had joined MIPEA in the first place in order to redress an imbalance in bargaining power.⁴⁴ Since no new evidence existed to demonstrate a change in the 'community of interest' between the School District and other members of the MIPEA since 1975, the Board would not uphold the School District's contention that its interests were no longer properly represented. Finally, the Board maintained that CUPE was no less able to 'leapfrog and whipsaw' its employers in 1980 than it had in 1975, making the accredited structure a necessary and desirable one.⁴⁵

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43. Ibid., pp. 34-9.

44. The Board also cited the Peter Pollen Ford decision which outlined the argument ~~that to seek an equalization in bargaining power between the parties is in the public interest.~~

45. Ibid., p.31.

A very cursory summary of the language used in the Board's decision demonstrates how its commitment to the maintenance of stable collective bargaining structures outweighed the concerns raised by the School District.

The true focus of the Board must be on the current viability of the bargaining unit... By any objective assessment, the Association is a model of how an employers' association is expected to perform. The Association has demonstrated that it can accommodate the needs and concerns of each of its members... There is no evidence to suggest that the Association has been oppressive toward the School District as a member. Nor is there any evidence which indicates that the Association has not accommodated or could not accommodate any legitimate special concerns which the School District may have with regard to the delivery of educational services.⁴⁶

In response to the third point raised by the School District, that delegation of powers to an accredited organization constituted a contravention of the Public Schools Act, the Board's argument was predictable. It maintained that on occasion the Labour Board was called upon to interpret an 'external' statute. And when such a consideration arose (the decision reads), the Board had to have in its mind the 'purposes and objects of that statute-- a statute that was enacted for purposes wholly unrelated to labour relations'. Hence, the Labour Board's view was that in the absence of explicit direction from the Provincial Legislature, nothing in the Public School Act precluded School Districts from joining accredited employers'

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46. Ibid., pp. 32-3

organizations. Moreover, the Board maintained that "the decision by the Board of Trustees to join the accredited association was well within its power to 'determine local policy... for the effective and efficient operation of the schools'".⁴⁷

In its closing comments the Board stated it was cognizant that a change in the composition of Nanaimo's Board of School Trustees had resulted in a different point of view regarding continued membership in the MIPEA. But, the decision stated, the Board could not grant the application for de-accreditation on that basis. Allowing an employer to opt out simply because it believed it to be in its own interest, ran contrary to the logic set out on page 180 of the Ocean Construction case.⁴⁸ Finally, however, the Board demonstrated some recognition its decision might have a particular political fallout:

We have no doubt that our decision to deny the application may cause some discomfort to those members of the Board of School Trustees who took a position during their election campaigns, against continuing the School District's membership in the Association. However, we are satisfied that fidelity to our own statutory mandate requires us to disregard that possibility. We are confident that the Legislature intended that this Board should arrive at its decisions on the relatively firm ground of established labour relations policies, and not on the more precarious footings afforded by political planks which are positioned and repositioned by elected representatives.⁴⁹

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47. Quoted on page 39 of the Labour Board decision is Section 97(a) of the Public Schools Act.

48. Ibid.

49. Ibid.

Clearly, the Board was not convinced the elected body which governed the School District had a legitimate basis for claiming its interests were no longer represented by the MIPEA.

What is interesting about the Board's statement above is that it considered "fidelity" to its own "statutory mandate" more important than the mandate received by school trustees elected to carry out a specific platform. It is in this sense that accreditation and the accompanying jurisprudence functioned to insulate labour-management relations from the political process. That this occurred promotes reflection on two points. First, it is ironic that the Labour Code, which explicitly required entry to an accredited organization be voluntary--necessitating in the case of public employers, a vote by the elected council involved--then refused to recognize a subsequent decision also taken on a democratic basis by that same council. The Board derived its jurisdiction over the school board employer precisely as a result of its action in the parliamentary arena (that is, a vote by the school board to adhere to the organization). But when, due to the exercise of pressure tactics by unions and related groups, the School Board took a different position, its application to withdraw from the MIPEA was refused because such a move threatened the Board's responsibility to uphold the efficacy of a centralized bargaining structure designed to reduce the vulnerability of that local employer.

Second, and perhaps more significant, the Board, in its very composition, obtained the participation of labour and capital on the basis of class. (That is, the Board is composed of equal representatives of union and management.)

In the Nanaimo case above, unions and citizens' groups mounted pressure to convince elected representatives not to participate in the MIPEA due, in large part, to the experience of a protracted labour dispute which had disrupted the life of their schools and community. The mounting of that pressure was a class-based activity; working people 'wearing', admittedly, various 'hats', made their views known and had an impact, through the electoral process, on a decision made by the school board regarding the management of its workforce. It is ironic that that effort should be defeated by a body (the Labour Board) which depended for its very existence and legitimacy, on the participation of representatives of the working class. Moreover, it inspires speculation as to how an explicitly class-based structure such as the Labour Board may serve to thwart working class interests advanced in the parliamentary arena.

At the time this study was written, no public employer seeking to delete its name from an accreditation order had been successful.⁵⁰ As Stephen Kelleher suggested

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50. The only exception was Selkirk College after the West Kootenay's dispute. The details of this very special case are discussed in the next section.

in response to questions about public sector de-accreditation:

...the Board's got to keep in mind a lot of things, but its purpose under Section 27 of the Code (Industrial Relations Stability) is a big part of our mandate.⁵¹

And since employer accreditation was a bargaining structure designed to 'secure and maintain industrial peace',⁵² safeguarding those structures became the Board's paramount concern.⁵³ Accreditation constituted one aspect of a policy aimed at minimizing public spending and the Labour Board was one state agency which, through its operations, served to enforce the administration of that policy.

Interestingly, the very rigid jurisprudence on de-accreditation developed by the Board itself became an important barrier to other public employers joining such associations. Since, following the refusal of Nanaimo's application it was very clear that leaving an accredited body was difficult, if not impossible, elected councils were reluctant to give up that measure of autonomy. (See Appendix 5 for the dates accreditation orders were granted.) Consequently, the very nature of the Board's deliberations have mitigated the administration of restraint policy in the local government sector by acting as a disincentive against employers deciding to join an accredited organization.

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51. Interview, April 22, 1982.

52. Paraphrase of part (a) of Section 27 of the Code.

53. Interview, April 22, 1982.

This reluctance to participate in accredited bargaining exhibited by elected municipal and school board councils was encouraged by CUPE, in particular. The Union mounted several public campaigns against accreditation, in conjunction with sympathetic community groups. In the next section, we look at the Union's position and investigate how it tried to exploit the notion of local democracy during a particularly bitter labour dispute in 1978 which closed schools for almost two months in the West Kootenays Region.

CUPE's Opposition to Public Sector Accreditation:

The 1978 West Kootenays Dispute

An objection to employer accreditation in British Columbia arose in two separate areas: the construction industry and among local government workers represented primarily by CUPE. At issue in the former was the type of accreditation. Some argued for a more compelling form while other favoured the voluntary approach which was in effect.⁵⁴ Unfortunately, the scope of the present text does not permit a detailed examination of private sector accreditation. Instead we turn to the specific problems that came to light with respect to employer accreditation in the local sector.

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54. See H.A. Arthurs and John H.G. Crispo, "Counterveiling Power: Accreditation of Contractor Associations", Construction Labour Relations, published by the Canadian Construction Association, 1968, pp. 376-415.

Each municipality or school district enjoyed a nominal degree of autonomy, due in part to its authority to collect taxes. Although their sources of funding were quite circumscribed, each was individually responsible for the management of its workforce. Workers in one locale could not simply transfer to another without loss of benefits or seniority. When individual employers joined an accredited organization for the purpose of collective bargaining, either a series of collective agreements or one master agreement had to be agreed upon. In either case, the legal relationship was between the accredited association and the employees of each of its members. Since working conditions, classifications, wage levels and the historical relationship between unions and management might vary widely between workplaces and, because there is no portability of seniority or benefits, centralized bargaining did not always facilitate the resolution of specific local issues.

The Kootenays dispute provides an interesting illustration of the problems of meeting local concerns via centralized accredited bargaining. Following a twelve-week strike/lockout by the MIPEA in 1976, the B.C. Division of CUPE at its annual convention in 1977 established a committee of local union leaders to examine the advantages and disadvantages of accredited bargaining. Subsequently, in

presentations to the B.C. Minister of Labour as well as to school boards and municipalities in various parts of the province, CUPE argued vociferously that accreditation had a pernicious effect on both union members and community residents. Central to the union's argument was the view that elected officials lose control over labour relations by handing over such responsibilities to an accredited organization. Further, one of the spin-off effects of the B.C. Labour Board's demonstrated reluctance to grant applications for de-accreditation, was that it had become impossible for local officials to be held accountable should decisions taken by an accredited association contravene the political platform upon which they were elected. At stake, according to CUPE, was the character of local democracy.⁵⁵

Formed in 1971, the "B.C. School Trustees' Association (BCSTA) West Kootenays Accredited Bargaining Union" represented employers at Nelson, Castlegar, Trail, Grand Forks School Districts, in addition to Selkirk College.⁵⁶ The Association was directed by an executive

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55. CUPE, Brief to the Accreditation Inquiry, pp. 1-12.

56. Known for a history rich with militant labour activity, the West Kootenays region had significant mining, forest and construction industries. There was a particularly strong militant tradition at Cominco mine in Trail, dating back to the days of the Mine-Mill local there prior to the Union's collapse in the late 1960's. In addition, many of the residents of these communities were of Doukhobor descent, a sect whose traditions of anti-government and anti-authoritarian sentiment are documented elsewhere. These were closeknit, cohesive communities which "...were prepared to take action and support one another in a manner you wouldn't generally find in a more urban environment." (John Calvert, Senior Research Officer, CUPE, interviews held in Ottawa, August 20, 1982 and June 27, 1984.)

composed of representatives from each of the members, with negotiations normally carried out by a BCSTA staff person. Decisions were taken by two-thirds majority vote and each collective agreement was subject to ratification by the group of member school boards. Each member had one vote. It was the Association's policy to try to reach a master agreement and, should one union local strike its employer, all other employers covered by the accreditation order were obliged to lock out their own employees.⁵⁷

This was exactly what happened on October 26, 1978. When CUPE locals 748 and 1341 at Nelson School District and Selkirk College, respectively, went on strike, the BCSTA retaliated the following day by locking out employees of the three remaining school districts. Although the issues separating the two parties at Nelson and at Selkirk College stemmed from particular conditions in those workplaces,⁵⁸ all schools throughout the region were closed. Special meetings with the Minister of Labour on December 4th and 5th

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57. Hall Arbitration Award, B.C. Ministry of Labour, June 30, 1979, p.7.

58. Selkirk's negotiations were extremely complicated for two main reasons. First, in 1977 the Provincial Government merged Notre-Dame University with the college. Notre-Dame was a private catholic institution in Nelson, some forty miles away. Its employees were members of the Association of University and College Employees (AUCE) and their collective agreement was better in some ways and worse in others than their counterparts' at Selkirk. Second, at the college itself there had been a merger in 1975 between a B.C. Government Employees' Union (BCGEU) local and the larger CUPE local. The BCGEU contract had provided much better wages historically than CUPE's and, as a result, certain clerical wages had been "red-circled". But, in a time of high inflation, their wages were not protected and were, instead, frozen for a period of three years. Neither of these complications made negotiations at Selkirk an easy process.

failed to achieve a resolution of the conflict. Finally, on December 11, the Provincial Legislature passed Bill 46, the "West Kootenays Schools Collective Bargaining Assistance Act", ordering everyone back to work in their ordinary duties.⁵⁹

In addition to legislating an end to the dispute, the Bill made it possible, by Order in Council, to extend the scope of the "Essential Services Disputes Act" to cover municipal, school board and provincial government employees. The relevant sections of the Bill, numbers 11 and 12, were not invoked until one month later when the tenor of the conflict (and the publicity surrounding it) had become more subdued.⁶⁰

59. Hall Arbitration Award, p.2.

60. The Essential Services Disputes Act was passed in 1977 to deal primarily with hospital workers. Just before the Government introduced the bill legislating workers in the West Kootenays back to work, information was leaked to the New Democratic Party and CUPE leadership in Vancouver. The local leadership was summoned to Victoria and told that if they lifted the strike, the BCSTA would lift the lockout and the Government would not enact Bill 46. Local union leaders from the Kootenays were extremely reticent. To call an end to the strike without having signed any settlement would have meant they had gained absolutely nothing from seven weeks on strike. The NDP and, leader Dave Barrett, in particular however, urged CUPE to take the Government's offer and lift the strike since, if special legislation was passed, the Party would be in a "no-win" situation: if they supported the union, they would be supporting illegal actions whereas if they supported the Government they would, in essence, be attacking the union. The CUPE B.C. leadership made it clear to the Kootenays locals that if they did not comply, no more support would be received from the Union. According to John Calvert, however, "...there was a double-cross. The Union lifted the strike but the BCSTA refused to lift the lockout. So there was still technically a dispute. As a result, the Government decided it had to do something to resolve the dispute, so it enacted Bill 46 anyway." (Interview held in Ottawa, June 27, 1984). No doubt, the bitterness surrounding the behind-the-scenes dealing during this dispute influenced the Selkirk College local's (CUPE 1341) decision to leave CUPE and join the Pulp and Paper Workers' Canada (PPWC) a couple of years later.

Meanwhile, the Bill instructed unions and employers in the West Kootenays to continue bargaining toward renewing the collective agreement with the assistance of a "special mediator". Dr. Noel Hall acted as mediator until talks broke down again.⁶¹ He was subsequently appointed "sole arbitrator" under Section 6 of the Act, which stipulated that his decision would be binding on both parties. Five hearings were held between March 15 and May 25, 1979.⁶²

In the period between the passage of legislation and the beginning of the hearings, each local wrote letters to all school trustees and college governors. The letters documented the behavior and positions taken by the BCSTA representatives during the dispute. According to John Calvert, "...we tried to show how their negotiators were effectively unaccountable to them and not really serving their interests."⁶³ In meetings following the posting of letters, union local presidents met elected officials and urged them to leave the BCSTA.

As Hall's Arbitration Award reveals, more was at stake for the five CUPE locals than demands for improved wages and benefits. The structure of bargaining was itself

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61. Dr. Hall was one of the three people who drafted the new Labour Code in 1972-73.

62. Hall Arbitration Award, p.3

63. Interview, June 27, 1984.

an issue. Four inter-related problems emerged during the dispute. First, CUPE maintained that accreditation led to the bureaucratization of collective bargaining. Union members negotiating in the Kootenays became acutely aware of this as they faced a succession of no less than four BCSTA staff negotiators during the course of the conflict. No doubt these feelings were reinforced by the geographic isolation of the Kootenays from the BCSTA's base of operations in Vancouver. A number of delays were suffered and union representatives objected that due to accreditation they were forced to negotiate with an employer who was unfamiliar with the region, its history and particular problems.⁶⁴ In the Union's opinion, an unnecessary disruption of its members' jobs was provoked as a result.

Second, CUPE objected in a general way to the preponderance of personnel and management specialists involved in local government labour relations. While accreditation did not, in its view, cause the professionalization of bargaining, it had certainly been accompanied by an expanded role for trained professionals. A related concern was that local officials were no longer responsible for managing their own workforces; labour relations was "hived off" to a completely separate and unaccountable body. Parallel to this professionalization,

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64. Hall Arbitration Award, p.10 and CUPE, Arbitration Brief for Selkirk College, Local 1342, May 23, 1970.

according to CUPE's official documents,⁶⁵ was a commensurate effect on the union side. Union staff, rather than members, became the principal actors at the bargaining table. And threatened as a result were internal union practices of democracy.

A third concern raised by the Union was derived from the fact that dissimilar employers were grouped together in a single accredited organization. In the Kootenays situation, for example, Selkirk College workers' collective agreement was tied to the fortunes of four separate school districts, even though the issues separating the parties were quite different. CUPE maintained that such practices were illogical and irrational. Employers running diverse operations ended up bargaining jointly even though they were covered by separate sets of legislation, had different revenue-raising abilities, legal responsibilities, and administrative structures. Master agreements negotiated on such a basis, the union argued, were unable to account for the specific conditions of each individual workplace. And unnecessary disputes occurred as a result.

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65. As with many issues there was a distinction between the Union's official and unofficial position in this regard. See p. 94 for a discussion of this issue.

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Finally, CUPE maintained that the number of lockouts in the public sector had increased since the accreditation legislation was enacted in 1970.⁶⁶ Saving significant sums of money during work stoppages, the Union asserted, was often to the employers' advantage when faced with inadequate sources of revenue. Cited as a prime example was the three-quarters of a million dollars saved during the conflict in the West Kootenays.

Clearly, while certain of the arguments advanced by CUPE were mainly for rhetorical purposes, other were more substantive. Central to the Union's position was the view that accreditation was unsuitable to the public sector where local officials must be held accountable to their constituents. This argument was an effective one in building support among elected officials anxious to safeguard some measure of autonomy. In addition, the Union rallied community support to defend against any encroachment upon what it called "the exercise of local democracy".

During the strike, for example, the CUPE locals strengthened their links with other unions in the area as a

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66. For example, the Union claimed, the Okanagan Mainline Municipal Labour Relations Association (OMMLRA) had a series of lengthy work stoppages since its inception in 1971. In 1974, a three-month strike in the City of Kamloops; in 1975, a five-month strike in the City of Kelowna; in 1978, a three month strike in the City of Revelstoke accompanied by a counteraction lockout in 9 other municipalities, including Kamloops. (CUPE Arbitration Brief for Selkirk College, local 1341, May 23, 1970, p.68).

means of establishing support for their position. Meetings took place in which other union leaders were informed of CUPE members' concerns. In Trail, for example, an alliance had been forged with the Steelworkers' local (Cominco) during a bitter civic strike about one and a half years earlier. This strike had ended when the president of the Steelworkers' local threatened to shut down Cominco if city management didn't put a better offer on the bargaining table.⁶⁸ Similarly, in Castlegar where a major construction project was underway at the Seven Mile Dam, members of the building trades unions were kept abreast of CUPE's situation through informal meetings between staff representatives. Given the size and nature of these communities, it was common for labour people to support one another's struggles.⁶⁹

Support in the broader community was also sought by CUPE. In addition to regular meetings of the executive members of all the locals, meetings were held with parents of

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68. Interview with John Calvert, June 27, 1984

69. The relationship between the Selkirk College local and the building trades union developed during the 1978 dispute proved important in subsequent years. In a wildcat strike at Selkirk a year later over a misinterpretation of the collective agreement, the president of the building trades local offered to close down the Seven Mile Dam project in order to bring added pressure to bear on the College's management.

children affected by the schools dispute. CUPE also diffused information and its point of view through the Selkirk College student newspaper which was widely-read in the community. As a result of this kind of publicity, the issues of the strike tended to be well known among community residents.

In fact, following the strike and arbitration award, the Trail School Board voted to withdraw from the BCSTA. Trustees in each of the four communities were lobbied on a personal basis by CUPE members. A trustee from Castlegar who was a member of the Pulp and Paper Workers Union of Canada (PPWC), for example, was a particular target for CUPE member. During the dispute he had served as a member of the employer's three-person labour relations committee and therefore was in a position of some influence. Several meetings took place between CUPE members and the PPWC local executive in an effort to get the Paperworkers' to "take him to task" for having supported the employer during the dispute. A similar situation transpired in Trail, with respect to a trustee who was a member of the Steelworkers local.⁷⁰

Much to the surprise of many observers, Dr. Hall's award of June 30, 1979 ruled primarily in the union's favour.

