

ACT on the FACTS



FEBRUARY 2011

What is CLAC, anyway?

The Christian Labour Association was first established in the United States in 1931.

The Christian Labour Association of Canada was formed in 1952 by Dutch immigrants affiliated with the Christian Reform Church in Ontario. CLAC gained its first certification in 1963 in Ontario.

Significant membership growth, however, did not take hold until the mid-1980s and 1990s, coinciding with the election of right-wing, anti-union governments at the federal and provincial levels (the Mulroney, VanderZalm, Harris, Klein, Campbell, and now the Wall government.)

These governments embarked on an agenda favouring corporate interests, changing the political, legal and legislative environment that governs labour relations across the country.

This has had the effect of weaken-

ing labour rights and in the process, has made it more difficult for legitimate unions to organize and bargain freely, while making it easier for unrepresentative company pseudo-unions to gain much more than a foothold.

It is no coincidence that since the Sask. Party was elected in 2007, CLAC is seeking to represent workers by attempting to become certified as a bonafide trade union in Saskatchewan.

INSIDE:

- 2: A look at CLAC's contract language
- 3: Tactics in the workplace
- 4: Sask. gov't. welcomes CLAC
- 7: Is CLAC democratic?
- 8: Union leaders speak out

CLAC has a record of collaborating with union-busting organizations.

Merit Canada is a national body that represents anti-union construction contractors. All member contractors are non-union, with the exception of companies who have agreements with CLAC.

Merit's objective is to discredit the labour movement in general, and to break construction unions specifically. They are philosophically committed to the open shop movement and to open shop construction in Canada.

An **open shop** is a place of employment where unions are not welcome (usually described as a place where workers do not have to join or financially support a labour union as a condition of hiring or continued employment).

Merit organizes the annual International Open Shop Conference, which brings together open shop contractors from across Canada and the U.S.

The 2010 conference, held in Kelowna, B.C., (**and co-sponsored by CLAC**) featured a session entitled '*Free Choice, Unions and Public Policy*'; billed as "a panel of experts will explore how Canada's labour laws are biased in favour of unions to the detriment of workers and Canada's global competitiveness."

The session was presented by Glenn M. Taubman from the **American National Right to Work Legal Defense Foundation**, and John Mortimer, president of the **Canadian LabourWatch Association**.

The session included anti-union commercials and arguments against "forced unionization" and political involvement by unions. Presenters circulated poll results of the anti-union messages that appeal most to both unionized workers and the general public.

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Merit engages in lobbying and legislative action at all levels of government in an attempt to reform labour legislation, to shift the balance in favour of non-union contractors and to advance the cause of the anti-labour, open shop movement.

Merit also advances this agenda through their membership in the **Canadian LabourWatch Association**, an organization of union-busters whose purpose is to provide information and legal assistance to employers who want to keep their workplaces union-free or who want to get rid of unions already in place.

CLAC also works closely with the union-busting **Progressive Contractors Association of Canada (PCAC)**. A CLAC representative met with **PCAC** on February 1, 2006, apparently to collaborate with employers to assist them in avoiding certifications by the bona fide building trades. (*PCAC Executive Director's Report, 2006*).

On the **PCAC** recruitment webpage, CLAC is the only so-called union promoted to construction workers.

