

Future of public sector bargaining

Government



**ASSIGN
BUSTER**

The public sector workers unions in Canada play a very important role in the industrial workforce. The roles of these unions us to protect and enhance the members interests by making the government aware of the things that affect their work and policies that need to be lightened so that they can be motivated to work and help in improving the country's economy. Since the early 1980s, Canada has been evaluating its role in the nation's economic and social affairs.

The Public sector responsibilities include: the provision of vital social services, preserving the nation's identity and promoting economic development (Swimmer & Thompson). All these factors have been affected in one way or another by the reduction of government funding in support of the ventures thus affecting the public sector industrial relations. Progress in the public sector In Canada matured in 1965 when the government was expanding its activities and increased its funding such that labor and management performed well.

The legal framework of collective bargaining was established in the 1940s as a way of increasing the functions and the positive relationships among labor, capital and the state. Various reforms were made in the labor unions in the 1960s with the aim of enhancing the workers rights and improving the employer employee relationship. Changes in the Canadian public sector started to take place in 1982 when controls were placed in the way the government made compensation.

In early 1990s, people were tired with the restrictions and for this reason, in 1991 when the federal budget was made; it was followed by the largest federal employee union strike (Swimmer & Thompson). Examples of control

<https://assignbuster.com/future-of-public-sector-bargaining/>

programs that have been in place include the Social Credit Administration in British Columbia (1982) and the Mulroney government (1991). The willingness of the government to impose such policies raised the issue of the role of industrial relations to determine the terms and conditions of employment in Canada (Panitch & Swartz).

Free collective bargaining began during the expansion of the post war capitalism in the 1960s and continued to deteriorate in the after years as restrictions on the government side created led to resistance on the union's sides affecting organizational, political and ideological factors (Swimmer & Thompson). The Private sector responded to changes affected laborers by adopting new industrial relations practices and structures that never addressed the problem as it ought to. " The sectionalism was a result of years of neglect of the political and ideological mobilizing aspects of trade unionism (Panitch& Swartz, 152).

" This is because the Canadian government never made any significant effort to restructure the economy evidenced by the few labor legislation reforms and laws (Swimmer & Thompson). There were an increasing number of women who joined the labor unions at this time and this enhanced the bargaining position of the labor unions. Wage negotiations never bore the fruits that the workers wanted and economic changes led to the reduction on unemployment as more people were employed in private firms on part-time basis. For this reason, private businesses failed.

The public sector on the other hand, never reduced employment in any sector at high rates such that there was significant increase in employment in the government administrative services. This is because the government

still provides vital services in the economy so they cannot change their operations as easily as the private sector. Moreover, it is difficult to substitute capital for labor. For the government to be able to support all these activities, they had to cut down on expenses across all the sectors.

Measures of Change

Coverage is an important indicator of change as it enables the union management to know the employees they support. Strikes and work stoppages are other change indicators. Therefore it is necessary that the right to strike and other financial restraint packages are founded in the law. There are also various changes in collective bargaining involving the bargaining and negotiation structures. All these indicators are vital in both the private and public sectors for developing, accessing and making decisions on how several changes will be developed.

This seemed to work in the 1970s when the public sector compensation was more than the private sector compensation levels. Role of strikes The rate of union strikes had reduced in Canada between the years 1984-1994. There are no valid explanations for the strikes but they are said to be triggered most in the presence of inflation and increase in unemployment. “ An example is the 1976 Canadian Labor Congress (CLC) against the anti-inflation program (Panitch & Swartz). ” The government has thus created regulations to deal with strikes.

The right to strike by the public service was mandated by the government in 1994 but this was removed from British Columbia industrial policies. Despite the regulations on bargaining outcomes, public sector strikes rose and they were even more than those related to the private sector. The back to work

legislation and cabinet orders also led to the strikes such that there were about 39 restrictions between the years 1975-1986; 14 in Quebec and 11 in Ontario (Swimmer & Thompson).

This led to the allegations that the laws were minimizing the bargaining rights of public employees. Coverage of the industrial Relations system in Canada Collective bargaining has always been there in the public sector to enhance the workers rights. Educations, government and health sector unions were among the most active in the 1980s and early 1990s even with the involvement of the private sector. “ This is also the period when free trade and free capital flows enhanced work flexibility (Panitch & Swartz, 226).

” Changes in public service delivery have created several challenges in the industrial relations system and will continue to do so. “ For example, decentralizing the health care systems leads to the transfer of resources; all forms of capital including human capital, from large facilities to smaller health institutions in remote parts of the country. For the health care union to continue maintaining their strength, they will need to consider organizing smaller unions that have not yet been practiced. From the 1980s experiences, these unions will be successful (Swimmer & Thompson).

” Despite the government's efforts to restrict the bargaining powers of the public sector unions, the government introduced employee involvement programs in the workplace in order to undermine the capabilities of the unions. This can be seen in 2000 when the government reorganized management practices in government run institutions but Swimmer says that such initiatives will not necessarily affect the work of labor unions

(Swimmer & Thompson, 433). Moreover, their role is not to weaken public employees' attachment to their unions.