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70. Interview with John Calvert, August 20, 1982.

Front-page headlines in the Vancouver Sun on Monday July 9, 1979 read "School Workers Win All Demands, Kootenay-Okanagan Parity Offered". Most of the unions' wage and benefit demands were conceded to and, moreover, the BCSTA was criticized for its inability to deal with the specific character of the region, including the expectations common among the local workforce. In response to the Association's demand for a master agreement, Hall wrote:

The BCSTA has exhibited such a degree of uncertainty and instability concerning its role in accreditation that it seem(s) to me unwise to move the relationship closer to a master agreement at this time. Such agreements are normally difficult to administer; the centralization implied runs sharply counter to the expectations of the employees...⁷¹

In addition, the dispute provoked an internal review of the Association's own viability and Hall concluded that until the BCSTA clarified its general structure and, in particular, some mechanism for dealing with local issues, a master agreement would "simply worsen the already bad situation."⁷²

Hall's concern about the Association's instability reflected a conventional orientation toward industrial

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71. Hall Arbitration Award, p.18.

72. Selkirk College was subsequently allowed to leave the BCSTA. The Trail School District, as mentioned above, filed an application for de-accreditation in 1979, but was denied.

disputes: minimizing conflict by channeling it to manageable areas was the key objective. An interesting aspect of Hall's Award, then, was the comment that even within the logic of accredited bargaining structures, the BCSTA's past performance suggested "...a mismatch between the structure created or implied as a result of accreditation and that created or implied by the individual bargaining certificates held by some of the local School Boards."⁷³

The mismatch mentioned by Hall reflected a tension between principles of local autonomy and those governing employer accreditation. It seems that the tradition whereby local communities enjoyed some (however limited) measure of authority over their own finances and spending, came into direct conflict with the thrust toward rationalizing expenditure that gave rise to the practice of employer accreditation in the local sector. The events of the West Kootenays strike and, particularly, the public outcry orchestrated primarily by CUPE, succeeded in forcing the Province to confront (or, at least, appear to confront) the issue CUPE called the "threat to local democracy." The public inquiry into accreditation, held during 1979, is the next subject to which we turn.

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73. Hall Arbitration Award, p. 13.

The Accreditation Inquiry of 1979

In the interim period between the enactment of Bill 46 and publication of Dr. Hall's Arbitration Award, Minister of Labour Allan Williams announced the appointment of a special committee to inquire into the subject of multi-employer bargaining and accreditation. On March 8, 1979, Committee chairman D.E. McTaggart and members E.R. Peck,⁷⁴ R.E. Cocking and S.F.D. Kelleher were mandated to:

...provide the government with a review of developments in light of experience gained through the years...and to determine whether or not the law is appropriate to today's circumstances.⁷⁵

As suggested previously, the impetus for the Inquiry was two-fold. First, the Construction Labour Relations Association (CLRA) had pressured the Government to create a more compelling form of employer accreditation. In favor of a type of accreditation that would regroup all

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74. Mr. Peck was later to head the Compensation Stabilization Commission which oversaw the province's Compensation Restraint Act, following the imposition of wage controls on public sector workers in February 1982. (National Union of Provincial Government Employees (NUPGE), Update, April 4, 1984).

75. News Release, B.C. Ministry of Labour, March 8, 1979 and PEBC, News, Vol.2, No. 64, March 16, 1979.

unionized parts of the construction industry in the same association, the CLRA wanted to avoid the situation wherein independent contractors provide 'work havens' for union members during a strike. The CLRA view was that independent contractors were getting a 'free ride' without paying the price of either dues to the CLRA or the consequences of a strike or lock-out situation.⁷⁶ Further, certain trade unions in the construction industry wanted the accreditation legislation repealed; partly in response, it seemed, to the Ministry of Labour's decision earlier that year to invoke unilaterally the section of the Labour Code which prescribed Councils of Trade Unions for that industry.⁷⁷

A second impetus for the Inquiry was the dispute in the West Kootenays. It had been particularly acrimonious due to the extended disruption of the school year and CUPE's claim that the bargaining structure itself was at fault had received considerable public attention. According to Mr. James Matkin, former deputy minister of labour, "...it was in that environment of uncertainty triggered by the dispute about public sector accreditation that we considered (it) the fair thing to have a hearing, an advisory process."⁷⁸ In addition, since the accreditation section of the Code was the only major one not re-vamped in 1973, its reassessment was

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76. Mr. Stephen Kelleher, Chairman B.C. Labour Relations Board, Interview held in Vancouver, April 22, 1982.

77. Mr. James Matkin, then Deputy-Minister of Labour, Interview held in Victoria, April 26, 1982.

78. Ibid.

considered opportune.⁷⁹ The Committee received formal submissions from more than forty unions, employers and interested observers. A series of public hearings was held. Perhaps not surprisingly, three quarters of the presentations were made on behalf of individual employers or employers' associations.⁸⁰ (See Appendix 6 for a list of the submissions received). On December 5, 1980, the Committee's report, entitled "Multi-Employer Bargaining, Accreditation, and the Legislative Provisions Applicable Thereto", was released.⁸¹

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79. Kelleher, April 22, 1982.

80. Report of the Accreditation Inquiry, Appendix 3.

81. While the Inquiry seemed to be "fair thing to do", some government officials appear to have jumped the proverbial gun. In a letter dated September 22, 1980 (two and one-half months before the Committee's Report was submitted to the Minister of Labour), Mr. Macklin of the Public Employers of British Columbia suggested to L.I. Bell, Deputy-Minister of Finance, that he correct a draft of forthcoming legislation which he had circulated. It seems that the draft of the Financial Administration Act included a requirement that public employers form or join accredited bodies. Macklin pointed out in his letter that such a requirement would contravene the 'voluntary' principle underlying the province's legislation and, moreover, was somewhat premature given the Committee of Special Advisors had not yet submitted its report or recommendations.

The views contained in the submissions tended to fall into one of two camps. Individual employers and, in particular, employers' associations supported strongly the practice of accreditation. CUPE's British Columbia Division, several of its locals, and a variety of municipalities and school districts recommended accreditation be prohibited in the public sector.

The most comprehensive brief was submitted by the Public Employers of British Columbia (PEBC). Its members' submissions reflected similar (and in some cases, identical) recommendations, based on three main arguments. First was the potential cost-saving afforded to individual employers by accredited organizations.

The Okanagan Mainline Municipal Labour Relations Association (OMMLRA), for example, viewed accreditation as a way for smaller municipalities, which it tended to represent, to defend themselves against "rich" contract settlements. Such smaller employers were often most vulnerable to union demands and therefore set patterns for high settlements due to their lack of access to comparable wage data and other sophisticated bargaining techniques.⁸² A related argument

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82. B.C. Ministry of Labour, Summaries of Submissions received by the Committee of Special Advisors to the Minister of Labour on Multi-Employer Bargaining and Accreditation 1979, prepared by Ministry of Labour staff prior to the release of the Committee's report, Dec. 5, 1980. Individual summaries will hereafter be referred to as "Summary of X's brief," B.C. Ministry of Labour.

was made by the Kootenay Boundary Labour Relations Association (KBLRA). It suggested that CUPE objected to multi-employer bargaining "...because it strengthens the bargaining position of the employers who are then not susceptible to "whipsawing".⁸³

The second argument advanced by public employers was that accredited bargaining tended to be more sophisticated. Not only did accreditation help maintain a high degree of skill at the bargaining table but "...the larger the bargaining group, the more impersonal the negotiating procedure, thereby reducing the element of emotion".⁸⁴ A third, and related concern reflected in the employers' submissions was that accreditation helped them to avoid unnecessary duplication of costly research.

Flowing from these three arguments was a central proposal included (or referred to) in briefs presented by the PEBC, OMMLRA, GVLRA, and the Greater Vancouver Regional District (GVRD). Elected officials needed protection from any 'coercion or intimidation' on the part of unions who wanted their employers to refrain from joining (or leaving) accredited associations. These employer groups suggested they were not adequately shielded from public sector unions'

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83. Summary of KBLRA brief, B.C. Ministry of Labour.

84. Summary of BCSTA brief, B.C. Ministry of Labour.

ability to mount considerable public pressure against accredited bargaining.⁸⁵

Elected public officials are totally vulnerable to pressure directed by unions and their members, but (this) often thwarts business-like policy-making decisions. Such pressures do not exist in the labour relations arena in the private sector. Obviously this anomaly requires corrective measures.⁸⁶

As a result, the employers proposed the amendment of Section 5 of the Labour Code. It dealt with practices of coercion and intimidation that were used historically by employers trying to influence employees against joining trade unions. Section 5 of the Code read:

5. "No person shall use coercion or intimidation of any kind that could reasonably have the effect of compelling or inducing any person to become or refrain from becoming, or to continue or to cease to be, a member of a trade union."⁸⁷

The employers' suggested amendment would add the words "or an employers' organization" to the end of the existing section.⁸⁸

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85. One of the examples to which employer groups were referring occurred in the Vancouver area. The GVRD was not formally accredited. Although it had tried twice since 1976 to become accredited, it was unable to convince the respective elected councils of its 21 member municipalities and other public bodies. CUPE carried out extensive public campaigns against accreditation and was quite successful. In November 1978, for example, Vancouver City Council voted 8 to 1 against the GVRD Labour Relations Committee's proposal to accredit. Vancouver's decision followed similar actions taken in Burnaby see Chapter V for more details on the GVRD.

86. OMMLRA Brief to the Committee of Special Advisors..., p.7.

87. B.C. Labour Code.

88. Recommendation #1, OMMLRA, PEBC, and GVLRA. The PEBC wanted the words "accredited bargaining organization".

A related amendment was sought by the GVLRA. It wanted to change Section 3 of the Code, dealing with unfair labour practices. That section provided protection for trade unions and individual workers against employers' interference in the formation and activities of a union. The GVLRA proposed the addition of a further subsection to read:

No trade union, and no person acting on behalf of a trade union, shall interfere with the formation, administration or the on-going function of an employers' organization.

Once again, the key concern was that elected officials be protected against pressure applied by public sector unions and their members.

Another submission supporting the concerns and interests articulated by the PEBC and its members was received from the Employers' Council of British Columbia (ECBC). Although more concerned with the accreditation legislation's broader application to the private sector, the Employers' Council was adamant in its expression of support for the legislative amendments proposed by its counterparts in the public sector.⁸⁹ The united stand taken by

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89. The orchestration of consensus among employer groups was revealing. According to minutes of a PEBC Advisory Committee meeting of May 8, 1979, "The draft accreditation paper was reviewed in detail...Committee members were unanimous in their support for the paper and decided...the draft should be forwarded to Bill Hamilton (president of the Employers' Council), under strictly confidential cover, for ECBC staff to review (in order) to ensure that it does not conflict with the approach ECBC is taking."

employer associations on behalf of their members was to have a significant impact on the Committee's deliberations.

The second set of submissions on public employer accreditation took a very different view. CUPE's B.C. Division and several of its member locals presented arguments consistent with those outlined earlier in this chapter. Arguments put forward by municipalities and school districts bore a close similarity to those documented in the Nanaimo de-accreditation case. The City of Revelstoke, for example, had been denied its application for de-accreditation in 1979. In its submission to the Committee, the municipality asserted that it had the right, under the Municipal Act

...to act fully on behalf of its constituents and that only specific language in another statute (e.g. the Labour Code) can modify that right.⁹⁰

In effect Revelstoke argued the Labour Board's decision not to grant the municipality's application should be overturned since no specific provision in the Labour Code gave the Board authority to modify a municipality's primary mandate. Moreover, Revelstoke argued, the Board had no statutory authority to permit one municipal council to bind all future municipal councils to membership in an accredited employers' association.⁹¹

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90. Revelstoke brief to the Committee of Special Advisors..., quoted in Summary of Revelstoke brief, B.C. Ministry of Labour summary.

91. In essence, these were the same arguments presented to the Labour Board by Revelstoke and Nanaimo during their respective hearings.

Opposition to employer accreditation on behalf of school districts followed a similar argumentation. School District No. 63 Saanich, which was not a member of the BCSTA, recorded its distaste for the latter's approach to collective bargaining. Singled out, in particular, were the Association's interest in professional, "non-emotional" negotiations. Saanich pointed out emotional issues might constitute the genuine matters of contention and, moreover, "...if joint bargaining causes these to be overlooked, (it) is not healthy for labour relations".⁹² Finally the school district asserted, cost savings were not guaranteed in accredited bargaining since financial support for a permanent labour relations bureaucracy was necessitated.

Trail School District No. 11 recommended, among other measures, that all rules respecting employer accreditation be subject to ratification by both union and management. Apparently, its experience in the West Kootenays dispute and subsequent unsuccessful attempts to leave the BCSTA had shaped its point of view. Noted in the Ministry of Labour's summary of this presentation was the concern that

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92. Summary of Saanich brief, B.C. Ministry of Labour.

implementation of such a proposal would give the union power of veto.⁹³

It is obvious from this brief synopsis that very few employers presented briefs in opposition to public sector accreditation. Most local government employers were, in fact, represented by one (or more) of the larger associations. And their voices tended to be unanimous. The accredited employers' associations and the umbrella PEBC and ECBC functioned, in part, at an ideological level. Through the encouragement of these organizations, the Provincial Government had created a forum for debate of issues and the dissemination of information; the organizations became vehicles through which a "public employer" ideology was developed and generalized throughout the sector. One aspect of that ideology evident in employers' submissions was the interest expressed in balancing out the unions' perceived advantage with respect to the lobbying of elected officials. By suggesting that union lobbying campaigns be made equivalent in law to employer intimidation or coercion, employers were simply applying the notion of equality between labour and capital which permeated the Labour Code.

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93. The Ministry of Labour summary also noted that Trail's brief was "from an employer who appear(ed) unhappy with BCSTA as its bargaining agent."

Further, with respect to the accreditation inquiry, the development of a public employer ideology was particularly interesting because ostensibly, the Provincial Government wanted simply to consult with the pertinent interest groups. However, the employer associations served not only to organize the interests of previously independent local employers, but to communicate back to the Government's Commission, the expression of those interests. While certainly the associations enjoyed a degree of autonomy from the Government itself, at an ideological level the structuring of local employers' interests through PEBC, GVLRA, OMMLRA, etc., served to both reinforce and legitimize the Province's thrust toward containing public expenditure. As such, the character of the employer submissions, with very few exceptions, reflected the ability of such organizations to create a consensus among previously unassociated local bodies.

The few exceptions, such as Revelstoke and Trail, suggest the degree to which the creation of that employer ideology may be conditioned by the balance of class forces. By exploiting democratic traditions integral to our system of local government, CUPE, in some instances (and depending on a complex series of factors including geography, political culture and ethnicity, to name but a few) was able to push

the issue of accredited bargaining into a terrain on which it could be contested. The recommendations made by the Committee of Special Advisors, outlined in the next few paragraphs, illustrate just how circumscribed that terrain could be made.

The Committee's Recommendations

The Report of the Committee of Special Advisors contained few surprises. It concluded public sector accreditation was both appropriate and desirable. In addition, the Committee maintained that a union refusing to bargain with an accredited association on that ground alone should be liable for charges of bargaining in bad faith. And, in a fashion reminiscent of Labour Board decisions, the Committee drew an analogy between such unions, and employers who have historically resisted unionization of their employees.⁹⁴

With respect to CUPE, in particular, the Committee concluded the Union's position stemmed from the fact accredited bargaining gave employers an advantage.⁹⁵ Since bargaining was viewed to rest essentially on relative power, structures which served to balance the distribution of

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94. Report of the Accreditation Inquiry, pp. 27-8.

95. Ibid.

that power were considered desirable. And due to the gains made by labour during this particular conjuncture, unions had to be prevented from 'going after' the weakest employer and thereby setting precedents for high wage settlements. In the Committee's view, accreditation provided employers with the requisite extra leverage. As former Deputy Minister of Labour James Matkin summarized:

The whole notion of accreditation is that you don't get any decisions until everybody is 'on side' ...And essentially what the unions are saying is that they don't like it because it makes the employer stronger. And it does. But that's not the question. The question is, do the employers need that power in order to have a better balance between employer and unions?⁹⁶

In the view of the Special Committee (and indeed, consistent with the logic introduced in the Labour Code in 1973) the answer to Mr. Matkin's question was a resounding "yes".

The Committee's secondary recommendations were congruous. Employers' proposals to amend Sections 3 and 5 of the Code (dealing with unfair labour practices and 'coercion and intimidation', respectively) were accepted in full. Accordingly, the Committee urged unions be constrained from attempting to discourage public officials from joining, or remaining members of, accredited associations.

Further, with respect to de-accreditation practices, the Committee suggested individual employers may

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96. James Matkin, interview held in Victoria, April 26, 1982.

have joined accredited associations when the legislation was new, without being subjected to adequate tests for 'community of interest'. They may also have joined without a full understanding of the constraints against leaving an accredited association. Since it was not until the Ocean Construction case in 1976 that the relevant jurisprudence was developed, the Committee concluded such mis-understanding was certainly possible.⁹⁷

To deal with this dilemma, the Committee hinted that ideally the Board should review every accreditation order ever granted. Since such a process would be excessively time-consuming, however, a new subsection of Section 59 of the Code was proposed. Its purpose was purely pragmatic: employer associations were weakened by internal strife when one (or more) members' desire to withdraw had been thwarted. Moreover, the Committee maintained, neither did long and costly Labour Board proceedings contribute to an association's well-being or strength.

But the Committee recognized fully employers' concern that deletion from an accreditation order ought not occur at an inopportune moment for the association. Permitting deletions when bargaining strength would be reduced "...could result in attempts by trade unions to gain a bargaining advantage by encouraging individual members to

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97. Report of the Accreditation Inquiry. pp. 27-8.

withdraw".⁹⁸ Therefore the Committee proposed that an employer be a member of an association for a minimum of one year before applying for de-accreditation. And following that application, a two-year grace period be observed during which time the association could attempt to persuade the member not to withdraw.⁹⁹

On balance, it is evident the Committee of Special Advisors was in support of the accreditation legislation as it had been applied. Amendments recommended, if implemented, would simply protect employers further from union pressure tactics aimed at public officials. In effect, such amendments would restrict even further that terrain on which unions could contest employers' control. The Union, through its involvement in electoral issues, lobbying etc., tried to tap the rather populist, democratic vein characteristic of local government. The recommendations to equalize bargaining

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98. Ibid., p. 33.

99. The Committee stated explicitly this would not apply to the construction industry. Reflected in the presentations made to the Committee was a debate over the form of accreditation most suitable to that industry. Although the Committee rejected the view that a more compelling form of accreditation would be appropriate to the construction industry, they stated deletion from the ranks of the construction industry accreditation "should remain difficult to achieve." As a result, the recommendation cited above excludes the construction industry.

power (by treating (a) 'coercion and intimidation of workers and, (b) 'unfair labour practices' committed by employers during union organizing drives as equivalent to lobbying campaigns of locally-elected officials by unions) attests to the way the framing of law may be affected by the balance of class forces. Specifically, it is interesting to note how law can be used, given its universalist nature, in different conjunctures to effect outcomes not originally intended.