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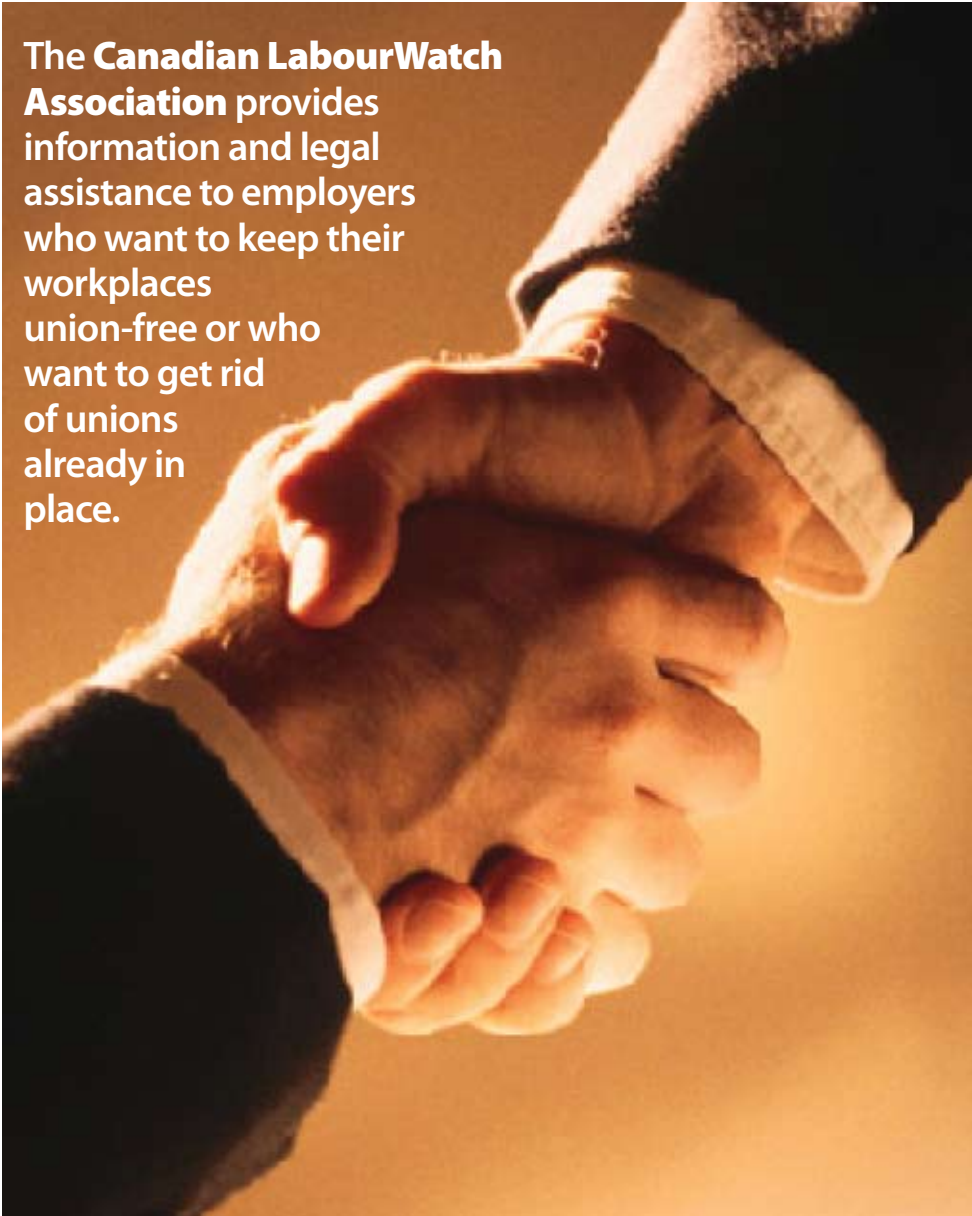
More CLAC collaborators

The vice-president of operations at **Deton'Cho Nuna**, a contractor with the Canadian government, pressured employees to stay with CLAC and resist being represented by the Public Service Alliance of Canada.

The general manager of **Rempel Brothers Concrete Ltd.** in B.C. tried to stop his employees from being organized by unions like the Operating Engineers and the Teamsters.

In memos to his employees, he stated, "Rempel and Challenge (a company division) have always been fiercely non-union companies ..."

He explained that he negotiated a first collective agreement with CLAC and encouraged them to vote in favor of the CLAC agreement, calling it their "best option."



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CASE STUDY: Canadian Nat'l Resources Ltd.

At the Horizon site in the Alberta oil-sands, CLAC has represented the employees of **Canadian National Resources Limited** since 2005.

