

Labour Education and Training Research Network



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Training and Canadian Labour: The Hard Questions



by

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Introduction

The Canadian Labour Congress believes the Labour Education and Training Research Network is an absolutely vital instrument for addressing the hard questions in training that labour faces. Bringing unions and researchers in our universities together is a major undertaking. It is even more difficult to do this from one end of the country to the other. The gains made by the labour movement in the areas of education and training are either being dismantled or under severe attack. The C. D. Howe Institute and Fraser Institute and right-wing academics have been busy over the past twenty years devising training and education strategies that have not been good for workers. Federal and provincial governments however are willingly implementing them. If we are to reverse these destructive policies for workers we need more research and worker friendly policy development coming out of our universities. The Network's research agenda appears to have identified the themes where most of the hard questions fit.

There is such a long list of questions around federal and provincial government training policy it is difficult to know where to start. They range from constitutional questions to the complex questions about how to implement a training tax. The privatization of training is happening across the country. It is moving at an alarming speed and financed with taxpayers money. There are no standards and there is no accountability. Access to training by disadvantaged groups is still a major issue. With the rapid erosion of investment in public education and the rolling back of programs that have been developed to remove barriers, we have our work cut out for us.

Technology in training and education, like technology in every other area of human endeavour, is neither all good or all bad. Again we have some hard questions of how to use technology to provide access and eliminate the use of technology that hurts workers. We also think it is good to look at training and education programs in other countries — particularly those that benefit workers or are initiated by trade unions.

Training and education are central to income and job security. But they are not just about employability. They are about our democratic rights. They are about full citizenship. The importance of training and adult education is evident from the participation of our population in training. Some six million people over the age of 17 take part in a training activity each year. If full-time university and community college students are excluded from the total, four million are participating in a training activity annually. Six million is nearly half of Canada's labour force. Our public institutions account for 34% of training activity, 20% by commercial for-profit organizations, 21% by employers and 25% by others. According to Statistics Canada, Unions account for about six per cent of total training and are part of that 25% provided by others.

When people are asked why they study or learn, only 57% took their education and training for current or future job reasons. Virtually all full-time university and community college students do not identify their education as job related. This is something we should applaud.

When we talk about labour's training vision we end up talking about training as a right. The right must be universal. It must be available without barriers to all employed workers, the unemployed, and the working age population wanting to enter or re-enter the labour force. Entrenching this right in employment law is only part of it. We want to have training viewed as a fundamental part of the job in much the same way as we view meal breaks, rest periods, and safe working conditions. Training doesn't end with schooling or a skills program. It must be built into jobs. Workers skills are an asset that should not be destroyed by jobs that de-skills workers. Every job, therefore, should use a worker's skills to the maximum, so they do not lose acquired skills.

Now Some of the Hard Questions

As you know, the biggest change in Canadian training policy came in 1996 with the passing of the *Employment Insurance Act*. It repealed both the *Unemployment Insurance Act* and the *National Training Act*. This legislation has returned us to where we were about fifty years ago. Understanding the full ramifications of this Act and the history behind it, is crucial to our understanding of federal training objectives and the consequences for workers.

EI was the fourth UI Bill since 1990 in the step-by-step dismantling much of unemployment insurance, and setting the stage for federal withdrawal from training. The thrust of federal training policy is to transfer the responsibility and cost of training to the individual. This is done under the guise of devolution while appearing to respond to federal promises on training during the Quebec referendum. The process started in 1989 after the free trade election which culminated in the NAFTA deal in 1994. UI and federal training policy has been part of both the Liberals' and Conservatives' free trade policy. It was also part of the fiscal strategy and even the constitutional battles of the 90s. It is part of the broader strategy of deregulating the labour market — and giving market forces a larger role in determining priorities.

The Tories attempted to give the provinces full responsibility for training and labour market programs through a constitutional amendment in the failed Charlottetown Accord in 1992. The Liberals did this through the EI Act — in 1996. Employment Insurance gives the provinces the final say on UI training money used for the purchase of courses and specifies that UI training money will be in the form of training loans and grants. Employment Insurance, however, does much more than shift the responsibility for training and employment programs to the provinces. It effectively transfers the ultimate cost of training to individuals. Loans to individuals replace direct federal subsidies to provincially run community colleges.