The public and private sector were not getting along especially in 1994 between employees in unions and those who were not. This is because the employees in unions wanted a lot of changes to be made and they needed to be in unison with their un-unionized counterparts who never had a spokesperson to facilitate the negotiation. This was made worse by the minimum legal standards and economic changes. Even in professional occupations in the public sector workers were reluctant to join collective labor agreements (Panitch & Swartz). Conduct of public sector bargaining

Legislations somehow gave public sector workers in provinces like Ontario and British Columbia the striking right there was very minimal legislative changes. Most of these restrictions have reduced the importance of bargaining or eliminated it completely. However, Unions can use the Charter and rights freedom to delay the implementation of such restrictions and these means that they have a better chance of increasing their bargaining power. Efforts have been made to create central bargaining structures for example in British Columbia, the teachers union is being introduced to a provincial bargaining structure.

Moreover, laws are enabling the formation of the sectoral bargaining in most public sectors. The state and large public sectors; especially education and health, are forming master bargaining structures. This is because the government sees centralizing the bargaining structures as a method of controlling its expenses. Centralizing bargaining structures takes place when

the government employer undertakes the action and such arrangements with the government are not necessarily permanent.

The government's ability to control such bargaining agreements means that there is a likelihood of rise in political struggles when both sides do not agree especially given the fact that the public sector unions are likely to resist any government's efforts to reduce their salaries. The bargaining process will therefore entail the increment in the salaries for the top personnel who are likely to be limited by the accountability restrictions under the budgetary restrictions which will make hiring and retaining the top public personnel difficult.

Pay and employment equity also affect compensation. Pay equity is likely to contribute to better female compensation but this will have the possibility of contributing to the internal problems within the organization. The Government will be looking for ways to reduce their tax expenditures and this will result in reductions in unemployment so that it can minimize the compensation rates. Nothing much can be done by the unions since there are no structures in place to address job security issues.

Most of the public sector workers will therefore find it difficult to secure employment in the private sector. Issues of job security will therefore be at the forefront as a political matter and also at the bargaining table. Compensation for the municipal employees will also need to be looked at seriously especially since civic unions like that in British Columbia have been actively engaged in the local politics. Their continued involvement in such issues will lead to restrictions being made by the senior public officials.

Future of public sector bargaining

<https://assignbuster.com/future-of-public-sector-bargaining/>

After the Second World War, labor unions in Canada used the old strategies that were associated with social democratic gradualism. Moreover, the unions focused on what their members needed in bargaining the terms and conditions for employment with their employers. Therefore, more emphasis was placed on negotiating skills rather over educating and mobilizing members (Panitch & Swartz, 226). The future if public sector bargaining can be enhanced by adapting various strategies and models as outlined below:

Panitch and Swartz approaches ? Progressive competitiveness

Investment needs to be made by employers in increasing their employee's skills through continuous education; training and research so that they are able to support the industry, promote new technologies and a high value-added economy that will enable them to be paid higher wages. Labor is therefore used as a means of supporting and enhancing the other forms of capital so as to increase productivity (Panitch & Swartz). The disadvantage of this strategy is that it only helps the elite hence those who are not skilled enough will miss out on a lot of job opportunities hence the least developed regions will remain underdeveloped.

? Partnership internationalism This strategy was developed in the 1990s which involved labor unions being restructured so that they could be able to adopt certain conditions set by international trade organizations like the World Trade Organization (WTO) and the North American Free Trade Agreement (NAFTA). This makes the labor leaders more responsible as they have to represent the interests of other member workers. Moreover, it ensures that unfair labor conditions and certain state regulations are addressed according to international standards and regulations.

This therefore means that the public sector industrial institutions will have to develop an export-oriented model that may not be necessarily what the government was hoping for. This will mean that the country's employment will depend on low cost exports. This will mean that salaries will be limited as the employment rates are likely to decrease if the economy is doing badly. In addition, making the public sector bargaining more internationalized does not really support militant workers struggles hence making it harmful to the economy.

Other strategies The new strategy as proposed by Panitch and Swartz (p. 236) should be more of a condition so that it is able to enhance its success as well as transform labor. The political leaders should therefore control investments and make reforms with the aim of reducing working hours and other limits that are found within the labor movements. There also needs to be a strategy for reorganizing the public sector unions by creating new capabilities for the workers and the changing the union's organizational structures for the better.

The unions also need to open themselves up to the broader community so that they assist in the growth of the economy and developing their capacity and confidence to be a positive influence on others. Leadership and openness bring about significant changes that enhance the union's collective bargaining power. It is also necessary to develop ways that will be used to deal with new workers who are not part of the group could be included in the union so as to increase the labor union's bargaining power(237). Educational initiatives need to be created as this will help in including non-union members.

Effort will need to be made in strengthening the social movement within the organization and also the community level. The Unions in Canada have not been able to achieve much in the sense of fighting for their rights because their leaders assert too much power in the control of the unions such that they are not able to effectively communicate with their members. Canadians shifted from the American international unions in the 1980s and merged with the Canadian unions where they were faced with internal problems within the union structures.