Following the publication of the Committee's Report, the controversy over accreditation in the public sector dissipated. Critiques advanced by CUPE and certain local government employers were no more successful with the Committee than with the Labour Board. Moreover, once the Inquiry's report was released, no clear focus for opposition remained. Some seventeen months after the Report's release, there was no evidence to suggest new legislation was being prepared. Rather, the Committee's failure to find any reason to change the general orientation of Section 59--as CUPE and parts of the construction industry had demanded--meant no action was taken.¹⁰⁰

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100. Interviews with Mr. Matkin and Mr. Kelleher, 26 and 22 April 1982.

Conclusion

So ends our examination of the history of public sector accreditation in British Columbia. It is evident that through the course of the 1970's, this practice was aimed at strengthening the position of employers at the bargaining table; a position which, as shown in Chapter Two, was considered too tenuous given the necessity to reduce the public sector wage bill. By consolidating the employers' position, the Provincial Government (through the auspices of the Labour Board) strove to meet that imperative.

Integral to the entire process was the application of the Code by the Labour Board. Most obvious was the repeated harkening to the Code's commitment to encouraging equality between labour and capital. In addition, as noted with respect to the Nanaimo de-accreditation case, the Board--notwithstanding its class-basis as an agency--effectively thwarted the interests of union members and others who mobilized pressure against continued membership in the MIPEA. It is instructive to note how the Code, given the degree to which its application had effectively insulated labour-management relations from such political process, was used in this conjuncture to effect an outcome quite different from that intended by the supposed 'voluntary' nature of accreditation.

As we have seen, reinforcing employers' bargaining strength occurred not simply at the level of improved data banks or slick negotiating tactics. In very tangible terms, as evidenced in the accreditation inquiry, the encouragement of accredited associations brought about the development of a discernable public employer viewpoint. That viewpoint or, ideology, was critical to the Provincial Government's attempt to reduce the historical fragmentation typical of the local government sector.

Another feature of that sector, however, was the belief in and, to varying extents, the substantive representativity of locally-elected school trustees and alderpersons. As illustrated in the West Kootenays dispute, the existence of that democratic vein made it possible for unions to have an impact on decisions made by local officials. Moreover, as we have seen, the Union's ability to tap that vein, depending on an ensemble of complex variables, demonstrated the extent to which the employers' nascent consensus and consolidated position remained, at least potentially, within the uncertain arena of class struggle.

Since the latter half of the 1970's and, especially, after the termination of the Federal wage control program in 1977-78 there was no guarantee that labour demands could indeed be contained, the B.C. Provincial

Government sought to bolster its strategy. In 1977, it launched the Council of Public Sector Employers (COPSE).¹⁰¹ Established with considerable Provincial funding (and blessings), COPSE was a crucial impetus to the centralization and bureaucratization witnessed in local sector labour relations during the ensuing years. In some important respects, the organization served to realize concretely the the kinds of bargaining envisaged but, not guaranteed, by the accreditation provisions of the 1973 Labour Code. It is to the circumstances surrounding the public sector council's birth--and subsequent impact--that we now turn.

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101. Now known as the Public Employers of B.C. (PEBC). At its Annual General Meeting of Friday April 16, 1979, COPSE members voted to change the organization's name. (PEBC, Memorandum to Public Sector Employers, Province of B.C. from Brian Foley, April 10, 1979).

CHAPTER FOUR: BANKING ON VOLUNTARY RESTRAINT: THE PUBLIC SECTOR EMPLOYERS' COUNCIL

In Chapter Three we examined employer accreditation, one means by which the state attempted to organize the interests of local government employers toward minimizing wage costs in that sector. It was argued that the historical independence of local employers meant they were particularly vulnerable to union strategies and, as a result, constituted a mitigating factor to the state's ability to reduce public sector spending. But the practice of employer accreditation was not the only attempt at rationalization of government expenditure. A second initiative, the creation of a public sector employers' council, constituted an attempt to realize in concrete terms greater control over wage costs in the local government sector.

The Council, as envisaged originally by Provincial Government planners, would monitor wage settlements, collect and provide compensation data to employers, coordinate bargaining strategies and introduce to employers sophisticated bargaining techniques. Accreditation was a necessary but, not sufficient, condition for this. The Council, it was hoped, would provide a structure--under indirect influence of the Provincial Government via its funding and membership--through which local employers would enhance their industrial relations expertise. This goal was particularly important

since elected officials historically played an active role in negotiations and setting the terms and conditions of employment for their respective workforces. In the opinion of Provincial Government officials, this practice contributed to local governments' unreliability when it came to implementing policies of fiscal restraint.

Meeting these objectives, however, was to prove more complicated than anticipated. The Social Credit Government, for example, feared an aggressive "catch-up" campaign by the labour movement during the post Federal Anti-Inflation Board (AIB) period. In its consideration of policy options, the Government attempted to achieve a delicate balance: to undermine labour's strength at the bargaining table without instituting further wage controls, a target around which, it was feared, labour and the NDP might mobilize opposition.

Against this backdrop, a number of questions emerge: To what extent did the Council succeed in coordinating bargaining in the local state sector? How did the private sector react to the Government's initiative? Why, for example, didn't the Social Credit Government simply elect to establish a comparative compensation research agency which might have been accepted as neutral by the province's labour movement? In this chapter, we explore these and related questions in detail. It will be argued that the creation of

the Council reflected a voluntary, rather than coercive, approach to exerting control over local government employers and meant, ironically, that the Council could not ultimately coordinate the bargaining strategies of its members and contain wage pressures as originally envisaged.

The establishment of the Council advanced significantly the rationalization of the local state sector by creating an unprecedented degree of cohesion between municipal and school board employers. The organization of that sector strengthened employers by facilitating broader knowledge and acceptance of advanced industrial relations practices. In addition, as we shall see in this chapter, the structuring of local employers' interests into a relatively coherent entity meant that agents of capital could, for the first time, systematically interact with and influence employers in that sector. Finally, although this initiative was not sufficient to overcome the crisis in local government finance, it helped to lay the groundwork for a further escalation in the early 1980's of state policies aimed at containing public sector wage expenditure.

The Post-Controls Bargaining Climate and the Formation of the B.C. Council of Public Sector Employers

As it became evident in early 1977 that the days of the federal anti-inflation program were numbered, the British Columbia Government acted with alacrity. Alarmed at the

prospect of a post-controls wage "bubble", Provincial Government officials began to explore various means of coordinating public sector bargaining. The key challenge identified was that of containing public sector wages: settlements for public service workers had to follow, not lead, those in the private sector. And smaller public employers, particularly local governments and school boards, had to be discouraged from their tendency to concede to union demands; the common (and historically successful) union strategy of "pattern bargaining" could not be resisted unless these less-sophisticated, smaller employers were "brought into line".

The need to devise a means of containing wage settlements in the public sector was particularly pressing since it was feared workers who had experienced a decline in real wages during the years of the Anti-Inflation Board would now press for hefty wage increases. Distressed by rumblings that the Provincial Government might extend wage controls for their members, B.C. public sector unions had formed a joint "coordinating council"¹ to construct a plan of action. Government officials, representatives of private industry and certain public employers, meanwhile, wanted to ensure that

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1. Known as the Public Sector Employees Coordinating Council. The Cabinet's discussion paper of Spring 1977, "Proposal for the Establishment of a Council of Public Sector Employers" cited (p.1) the "banding together of public sector unions...to challenge government initiatives" as an example of potential union backlash should the government simply extend wage controls.

public sector managers were brought together to, in the words of one B.C. industrial relations practitioner "...effectively represent the broader interests of the community... (and) to coordinate the things they are doing so they don't whipsaw each other as they've so ably done."²

Apparently, although there was some independent interest in improving communications between employers in the public sector, the real impetus came from the government itself. As Graham Leslie, General Manager for Labour Relations at the Greater Vancouver Regional District conveyed to the Conference Board of Canada in 1978:

Early in 1977 the B.C. Government decided to take the initiative to bring about closer liason between itself and the B.C. Crown corporations, universities and colleges. At the same time it learned that a series of meetings had been, and were, taking place between representatives of the B.C. public hospitals, schools and municipalities in order to explore alternative means of providing for the computerization of data, and for the establishment of improved communications between the major public sector employer groups within the province.³

Further, the Provincial Government wanted to demonstrate clearly to private industry its commitment to the policy of public sector wage restraint. That goal had taken on enormous importance since it became evident during the tenure

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2. Don Saunders, Forest Industrial Relations (FIR), Interview, held in Vancouver, April 23, 1982.
  3. Graham Leslie, "Collective Bargaining: The Roles of the Private and Public Sector", a speech delivered to The Panel on Managing the Post-Controls Era, Fifth Canadian Financial Conference, The Conference Board of Canada, June 27, 1978, p.6.

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of the AIB that benefits (those items negotiated in addition to wages i.e. dental plans, insurance, etc) in the public sector were at 40-45 per cent of "straight time" payroll, as compared to 30-35 per cent in the province's private sector.⁴

In response to these challenges posed by the bargaining climate,⁵ the Provincial Cabinet hastened to elaborate a strategy designed to instill business "confidence", without provoking a direct confrontation with organized labour. Evidently this was cause for some concern since over 90 per cent of the province's public sector workforce was unionized.⁶ And, as Cabinet's discussion paper suggested:

A coordinating and research function outside the Provincial Government would accomplish the desired objective without drawing hostility directly to any one employer...and would be accepted by the union movement with far less hostility than an extension of controls in the public sector would engender.

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4. Brian Foley, past Executive Director of COPSE, Interview held in Vancouver, April 22, 1982.
  5. Specifically, at an August 4th meeting of public employer representatives in Vancouver, it was reported that a meeting had been held in Edmonton on July 26 between representatives of the four Western provinces. At that time, representatives were asked to identify "soft-spots or trouble spots" in public sector bargaining. The B.C. spokesperson (Mr. A.J.K. Keylock) reported that it had been agreed that groups subject to arbitration, such as police, firefighters and teachers, constituted serious problems. In addition, he noted "...some problems were anticipated in the small municipalities not subject to bargaining in association" (COPSE, notes from Meeting of Public Sector Representatives, August 4, 1977, p.2).
  6. Interview with Foley, April 22, 1982.
  7. B.C. Cabinet Discussion Paper, "Proposal For the Establishment of a Council of Public Sector Employers". pp. 4-6, 1977. This document will hereafter be referred to as "Cabinet Discussion Paper - 1977".

Outlined in the Cabinet's initial policy discussions⁸ was a framework for the creation of a new "monitoring agency" to oversee wage settlements in the public sector. The agency would meet a dual set of objectives: First, as an umbrella organization involving the province's public employers, it would administer the government's policy of wage restraint; Second, through wide circulation of compensation data and training aimed at improving the level of management skills in the public sector, the agency would facilitate significant coordination of bargaining. Meeting these objectives, however, was to prove a somewhat more complicated task.

Finance Minister Wolfe was to reinforce these objectives on a regular basis. In a speech on June 10, 1977, he commented:

Apart from bringing labour a much more direct and accurate correlation of relationships between public and private sector wages, the new Council is also intended to encourage the development of improved management skills in the public sector, particularly in the area of labour relations and collective bargaining.⁹

And, in an address to the Council's first general meeting, he stated:

Through its research and publications the Council helps to ensure that compensation decisions reached

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8. Ibid.

9. Wolfe, "Comments on Ottawa's Discussion Paper on Decontrols and British Columbia's Program for Inflation Control", June 10, 1977.

by public sector employers are made in full awareness of their impact on other employers in both public and private sectors. Such coordination of compensation information is essential if we are to avoid whipsawing, both in the short and the long term.¹⁰

While the agency's "architects" were quite sensitive to the potential threat of labour militance, they had underestimated the response their plan would provoke among the new body's prospective members. Cabinet appointed A.J.K. Keylock, past Coordinator of the Public Sector Compensation for the Cabinet Committee on the Anti-Inflation Program and, also, past-Director of Industrial Relations for the Employers' Council of B.C., to canvass public employers in an attempt to enlist support for the monitoring agency.¹¹ In order to avoid any "hasty negative reaction based on incomplete information", Keylock was advised to make clear he was only surveying public employers "in his private capacity."¹²

When assembled on June 7, 1977, the representatives of some fifteen municipalities, school boards, Crown corporations, hospitals and universities expressed concern that the

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10. COPSE, Reference Report, No. 5, May 3, 1978.

11. Wolfe, Speech June 10, 1977 and COPSE, Reference Report, No. 4, April 21, 1978, p.5.

12. Cabinet Discussion Paper, 1977, p.9.

Government might attempt to limit their individual management authority.¹³

This opposition to an explicit coordinating agency for public employers revealed two important points. First these employers shared the conviction that their autonomy--politically and as managers--ought not be encroached upon by the Provincial Government. Concern about autonomy remained an issue, particularly among local governments and school districts. In part, this stance was rooted in the historic practices of local politics that were imbued with the notion of democracy. Moreover, as Bert Harwish, Vice-President, Industrial Relations for the Employers' Council of B.C. suggested, there was a kind of "social mystique" operating in local government whereby elected officials (especially in small or outlying communities) believed they had a moral responsibility to provide and protect their employees. According to Harwish, not only did this result in jealous guarding of local autonomy, but such employers often conceded to union demands out of this sense of responsibility.¹⁴

Second, it was likely that due to the Labour Board's rulings on withdrawals from accredited bargaining associations (and CUPE's active publicization of those decisions), employers were wary of membership in any struc-

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13. Foley, Interview April 22, 1982.

14. Bert Harwish, Interview held in Vancouver, April 23, 1982.

ture that might reduce their individual flexibility/manoeuvrability. Such resistance precipitated a shift in the Cabinet's orientation. Rather than exercising any direct control or direction over the decisions of public employers, the new public body was to combine a research and coordinating activity to "...provide for self-monitoring and restraint through moral suasion."¹⁵ As shall become evident later in this chapter, the shift from a coercive, to essentially voluntary, approach by which COPSE had no ability to impose sanctions on heretic members, remained a matter of some contention during the new agency's early attempts to fulfill its mandate.

In June of 1977, British Columbia Finance Minister Evan Wolfe announced the creation of a Council of Public Sector Employers (COPSE). It was to be funded by the Provincial Government at a level of 400,000 dollars and unlimited computer facilities, until the end of 1978 when membership fees would be introduced. Outlined in the Minister's speech of June 10th was the view that in the area of wage increases:

Governments have a special responsibility to ensure that compensation levels for public employees do not run away from those in the private sector...the establishment of...the British Columbia Council of Public Sector Employers...(will) provide better coordination and exchange of information of public sector wages among public service employers in the

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15. COPSE, Notes from Meeting of Public Sector Representatives, August 4, 1977, p.2.

province. This is not a new bargaining agency. Its purpose is to encourage the development of a fair and equitable correlation between private and public sector compensation packages in B.C.¹⁶

The B.C. Government's approach was a strong disagreement with federal plans to cut short the duration of the Anti-Inflation Board. The agency to monitor price and wage increases envisaged by the Federal Government was viewed as insufficient; a "pretty timid watchdog" since its mandate would be simply to obtain information and publish reports.¹⁷

Consistent with the Government's earlier initiatives, the new semi-autonomous Council would assume some responsibilities previously held by the Government Employees Relations Bureau (GERB). The latter had been set up in 1976 to provide leadership in the establishment of public sector compensation levels. But its capacity to usher in the government's post-controls strategy was considered questionable. An awareness of "...resentment in organizations outside the provincial government with what is perceived as manipulation or dictate from 'Victoria'" led Cabinet to establish COPSE as a separate umbrella agency.¹⁸ Provincial Government membership, as well as a significant

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16. Wolfe, Speech, June 10, 1977, pp. 2-5.

17. Ibid., p.3.

19. Cabinet discussion paper, 1977, pp. 3-4.

degree of influence, was to be maintained through the auspices of the GERB. As shall become evident in the following pages, the relationship between the Council and the Government's own compensation research organization suffered as the Council struggled to fulfill its mandate.

The Council's Operations

The Council had three main functions: to conduct research on compensation levels and collective bargaining;¹⁹ to upgrade and coordinate negotiating strategies for its members; and to foster cooperation between public and private employers. (See Appendix 7 for a copy of the Council's official objectives). In its research capacity, data was collected on every public sector settlement in British Columbia. Two major compensation surveys were completed each year, one in April and one in October. Surveys covered office and technical employees, as well as blue-collar classifications. They were based on actual salaries, adduced through field visits by members of the Council's staff. In addition, the Council did a survey of benefits in the public and private sector, primarily in an effort to aid employers in their

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19. As we shall see on p. , the question of who was to carry out this research was critical since, as Premier Bennett noted in a speech delivered in February of that year, "...the development of compensation data must be realistic and objective to gain acceptance by labour and third-party arbitrators", (February 13, 1978, p.5.)

calculation of total compensation costs. And, by drawing on the Council's extensive data-bank, staff were able to conduct individual surveys to meet particular employers' requirements.

In attempting to encourage cooperation between public employers, as well as establish and maintain links with counterparts in the private sector, the Council put out two regular publications: the News and Reference Reports. The former provided up-to-date information regarding wage settlements, while the latter gave a concise, but comprehensive, discussion of various issues pertinent to the industrial relations system.

Coordination between public employers was facilitated through monthly meetings of key labour relations personnel. A procedure evolved whereby negotiators told one another, in confidence, what demands were currently "on the table" and what was to be management's response to them. In addition, negotiators gave one another details of pertinent grievance and arbitration activity. Each employer was considered an equal in his own right. And while no formal sanctions could be imposed on fellow members "if an employer in the boondocks makes a high settlement, the others will give him hell."²⁰

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20. Foley, April 22, 1984.

Building such cooperation between employers was, of necessity, a gradual process. The notion of community of interest between employers in B.C. (as suggested in Chapter Two) was, in part, a reaction to labour militance. According to Lois Spindler, the Council's executive director:

...Management (is not) yet as organized or cohesive as the union movement. But that comes from being entrepreneurs. Most of them don't want any one else messing in their business. So it takes time and they have to learn to trust one another before they share information. The trust has only come in the last two years... We'll have advance notice, for example, if somebody's going to lock out his employees. And that's dynamite information. Nobody should get it until the employees do.²¹

Creating opportunities for public employers to share bargaining information and strategies was one of the Council's most crucial functions. It was in such forums that the state's objective of achieving greater coordination between local employers, in particular, could be realized in concrete terms.

By April of 1979, the Council boasted that its members employed 200,000 workers, or 45 per cent of the province's unionized workforce.²² Since at COPSE's inception, over 50 per cent of workers in the province

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21. Lois Spindler, Interview held in Vancouver April 20, 1982. It is interesting to note that Spindler called these managers "entrepreneurs". This indicates how she (and the Council, in its orientation) tended not to distinguish between its members' operations and those of the private sector.

22. CUPE, "B.C. Council of Public Sector Employers Gets Facelift but Policies Remain the Same" in The FACTS (June, 1979), Vol. 2, No. 4, pp. 165-67.

bargained with various formal and informal employer associations, membership grew rapidly as these employer associations (as well as individual employers) were encouraged to affiliate. By April 1982, the Council had close to 250 members in eight different sectors, including eight formally accredited and three informally accredited organizations (See Appendix 8 for Council membership list).