Employment Insurance also allows the federal government and provinces to commercialize training and employment services and run them as a profit-driven service. And the federal government and provinces are already moving quickly in that direction. There is nothing in the legislation stopping a province from using employment benefits for workfare or a forced labour program. The EI Act can be used by the provinces and the federal government to put pressure on UI claimants to accept low pay, low skill, low level jobs. The Act, in fact, prohibits the

federal government from doing anything in training without provincial agreement. These agreements have been signed with every province and territory except Ontario.

In just three years, the combined cut in federal training dollars from both UI and the Consolidated Revenue Fund, exceeds \$1 billion a year — from \$2.2 billion a year in 1993-94 to \$1.1 billion a year in 1996-97. If expenditures are held at this level, the cumulative training cuts from 1993 to 2000 will be over \$4 billion. This is over and above \$2.3 billion cut from federal support for post-secondary education. The cut in UI training dollars has come entirely from the income support portion paid to UI claimants for training. In 1995, nearly a billion dollars was paid in UI income support for training. Last year, only \$365 million of income support was paid to the unemployed for training. We expect in 1998 that support will continue to decline.

Federal withdrawal from training and devolution started before the Liberals were elected. In 1992, the federal government and the provinces had agreed to a constitutional proposal to provincialize the administration of unemployment insurance and turn all labour market programs over to the provinces. The CLC said in a letter to the Prime Minister and Premiers in 1992 that this would ultimately lead to the demise of unemployment insurance as a national program. *“Clearly the outcome will be unequal access to unequal benefits when workers are hit with the devastation of unemployment and a patchwork of labour market programs which will lead to a lack of mobility by workers across the country.”*

We predicted that the administration of UI by the provinces, would lead to a U.S. style, UI system where each state administers its own system; a system where, in 1991, only two of every five jobless workers received UI benefits and where benefits and eligibility vary from state to state. This year only a third of the unemployed in Canada will get UI. This also means that a shrinking portion will be eligible for training. Only EI claimants in the past three years are eligible for training. We saw this as yet another step to harmonize our labour and social programs with the lower standards in the U.S. system. In the United States, labour has been pressing to have their "crazy quilt" UI system federalized. Labour said in the constitutional debate that eventually led to the Charlottetown Accord that making worker training an exclusive provincial responsibility, and giving the provinces a role in UI would effectively destroy Canadian labour adjustment programs painstakingly built over the last hundred years. Sadly much of this all came to pass with the EI Act.

In 1940, when all provinces agreed to amend the Constitution to make unemployment insurance an exclusive federal responsibility, the federal government also assumed responsibility for unemployment. The EI Act puts the burden and cost of unemployment and training on the individual and private charity. It also blames the unemployed worker for his or her fate. Devolution as formulated in the EI Act is extremely short-sighted and self-serving approach to nation-building, and one which will inevitably contribute to the balkanization of the country rather than to enhance Canada's unity.

In the 1991 CLC presentation to the Parliamentary Committee on the Constitution where we spoke on behalf of the CLC members outside of Quebec, we opposed the federal proposal to make job training an exclusive provincial responsibility for the same reasons that we opposed other proposals which would weaken the ability of the central government to act in national interest. The CLC, at its convention earlier in 1992, had committed itself to a national labour market policy which would increase federal responsibility for UI, for the national employment service, and for investment in training. Clearly we did not get anything close to what had been mapped out at our convention. Employment Insurance, direct federal support for community colleges, with government-to-government agreements, was eliminated. Loans to individuals replaced direct funding of community colleges. Under the new training strategy community colleges now compete with private schools for trainees and their loans.

The most important consequence is the destructive impact on our public adult education system and our apprenticeship system. Remember federal-provincial government-to-government funding of the community college system has been the cornerstone of public adult and vocational education system for decades. The shift from support, to institutions, to a system of expanded student loans is leading to sky-rocketing tuition fees and will shut out tens of thousands of students from working class families. It is saddling every student who doesn't have well-off parents with a life-long debt.