In 2009, the Alberta government laid a record number of charges (53) against CNRL and two of its contractors. This came after lengthy investigations into the cause of the deaths of two temporary foreign workers.

During the investigation, it was discovered that 132 Chinese temporary foreign workers on that site were not paid be-

Alert! This pseudo-union is targeting vulnerable populations, including First Nations, Métis communities and temporary foreign workers.

tween April and July of 2007.

Additionally, 29 charges were laid for failure to ensure the health and safety of workers. (*Calgary Herald, April 22, 2009*)

CASE STUDY: Finning International

Finning International is a Canadian-based distributor of heavy equipment.

Part of its business involves “remanufacturing” used and worn parts for Caterpillar and other lines of construction equipment.

The 250 workers at this Finning Component Rebuild Centre were members of the International Association of Machinists and Aerospace workers (IAM) Lodge 99.

In the spring of 2005, Finning closed its Com-

ponent Rebuild Centre, and contracted out the work to a new facility called **OEM Remanufacturing Company Inc.**, which was built and financed with Finning money.

When Finning transferred its rebuild operation to OEM, it managed to dump the Machinists’ union in favour of CLAC.

Given that the work being done at Finning/IAM and OEM/CLAC are essentially the same, looking at the two contracts is revealing.

CLAC agreed to a collective agreement grossly inferior to the Machinists’ contract.

UPDATE:

The Alberta Labour Relations board just released its decision cancelling CLAC’s certification with OEM Remanufacturing because of company domination of the process.

IAM local 99 v. OEM, Finning & CLAC, Alberta LRB 2011.

What did the workers get when Finning moved its operations to OEM and workers got a CLAC agreement?

- » Lower pay for the same work with a “ranking” system that entitles the employer to decide pay rates;
- » Less paid vacation and fewer stat holidays;
- » Just over half of the previous employer pension contributions;
- » A doubling of the probationary period;
- » Promotions based on employer discretion rather than seniority or ability;
- » No job security.



One research study found CLAC has used the following tactics:

- » Accepted invitations by employers to enter into voluntary recognition agreements to thwart the organizing efforts of traditional unions;
- » Entered into a voluntary agreement with an employer before any employees have been hired, or before the bulk of employees have been hired;
- » Entered into a voluntary agreement with an employer without obtaining legitimate support from the workers it represents;
- » Entered into inferior collective agreements compared to those of other unions that represent workers in the same industry or with the same employer;
- » Proposed wage rates in a first collective agreement that were \$1.25 per hour less than any employee in the bargaining unit was currently earning;
- » Conducted a collective agreement ratification vote among workers before a wage schedule was negotiated into the collective agreement;
- » Had no constitutional requirement that a membership ratification vote be held to approve negotiated collective agreements;
- » Offered employers “open shop” or “open site” collective agreements;
- » Permitted management representatives to attend union meetings to discuss and vote on agreements.

CLAC enticed employees with interest-free payday loan advances if they signed with CLAC when other unions were attempting to organize them.

(Negotiating without a Floor: Unionized Worker Exclusion from BC Employment Standards, July 2007, Canadian Centre for Policy Alternatives p.23-24)



Sask. Party gov't and CLAC: weakening union rights

In 2008, the government amended the Trade Union Act (Bill 6) in favour of employers. The changes limit the ability of legitimate unions to organize new members. They also empower employers to communicate their 'opinions' to employees, creating an environment where employer-dominated unions like CLAC get a helping hand.

Bill 6 repealed a section that allowed the Labour Relations Board to refuse to order a vote on a certification application where employees were already represented by a union, another change that opens the door for associations like CLAC.

Bill 6 also changed the rules so there is no longer a limit on the length of collective agreements. CLAC supports this rule because they use a strategy of signing lengthy agreements to avoid having an open period. Open periods permit workers to choose legitimate unions. CLAC was found guilty of this in *UA 488/IBEW 424 vs. Firestone and CLAC, Alberta LRB 2009*.