The Council's Dilemma: Coordination vs. Pay Research

As suggested above, witnessed at the Council's inception was a controversy among prospective members as to its proper role. Dissent also emerged from other quarters. Not only were public employers unwilling to accept what they viewed as unnecessary Provincial Government interference in their affairs, but private industry's reaction to the formation of the Council was also mixed. COPSE's architects in Cabinet had viewed the high-profile Employers' Council of British Columbia (ECBC) as a model for the new organization. But William Hamilton, President of ECBC, proved less enthusiastic than anticipated. He seemed to view the public sector employers' council as constituting both an opportunity and a threat.

In a spate of correspondence during the summer of 1978, Hamilton and J.N. Olsen,²³ then Chairman of COPSE,

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23. Olsen was also Chairman of B.C. Hydro.

attempted to iron out a workable division of responsibilities between the two organizations. The Employers' Council's reservations fell into two major areas: duplication of services and a potential negative impact on the participation of public sector employers active historically in the ECBC. In Hamilton's view "...the kind of specific research and analysis which provided total compensation information... (and) is acceptable to both labour and management (was) sorely needed in British Columbia"²⁴ Consequently, he believed the new Council should concentrate on collecting pay research data and attempt to involve labour, as in the Federal Pay Research Bureau. Such activity would constitute a significant opportunity for employers in their efforts to exercise wage restraint in the public sector because in addition to obtaining data, employers could attempt to secure labour's agreement as to its validity.

But Hamilton was distressed by the Government's intention that COPSE also attempt to coordinate its members bargaining strategies. In his estimation, such an emphasis would compromise the credibility of compensation data produced. And that credibility, he maintained, was critical if labour's bargaining strength was to be countered effectively through more sophisticated manipulation of data by employers at the bargaining table.²⁵ Moreover, the ECBC

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24. William Hamilton to J.N. Olsen, 31 July 1978. (PEBC Files).

25. Ibid.

wanted to safeguard its own coordinating role with respect to negotiations. It is in this respect that COPSE constituted something of a threat to the ECBC.

The concern expressed on behalf of the Employers' Council that COPSE not undermine its data collection function by involving itself in the coordination of its members' bargaining strategies was interesting in two ways. First, the main advantage COPSE afforded capital was that of data collection. ECBC wanted comparative data that would be considered impartial, and therefore acceptable to labour. Such compensation information could then be used by its members in arbitrations and other legal tribunals. The representative of capital feared that if COPSE were viewed by labour as an arm of the Provincial Government established to coordinate public sector bargaining, any data collected would be suspect.

Although it seems likely the Employers' Council mistrusted the Government's ability to coordinate much of anything, most important was the fact capital recognized that labour's participation was required for the data to be considered legitimate. As Hamilton bemoaned:

One of the frustrating things about the Council is that it has the worst of both possible worlds. It was set up with the idea it could coordinate and therefore it kept labour on the outside despite the fact that the Pay Research Bureau at the federal level has been very effective--and involves labour.

Here in the traditional stance...of the Socred party, labour is excluded. But (we) didn't get the coordination. On the other hand, it seems to me, if it had been set up as a straight pay research bureau, and you had included labour, there (would be) some credibility to the statistics. In my opinion they're very good, but they are disputed by labour. And I think that's unfortunate, because the Council is neither fish nor fowl.²⁶

Presumably, the existence of undisputed compensation data would be useful to private, as well as public, employers. But the Social Credit party was not prepared to invite labour representatives to participate in a tripartite pay research agency. Nor was it likely that the B.C. Federation of Labour, at that time, would have accepted such an invitation, from a party so closely aligned with capital and, especially not so soon after the NDP's defeat at the polls. The Employers' Council was afraid the creation of a structure exclusive to the public sector would create a breach between private and public employers. Large employers in both sectors commonly met together under the auspices of the ECBC. At regular intervals they shared bargaining information, compensation data and strategic discussions. The ECBC facilitated relations between these organizations and Hamilton was loathe to surrender that role:

Nowhere else in Canada has the wholehearted cooperation between the private sector and public sector developed as it has in British Columbia. Equally, we are unique in enjoying almost total inter-industry cooperation and collaboration. The current situation has developed gradually and represents some fourteen years of progress and developing confidence between the groups which form the Employers' Council. I think B.C. is better because of this effort and it would be disappointing to see it split apart again if either the private or public sector undertook activities which lead to such segregation.²⁷

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26. Hamilton, Interview April 23, 1982.

27. Hamilton to Olsen, 4 July 1978, p.3. (PEBC Files).

Evidently, that unity among the employer community was too important to be sacrificed.

Furthermore, there was some concern among ECBC members that any splintering of the relationship between large public and private employers might have left capital more susceptible to nationalization should the NDP be re-elected. In the same letter to Olsen, quoted above, Hamilton acknowledged the "common cause" between ECBC and BC Hydro in avoiding any split between the two sectors:

I know this is not the intention of someone like yourself because B.C. Hydro was the first public sector body to come into the (Employers') Council. You left us with regret under pressure during the NDP regime and you returned with alacrity when this was possible.²⁸

Hamilton's concern about the NDP's stance toward Crown Corporations reflected the polarization between labour and capital discussed in Chapter Two. Although in the case of B.C. Hydro, for example, there was little to distinguish its operations from that of a private firm, Hamilton may have feared that because it was publicly-owned, B.C. Hydro would receive more favourably its workers' demands for better wages.²⁹ That fear, it seems, nourished Hamilton's interest in both safeguarding his organization's close relationship with Crown Corporations and, moreover,

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28. Ibid.

29. Interview with Mark Leffler, Manager, Labour Relations Division, B.C. Hydro, Interview held in Vancouver, April 29, 1982.

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protecting the ECBC's unique role from any interference by its new counterpart in the public sector.

The Provincial Government's intention, however, was somewhat different. The Council was formed to meet a set of broader objectives. Coordination of bargaining strategies among large private and public employers was not a major concern to policy-makers. That coordination already existed through the Employers' Council. Rather, COPSE's primary purpose was to rationalize the industrial relations practices and, hence, the expenditure of historically independent local government employers. As argued previously, the Government's lack of control in that sector constituted a major barrier to effecting a reduction in public spending.

Consequently, the Employers' Council was prepared to encourage the development of the new Council's research capacity, but not its proposed coordinating function. Since COPSE's original mandate included coordination of bargaining as a central task, however, some degree of duplication between the two organizations remained. Interestingly, as a result of such pressures from ECBC, in conjunction with those emanating from local employers anxious to guard their autonomy, the organization's focus changed. It began to engage in the collection and circulation of data as its

primary function. Coordination of bargaining through regular meetings of negotiators continued, but on a more informal basis.³⁰

Evidently, pressures brought to bear upon the Council by ECBC, its own members and the Provincial Government each conditioned its early development. But the shift from a coordinating, to essentially research body, was crucial. The Council's ability to fulfill its original mandate was thus effectively undermined. During the initial years, the uncertainty over its central function was manifest in a continuing crisis over sources of provincial funding.

Clearly, Government officials' plans for a monitoring agency never materialized. Resistance by individual public employers against coercive government interference meant that the central plank of B.C.'s post-controls strategy foundered. And the province's private sector, while pleased at the opportunity to entrench further the principle of total compensation as a means of enforcing restraints in public expenditure, proved only lukewarm to the Government's specific project. No doubt, the combined forces of these pressures caused the Council to strike a rather precarious balance in attempting to fulfill its mandate.

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30. Lois Spindler suggested that the average wage settlements in 1978-80 bear this out. Judging from Table VI, presented at the end of this chapter, she seems to have been correct.

Moreover, the legitimacy of the organization--in the eyes of its members, including the Government and those public employers also active in the Employers' Council--became dependent on its ability to withstand the even greater pressures unleashed as it sought to sever the umbilical cord to the Provincial Treasury. It is to COPSE's quest for membership-based funding beginning in 1978 that we now turn.

The Funding Crisis

As explained previously, the B.C. Government committed \$400,000 dollars, in addition to unlimited computer facilities, to fund the Council's first year. It was understood from the outset that membership financing through per capita dues payments was to take effect in 1979. In mid-1978, however, Keylock requested that full government funding be extended to cover the 1979 year. His reasoning was pragmatic. Although a large number of employers had affiliated to the Council, many were hesitant to pay the substantial membership fees that would be required once the Government withdrew its full support. In a letter addressed to Evan Wolfe, Chairman of Treasury Board, Keylock pointed out:

The municipal sector has joined, but Graham Leslie believes a further year would give the school board group a better look at what the Council has been able to achieve. By September we will have

accomplished a lot, but its value may not be fully recognizable until after one round of negotiations free of the Anti-Inflation Program.³¹

Evidently, Keylock hoped the Governments 'vote of confidence' would encourage public employers, and the British Columbia School Trustees Association (BCSTA) in particular, to affiliate to the still-fledgling Council.

Treasury Board, however, was afraid that extended financial support would lead to criticism of "direct Government control" over the Council.³² Such fears were, perhaps not inappropriate. The provincial election was approaching and in certain communities, CUPE had convinced councils to boycott the organization. The arguments advanced by CUPE were very similar to those it had made against employer accreditation. First, all local employers would be able to come to the bargaining table "armed with the latest statistics and information."³³ In addition CUPE argued, bargaining would become more centralized and decisions would cease to be made by local politicians. Instead, expert negotiators who were unaccountable to local communities would

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31. Keylock to Wolfe, 5 April 1978. (PEBC Files).

32. Wolfe to Keylock, 24 April 1978. (PEBC Files).

33. This phrase and the summation of CUPE's position may be found in "B.C. Council of Public Sector Employers: Using Our Money to Cut Our Wages" in The Facts Vol. 1 No. 10 (April 1979).

run the show. The end result would be "to poison relations between local unions and their employers." The Union also argued the Council would allow employers to strategize their bargaining so the weakest unions would be selected to set a pattern for settlements in the rest of the province. And because its bargaining strength would be undermined, CUPE maintained, rank and file support for the union would diminish. Finally, CUPE asserted the existence of the Council would reinforce "professionalization" of bargaining so that expert negotiators, instead of elected officials, would exert authority over the management of the workforce and community services. This, it was argued, constituted a "threat to local democracy". The Union lobbied municipal councillors not to join the Council on the basis of these arguments and blamed the Provincial Government for attempting to set up, in effect, a successor to AIB wage controls.

The spectre of a confrontation with unions over this issue influenced the Government's decision to diminish its own role. But the adamant stance taken by the Government was eroded as the gravity of the Council's position became apparent.³⁴

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34. Keylock intimated the depth of his concern in a letter to COPSE Chairman J.N. Olsen dated July 25, 1978. "...Without government assistance for 1979 there is a strong possibility that several members will withdraw, leaving the cost somewhat prohibitive to those remaining...I believe the government should be encouraged to undertake the cost of funding the Council for one more year as a justifiable anti-inflation measure." (PEBC Files).

In a letter to Wolfe, COPSE Chairman Olsen explained:

Some members are fearful that the Council is a thinly-veiled effort by the Provincial Government to establish control over public sector bargaining, rather than a vehicle to assist such negotiations. Only the actions of the Government and the activities of the Council will confirm or remove those fears---and time is required."³⁵

Finally, Treasury Board agreed to extend its contribution of 400,000 dollars for an additional year on the condition that membership be continued by all employers who had withdrawn, or threatened to withdraw,³⁶ due to anticipated membership fees.³⁷ Ironically, it appears not financing the Council for another year posed the greater risk; the Government's attempt to execute restraint policy through COPSE (while maintaining at least the appearance of an arms-length relationship to it) was not, at bottom, an expendable matter.

With provincial funding secured for 1979, the Council was able to continue its operations. The problem of establishing its legitimacy had not, however, disappeared. In February of that year, for example, the Health Labour Relations Association announced its impending withdrawal from the organization. Reiterating its support for the Council's

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35. Olsen to Wolfe, 1 August 1978. (PEBC Files).

36. The Hospital Labour Relations Association (HLRA) threatened to withdraw for this reason.

37. Wolfe to Olsen, 23 August 1978. (PEBC Files).

mandate and record, HLRA cited its inability to meet forthcoming membership fee requirements set at \$70,000. In addition, HLRA mentioned it had unsuccessfully sought a special grant from the Provincial Government in order to continue its membership.³⁸ Minister Wolfe and Treasury Board were unwilling to extend any further subsidies to the Council, even though the proposed membership fees would pose difficulty to the already limited budgets of many public enterprises. As Dr. Hall commented:

I've always thought (PEBC) was more a vehicle whereby the Provincial Government could exert an influence without doing so directly...The Government is not involved at the bargaining table but it's just like a ghost sitting back there; it hears everything, it sees everything, it directs everything....It's often very useful for a government not to be there itself, but to know what's going on, and direct what's going on, without direct confrontation between trade unions and elected officials....That can be very destabilizing to a society.³⁹

It seems the Provincial Government wanted to keep the Council at a distance, while continuing to exert a significant degree of influence on it via the membership of the Government Employees Relations Bureau.

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38. In a letter to Foley dated Feb. 27, 1979, Charles McGonville, Director of HLRA commented: "it is in fact fiscally irrelevant (it may not be politically) if the Government pays directly from a department or if it allocates funds to hospitals who then in turn pass it on to the Council" It is unlikely that a government already under pressure and facing an imminent election campaign would risk the negative political ramifications that such expenditure might entail. The Government's key concern was not to appear too closely associated with the council's activities. (Memo from Foley to COPSE Board of Directors, August 9, 1979. PEBC Files).

39. Dr. Hall, Interview April 29, 1982.

Consequently, the Council proposed a budget of 323,000 dollars for 1980--a reduction by 20 per cent from its 1978 and 1979 levels.⁴⁰ A funding formula providing for a \$3.50 assessment per full-time employee each year was approved. As expected, the Provincial Government communicated its intent to continue membership exclusively through the auspices of the GERB at a cost of 140,000.⁴¹ While this shift in government support had been foreseen, a new wrinkle emerged which again threw the Council's future into jeopardy.

In a letter received on January 28, 1980 from Mr. Mike Davison, Chairman of the GERB, Council was informed that Government participation, even through the GERB, would be curtailed. Arguing that provincial support had far exceeded initial commitments, Davison noted that after 1980, the GERB would resign from the Council's membership roster. Not surprisingly, Council Board members were outraged. At the February 8, 1980 annual meeting "it was recognized that the withdrawal of membership by the GERB would not only place PEBC in an untenable financial position but would cause major problems for the credibility of the organization."⁴² To deal with this latest stage in its credibility crisis, a 10-person committee was selected at the Board's February 9th

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40. PEBC, "Summary of the Activities of PEBC, January 1, 1979 to December 31, 1979, pp. 3-4.

41. Wolfe to PEBC, 22 January 1980. (PEBC Files).

42. PEBC, Minutes of Annual Meeting, 8 February 1980.

meeting to meet with members of the Provincial Cabinet. In addition, Foley was asked to solicit letters of support from all member organizations to be used at that meeting. (Copies were to be sent to PEBC, Minister of Finance Hugh Curtis, and Wolfe, then Provincial Secretary). In a memorandum to Council members, Foley noted:

We have concluded regrettably that the Provincial Government's elected officials do not fully appreciate the manner in which PEBC publications and its wide range of services are being utilized and are valued by public sector employers in general; we do not feel that they are aware of the degree of membership support that has been engendered during the past twenty-four months.⁴³

In the ensuing months, this conflict between the GERB and PEBC was frequently attributed to a personality clash between Davison and the Council's officials.⁴⁴ While it is probably true that Davison wanted to protect the

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43. PEBC, Memorandum to Public Sector Employers, Province of B.C., from B. Foley, 20 February 1980, p.3.

44. In a letter sent under personal cover from J.N. Olsen, Chairman of PEBC's Board of Directors to Evan Wolfe, Provincial Secretary and Minister of Government Services on Feb. 6, 1980, Olsen asserted that PEBC was fulfilling its mandate and raised concern regarding the role played by Davison:

"Mike Davison has not been a positive influence in the establishment or growth of the organization. He has not been constructive in determining means by which the organization can be made more effective, seemingly bent only on finding shortcomings that can be pointed out to others..."

The letter goes on to say that Davison was not giving the Government an accurate picture of what PEBC did. Also, during this same period, Graham Leslie of the GVRD sent a confidential letter to Foley, executive director of PEBC, in which he expressed his view that Davison was a conscious "saboteur".

stature of his operation, his views also suggest the existence of divergent interests within the state apparatus. Labour relations with Provincial Government employees, including the collection of data, were already handled through the GERB. Unlike the municipal and school board sectors which suffered from a structural fragmentation discussed previously, the Provincial Government did not encounter these problems in its own bargaining. Since the GERB itself derived little direct benefit from the Council's operations, perhaps it is not surprising that Davison resented the drain membership fees constituted on his own department's budget.

For Provincial Government leaders, the key question was whether the Council was fulfilling its mandate. Since it had largely abandoned its explicit coordinating function, there was some degree of duplication between services offered by PEBC and the GERB, respectively. On April 9, 1980, the PEBC Board of Directors met Ministers Curtis, Smith and Wolfe. PEBC representatives went into the meeting armed with documents and letters of support from its members which attested to the Council's value during the preceding few years. It is revealing to note that the organization of the local government sector had given it a coherent voice which allowed it, at this particular juncture, to make demands upon the state which may not have been intended by the Council's architects. In a letter written later that year,

then Chairman of the Board Macklin, summarized the decisions made at that meeting. He stated his pleasure that the Government had decided to remain a member through 1981 and beyond, and commented on the ways in which the Council intended to respond to the 'constructive criticism' raised. A central concern, from the Government's point of view, was the lack of coordination of bargaining by the Council. As a result, a series of "information exchange meetings" were planned for the Fall of 1980 in which

"...increased awareness by all public sector employers, large or small, urban or rural, of the impact of their collective bargaining decisions each other. As well, it should allow the smaller public sector employers especially, to become more knowledgeable in the personnel and labour relations area.⁴⁵

Until mid-1980, it was evident the Province was not prepared to force the PEBC to exert more control over the bargaining of its members. Evidently, the risk of an aggressive reaction from labour (as well as local employers) was judged too great. In September of 1980, however, the Ministry of Finance circulated a draft of a new Financial Administration Act (FAA) to PEBC and other organizations. The document circulated suggested all labour relations in the public sector be handled centrally through the GERB. This would have expanded considerably the GERB's role beyond relations with Provincial Government employees. In a letter

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45. Macklin, Chairman of Board of Directors, PEBC, to Heinrich, Minister of Labour, 17 July 1980. (PEBC Files).

from Macklin, Chairman of the PEBC Board of Directors to L.I. Bell, Deputy Minister of Finance dated September 22, 1980, the view was expressed that such centralization of bargaining would not deal with the real problems faced in public sector bargaining. Moreover, Macklin's major consideration was the reaction such a shift would likely engender from the province's labour movement:

Will not the designation of the Government Employee Relations Bureau as bargaining agent for a public body or group of public bodies be regarded by B.C.'s labour movement as an unwarranted intrusion by the Provincial Government into the collective bargaining process? Will not any such initiatives by the Provincial Government generate unneeded union hostility in the public sector?⁴⁶

It is evident that at this point the balance of class forces discouraged the Government from exerting a more coercive influence over public sector bargaining.