Conclusion

There is no question that research is the key to the development of a training vision that workers can embrace throughout the country. As we move towards this vision we would like to see this Labour Training Network working closely with our CLC's Workplace Training Strategy. With our Workplace Strategy we are bringing together our membership and leadership involved in training to discuss labour training strategies. We started the process last year at our June conference. We are doing the same thing at the provincial and territorial level. At these conferences we are attempting to come to grips with federal withdrawal from training; emerging provincial training policy, and exploring ways of bargaining training in our collective agreements. We want to ensure that the researchers and academics involved in this Network participated in these conferences.

I want to be as specific as possible about the kind of questions that the Labour movement would like the Training Research Network to address. The trade union movement, as you know, has fought long and hard for an educational and training system that is open to everyone so that they can gain the skills and knowledge to function fully in their lives at work, at home, and in the community. This fight was not just about the K to 12 public system. It has been about opening our universities and colleges to workers and their sons and daughters. We are proud that there are 175 community colleges and technical institutes throughout Canada and a well developed university system.

But as already pointed out, the gains we have made in making education and training a basic right, is under attack. Our public adult education system is under attack as government policy privatizes training institutions and shifts the entire burden for financing training on the individual. Replacing direct federal subsidies to provincially-run community colleges with a loans and vouchers system to individual workers has enormous implications for every Canadian. It trashes so much of what we have fought for in this century.

What I have attempted to say earlier is that the federal government was determined to move the cost of training and education to the individual whether there was devolution or not. Clearly this market-driven strategy emerges from an ideology. In this strategy, training is part of the free trade agenda, labour market deregulation, weakening role of public education, privatization and introducing profit-taking in the delivery of the most basic services. As we have learned over the past twenty years, these ideas on the right have been developed and fostered by professors in economics, history, management studies, political science, etc. They have been generously funded. Their work has been made widely available through the media.

An idea like training vouchers and loans has been developed by the right to undermine workers and shift power to employers. These ideas are usually supported by economic theories. They may not be sound. They may be wacky. But it requires enormous research effort to establish our alternative. Unless politicians and the public hear alternatives and are offered evidence that they are bad ideas, they will buy them.

Probably there is no area of training policy that is more urgent than examining the implications of the loan and voucher system. The CLC has had free college and university education on its policy agenda for decades. And we made progress towards that goal in the 60s and 70s. If government succeed in turning back the clock — by making post-secondary education an individual responsibility, it won't be very long before tuition fees are reintroduced at the secondary level.

But if we are to make training a basic worker right, there are other areas for more research. Here is a short list:

- ensuring a minimum of forty hours of training each year during normal working hours without loss of pay;
- ensuring paid leave for workers who have not completed high school;
- guaranteeing women, aboriginals, visible minorities, and persons with disabilities access to training;
- implementing employer-training tax to fund training for employed workers
- income support for non-UI claimants to be funded out of general revenue;
- providing UI income support to unemployed workers to take training to re-enter the paid workforce
- free access to literacy and numeracy upgrading

Labour also has very specific views about the adult education principles. They shape the way we think about curriculum, teaching methods, the preconditions for adult learning, testing, apprenticeship, certification, measuring prior learning. These are areas identified by the Network in its broad themes. Our principles of adult education flow from trade union principles and from what we believe to be the purpose of education. Training, while job related, is not just about job skills. It is about the wider role we all play in society as citizens. It is about culture and values.

Another area under attack is the apprenticeship system. We believe strongly in the apprenticeship system. It is one of the finest learning systems ever devised. Labour believes apprenticeship training must remain as “time-based” programs which allow the apprentice to learn from the journey person and we must remove barriers to women and make it accessible to all. But we are not aware of very much research on the possible ways and means of expanding apprenticeship.

Finally discrimination has been a feature of the workplace related training. Programs leading to the best jobs have been the preserve of white men. Job-skills training must be structured to correct the exclusion of Aboriginal people, women, visible minorities, and persons with disabilities. Every training program, in labour’s view, must measure its design in terms of how it proposes to overcome hurdles to fairness and equality. Training, however, only makes sense when it is part of an economic strategy for full employment, for the creation of good paying secure jobs and for a labour process which relies on workers’ skills rather than one which dismisses skills and the workers.