Attacking the building trades

In a letter to its members, CLAC encouraged workers to get involved in the last provincial election and to 'persuade the politicians' to change the Construction Industry Labour Relations Act (CILRA) (Oct. 23, 2007).

When government introduced amendments to the CILRA (Bill 80), the assistant



"There is no more monopoly. The CLAC (Christian Labour Association of Canada) would be able to operate here, out of Alberta." — Premier Brad Wall on Bill 80, as quoted in the *Globe & Mail*, May 9, 2010

deputy minister of labour later admitted that **the only organization (other than employer organizations) who asked for Bill 80 was CLAC.**

He also acknowledged that he excluded the building trades unions from the consultation

process.

Not surprisingly, anti-union contractors from Alberta, including the Progressive Contractors' Association of Canada, want and support this bill — they were at the legislature the day Bill 80 was introduced.

The changes may allow CLAC to be certified in the construction industry (CLAC could not be certified in construction under the previous law).

Shortly after Bill 80 passed, CLAC applied for five certifications in Saskatchewan.

CLAC in Saskatchewan

CLAC recently opened an office in Saskatoon. They have a Facebook page devoted to organizing in Saskatchewan, and not just in the construction industry.

It states, "If you are interested in having CLAC represent you and your co-workers in your workplace, whether you are employed in hospitality, manufacturing, service, construction, or retail, we would like to hear from you."

Ads in the *Leader-Post* and *Star Phoenix* feature workers in flower shops and hotels.

In Ontario and B.C., CLAC organizes extensively in health care, often targeting long-term care facilities. They also have members in social services, transportation, mining, education and emergency services.

Is CLAC political?

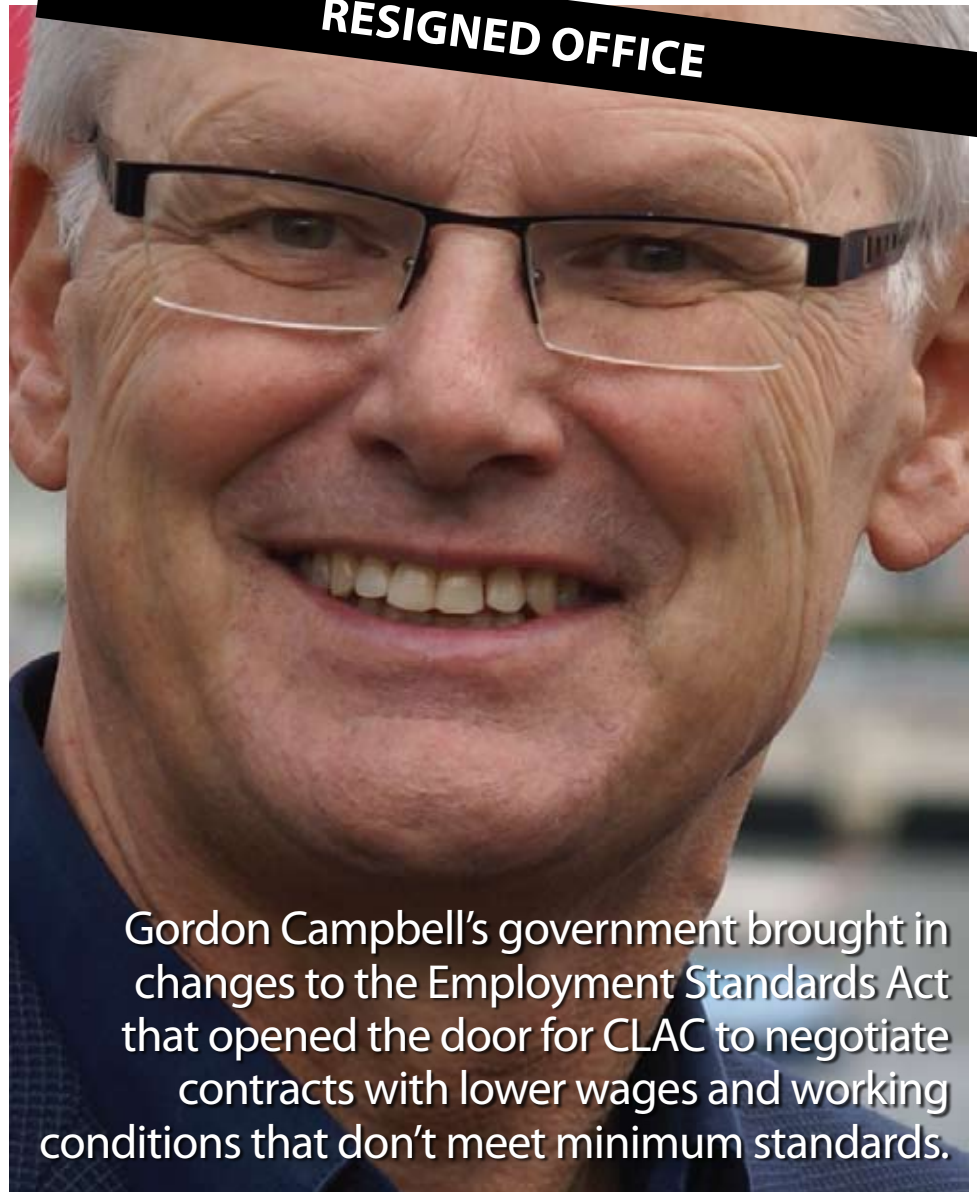
"CLAC does not support or participate in any political parties or social causes." (*Learning about the Christian Labour Association of Canada, CLAC Saskatchewan Edition*)