The above example also reveals how an interest association organized at the state's initiative may participate in economic planning. As discussed in Chapter Three regarding accreditation, the organization of these employers qua employers⁴⁷ meant that, for the first time they could be dealt with as a relatively coherent entity. Moreover, as demonstrated with respect to the accreditation inquiry and the draft financial legislation circulated, the existence of that

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46. Macklin to Bell, 22 September 1980. (PEBC Files).

47. It is important to note that associations like the BCSTA and the Union of B.C. Municipalities formed to deal with a wide variety of issues including funding and standards of service. Labour relations was only one aspect of these organizations' concerns.

coherent voice may be used in the formulation, as well as implementation, of policy.

But such a body may also demonstrate an internal dynamic which conditions its relationship to the Provincial Government. The debate over continued provincial financing to PEBC, was a case in point. The Council demanded further Provincial Government support because it was unable to secure adequate funding from its members alone. Although the Government wanted to diminish its responsibility for PEBC, officials argued additional funding was essential to maintain its legitimacy even in the eyes of its members. It is interesting to note how this body, created at the Provincial Government's initiative, exerted a degree of autonomy in establishing its proper requirements for survival.

As discussed in the preceding pages, the Government had sought to use its leverage as the Council's major financier to exert more control over its activities. Regional meetings between local employers were organized to promote the coordination originally desired. By creating forums for such contact between employers, the Government hoped to increase the level of sophistication among negotiators. As a result, it was expected that expenditure in that sector would be more easily controlled. Clearly, this was the Government's original objective, but it had been mitigated by the very nature of the organization established. Its voluntary, rather than coercive, basis meant that in addition to external

pressures from ECBC, the Council was pressured by some of its own members to stray from the Government's original goals. In particular, PEBC members also active in the Employers' Council of B.C. (usually large employers such as the GVRD and BC Hydro) exerted considerable pressure from within the organization. In effect, the Government's decision to create a voluntary organization to administer the policy of wage restraint meant the effort was flawed from the outset. That decision, like the constant attention paid to maintaining the Council at "arms-length" from the Government in order to protect its legitimacy, was conditioned by both the prospect of an organized response from the labour movement and pressures from local employers to safeguard their autonomy. Because such considerations figured prominently for the Social Credit Government during this period, it did not exert the requisite control which might have changed the Council's direction.

The Council's Broader Impact

Although coordination of members' bargaining did not occur in a systematic fashion, the Council did provide other benefits. First, by encouraging widespread use of sophisticated comparative data and bargaining techniques, the Council increased the ammunition available to employers at the bargaining table. Second, the institution of a structure which organized the interests of local employers reinforced the cohesion of the "employer community" at-large, including the private sector. While neither of these indices

demonstrates the Government was able to restrain spending in the local government sector as intended at the Council's inception, it will be argued that they helped to create the conditions necessary for a further escalation of policies aimed at weakening the labour movement while, simultaneously, reducing public expenditure. Each of these indices is examined in turn.

Employers' strength at the bargaining table was enhanced through the professionalization of management's approach to labour relations, especially in smaller communities unfamiliar with such techniques. Through seminars and training programs organized by the Council, negotiators became conversant with new bargaining techniques. More precisely, by generalizing certain norms for municipal and school board managements--including rates of pay, classification procedures and staffing levels--it was hoped these employers' historical vulnerability to union demands would be decreased. Knowledge of compensation levels in other localities and an appreciation of the benefit of standardization within the sector, for example, gave employers interested in limiting their expenditures an "objective" rationale for refusing union demands.

One effect of this greater sophistication, in conjunction with the Labour Board's decisions on de-accreditation, was that elected officials became less susceptible to

pressures intended by workers and their organizations. Further, by keeping individual employers from making "pattern-setting" settlements with their unions, it was hoped wage costs would be contained. Comments made by James Dorsey, Vice-Chairman of the Canada Labour Relations Board, in his submission to the 1979 Accreditation Inquiry, reflected how the professionalization of labour relations has affected unions' capacity to influence locally-elected officials' decisions:

Multi-employer bargaining (in the public sector) transfers collective bargaining to labour relations professionals from administrators trained in other skills and helps to insulate it from the winds of political whims sensitive and responsive to pressures of elections and fluctuating local tax-payer opinion...(It) acts to depoliticize labour relations and thereby reduces unrest.⁴⁸

The cohesion encouraged by the Council, coupled with its programs designed to raise the level of awareness of its members, were instrumental to building this additional strength among B.C. public employers.⁴⁹

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48. Dorsey, to Accreditation Inquiry, 28 September 1979, p.5.

49. As Paul Weiler, then Chairman of the B.C. Labour Relations Board asserted in a letter to COPSE in 1978, increasing sophistication among employers was a main reason for "...the desirability of organizations such as yours, and the variety of public employer associations under your umbrella. In my view policy-makers must resist the short-sighted efforts now being made by CUPE to fight professionalism in public management and negotiations." (Weiler to Keylock, 4 July 1978. PEBC Files). No doubt, the union's position was a reaction to the more cohesive resistance it encountered at the bargaining table; a cohesion that seriously threatened the union's ability to make gains based on its usual bargaining strategies.

A second benefit the Council engendered, as mentioned above, was the increased ability of capital to influence employers in the local government sector. The structuring of their interests and, the creation of a forum in which ECBC could interact with local employers and influence their decisions reinforced individual employers' appreciation of the impact their own compensation decisions had upon their counterparts. In effect, the notion of an "employer community" was thus enhanced. As Hamilton pointed out, "the purpose is to develop to the greatest practical degree a uniform position by employers generally."⁵⁰

Obviously, cooperation between the two organizations regarding the accreditation inquiry, as described in Chapter Three, was a concrete example of this type of cohesion.

Interaction between the two organizations during which ECBC was able to exert influence over local employers also occurred with respect to specific rounds of negotiations.⁵¹ Early in the public sector council's history, it was agreed that a COPSE representative would attend the ECBC's industrial relations meetings. Correspondingly, ECBC was represented at COPSE Advisory Committee meetings.⁵²

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50. Hamilton to Olsen, 31 July 1978.

51. That interaction, as we shall see in Chapter Five, was particularly crucial during the bitter Lower Mainland civic strike of 1981.

52. COPSE, Minutes, Board of Directors Meeting, 20 Friday 1978, p.2.

The most intense forum for cooperation between the two organizations was the ECBC's Tuesday morning breakfast meetings for negotiators. Negotiators told one another, in confidence, what demands were on the table and what management's response would be. In addition, grievance and arbitration activity were discussed. As Bert Harwish of ECBC and Don Saunders of FIR commented regarding the participation of public sector employers in those meetings:

It's important for them to rub shoulders and create their attitudes and pressures for the private sector. It's equally important for the private sector to know where the public sector is leading into and where it's going. That's the only forum in which any real dialogue takes place between public and private sector in so far as labour relations is concerned...Over at the PEBC, they're talking to each other...it's just going to be leapfrogging and escalating (whereas) this way you have some chance of really affecting or influencing where you're going.⁵³

Obviously, the membership of local employers in COPSE facilitated this kind of exchange between employers in each sector.

Exchange of representatives between the councils also proved beneficial in specific disputes. During the Fall of 1978, for example, both Vancouver daily newspapers were out of print due to a strike/lock-out at Pacific Press. The unions published an alternative paper known as the "Express" during this period. PEBC Advisory Committee members were made aware of the employer's point of view and were encouraged,

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53. Interview, April 23, 1982.

along with all ECBC members, not to advertise in the "Express" because to do so would provide striking workers with income and thus prolong the dispute.⁵⁴ This example suggests that the lines of communication established between the two organizations reinforced unity between employers, regardless of sector. That cohesion was a major benefit to stem from the organization of previously unassociated diverse local government employers.

These two points (that is: the strengthening of local employers through the introduction of advanced industrial relations techniques and the cohesion encouraged between employers in both the private and public sectors) reflect the broader impact made by the Council of public employers. Although it did not achieve the coordination of its members' bargaining in a comprehensive fashion, the creation of the Council did serve to structure the interests of the local government sector toward rationalizing expenditure.

Figures in Table VI suggest that between 1976 and 1980 inclusive, school board settlements were consistently below the figure for all industries. Municipalities' settlements were equal, or below, the all industries' figure for 1976, '77, and '78. In 1979 and '80, municipal increases

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54. Minutes of PEBC Advisory Committee Meeting, Nov. 7, 1978; Minutes of PEBC Board of Directors meeting, Nov. 17, 1978; Memo from ECBC to Master Members and Industrial Relations Group, Nov. 7, 1978.

were below the all industries' figure. Nonetheless, the 1979 and '80 statistics do show a significant increase over settlements in the three previous years, when workers were covered by the Federal AIB program. As evident in the Table, it was in 1981 that both municipalities' and school board increases were above the composite figure for all industries.

TABLE VI: AVERAGE ANNUAL PERCENTAGE INCREASES IN B.C. (BY SECTOR) ⁵⁵

YEAR	SCHOOL BOARD*	MUNICIPALITIES	ALL INDUSTRIES
1975	23.6	17.1	--
1976	9.8	12.8	10.7
1977	5.1	6.4	6.4
1978	5.8	6.7	6.2
1979	7.3	8.1	9.1
1980	10.1	11.2	11.4
1981	14.9	16.3	14.2
1982	10.5	13.3	9.7

*does not include teachers.

It seems that before 1981, the Council did have some limited impact on the rates of settlement. Pressures unleashed during that year, however, meant the Council was not sufficient to keep wages down. The wage restraint PEBC encouraged, as with employer accreditation, was of a volunteer nature. These measures provided employers some advantages and lay the framework for a further escalation of policies aimed at disorganizing the province's labour movement. But as the crisis deepened and labour's "catch-up" campaign unfolded during 1981, the Government adopted more

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55. B.C. Ministry of Labour, Labour Research Bulletin and Dept. of Labour, Annual Reports 1976-83.

coercive measures. As Don Saunders of FIR commented:

1981 saw the school boards leapfrog each other... the weakest school board provided the pattern for everyone...As a power organization PEBC just didn't fulfill the objectives some of us thought they were trying to achieve.⁵⁶

While it is beyond the scope of this text to examine in detail the B.C. Government's rationale for the imposition of public sector wage controls in the winter of 1982, or the subsequent draconian measures designed to dismantle public services and limit public sector workers' job security in July of 1983, the final chapter investigates conditions present in the local government sector in the early 1980's that may have contributed to the escalation of the stakes faced by the Provincial Government and capital.

In an unprecedented fashion, the 1981 Lower Mainland civic strike put women workers' demands for equal pay for work of equal value squarely on B.C.'s industrial relations agenda. And it provoked an extremely bitter reaction from the province's employer community. In our final chapter, we analyze that dispute with a view to explaining its roots in the peculiar character and role of the local state, the structurally fragmented nature of local bargaining and, finally, the threat that this ensemble of conditions constituted for capital. It will be argued that this particular dispute signalled the "beginning of the end"

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56. Interview, April 23, 1982.

for the strategy documented throughout this study; a strategy designed to strengthen employers' ability to withstand union demands, and thereby implement fiscal restraint on a voluntary basis.

CHAPTER FIVE: THE 1981 LOWER MAINLAND CIVIC STRIKE; THE
STRATEGY'S UNRAVELLING.

In this chapter we examine the issues, events and, most important, the repercussions stemming from the 1981 Lower Mainland civic strike. In some important respects, this dispute illustrated many of the trends discussed in earlier chapters of this study. Borne out in this difficult set of negotiations, for example, was the influence exerted on individual local employers by a joint bargaining association. In addition, issues raised in the dispute occasioned the direct interplay and, influence, of the B.C. Employers' Council on local government leaders. And since the employer was not accredited in this instance, the unions, in conjunction with sympathetic elements of the community, were able to exert some impact on the considerations of elected representatives during the bargaining process.

Finally, it is important to recognize that this strike hinged on a demand for substantial wage increases for a historically low-paid, low-status sector; a sector in which large numbers of women carry out work of a reproductive nature. The demand for equal pay threatened, in some important respects, the very existence of that sector as a low cost, but essential, component in the reproduction of capitalist relations. In addition, given the particular conjuncture in which high unemployment in resource and

related industries contributed to the devastation of social and economic patterns, it may be argued that the equal pay issue constituted a greater menace in two ways.

First, it is probable that the particular services offered by the local state become more critical in a period where economic conditions frequently lead to social problems such as alcoholism, family breakdown and child-battering. Services already plagued by fiscal restraint were unlikely to be funded adequately to meet these expanded social needs. The spectre of paying substantially more for the provision of these services, had equal pay been achieved, could not have been attractive to a Government committed to restraining the public purse.

Second, for large numbers of men unemployed as a result of the economic situation, the importance of the equal pay demand may become apparent. This would be especially true for those families reduced to one (normally smaller) income. As a result, the possibility of widespread support for equal pay was enormous. That potential, rooted in the nature of the local state and the position of workers and their families during this particular conjuncture, constituted a significant threat to which capital had to respond.

In the following pages we document the strike as it unfolded. It will be argued that this conflict constituted a significant turning point in B.C. Government industrial relations policy. The stakes placed in relief in this dispute provoked an aggressive response from the province's employer community; a reaction that heralded the beginning of coercive, rather than voluntary, means to contain spending in the structurally-fragmented local government sector. We begin with an examination of the operations and practices of the employer in question, the Greater Vancouver Regional District (GVRD) Labour Relations Department.

THE GVRD LABOUR RELATIONS DEPARTMENT

How the Department Functions

The GVRD Labour Relations Department is composed of some twenty municipalities, school districts and other public bodies² which joined together to manage their respective work forces. Founded in 1965 with one employee, it grew to the point where, in 1982, it employed approximately thirty people working in various areas of labour force management.³

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2. See Appendix 9 for a list of GVRD members.

3. Mr. Graham Leslie, then General Manager, GVRD Labour Relations Department, Interview held in Vancouver, April 20, 1982. These figures and the information regarding the function of the Department, covered in the next pages, were provided by Mr. Leslie.

The Department's main purpose was to provide its members' services with regard to bargaining, research and policy, and compensation. In combination, the investigation of these three areas was meant to provide local managers expertise and data on every aspect of the labour-management relationship.

In 1982, the GVRD employed some eleven thousand regular, full time workers, in addition to approximately one thousand seasonal parks and recreation employees during the summer months. The total payroll for GVRD members in that year was between 2.75 and 3 million dollars. The budget of the Labour Relations Department was approximately 1.65 million dollars during the same year.

The Department was organized in the following manner. The GVRD Labour Relations Committee, composed of one representative from each of the elected municipal or school board councils, was the main decision-making body. Mr. Leslie, then General Manager, reported directly to this committee. In addition, the chief administrators of each member body formed the GVRD Labour Relations Advisory Committee, which assisted in the preparation of reports and recommendations to the committee comprised of elected officials. The Chairman of the Advisory Committee, usually a municipal manager, accompanied Mr. Leslie to all meetings of the elected Labour Relations Committee where, he said, all "policy (was) dictated."

Employees of the GVRD belonged to several different unions, the largest of which were CUPE and the Vancouver Municipal Region Employees Union (VMREU).⁴ Since 1969, the GVRD has bargained jointly on behalf of its member public bodies. A formal agreement is drawn up and ratified at the outset of each round of negotiations to outline the procedure for exchanging proposals, ratifying tentative agreements and calling strikes.

In its negotiations, the GVRD followed two important precepts. First, its point of comparison for union demands was private sector wages and benefits, not local governments across the country. It was Mr. Leslie's view that only the B.C. marketplace provided a valid comparison. Second, the GVRD utilized the concept of "total compensation" in which the total cost of the wage and benefit package paid to the employee was calculated as a percentage increase, rather than just the wage portion. Leslie emphasized that this practice, now widespread in B.C., was pioneered in the Vancouver area during the early 1950's. Nonetheless, he admitted, disparities in data continued to exist due to the application of different methodologies. Although the council of public employers was created to assist in resolving that

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4. When CUPE was formed in 1963 following a merger of NUPE and NUPSE, the VMREU which was a member of the former, chose to remain independent.

problem, Leslie lamented that "...when dealing with the same trade union (CUPE, in particular) we can whipsaw ourselves to death through our differences in methodology."⁵

The GVRD was thus the exclusive bargaining agent for its members. Any attempts by elected councils to negotiate separate agreements with their union locals were null and void, so long as the municipality retained membership on the GVRD committee. That is: no council could negotiate an agreement separate from that negotiated by the GVRD itself. Since the organization was not accredited, however, the legal entities to sign collective agreements remained the individual employer and union local. Unless each member municipality or school board and, in turn, union local ratified the tentative agreement, there could be no settlement. Unlike an accredited association, the GVRD could not impose a settlement on its members, even where a majority of employers had already reached a settlement.

Normally if both union and management in a particular community accepted the tentative agreement, a contract was signed. If one side or the other refused, they were obliged to return to the bargaining table until an agreement (or impasse) was reached. It was Leslie's view that the GVRD was "tremendously vulnerable" to union pressure because it was not accredited and hence, could not impose its will upon sometimes reluctant employers.

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5. Interview with Leslie, 20 April, 1982.

The GVRD and Accreditation

Since 1976, the Department has engaged in two campaigns to become accredited. In neither case was it able to persuade elected councils to cede their autonomy and, in effect, their right to veto an unwanted contract, to an accredited organization. During each attempt, CUPE lobbied elected councillors to convince them of the dangers of accredited bargaining. The union based its arguments principally on the B.C. Labour Board's demonstrated tendency to regard an employer's decision to accredit as unalterable. Briefs outlining the disadvantages of accreditation were presented to each member council of the GVRD by the respective CUPE locals. Most councils were receptive to the ideas advanced, especially concerning the prospect of losing the right to veto a tentative agreement with which they could not agree.⁶ In November 1978, for example, Vancouver City Council voted eight to one against the GVRD Labour Relations Committee's proposal to accredit. Vancouver's decision followed similar action taken in Burnaby and Surrey.⁷

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6. Don Cott, CUPE National Representative and Chief Negotiator/Spokesperson during the 1981 strike, interview held in Ottawa, June 25, 1984.
  7. CUPE, "Vancouver City Council Rejects Accreditation by Overwhelming Vote", B.C. Research Bulletin, 24 November 1978, p.1.

Of course, the garnering of support against the GVRD's proposed accreditation did not occur in isolation from other aspects of the region's political fabric. In Burnaby, for example, certain aldermen had been elected with the support of labour and community groups. Alderman Fred Randall, for example, who also held the position of business manager for the International Union of Operating Engineers, was one such elected representative. Some years earlier, union activists had been involved in the formation of the Burnaby Citizen's Association, a coalition of left-leaning groups including union members, NDP and Communist Party members, and various community organizations. Union locals (including CUPE) made financial contributions to the Association, which ran a slate of candidates in civic and school board elections. These candidates were generally also endorsed by the Vancouver and District Labour Council.⁸

In a similar fashion in 1978, the Coquitlam municipal local (CUPE 386) wrote a letter to its Council asking to make a presentation regarding the merits and disadvantages of accredited bargaining. A delegation of five local union leaders met with Council in an in-camera session. Similar arguments to those outlined in Chapter Three of this study were presented. According to Sol Jackson, a member of CUPE local 386 and community politics activist in the

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8. Interviews with Cott, 25 June 1984 and Sol Jackson, interviewed by telephone, June 28, 1984.

