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## New Bargaining Strategies? USWA and the New Economy

by Greg Albo and Dan Crow

The new economy has placed a variety of pressures on collective bargaining in Canada. These pressures should, in the first instance, be understood in the context of long-term Canadian economic under-performance. Lower growth and productivity performance than the US, combined with higher unemployment, has placed extensive labor market pressures on wages in Canada since the 1980s. In this context, the new economy has raised particular issues about bargaining around wages, competitiveness, and restructuring in a period of neoliberalism. The new economy is simply a term that summarizes quite complex processes: the growth of diverse service employment; the intensification and flexibilization of work processes in general; the introduction of flexible manufacturing systems into materials production; and the internationalization of production.

For collective bargaining, the new economy has often entailed extensive efforts to overhaul union agreements to give management increased flexibility in employment, deployment, and wages. From a comparative perspective, there have been a number of "emergent" models, such as the "competitive corporatism" social pacts of EU unions, and the flexibilization agreements that have been common in North America. There are varieties of ways that neoliberalism has become embedded, and a number of ways that national and sectoral collective bargaining institutions have adapted. From many measures, but in particular when looking at de-unionization trends and wage compression, the new economy has meant a variation of the "punitive austerity" that has been characteristic of the Anglo-American countries.

The evolution of collective bargaining within the United Steelworkers of America (USWA) is an interesting case to examine how aggregate trends have played in sectoral bargaining. In some senses, USWA is embedded in the "old economy" of industrial production and mass production manufacturing. But the steel sector itself is, of course, a lead in deploying new technologies, and the USWA has become a quite different organization, in many ways capturing all the bargaining pressures facing unions today. Indeed, after a series of mergers, the USWA has become the largest private sector union in Canada,



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representing over 280,000 members, giving it a strategic and political importance within the labor movement. Furthermore, these mergers have expanded the scope of the USWA beyond the manufacturing sector, transforming it into a general union that also represents workers in the service sector.

The USWA's characteristics lend themselves to several important research and strategic questions. First, how successful has the USWA been at resisting concessions in an era of union decline? Second, to what extent has the union negotiated co-management or partnership agreements with employers, what are the terms of these agreements, and what limits have these put on the union's ability to represent its members? Third, has the union diversified its bargaining tactics and demands in bargaining in response to the new economy? Finally, has the USWA used similar strategies and demands in service sector bargaining as in its traditional workplaces, and to what effect?

As a large international union, the USWA provides interesting insight into bargaining. Since internationals have traditionally been the more conservative unions in Canada, and the most likely to engage in what has often been called "responsible unionism," it might be expected that the USWA has been in a relatively weak position to resist neo-liberalism. In its traditional manufacturing strongholds, its newly organized industrial affiliates (such as the IWA), and service sector workplaces, USWA has been willing to engage in partnerships and co-management arrangements as a trade-off for some job protection and union security. A more atypical but telling example is the case of an IWA affiliate of the USWA entering into voluntary recognition agreements in the BC health care sector, which included collective agreement concessions, as a way to guarantee its ability to represent former CUPE/HEU workers. Some of these are bargaining outcomes in the "new economy."

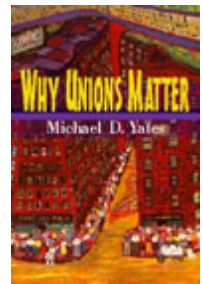
Yet, the local at Stelco in Hamilton has shown that there is still a militant streak in the USWA pushing ahead an agenda of social unionism (even "class unionism" reminiscent of the 1940s recognition battles in Hamilton). Union density levels and wages and benefits have also not necessarily taken the "hit" they have in other sectors. The USWA still maintains some capacity to resist the employers' offensive in the so-called "old economy."

This comparison, however, does not necessarily suggest that the manufacturing locals are likely to be more militant, or more capable of resisting neo-liberalism. Rather, the comparison demonstrates that there is unevenness within the Canadian branch of the international. Comparing bargaining strategies and outcomes across all sectors within the USWA allows us to examine if the union is most capable of resistance in its traditional strongholds. The outcome of this line of inquiry allows us to evaluate the potential capacities of general unions,

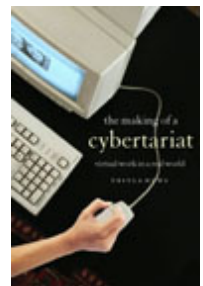


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as opposed to those with a narrower occupational or sectoral scope. Given the Canadian labor movement's strength relative to its American counterpart, it is likely that the unevenness between locals and sectors within Canada is magnified over the entirety of the USWA's North American activities.

The new economy has posed major collective bargaining challenges to unions in all the advanced capitalist countries. New models of bargaining have emerged at the national level, reflecting prior institutional arrangements and union and company responses to international competitiveness. Wage austerity and flexibility have been common across them. Sectoral and union-specific strategies, however, often suggest a great deal of further variation within these "national models." General unions like the USWA have become complex living laboratories to examine the impact of the new economy on workers across many sectors, how unions are accommodating the new environment, and how workers and their unions are struggling to find new strategies for a more just social order.

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**Greg Albo** and **Dan Crow** are political scientists at York University.

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