And yet:

» **CLAC recently lobbied the provincial government for a two-tiered minimum wage.** They argued youth under the age of 21 should make 10 per cent less than other minimum wage earners. *Source: CLAC, Submission to the Saskatchewan Minimum Wage Board, Oct. 23, 2009.*

» **CLAC lobbied the federal government in opposition to Bill C-257, anti-scab legislation.**

RESIGNED OFFICE



Gordon Campbell's government brought in changes to the Employment Standards Act that opened the door for CLAC to negotiate contracts with lower wages and working conditions that don't meet minimum standards.

The B.C. experience

In May 2002, the **British Columbia government** made significant changes to the Employment Standards Act.

One of the changes was to exempt unionized employees from core provisions of the Act (if their collective agreement contains any language regarding those provisions). This opened the door to "employer-accommodating" unions to negotiate agreements with provisions below the minimum standards of the Act.

A research study of these changes reviewed 56 CLAC collective agreements and found that:

CLAC frequently conceded to employers' collective agreements with provisions

below the standards of the Employment Standards Act, both before and after the 2002 changes.

In many instances, this has resulted in a lowering of wages and working conditions below the (new and lower) minimum protections of the Act, and/or denying sections of their membership the core protections of the Act.

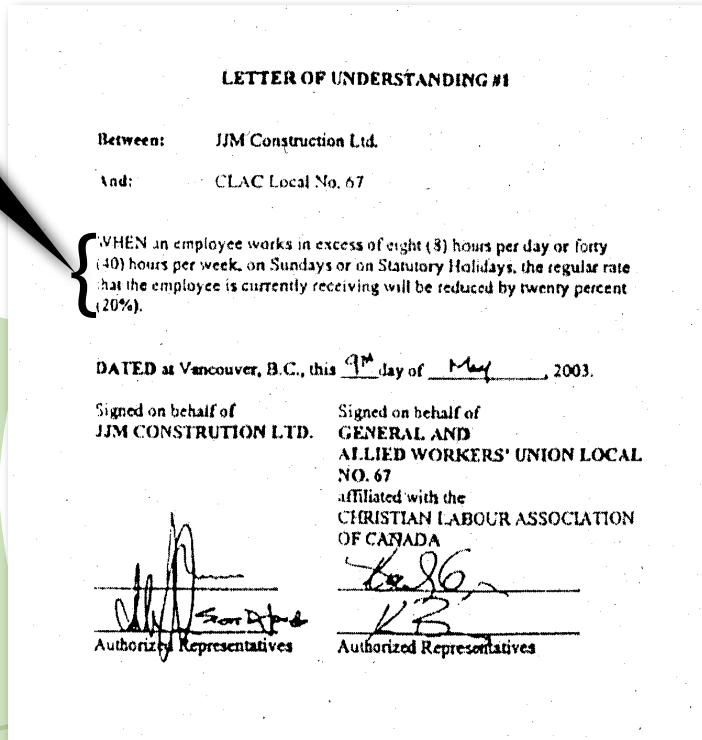
Some examples of clauses that were found to be below the Employment Standards Act floor included: overtime pay, annual vacations with pay, and termination pay.