Vancouver area, the Council's desire to retain its autonomy was paramount. "It seemed very important", he stated, "that Council could speak to its own employees, be responsible to its own citizens, and have the right to veto." One alderman on the seven-person Council was also a member of the Association of Coquitlam Electors, a group not too different in composition from that which existed in Burnaby. No doubt, that individual's favorable predisposition to the union's concerns was pivotal in the formulation of the Council's position.⁹

Although not formally accredited, the GVRD was able to enjoy some of the advantages normally associated with accredited bargaining. Under the Municipal Act, the Provincial Cabinet had the power to designate services to be carried out by Regional Districts instead of individual municipalities. Under that Cabinet order, certain guidelines were laid out in the Letters Patent of the GVRD. Membership in the Committee was to be voluntary, but once a municipality elected to join, it was constrained from withdrawing from the association until it gave one year's notice of its intention to do so. This regulation was established to guard against the possibility that a member leave the organization suddenly in the middle of a round of bargaining, thereby weakening the association.

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9. Jackson, 28 June, 1984.

In a test case in 1979, the municipality of Delta tried to withdraw from the GVRD Committee while negotiations were in process. The regional negotiations (at which Delta was represented by the GVRD) were at a standstill. In an attempt to move closer to an agreement, a group of leaders from municipal CUPE local 454 met with Mayor Tom Goode. At his initiative, the union subsequently made a presentation to the municipal council in which the arguments against accreditation were outlined.

Council was composed of seven members, including two with labour backgrounds who had been elected with the support of the Citizens' Association of Delta. Members of this association spanned the political spectrum, including left-wing members of the NDP, as well as conservatives. This formation operated during elections and worked primarily on an "issues" basis.¹⁰

When the Delta Council voted to withdraw from the GVRD, the latter appealed the decision to the B.C. Labour Relations Board. For a period of time before the Board made its ruling, the Delta representatives and the union local met apart from the regional negotiations and were able to reach a settlement. The monetary portion was identical to that reached by the GVRD in the regional settlement, but the

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10. Gary Johnson, president CUPE local 454, interviewed by telephone, June 28, 1984.

package also included two items of specific importance to the Delta local: specific procedures for carrying out a job evaluation program negotiated in an earlier round of bargaining and changes to the wording of the seniority clause. Although both the Delta municipal council and local 454 of CUPE voted to ratify the tentative agreement, the GVRD refused to accept it. And as long as the municipality was a member of the GVRD, it was prohibited from concluding an agreement with its employees separate from the regional settlement.

Meanwhile, the Labour Board ruled that the municipality did not have the right to leave the GVRD; a ruling consistent with the jurisprudence established for accredited employers. As a result, no collective agreement could be signed. The local went on strike from mid-September to mid-November of 1979, when the GVRD finally accepted a package that included the above items. Thus the Labour Board upheld the guidelines elaborated in the Letters Patent, and the GVRD--albeit its unaccredited status--was able to maintain effective control over a maverick employer.¹¹

Unlike an accredited organization, however, the GVRD could not oblige an employer to accept a tentative agreement with which it was not in accord. As a result, the

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11. Owen Dykstra, President B.C. Division of CUPE, Interview held in Vancouver, April 28, 1982.

Union, through its lobbying efforts, was still able to exert considerable political pressure upon the employer. Let us note two things about the character of that pressure. First, the GVRD (like other bargaining associations) functioned, in part, at an ideological level. It attempted to generate consensus among its members around particular issues, thereby creating a consolidated "employer response" to workers' demands. The campaign to become accredited was a case in point. Building consensus and a unified response to union demands via employer accreditation was critical to rationalizing expenditure in the local government sector, precisely because it limited unions' ability to exert pressure on elected officials.

Herein lies the second point. The GVRD was not the only ideological force to confront local employers. The notion that elected officials be accountable and responsive to their communities was an integral aspect of local political culture. That these notions were prevalent constituted an opportunity for workers and their organizations to exercise influence through democratic channels. In many communities in B.C., workers have exploited these avenues by participating in the electoral process and, subsequently, demanding elected officials respond to their concerns. In Burnaby and Coquitlam, as we have seen, the union exerted pressure successfully against the GVRD's drive for accreditation.

And in Delta, the union's lobbying efforts convinced the municipal council to try to withdraw from the GVRD. It becomes evident, in consequence, that the ability of the GVRD in particular, (and employer associations generally) to generate consensus among its members, was mitigated by the balance of class forces. It was the limit that this dynamic of local politics posed to employers' hegemony, as we shall see in the remainder of this chapter, that constituted the unravelling of the 1970's strategy to contain expenditure in the local sector.

THE CIVIC STRIKE - The Issues

In late January 1981, more than eleven thousand civic, library and school board workers in British Columbia's Lower Mainland went on strike. Lasting up to fifteen weeks in some jurisdictions, the strike revolved around three main issues. The first was a substantial wage increase for all employees. The second issue was a demand for "equal pay for work of equal value" between predominantly female clerical workers and mainly male outside workers. (To implement this, the union argued that the base entry rate for outside and

clerical (inside) workers be made the same¹² and, relatedly, that the practice whereby clerical workers had to pass through extensive increment steps to reach full pay be abolished.)¹³ The third issue was advanced by the employers. It was to replace the existing sick leave plan with a weekly indemnity plan. This would have had the effect of forcing employees to pay for short term sick leave costs. And it would have allowed private insurance companies to profit from providing insurance coverage to large numbers of workers.

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12. The struggle to put this demand forward in certain CUPE locals (Burnaby School Board Employees, Local 379, most notably) and, subsequently, the B.C. Division of CUPE could properly form the basis of a separate inquiry. Female union members began pressing the union to support this concept as early as 1977 and encountered, in the process, significant resistance from the union leadership as well as fellow members. Of particular interest is the strategy undertaken by these women toward convincing their male counterparts to support the equal pay demand. As Val Pippas, then an executive member and activist in CUPE local 379 explained "You have to get down to the simplest terms so that people are not confused. They all seem to be able to understand that many women live alone today for whatever reason--they're separated or by choice--and that when you go to the gas station you can't say 'I'm a clerical worker, give me a cheaper rate than you give a labourer'. Everyone seemed to relate to that." (Interview with Pippas held in Winnipeg during Cupe National Convention, October, 1981.)
13. CUPE, "Raises not Roses: Vancouver Clerical Workers strike for equal pay", The Public Employee, Spring 1981, pp. 8-9.

Negotiations had stalled in December. As the parties met with a provincially-appointed mediator, it became obvious that a strike was on the horizon. Members assembled to conduct strike votes in each local; not one gave the Joint Negotiating Committee (JNC) less than an 80 percent strike mandate.¹⁴ It was common knowledge that the previous contract (1979-80) had been settled at the mediation phase, with a monetary settlement that fell below the rate of inflation. The 1980-81 contract was to be the first major settlement since the workers came out from under the federal controls program. As Don Cott, chief negotiator and spokesperson for CUPE during those negotiations stated:

There was a real impetus to attempt to catch up. We had been relatively close to the forest industry (earlier) but we had really taken a beating over the last four or five years. We had dropped way behind them in wage rates. That relationship was completely distorted and we were out to restore it.¹⁵

Equal Pay

"Equal Pay for work of equal value" is an issue which has, in recent years, reached the forefront of debates regarding human rights legislation. Its supporters argue that work traditionally performed by women is low-paid and will continue to be, so long as women are crowded into few occupational ghettos and employers can offer low salaries

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14. Interview with Cott, 29 June, 1984.

15. Ibid.

with the knowledge that women will take these jobs. Especially in a period of high unemployment, it is argued, the ghettoization of women in low-paid work will continue. At present, only the Federal and Quebec Governments have enacted legislation that requires employers to pay workers equal pay. The contentious element of the issue is the basis on which "equal value" is determined. In 1951, the International Labour Organization adopted Convention 100, calling for remuneration for work of equal value. It recommended the use of a job evaluation method to measure value. Canada signed this Convention in 1972 and passed Section 11 of the Canadian Human Rights Act in 1977.¹⁶ The Canadian Human Rights Act, section 11 (2) stipulates:

"In assessing the value of work performed by employees employed in the same establishment, the criteria to be applied is the composite of the skill, effort, and responsibility in the performance of the work and the conditions under which the work is performed.

Job evaluation systems may be used to assess value according to these criteria, but such systems are not, themselves, free of bias. They were not established with an aim to eliminate sex discrimination. For example, a system

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16. PEBC Reference Report #67, May 29, 1981, p.7.

may give skill points for driving a car, but not for preparing food, though both skills are learned off the job. 17

Further, as long as employers retain the right to define and modify what tasks and responsibilities are included in particular jobs, attempts to compare dissimilar jobs may be easily thwarted. The union's demand, supported by both clerical and outside workers, was to redress the discrimination where it begins, at the entry level to the workforce. As Colleen Bertrand, one of the leaders in the Burnaby School Board local argued:

"The thing about the base entry rate (is)... it does not turn the male membership off. If you start saying 'I'm a steno and I'm worth more than you because I need a Grade 12 and you only need a Grade 8 education'...then they get their backs up. You are putting them down. We always said 'We are bringing us up, not putting you down'...If you said 'Look, I work and you work and damn it all I have to pay the same bills as you and why shouldn't I at least start off at the same level as you?'"¹⁸

Sick Leave

The employer's proposal that the workers' benefit plan be restructured was what is known as a "take-away"

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17. Gail Bell, "Equal Pay: Nothing to do with Need", Vancouver Sun, 15 April, 1981.

18. Colleen Bertrand, CUPE local 379, Interview held during CUPE National Convention, Winnipeg, October 1981.

demand. In effect, the GVRD requested that workers give up their severance pay and sick leave banks in return for a combination of three insurance plans: Medium Term Sick Leave, Long Term Sick Leave, and Long Term Disability Insurance. The employer offered to increase the coverage of these insurance plans and to pay the full cost of the latter two. In return, workers would have to pay the full costs of short term sick leave. The GVRD estimated, but could not guarantee, that the new sick leave fund would cost employees approximately two percent of their gross earnings.

Research by the Canadian Union of Public Employees claimed the cost to workers would be close to six per cent of their gross earnings. CUPE argued further that the loss of the present sick leave plan, whereby workers receive full payment of wages from the first day of illness, would be a major disadvantage not outweighed by the other components of the employer's benefit proposal. Specifically, the real cost of sick leave is the replacement cost of workers hired to fill in for ill employees. Since employers frequently do not replace absent workers, however, the actual cost is often zero. Under the GVRD scheme workers would automatically pay an absent employees' wages, even if the employer did not hire a replacement. In financial terms the employer would stand to make substantial gains. In non-monetary terms, the employer would also benefit from having engineered a system whereby workers would end up policing each others' use of

sick leave.¹⁹ Management's control would be enhanced against what Leslie later called "an unsupervised paid absenteeism" and, consequently, union solidarity would be threatened.²⁰

That CUPE rejected completely the GVRD proposal is not surprising. It seems possible that the employer, aware that the union would never give in on sick leave, left its demand on the table until the very last minute in order to ensure the strike was prolonged. Indeed it was the opinion of some union militants that they got "pushed out" on strike due to this take-away demand.²¹ Certainly, the employer stood to benefit from considerable savings in its annual wage bill as long as workers were off the job.

With respect to the sick leave demand, two problems stand out. First, central to the GVRD benefit proposal was the fact that private insurance companies stood to make substantial profits because a great deal of new business would be generated. The GVRD stated explicitly in a memo drafted on October 29, 1981, that total administrative control over benefits would be placed in the hands of the employer. They also would decide which insurance carriers to

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19. CUPE Research Department, "Analysis of the GVRD Proposal on the Restructuring of the Employee Benefit Package", March 10, 1981, pp. 4-6.

20. Interview with Leslie, 20 April, 1982.

21. Interview by telephone with Jackson, 28 June, 1984.

use.²² Second, one of the major public justifications for the restructured benefits package was the GVRD's own estimate that it would save taxpayers 1.3 million dollars.²³ By means of a high profile advertising campaign in the local media, the employer used its budgetary woes to justify regressive bargaining demands.

Behind the Scenes

The Union's bargaining was done by the thirty-two member JNC, in conjunction with CUPE staff representatives. The committee operated on the basis of consensus and each union local had the right to veto. Although some locals were stronger than others, as the strike wore on "...there was a real incentive to try to hang together...nobody was going to be the one to sell anybody out."²⁴

After eight weeks on strike, the Union stepped up its lobbying in an effort to get the employer back to the bargaining table. The JNC agreed to meet with each of its individual elected governing bodies in order to keep them informed of the issues. Letters were also sent to each of

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22. CUPE Research Dept. "Analysis...benefit package", p.11.

23. "CUPE Hints at B.C. - Wide strike," Vancouver Sun 29 January 1981.

24. Interview with Cott, 25 June, 1984.

the elected councils. Not all bodies were receptive. In Coquitlam, for example, the mayor refused to even meet with the Union representatives.

Past strikes normally lasted five to six weeks. In this case, members' resolve was strong and the momentum at eight weeks was still considerable.²⁵ A weekly strike bulletin was produced centrally by the Union and joint membership meetings held at the Pacific National Exhibition Forum attracted between 2500 and 3000 members. Not only did these meetings serve to keep members abreast of the latest developments at the bargaining table, but they reinforced the members' resolve to, among other things, carry out their picket duty.

Picketing was generally quite successful. British Columbia Federation of Labour affiliates respected the picket lines, as did Teamsters and some teachers.²⁶ In addition, the Union carried out an ambitious program of secondary picketing. Any sites at which municipal employees would normally have had to do business were picketed. According to Cott, the Union:

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25. Interview with Cott, 25 June 1984.

26. Cott stated that teachers were not generally that supportive, although the provincial teachers' federation urged its members not to cross the picket lines. He speculated that if such a strike were to take place in 1984, after the organization of Operation Solidarity, the teachers would likely be more sympathetic.

took advantage of secondary picketing...on construction sites where they had to send inspectors in, road and water main construction, subdivisions, any sort of place where municipalities would normally send someone. (Our picketing) revolved around approvals municipalities would have to give...During the strike at any one time, we'd have 10-15 construction sites shut down. And some of them, we'd keep shut down. We'd close them right up.²⁷

Just at the point at which two employers not part of the GVRD (Maple Ridge and Coquitlam School Districts) had settled, and included some improvement on the equal pay issue, William Hamilton, then President of the B.C. Employers' Council, sent letters to municipal and school board employers throughout the Lower Mainland area. In a letter to GVRD-Labour Relations member, John Parks, dated March 12, Hamilton made clear his organization's concern over the equal pay issue. He wrote:

To grant these inside workers similar starting rates as outside workers without having an exhaustive examination (of whether the jobs are equal) will have a serious rippling effect throughout your administration and thereby a negative impact upon taxpayers and other employers.

He closed by offering the GVRD (and other public employers) any assistance they might require and reaffirming "the support of the members of (the) Council in rejecting this union demand."²⁸

Hamilton's letter, however, had some repercussions he had not expected. Union activists were made aware of the

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27. Interview with Cott, 25 June, 1984.

28. William Hamilton to John Parks, 12 March 1981.

letter by local councillors sympathetic to their cause. As Colleen Bertrand of the Burnaby School Board local explained "Our school board had the guts to bring (the letter) out on the table at a (Board) meeting and we took it from that meeting and went out to the press with it...²⁹

It is not surprising the private sector feared equal pay. It is likely that the potential costs involved gave impetus to the direct involvement by the Employers' Council. Disseminating their views widely in a high profile campaign, the Council was the Union's single most vocal opponent. Constant pressure through letters and newspaper advertisements was put on public employers not to enshrine the equal pay principle in their settlements.

In addition, representatives of the GVRD Labour Relations Committee continued to attend weekly negotiators' coordinating meetings sponsored by the Employers' Council.³⁰ During the strike, these meetings provided for valuable information sharing and strategy discussions between negotiators. Don Saunders explained:

We met at the George Hotel at their (GVRD) initiative, since they wanted to know what was going on. We're talking about the political people--mayors and some of the councillors from the various municipalities. They met with us, the core group of our negotiating committee, privately, to ensure that they understood what the broader scene was all about.

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29. Interview with Bertrand, 27 April, 1982.

30. Joey Thompson, "GVRD Strikes Gear for Long Fight", Vancouver Sun, 17 February 1981.

Saunders also said this meeting was not the first of its kind to be held.³¹

Evidence suggests further that GVRD negotiator Graham Leslie intervened directly in one municipality's negotiations. Surrey, which was not a member of the GVRD, was poised for a settlement in early March that would have enshrined the equal pay principle. At the last moment, management's proposal was pulled from the table.³²

The fact that an independent municipality prepared to accede to the union's demands would be subjected to such pressures is a graphic revelation of the influence wielded by the GVRD, in conjunction with the Employers' Council. Although the ECBC objected to CUPE's charges that the Council had "master-minded" negotiations during the civic strike, ECBC spokesperson Saunders did not hesitate to mention during an interview that they had met with a group of GVRD mayors and aldermen during CUPE's earlier push against accreditation. Saunders told the elected officials then "...they must get their house in order and structure themselves to meet the power on the other side of the bargaining table, because it's a power struggle whether (they) like(d) or not."³³

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13. Don Saunders, President Forest Industrial Relations, interview held in Vancouver, April 23, 1982.

32. Joey Thompson, "Talks fail and civic dispute drags on," Vancouver Province, 17 March 1981 and Doug Ward, "GVRD man scuttled deal, union says," Vancouver Sun, 12 March 1981.

33. Interview with Saunders, 23 April, 1982.

The Settlement

Although the strike was not successful in gaining equalization of base rates in most areas, it did put the equal pay issue squarely on the province's bargaining agenda. In some instances, clerical workers at the second classification on the pay scale had their wages brought closer to the entry level for outside workers. Three months after going on strike, workers accepted an average 43 percent increase over two years. Wages rose from an average \$943 per month to \$1,377.³⁴ Although these increases were significant, the GVRD master agreement did not include the principle of equal pay for work of equal value. The municipalities of Surrey and Chilliwack, as well as certain school boards, did enshrine the principle in their respective collective agreements. By the end of the two year agreement in these locals, the base entry rates for clerical and outside workers would be equalized.³⁵

These gains motivated the Employers' Council and the PEBC to respond. As PEBC's informational publication of May 29, 1981 stated:

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34. CUPE, "Raises, not Roses. Vancouver Clerical workers strike for equal pay" The Public Employee. Vol. 3, No. 4, Spring, 1981, p.11.

35. CUPE, The Leader. Vol. 4, No. 8, May 19, 1981.

The issue of equal pay for work of equal value will certainly cause changes in the economic and no doubt, the social fabric of the country... unions are not waiting for legislation but are demanding action already. The issue is upon us. The time for preparation is now.³⁶

The character of that response is the subject of the next several pages.

Employers' Response

British Columbia's human rights legislation in 1981 provided for no discrimination regarding pay levels for "similar or substantially similar work."³⁷ In June of that year, following the civic strike as well as other labour disputes in the province,³⁸ the B.C. Human Rights Commission submitted to the B.C. Legislature a series of recommended changes to the Human Rights Code. Among these was the provision that the concept of

equal pay for work of equal value for men and women be incorporated into the Human Rights Code with 'equal value' to be determined by the composite of skill, effort, responsibility and working conditions.³⁹

No doubt, this recommendation was a "red flag" signalling the Commission's eventual fate in 1983.