“ Leadership in the unions needs to be restructured. This will entail educating leaders especially those who cannot see that the labor unions are lagging behind and are not fighting for the rights of the workers like they ought to (Panitch & Swartz). ” Moreover, well developed democratic structures will enhance more involved and committed membership which is likened to the politicization of the union as seen today. According to Swimmer and Thompson, five scenarios/models will influence future public sector bargaining. They include: 1. Back to the past

This scenario entails looking into the various features of the association-consultation model in public sector industrial relations. Employees will be more aware of their rights in terms of the pay they are supposed to get, length of working hours and other employee related organizational rules. This means that the employers will have to listen to their suggestions and pass the decisions that they see fit. Public employees however, have not shown signs of breaking away from the collective agreements. In addition, there is a lot of support for collective bargaining despite the restrictions in place.

Workers can therefore engage in strikes if they feel that their grievances are not being addressed in a proper manner. Loyalty to the unions is brought about by the poor wages and they need to stick together for wage increases. This loyalty is however seen to fade away if their issues are not addressed in the long run. However, the success of strikes such as the 1991 federal government workers is enough to gather support and the government has not suggested any other form of consultation other than collective bargaining.

In this model, job security for the public workers will be enhanced because they will be pressured to perform like their private counterparts. Though the program is not specifically designed to reduce unemployment, the adoption of the private sector organizational and operational systems will at least help in improving the status of the economy thus enhancing job security. 2. A sullen Truce Sullen truce occurs when the government hinders compensation and any form of public sector bargaining for a certain period of time such that employees cannot force any policies.

Since the government cannot abolish the workers unions, they will simply ignore their existence. This model considers work stoppages as illegal. Public sector workers can decide not to communicate with their employers so that they can see that they are not motivated to perform their work well. This model did prevail in the 1990s where the government still re-enforced their restrictive policies. It can work in regions where the economy is declining and unemployment rates are high so that they are forced to bare with the poor status of the economy.

If the private sector does well such that their wage rates have increased, then this model will not work. The government may refuse to engage in the bargaining process so that they can gain from the booming economy at the expense of the workers who will in turn demonstrate for their rights. The workers bargaining power will therefore depend on the society's economic situation. The public sector union can look for support from the private union workers as well as rights activists. Since they will be supported by influential members of the society, the government will be forced to lighten its rules.

3. A new golden Age When government's revenue is increasing, it means that the public services will also increase. Collective bargaining will be easier as the government is able to pay for the increasing costs hence the negotiations are easier. But this is not always the case as the economy is not always stable and the political environments should always be stable. This will in turn mean that competent political leaders will be needed at the state and provincial level so that they make proper laws.

On the other hand if the economy was booming, the workers unions will want their salaries increased constantly. 4. Struggle in the Streets This model involves incorporating the government's centralized bargaining structure in the bargaining strategies used by the public sector unions. It is further likened to the public sector industrial reforms between 1972 and 1982 in Quebec. The government to initiate change in the public sector industrial relations, it must be willing to maintain centralized bargaining structures as well as coordination as seen in the 1990s.

The public sector may limit such efforts by their unwillingness to cooperate but the government will face pressure from striking and work stoppages by

<https://assignbuster.com/future-of-public-sector-bargaining/>

the employees. For public employees to get what they need, they will need to strike on a large scale from time to time if their issues are to be addressed. The government on the other hand can be able to gain support from the private sector union members and by using various legislative actions.

5. Power sharing

In this model, governments need to cut on spending and they will have to communicate the decisions they make with the public sector unions. Through such meetings, they are able to come to a consensus by agreeing on terms so that spending is controlled. Job security for some workers can be negotiated. This model therefore ensures that public sector employee rights enhanced through the commitment of both parties. The government needs to pass legislations that are less restrictive and the public sector workers need to accept some conditions which are necessary.

Such conditions are not easily achieved because the government addresses changes often and organizations have different operational structures and for this reason it is important for both parties to be willing to bend their rules. This model is similar to the productivity bargaining model that is used by private firms where costs must be minimized so that more money can be saved and paid as wage increases.

Conclusion

The Canadian public sector bargaining strategies have been limited over the years by strict government regulations and poor union structures among other factors.

If these issues neither are nor addressed in a proper manner and fast. Labor unrest will continue to be a significant part of public sector bargaining. However, this can change with a decline in militancy in both the private and public sector hence, the reduction of public strikes will in turn reduce the

<https://assignbuster.com/future-of-public-sector-bargaining/>

overall strike rates in the country. The Unions need to restructure themselves as well as get support from the government so that they are in a position to ensure that its members have the necessary resources and are included in making decisions in the union hence reinforcing their solidarity to the union.

Reforms in the public sector bargaining are very necessary as they ensure that freedom of expression of the workers is enhanced in a proper thus improving the future of the Canadian working class. References Panitch, L. & Swartz, D. From Consent to Coercion: The Assault on Trade Union Freedoms. 3rd Ed. Ch. 7 & 10, pp. 143-241 Swimmer, G. & Thompson, M. Public Sector Collective Bargaining in Canada: the future of public sector Industrial Relations. Ch. 16, pp. 430-445