(*Negotiating without a Floor: Unionized Worker Exclusion from BC Employment Standards, July 2007, Canadian Centre for Policy Alternatives*)



WHEN an employee works in excess of eight (8) hours per day or forty (40) hours per week, on Sundays or on Statutory Holidays, the regular rate that the employee is currently receiving will be reduced by twenty percent (20%).

**What kind of agreements does CLAC sign?
Take a look at excerpts from their contracts.**



Here are examples of other clauses that have been negotiated by CLAC:

'THE BOSS IS ALWAYS RIGHT'

Article 14.03 In the event that consultation fails to resolve a matter of contention, the Union agrees that **the decisive word resides with Management**, unless specifically abridged, deleted or modified by this Agreement. The Union reserves the right to refer unresolved matters to the Grievance Procedure.

'WE WILL NEVER GO ON STRIKE'

Article 5.01 During the term of this agreement, **or while negotiations for a further agreement are being held**, the Union will not permit or encourage any cessation of work, strike, slow-down or any stoppage of work or otherwise restrict or interfere with the Employer's operation through its members.

'NEW EMPLOYEES DON'T HAVE TO JOIN OUR UNION'

Article 6.02 Neither the Employer **nor the Union** will compel employees to join the Union. Subject to Article 6.01, the Employer will not discriminate against any employee because of Union membership **or lack of it**, and will inform all new employees of the contractual relationship

between the Employer and the Union.

Before commencing work, or as soon as reasonably possible after commencing work, new employees will be referred by the Employer to a Union steward or Representative in order to describe the Union's purpose and representation policies to such new employees.

A collective agreement between **CLAC** and Chinook Productions pays actors that do animation voice-overs **30 percent less** than the industry rates in the first year of the **CLAC** agreement. In addition, under the **CLAC** agreement, actors sell out their residual rights for a one-time payment of \$500. (CLAC Watch, October 2000)

In a 2009 study comparing **CLAC** collective agreements with Alberta Building Trades agreements, labourers with **CLAC** earn on average **\$34,000 less a year** on a 50-hour workweek. Across the ten trades, **CLAC** members earn an average of **\$20,000 a year less** on a 50-hour workweek. (Wage Summary- Alberta Construction Labour Relations, 2009)

Is CLAC democratic? Judge for yourself:

- » CLAC restricts who is able to run for local union and national office on the basis of very subjective conditions:
- » CLAC staff representatives are appointed by the National Board only on the recommendation of the incumbent staff members (CLAC Constitution, Article 11.04)
- » In order to be eligible for election to the National Board,

- nominees are screened by the existing National Board (Article 9.03).
- » The only authority to nominate candidates for a position on a local board is the local board (Article 8.05).
- » Staff are authorized to suspend a member (Article 6.05) and can suspend or remove a steward or a bargaining committee member (Article 13.17).

CLAC'S STYLE

Without exercising the right to strike, the right to grieve and the right to arbitrate, can you bargain a fair collective agreement and can you enforce it?

CLAC doesn't appear to think it's necessary.

At a hearing before the Nova Scotia Labour Relations Board, CLAC's representation was described in this way: "... (John) Kamphof, who has been employed by CLAC as a representative for 25 years, **could not**

recall any grievance being arbitrated in a construction industry bargaining unit anywhere in his 25 years."