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36. PEBC Reference Report, No. 67, May 29, 1981., p.11.

37. B.C. Human Rights Code, Section 6 (1) With the exception of New Brunswick, B.C.'s equal pay legislation was quite similar to that in other provinces. New Brunswick's provision is not specifically contained in any legislation although it is deemed to be included in the general anti-discrimination provision in the Human Rights Code.

38. A dispute occurred at the firm Canadian Kenworth in which equal pay for work of equal value was a central issue.

39. B.C. Human Rights Commission, Recommendations for Changes to the Human Rights Code of B.C. JUNE 1981 # 14 p.13. The end of the recommendation read: "The Commission feels that specific methodology for administration of this provision should be worked out in consultation with unions and employers, and incorporated into the guidelines to be issued by the Commission (Same document, p.13).

Employers were quick to act on this issue since, following the civic strike, 24,000 hospital workers and 40,000 provincial government employees entering into negotiations publicized that equal pay was to be a key demand.⁴⁰ The PEBC, for example, struck an equal pay committee which met early in 1982 to prepare a position paper on the topic. Its mandate was "to examine the equal pay issue from a management point of view, including employee relations concerns as well as costs, productivity, and quality of service."⁴¹ One of the committee's central concerns was that unions' attempts to negotiate base rate parity as a step toward equal pay would not solve the problem of job ghettos. In fact, argued PEBC, base rate parity would reinforce the existence of job ghettos by paying more for them.⁴² The PEBC committee was interested in separating the question of "value" from that of "parity". In addition to greater expenditure, it was argued, the succeeding round of bargaining might witness a "backlash" by higher paid workers seeking to regain the salary differential

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40. In addition, during the period of the civic strike, the United Steel Workers of America at Cominco's Trail operation, also demanded and won equal base rate of pay for its female members. (CUPE, "Raises not..." The Public Employee, Vol 3, No. 4, Spring 1981, p.11).

41. Minutes of PEBC Equal Pay Committee, Jan. 15, 1982, p. 1.

42. Minutes of same committee Feb. 12, 1982, p.1.

they had enjoyed earlier.⁴³ The committee maintained that a more workable solution from a management point of view would be to make recommendations regarding career paths, including training in non-traditional jobs for women.⁴⁴

The Employers' Council of B.C. approached the issue in a similar fashion. Although it said it was not opposed to the concept, the Council argued:

There are serious questions as to whether or not equal pay for work of equal value can be implemented without causing a massive disruption in the existing labour market and in historical collective bargaining relationships. We believe that the desired goal of equitable treatment can be achieved more expeditiously by ensuring equality of opportunity.⁴⁵

The Council's recommendations for "positive changes" appeared in a position paper on affirmative action which was published concurrently with its Review on the equal pay issue. Of particular interest in the Council's equal pay document was its view that the B.C. Human Rights Commission should, under no circumstances, become involved in the determination of

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43. Lois Spindler, PEBC Executive Director to Ann Smith, B.C. Housing Management Commission, 15 Feb. 1982, p.2.

44. Minutes of same committee Feb. 12, 1982, p.1.

45. ECBC, A Review of Equal Pay for Work of Equal Value, Dec. 1981, p.1.

wage rates.⁴⁶ ECBC was adamant that public sector employers not be obliged to pay such substantial wage increases because of the negative impact on the private sector. Interestingly, the Council argued

If a firm such as Canadian Kenworth grants equalization of base rates for male and female workers, it does so because it knows that the organization can afford the cost of such an increase. There is no such test based on profit or loss in the public sector. Increases granted in the public sector do not occur in a vacuum--the impact on the private sector will be substantial."⁴⁷

Rather, the Council's emphasis, like that of PEBC, was put on promoting equal opportunity and access to all jobs for women.⁴⁸

The Struggle Continued

In the ensuing months, an important equal pay settlement was reached between a 180-member CUPE local and the City of Prince Rupert. The contract, signed in February 1982, provided for equalization of wage rates between the lowest-paid clerks and labourers, each with two years' experience. These rates were considerably higher than those paid in Vancouver and the settlement marked the first time CUPE had negotiated such a breakthrough outside of very small municipalities. The PEBC reacted accordingly. In a letter

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46. Ibid, p.8.

47. Ibid, p.8.

48. Ibid, p.9.

to Gordon Howie, City Administrator for Prince Rupert, Executive Director Spindler made it clear she expected a full report to be made on the actual language of the collective agreement at the subsequent Advisory Committee meeting in March. Such a briefing, she emphasized, "...will certainly be of some assistance to employers facing CUPE in the fall."⁴⁹

Trade union members also continued to try to build support for the pay issue following the strike's end. In November of 1981, during Vancouver's municipal and school board elections, a group of trade union women known as the "Equal Pay Information Committee" (EPIC) sent a letter to all candidates asking them the following questions:

1. Do you support, the concept of equal pay for work of equal value?
2. If elected, will you support the equalization of base rates for all your employees as a first step toward realizing that concept?"⁵⁰

Graham Leslie, General Manager of the GVRD Labour Relations Department, reacted to the EPIC questionnaire by sending a copy to members of both the GVRD Labour Relations Committee and the Advisory Committee. He suggested that the two questions asked of candidates were unrelated, since base rate parity had not been proven conclusively to constitute a step

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49. Spindler to Howie, 24 Feb. 1982. (PEBC Files)

50. EPIC questionnaire to all candidates for municipal election, Vancouver, November 1981.

toward equal pay for work of equal value. He argued rather:

...to the extent that you or any of your fellow candidates for election feel obliged to provide an answer to EPIC, we would urge you to express support in general terms for the concept of equal pay for work of equal value, perhaps noting how much additional research needs to be carried out on a broad, province-wide basis before the concept could possibly be put into effect; and that you avoid as carefully as possible expressing support for the concept of equalization of base rates."⁵¹

Thus, even some months after the strike's end, the industrial relations community was still having to respond to union pressure around this issue.

Conclusion

A look at the events surrounding this strike suggest the stakes were indeed high for B.C. employers. Equal pay for work of equal value constituted a significant threat to the economy. As a result, the employer community reacted in concert by waging an aggressive public campaign against the union's demands. It is instructive to note that the Employers' Council was aided fundamentally in its initiative by the prior organization of local government employers into interest associations. Under the auspices of the GVRD and PEBC, local employers formed an organized body to which the ECBC could make overtures. As mentioned

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51. Graham Leslie to all members of GRVD Labour Relations Committee, 2 Nov. 1981.

previously, these structures operated at an ideological level to create and reinforce a coherent employer point of view. The influence of the ECBC during the strike was thus bolstered both by the B.C. Government's encouragement of multi-employer bargaining and the creation of the PEBC some years earlier.

As we have seen, the fact that the GVRD was not accredited, however, made it impossible for employers to be bound to collective agreements they did not want. Successful lobbying of local councillors for equal pay by the union exemplified the fundamental weakness of the strategy employed throughout the 1970's toward reducing expenditure in the local sector. Although the GVRD, in conjunction with the ECBC, exerted considerable influence during this strike, that influence was limited because each management-union pair had to come to an individual agreement. And each managing council was exposed and, moreover, vulnerable, to pressure mounted by its unionized workers. This is interesting because it demonstrates clearly how the "legal glue" of accreditation might have helped contain wage settlements in this sector. But it didn't work. The dynamic of local politics, coupled with elected councils' unwillingness to give up their right to veto unwanted contracts, meant the GVRD (certainly B.C.'s

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most important local employer) could not become an accredited employers' association. In effect, this failure meant the thrust to implement spending restraint was, for a time, forestalled.

After the strike, as we have discussed, employers' response to the equal pay issue took the form of calls for equality of opportunity and affirmative action programs. Evident in the remarks made by Minister of Labour Jack Heinrich in November 1981, was the extent to which the two employers' councils had succeeded in generalizing the individualist response to gender divisions in the labour market. Heinrich lamented:

There seems to be an increasing tendency on the part of some unions, and segments of the women's movement to abandon rational remedies for something called 'base rate parity'. Well, that form of rough justice would not eliminate disparities but it has the potential of creating more of a more damaging kind. Damaging to the collective bargaining process, damaging to the economy in terms of a general wage uplift without a productivity tradeoff, damaging in terms of accelerating traditional 'pecking order' competition within existing classifications..⁵²

No doubt, concern about the potential "wage uplift" -- especially with other unions poised for bargaining on this issue--affected the Provincial Government's decision in February 1982 to impose wage controls on public sector

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52. (underlining mine) Speaking notes prepared for Labour Minister Jack Heinrich by Deputy Minister Doug Cameron Nov. 30, 1981.

workers. That step heralded what may, in retrospect, be seen as the beginning of a new era in labour relations in British Columbia. The earlier strategy aimed at reinforcing employers' strength had unravelled. Replacing it in the 1980's would be the execution of a frontal attack on workers and their organizations. In the conclusion to this study of employer organization in the local government sector, we draw together the evidence presented to show how the trends exhibited in the period from 1973 to 1981 constituted the seeds of the present conflict between labour and capital in British Columbia.

CHAPTER SIX: CONCLUSION

With the imposition of public sector wage controls in February 1982, the B.C. Government ushered in the beginning of a new era. Voluntary measures had failed to assure a reduction in public spending. Employer accreditation and the creation of a public employers' council had contributed to the development of a consensus among local government employers. But the existence of that consensus, even with the prompting of private employers via the B.C. Employers' Council, was not strong enough to withstand workers' "catch-up" wage demands in 1981. The fragmented character of the local government sector, coupled with the dynamic of local politics meant that unions could (and did) still set patterns for high wage settlements throughout the sector.

As members of the BCGEU and Hospital Employees Union (HEU) geared up for their respective negotiations in the days following the civic strike, employers' fears of repercussions from the equal pay demand multiplied. The issue had captured the imagination of workers anxious to improve their wages following several years of restraint under the AIB. It was time, the unions argued, to restore past compensation relationships with the forest industry. That threat stimulated a powerful response from the province's employer community. The Government's wage

controls program was the first, in what was to become a series, of measures designed to disorganize the working class and, thereby reduce spending in the public sector.

The earlier strategy had unravelled, pushed beyond its limits by the unprecedented demands for substantial wage increases on behalf of workers employed in job ghettos. The potential costs were enormous. More threatening was the likely disruption of pay relationships between gender-segregated groups in the labour market. The prospect of paying much higher wages to secretaries, nurses' assistants and childcare workers, for example, triggered a danger signal to employers interested in decreasing, not expanding, the public sector wage bill. And the B.C. Human Rights Commission's support of the equal pay principle only contributed further to employers' fears.

The threat of a substantial wage increase was particularly powerful because it occurred in the local government sector. As a result of the dynamic of local politics, the expectations of both elected representatives and constituents were that local government meant responsive government. Unions had in the past pressed successfully, as in the case of the GVRD's attempt to become accredited, for support from elected councils and community groups. Employers feared the uncertainty which derived from the presence of this particular political phenomenon because it

meant local governments could not be relied upon to reject unions' newest rallying cry for higher wages.

Another factor mitigating local employers' administration of restraint policy, however, was that locally elected municipal councils and school boards were generally seen as responsible for the extent and quality of services offered in their communities. And they felt the pressure most directly from local residents when, for example, the Provincial Government decided to reduce the level of daycare or welfare spending. Such decisions have serious repercussions for local communities; yet, public protests are most often directed at municipal and regional councils which administer the actual cuts in service. Under current cost-sharing arrangements, there is a great deal of confusion as to who is responsible for providing what services and, moreover, where the political "buck" ultimately stops. And, because they are responsible for local services, local councils are open to considerable public criticism for decisions over which they have little control. As a result, even though measures put in place during the 1970's operated to create a consensus among public employers as to the desirability of restraining the public purse, elected representatives faced with demands on behalf of unions and community residents were vulnerable to these pressures. It was the absence of certainty over the outcome of such

struggles that stimulated the Provincial Government to adopt more coercive measures regarding local government spending and decision-making.

The series of bills introduced in July 1983 decreased this uncertainty. School boards and municipal councils were stripped of the constitutional autonomy they had enjoyed. An Education Finance Amendment Act gave the Education Minister (or his Deputy) control over school budgets including the right to dictate how much be spent on each item. A Municipal Amendment Act transferred many responsibilities, including land zoning and development, to the Provincial Cabinet¹; a move which would allow free reign to development companies. Through a variety of measures, powers previously exercised by locally-elected officials were centralized increasingly to the Cabinet. By instituting centralized controls, local governments were made less vulnerable to constituents' (including labour's) demands. The possibility that labour conduct campaigns to rally public support in its favour, as during the 1970's, was diminished. Reduced, therefore, was the dangerous possibility that elected representatives might forego fiscal restraint in favour of the community support needed to ensure their re-election. Through the centralization of control, the Provincial Government effectively restricted the terrain on which unions and citizens' groups could attempt to influence local elected representatives.

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1. CUPE, The FACTS, October 1983, p.6.

During the 1970's, as we have seen, that terrain was limited by the application of the Labour Code regarding attempts to withdraw from accredited bargaining associations. The law operated, in effect, to insulate labour-management relations from the uncertainties of the political process. That the Labour Board, a body created by the NDP, and dependent for its very legitimacy on the participation of union representatives, should through its deliberations thwart demands made by workers, reveals a rather profound irony; an irony contained in the rather ambiguous notion of equality put forward in the Labour Code.

The Code's commitment to equality meant employers were encouraged to organize associations for the purpose of bargaining. And those organizations constituted, in the view of the Code, a countervailing force to employee unionization. In the particular conjuncture of the late 1960's and early 1970's, that countervailing force was deemed necessary to administer restraint policy. Employers were stronger as a result of these measures, but not strong enough. Consequently, a shift occurred in the law makers' orientation. Reflected in amendments to the Code in the early 1980's was a shift away from the notion of equality between labour and capital.

Amendments to the Code included provisions to limit secondary picketing, make union certification more difficult, and allow the Provincial Cabinet to declare important "economic development projects" non-union sites.²

In the conjuncture of the 1980's, the tilt, away from a "positive commitment" to collective bargaining was evident. No doubt, union activity in the 1970's conditioned the Social Credit Government's initiatives. For example, during their respective strikes in 1981, telephone workers and CUPE members engaged in vigorous secondary picketing which had far-reaching economic consequences for employers. In the 1980's, law would be used to stifle such potential militant activity. No more pretense of equality was necessary. It became evident the Government's strategy had escalated to a different, more coercive, dimension.

It is instructive, however, to note how the Code's earlier tilt served to lay the groundwork for later initiatives. As argued in Chapters Three and Four, the Code's commitment to equality served to reinforce the development of cohesive employer organizations and, moreover, a rather cogent employer ideology. One aspect of the process by which that ideology matured among public employers, was the development of the consciousness that they formed part of a class. That view was encouraged by the activities of the PEBC and ECBC, and further galvanized in the context of

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2. Dave Todd, "B.C. Sets Dangerous Precedent for Labour" in The Ottawa Citizen, 19 May 1984.

polarization between labour and capital typical of the B.C. industrial relations climate.

Ironically, a concomitant aspect of the Code's thrust for equality between labour and capital, was to effect precisely the opposite outcome for unions. The consciousness that unions organize, in the first instance, to advance and defend the interests of workers against capital was eroded. Participation in the ~~deliberations~~ of the B.C. Labour Relations Board, for example, involved union representatives in a process aimed at minimizing industrial conflict. It is important to note that the Code's positive commitment was to collective bargaining, not workers. Its project, especially given the conjuncture in which it was framed, was to institute channels through which industrial peace could be secured. And while unions are not revolutionary organizations, they have, in certain situations constituted vehicles through which workers' rights are protected and advanced. In the polarized context typical of B.C., given the traditions of militant trade unionism and, relatedly, working class political parties, unions have constituted important vehicles for social change. The application of the Code's notion of equality, because it denied a more fundamental domination of labour by capital, contributed to a process by which the class-conscious, combative quality that had historically characterized a significant portion (though by no means all) of B.C.'s labour movement, was undermined.

urged the organization to grapple with the challenges posed by the government/employer initiatives. Certainly, one impact of the hegemony of the views contained in the Code, was that competing ideologies (class struggle, for example) became suspect and were subject to attack. Correspondingly, the same notion of equality discouraged the development, or encouragement where it existed already, of class-conscious unionism. There can be little doubt that this ideological difference underlay CUPE's dealings with its local union leaders in the West Kootenays during that dispute. The absence of such a strategy or, at least, forethought on the union side, distinguished labour from management in this conjuncture and was unfortunate since it only deepened labour's disadvantage.

Second, the development of an employer consensus and the corresponding erosion of unions' class consciousness discussed above was illustrated with respect to CUPE's official and unofficial views of accreditation. Notwithstanding the union's vocal campaign on the issue, some union leaders and staff believed accreditation promoted more efficient and better labour-management relations. According to John Calvert:

There was some division among the staff concerning whether accreditation was such a bad thing. In Vancouver, there was a feeling that the Union had something analogous to it in the Joint Negotiating Committee...and while they didn't want accreditation per se, they did think joint bargaining was a good idea...One of the arguments was that individual bargaining was a very time-

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consuming and exhausting process and it made a lot more sense to put things together.⁵

Left-wing elements of the union argued typically that accreditation encouraged the tendency for staff to play the major role in centralized negotiations, especially where locals were separated geographically. In such situations, the maintenance of control over negotiations by union members was a challenge to those with even the most democratic intentions. In addition, Calvert stated, there was a feeling among the left that "...there wasn't yet an adequate infrastructure in the locals themselves (to) effectively control the bargaining", if accredited.⁶ The dichotomy between the Union's official and unofficial positions regarding accreditation attested, in part, to the fundamental ideological differences which separated union principals. It would be safe to say, at minimum, that the employers' knowledge of these differences⁷ only weakened the Union's ability to contest the appropriateness of the accreditation legislation.

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5. Interview held in Ottawa, June 2, 1984.

6. Ibid.

7. During an interview on April 20, 1982 in Vancouver, Mr. Graham Leslie of the GVRD, confirmed that certain CUPE staff members and leaders had "let him know" they did not object to employers accreditation.

In the current period, where stakes are higher for labour as well as capital, the lack of class conscious, militant unionism constitutes a much greater danger to workers. It is possible, but certainly not guaranteed, that the polarized context of the 1980's in which attacks on workers are explicit, will be conducive to the development of that consciousness. The dismantling of the province's web of social services and transformation of labour legislation to be used for openly anti-union purposes, however, are only two aspects of the Provincial Government's current attack on working people.

The harkening back to so-called "family values" constitutes a further, and related, challenge. It is interesting as a phenomenon because it clearly piques the imagination of large numbers of people, including women and men who are threatened by the changes wrought upon traditional roles in the society. As education Minister Bill Vander Zalm stated in 1982; "moral issues, the sort of family thing and the fundamentalism that I've been outspoken on, will come to the fore somewhat in my dealings with education over whatever time ahead."⁸ This Social Credit ideology appeals to a romanticized version of a predictable Victorian era. It pits "stability" against the upheavals that

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8. Vander Zalm quoted in a speech made by Larry Kichn, President of the B.C. Teachers' Federation to open the President's Conference, August 16, 1982, held at the University of British Columbia, p. 4.

characterized urban capitalist development. Specifically, that idealized family took care of its own children, its own elderly, and its own alcoholic or otherwise ill members. Wife and child battering, for example, were not dealt with by publicly-funded agencies. If faced at all, such problems were addressed to institutions such as the church where solace might be found. But in the main, such problems were not faced because the expectations of women and men in that society were different than they are now; the separation between what was considered private and public concern was much more rigid than at present; and because, generally, the family took care of its own. The effect of the ideology advanced by the Social Credit Government, however, is to justify a systematic dismantling of publicly funded services which presently join with the family to carry out the extended reproduction of labour power.