CLAC has run very few strikes in its entire history. In fact, Ed Grootenboer advocated that the provincial and federal governments abolish strikes and lockouts and impose mandatory arbitration to resolve labour disputes.

(Ed Grootenboer, former Executive Director of CLAC, *In Pursuit of Justice, So Far, So Good. Missis-sauga: Christian Labour Association of Canada*).

LABOUR'S PHILOSOPHY

We know that without the right to strike, collective bargaining becomes collective begging. Without exercising our right to grieve and to arbitrate, how can workers protect and enforce their gains at the bargaining table?

Workers and their real unions have always used the right to strike to improve the social, economic and political life of Saskatchewan and Canadian society.

As citizens, we have protested to express our views about the kind of society we want for ourselves and our children.

Our history is filled with examples of our victories: occupational health and safety, vacations, sick leave, minimum wage, maternity leave, pensions, employment insurance, medicare...the list goes on.

LABOUR MOVEMENT DEMOCRACY

We strive to model democracy by electing workplace stewards and union executives.

We learn about collective decision-making, accountability and fair elections through our unions.

And we build solidarity when we join together in labour councils, provincial federations and the Canadian Labour Congress.

UNION LEADERS SPEAK OUT AGAINST CLAC

BRITISH COLUMBIA

"The 450,000 workers represented by B.C. Federation of Labour affiliates do not recognize the Christian Labour Association of Canada as a real union — and for good reason."

— Jim Sinclair
BC Federation of Labour

ALBERTA

"Anti-union employers have always used a variety of tools

to try to prevent workers from exercising their democratic right to union representation. One of these tools is the 'dummy' union — established with the cooperation of the employer to block the formation of a real union representing the workers' interests."

— Gil McGowan
Alberta Federation of Labour

SASKATCHEWAN

"We are very troubled that the anti-union Saskatchewan government supports CLAC — it's yet another assault on the unorganized and on workers' rights."

— Larry Hubich
Sask. Federation of Labour



Keep CLAC out of Saskatchewan!

In your workplace

Contact the SFL to arrange for an anti-CLAC presentation at your local or union.

More resources are available at www.thetruthaboutCLAC.ca.

For bulk copies of this publication, call or email the SFL.

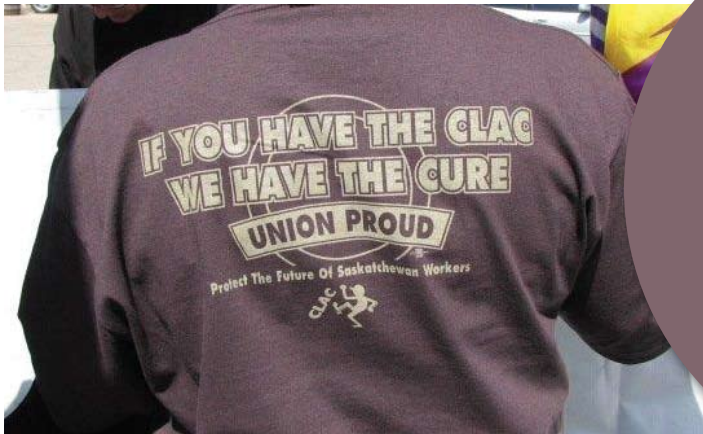
In Saskatchewan

Saskatchewan unions have joined together to argue before the Labour Relations Board that CLAC does not qualify as a legitimate trade union, based on it being employer-dominated.

We argue CLAC does not satisfy the definition of 'trade union' in Saskatchewan, which includes a history of social unionism.

Across Canada

The Canadian Labour Congress (CLC) has applied to the International Trade Union Confederation (ITUC) to have CLAC suspended from ITUC membership. ITUC is the world's largest trade union federation. It represents 175 million workers through its 311 affiliated organizations within 155 countries and territories.



For a limited time,
you can order an
anti-CLAC shirt from
the SFL office.
Hurry while supplies
last!



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