Further, it is an ideology that refuses to acknowledge that the idealized family functioned in part, because women took care of children, women devoted their energies to the ensemble of consumption work needed to feed and clothe the family, and women (usually an eldest daughter or sister) stayed home to care for elderly parents or relatives, often at the cost of considerable personal sacrifice. That romanticized version of the family was thrown into question by large numbers of women working outside the home. And while the ideology ignores that at closer glance the traditional family revealed a significant

relation of domination between men and women, neither does it acknowledge that current socially-determined standards of care cannot normally be furnished by the family alone, even, where the woman does not work outside the home.

Clearly, the changes in the family since that period have, in some ways, eased the expectation that women continue to play the role of eternal care-givers. Certainly, women in the labour market of the 1980's face a complex set of expectations including, of course, the "double" work day. Nonetheless, significant advances have been made since women entered the labour market, and at least part of the costs for child care and care for the elderly, for example, have been socialized. In essence, the ideology encouraged by the Social Credit Government tries to weave a nineteenth century tapestry over the eyes of the urban, late twentieth century family; a family whose members have experienced significant displacement due, in part, to urbanization and industrial society. But it is a family, moreover, which in the last decade has experienced a devastation of social patterns due to the effects of the economic crisis, including unemployment. As such, the ideology captures the imagination of many: of women at home whose role has been de-valued (at least in the old society her role as provider of food and clothing, however oppressive by today's standards, was recognized and valued in the division of labour within the family); of men who are unemployed and therefore unable to

function as the family's breadwinner; of elderly people whose families cannot afford or do not wish to provide them shelter or care during their final years. These are only a few of the many situations experienced daily in a reconstituted society such as our own. And the appeal to an idyllic era in which roles were predictable and the family cared (at whatever standard) for its own members, is powerful to individuals suffering the effects of changed (and changing) roles, especially when exacerbated further by the impact of the economic crisis.

Unions and popular movements attempting to fight back against the Social Credit strategy to disorganize the working class will have to confront these ideological issues directly. Creative, combative unions are needed. And they must be joined by an array of people's organizations which attempt to articulate an alternate economic strategy and, moreover, an alternate vision of society. Operation Solidarity was certainly, at many levels, an attempt to create such a coalition.

But the labour movement's campaign, if it is to be successful, must speak to workers as workers and as mothers, fathers, daughters, sons etc. In essence, the campaign will have to speak to workers as individuals with a whole series of preoccupations that are separate from, but fundamentally related to , the workplace: family issues, healthcare and

housing, to name only a few. To do this will require a major reorientation by trade unionists (and leftists) to include an analysis of patriarchy and the family, in addition to the class analysis which was conspicuous by its absence in B.C. labour's fightback during the 1970's. Mobilizing working women and clients of public services will necessitate, at minimum, a sensitivity to how male-dominance operates in our unions and organizations, as well as in the broader society. Making use of these two strands of analysis is essential to the process of elaborating a strategy that might counter the breadth of the Socreds' attack. Obviously, the battle is already^a under way. Its outcome and, perhaps more important, the lessons learned along the way, will have meaning for us all.

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TABLE VII: EMPLOYERS' STRUCTURE¹⁰²

Private Sector					Public Sector				
Employers' Council (Umbrella)					PEBC (Umbrella)				
FIR (Forest Industrial Relations)	CLRA (Construction Labour Relations Assoc.)	TLR* (Transport Labour Relations)	Food Industry Council	Hotel* Industry Council	Brewery* Industry	MIA* (Metal Industry Assoc.)	Fisheries Assoc. of B.C.	B.C. Maritime Employers	PPIRB* (Pulp & Paper Industrial Relations Bureau)
48,000	40,000	10,000	15,000	15,000	10,000	10,000		10,000	10,000
200 Employers	700 Cos.	200 Cos.	8 Cos.	40 Hotels	8 Cos.	50 Cos.		50 Cos.	150 Cos.

*accredited

MF/sl
81.09.10

102. Table prepared by Brian Foley, past Executive Director of PEBC with information added by me from B.C. Ministry of Labour, B.C. Labour Directory 1982, pp. 90-91.

APPENDIX 1 (continued)

TABLE VIII: EMPLOYERS' STRUCTURE¹⁰³Public Sector
(PEBC)

Provincial Government (GERB) Employee Relations Bureau	15 Crown Corps.	75 School Districts	200 Municipalities	15 Colleges	UBC SFU U of Vic. BCIT	250 Hospitals HLRA* (Health Labour Relations Association - Umbrella Group)
		BCSTA- Umbrella Group A few Coordination & bargaining groups in	UBCM (Union of British Columbia Municipalities) Umbrella Group Major groupings include:	BCAC (British Columbia Association of Colleges - Umbrella Group)		
		- East Kootenay (6)	- GVRDLRA - Greater Vancouver Regional Labour Relations Association (17)			
		- Okanagan (12)	- GVLRA* - Greater Victoria Labour Relations Association (10)			
		- West Kootenay (5)	- OMMLRA* - Okanagan Mainline Municipal Labour Relations Association (18)			
		- Northwest (5)	- KBLRA* - Kootenay Boundary Labour Relations Association (18)			
		(each is accredited separately)	- FVLRB - Fraser Valley Labour Relations Bureau (15)			
			- MIPEA* - Mid Island Public Employers Association (8)			

MF/st
81.09.10

*Accredited.

¹⁰³. Table prepared by Brian Foley, past Executive Director of PERC with information

APPENDIX 2

ACCREDITATION LEGISLATION IN OTHER PROVINCESAlberta

Industry Covered: Construction

Type of Accreditation: Compelling on all unionized employers in a trade and geographic area.

Requirements to become Accredited: Employers' organization must represent a majority of the unionized employers in an area and trade.

De-accreditation: Depends on wishes of the majority of the employers in the accreditation.

Other Features: The law contains all-or-nothing strike and lockout clauses. If one employer is to be struck (or to lock out) all must be struck (or to lock out).

New Brunswick

Industry Covered: Construction (by Sector)

- Sectors - Industrial, Commercial and Institutional
  - Residential
  - Sewers, Tunnels and Watermains
  - Roads
  - Heavy Engineering
  - Pipeline

Type of Accreditation: Compelling on all unionized employers in a trade, geographic area, and sector.

Requirements to become Accredited: Employers' organization must have a double majority - a majority of unionized employers who employ a majority of the unionized employees.

De-accreditation: By a majority of employers.

Newfoundland

Industry Covered: Construction (by Sector)

- Sectors - Industrial and Commercial
  - Housebuilding
  - Sewers, Tunnels, and Watermains
  - Roadbuilding
  - or others determined by Labour Relations Board

Type of Accreditation: Compelling on all unionized employers in a trade, geographic area (can be province-wide), and sector.

Newfoundland (cont'd)

Requirements to become Accredited: Employers' organization must have either a majority of unionized employers in the trade and area or 35% of the unionized employers who employ a majority of the unionized employees in that trade and sector.

De-accreditation: By wish of majority of employers.

Nova Scotia

Industry Covered: Construction (by Sector)

- Sectors - Industrial and Commercial
  - Housebuilding
  - Sewers, Tunnels, and Watermains
  - Roadbuilding
  - or others determined by construction panel of Labour Relations Board

Type of Accreditation: Compelling on all unionized employers in a trade, geographic area, and sector.

Ontario

Industry Covered: Construction (by Sector)

- Sectors - Industrial, Commercial and Institutional
  - Residential
  - Sewers and Watermains
  - Roads
  - Heavy Engineering
  - Pipeline
  - Electrical Power System

Type of Accreditation: Compelling on all unionized employers by trade (province-wide) and sector.

Requirements to become Accredited: Employers' organization must have a double majority - a majority of the unionized employers in the trade must be members and they must employ a majority of the unionized employees in that trade.

De-accreditation: If a majority of employers in a trade no longer wish to be represented by an employers' organization and the employers employ a majority of the unionized employees.

Prince Edward Island

Industry covered: Construction

Type of Accreditation: Compelling on all unionized employers in a trade and geographic area.

Requirements to become Accredited: Employers' organization must represent a majority of the unionized employers in an area and trade or 35% of the unionized employers who employ a majority of employees employed by organized employers.

De-accreditation: By majority of employers.

Saskatchewan

Industry Covered: Construction (by Sector)

- Sectors - Industrial, Commercial and Institutional
- Residential
- Sewers, Tunnel and Watermain
- Pipeline
- Road Building

Type of Accreditation: Compelling on all unionized employers in a trade, geographic area, and sector.

Requirements to become Accredited: Employers' organization must have a majority of the unionized employers in the trade and area.

De-accreditation: By wish of majority of employers.

APPENDIX 3

BARGAINING UNIT EMPLOYEES UNDER ACCREDITATION

In order to determine how extensive multi-employer bargaining has been in the province since the introduction of accreditation legislation data has been compiled year-by-year for the following three categories:

1. The total number of unionized employees working for employer-members of accredited bargaining organizations;
2. The total union membership in the province for each year; and
3. The number of employees under accreditation as a percentage of the total union membership in B.C., i.e. Number 1 divided by Number 2. (Since a small proportion of the union membership total each year falls under the federal jurisdiction in labour relations, the resulting percentages presented here are slightly lower in each of the years than would be the case if union membership only under the B.C. jurisdiction were available.)

<u>Year</u>	<u>Number of Employees Under Accreditations</u>	<u>B.C. Union Membership</u>	<u>& Under Accreditations</u>
1970	87,563	310,222	28.2
1971	90,203	316,587	28.5
1972	106,408	332,091	32.0
1973	111,300	350,175	31.8
1974	101,635	395,846	25.7
1975	127,821	401,608	31.8
1976	141,813	426,723	33.2
1977	148,806	439,730	33.8
1978	152,558	450,802	33.8
1979	151,221	465,980	32.5
1980	150,972	480,680	31.4

As can be seen, over this time period the proportion of unionized employees working for employers belonging to accredited organizations has been about 30 percent. If non-accredited multi-employer bargaining associations are included, this would add another 25,500 employees and bring the total number of employees covered by multi-employer bargaining to 176,472 or about 36.7 percent of the unionized work force.

APPENDIX 4

LABOUR CODE OF BRITISH COLUMBIA

59. (1) Notwithstanding any other provisions of this Act or the provisions of a collective agreement, an employers' organization may, subject to the regulations, apply to the board to be accredited as the bargaining agent on behalf of the employers named in the application.

(2) The board shall make, or cause to be made, such examination of records and other inquiries as it considers necessary, including the holding of such hearings as it considers necessary, to determine the merits of an application for accreditation, and the board shall prescribe the nature of the evidence that the applicant shall furnish with, or in support of, the applications, and the manner in which the application shall be made.

(3) The board may, before accreditation, add the names of additional employers to, or delete the names of employers from, those named in the application.

(4) Where, after such inquiry as the board considers adequate, the board is satisfied that the employers named in the applications, or in the application as amended under subsection (3),

(a) constitute a group appropriate for collective bargaining;

(b) are members of the employers' organization making the application, or have been added to the application under subsection (3); and

(c) have agreed to the accreditation of the applicant as the bargaining agent,

the board may accredit the employers' organization as the bargaining agent on behalf of the employers named in the accreditation.

(5) Where an employers' organization is accredited under this section, it has exclusive authority, for such time as the employer is named in the accreditation, to bargain collectively on behalf of the employer and to bind the employer by collective agreement.

(6) An employer named in the accreditation may, during the fourth and fifth months immediately following the execution of a collective agreement entered into by the employers' organization on his behalf, apply to the board to amend the accreditation by deleting his name therefrom, and the board, in its discretion, may grant the application.

60. No employers' organization shall

- (a) refuse membership in the employers' organization to any employer; or
- (b) terminate an employer's membership in the employers' organization except for a cause which, in the opinion of the board, is fair and reasonable; or
- (c) charge, levy, or prescribe initiation fees, dues, or assessments that, in the opinion of the board, are unreasonable or discriminatory.

APPENDIX 5

DATES OF ACCREDITATION ORDERS

<u>1970</u>	June 16	- Forest Industrial Relations
	June 23	- B.C. Roadbuilders
	July 7	- Pulp & Paper Industrial Relations Bureau
	July 14	- Construction Labour Relations Ass'n
	October 14	- Transport Labour Relations Ass'n
<u>1971</u>	March 16	- B.C. School Trustees Association (Okanagan Labour Relations Council)
	March 24	- BCSTA (East Kootenays Labour Relations Council)
	May 26	- B.C. Hotels
	June 29	- BCSTA (West Kootenays Labour Relations Council)
<u>1972</u>	May 5	- Okanagan Mainline Municipal Labour Relations Association
	October 25	- Interior Logging Association
<u>1973</u>	March 20	- Metal Industries Association (secondary metal mfg.)
	June 26	- Association of Canadian Security Services
	September 18	- Metal Industries (sales & service)
<u>1975</u>	August 3	- BCSTA (Coast 5 Range Labour Relations Council)
	August 21	- Hospital Labour Relations Ass'n
	October 30	- Mid-Island Public Employers' Ass'n
	November 13	- Pacific Drywall Dealers' Ass'n
<u>1976</u>	January 26	- Automotive Dealers of Victoria
	November 8*	- Greater Victoria Labour Relations Ass'n
<u>1978</u>	April 19	- Pipeline Contractors' Association
<u>1979</u>	March 21	- Brewery Employers' Labour Relations Ass'n.
	May 30	- Aluminum Window, Employers' Labour Relations Ass'n
<u>1980</u>	June 19	- Western Commercial Dental Laboratories Labour Relations Ass'n.

* the last public employer to be granted accredited status.

APPENDIX 6

FORMAL SUBMISSIONS RECEIVED BY THE
COMMITTEE OF SPECIAL ADVISORS

B.C. Road Builders Association
B.C. School Trustees Association
B.C. School Trustees Association - Okanagan Branch
Boiler and Vessel Contractors Association
Boilermakers, Lodge 359
Brewery Workers, Local 280
Building Trades Council (B.C. and Yukon)
Canadian Manufacturers' Association - B.C. Division
Canadian Union of Public Employees - B.C. Division
CUPE, Local 748 (Nelson and District School Board Employees)
CUPE, Local 1285 (Trail School Board Employees)
CUPE, Local 1341 (Selkirk College Employees)
Catalytic Enterprises
Construction Association of Victoria
Construction Labour Relations Association of B.C.
Jim Dorsey, Vice-Chairman of the Canada Labour Relations Board
Elevator Contractors Association
Employers' Council of B.C.
Forest Industrial Relations and Pulp and Paper Industrial Relations Bureau
Greater Vancouver Regional District
Greater Victoria Labour Relations Association
Health Labour Relations Association
(with supporting letter from Hospital Employees' Union, Local 180).

Health Sciences Association

B.C. Hydro

Independent Canadian Businessmen's Association

B.C. Independent Logging Association

Industrial Contractors Association of Canada

Interior Forest Labour Relations Association

Kootenay Boundary Labour Relations Association

Lister Bolt and Chain

Metal Industries Association

Okanagan Mainline Municipal Labour Relations Association

Painters, Local 138

B.C. Provincial Pipe Trades Association

Pipeline Contractors Association

Public Employers of B.C.

Registered Nurses Association of B.C.

City of Revelstoke

School District No. 11 (Trail)

School District No. 63 (Saanich)

Teamsters Joint Council No. 36

Transport Labour Relations

Utility Contractors Association of B.C.

Victoria Fire Fighters, Local 730

APPENDIX 7

PUBLIC EMPLOYERS OF BRITISH COLUMBIA

Formed in late 1977, the Public Employers of British Columbia (PEBC) is an association (registered under the Societies Act) comprising a wide cross-section of public sector employers throughout British Columbia, including the provincial government, crown corporations and commissions, universities, colleges, school districts, hospitals and municipal governments. While the PEBC office is in Vancouver, its over two hundred member organizations are located throughout the Province.

GOALS AND OBJECTIVES

The PEBC actively pursues the following goals and objectives:

1. To provide for better liaison among public sector employers by encouraging a continuing and frank exchange of information on collective bargaining developments and negotiation problems in British Columbia's public sector.
2. To provide a forum for public sector employers to discuss issues of mutual interest and concern and to decide upon the most appropriate means by which these concerns may be aired.
3. To assist member organizations in determining appropriate total compensation levels for their unionized and non-unionized employees by providing:
  - (a) semi-annual rates of pay comparison reports for British Columbia's public and private sectors based on clear, concise survey job descriptions and exacting on-site job matching for a wide variety of occupations in both sectors, and
  - (b) comprehensive benefit comparison reports for British Columbia's public and private sectors based on a professional analysis of the total range of benefits and working conditions applying to employees in both sectors.
4. To foster a broader awareness of developments and trends in public/private sector compensation and personnel practices by the issue of regular newsletters and reference reports, and the periodic conduct of workshops and seminars.
5. To encourage the development of improved management skills and approaches in the areas of labour relations and collective bargaining by providing information and assistance to public sector employers in reacting to the problems they face on a day-to-day basis.

APPENDIX 8

B.C. COUNCIL OF PUBLIC SECTOR EMPLOYERS

MEMBERSHIP LIST AS OF FEBRUARY 1, 1979

B.C. Assessment Authority
B.C. Association of Colleges
B.C. Buildings Corporation
B.C. Development Corporation
B.C. Energy Commission
B.C. Ferry Corporation
B.C. Housing Management Commission
B.C. Hydro and Power Authority
B.C. Institute of Technology
Kootenay Boundary Labour Relations Association
B.C. Petroleum Corporation
B.C. Railway Company
B.C. School Trustees Association
B.C. Steamships Co. (1975) Limited
B.C. Systems Corporation
Emergency Health Services Commission
Fraser Valley Labour Relations Bureau
Government Employee Relations Bureau
Greater Vancouver Regional District
Greater Victoria Labour Relations Association
Health Labour Relations
Insurance Corporation of B.C.
Legal Services Commission
Mid-Island Public Employers' Association
Okanagan Mainline Municipal Labour Relations Association
University of Victoria
Vancouver Island Coachlines
Vancouver Island Transit Limited

APPENDIX 9.

LIST OF GVRD MEMBERS - AS OF 1981

Corporation of the District of Burnaby
The Burnaby Public Library Board
The District of Coquitlam
The Corporation of Delta
The Delta Municipal Police Board
The Corporation of the City of New Westminster
The Corporation of the City of North Vancouver
The North Vancouver City Library Board
The Corporation of the District of North Vancouver
The North Shore Union Board of Health
The North Vancouver Recreation Commission
The City of Port Moody
The Corporation of the Township of Richmond
The Richmond Public Library Board
The City of Vancouver
The Board of Parks and Recreation of the City of Vancouver
The Ray-Cam Cooperative Association
The Britannia Community Services Centre
The Vancouver Museum and Planetarium Association
The Greater Vancouver Regional District

END

2	5	0	2	8	6

FIN