

THE IMPORTANCE OF UNIONS IN REDUCING RACIAL WAGE INEQUALITY:

New Data and Best Practices

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Agenda

1. Colette Murphy, Atkinson Foundation.
2. Larry Rousseau, CLC: Opening remarks.
3. Salmaan Khan: Overview of Canada's colour-coded labour market and the experiences of racialized workers in the union movement.
4. Jim Stanford: Statistics Canada data on employment, union coverage, and wages of racialized workers.
5. Winnie Ng: Key informant interviews and best practices in building stronger trade unions for racialized workers.
6. Winnie Ng: Conclusion and recommendations.
7. Questions and discussion; adjournment.

Canada's Colour-Coded Labour Market

- Racialized capitalism has powerful, complex, intersectional impacts on the life chances of racialized workers.
- Abundant evidence confirms racialized workers experience lower incomes and higher unemployment.
- This inequality is magnified for racialized women workers.
- Differences exist according to immigration experience, racialized categories, gender, age, ability.
- Unions lift wages for racialized workers.
- But the effect of unions on wages depends on sector, employment status, and other variables that also have differential racialized impacts.

Confronting Systemic Racism Within Unions

- Unions have advanced initiatives to address racial injustice within their own ranks, as well as in broader society.
- Examples reviewed: T&YRLC, OPSEU, CUPE, UFCW, PSAC, CLC, Unifor.
- Are these initiatives enough? No!
- Fundamental challenge to unions: Demographic transition means racialized workers constitute a growing share of the working class.
- Advancing union awareness, credibility, membership, and power among racialized workers is essential to the union movement's viability.

New LFS Data on Racialized Workers

- Since 2021, Statistics Canada is now collecting data via several surveys regarding outcomes for racialized Canadians.
 - Part of federal *Employment Equity Act*.
- We use the Labour Force Survey: most detailed regular report on participation, employment, wages, unionization.
- Our paper analyzes unpublished LFS data on employment, average wages, and union status for 8 categories of racialized workers (and non-racialized).
- **IMPORTANT CAVEAT:** Indigenous Canadians not included in this data.
 - They are considered a “population group,” not a “visible minority.”
 - Separate research needed to describe wage & union outcomes for Indigenous workers (companion CFW report later this year).

Unpublished LFS Data

- Employees only (not self-employed).
- 8 categories of racialized workers: South Asian, Chinese, Black, Filipino, Arab, Latin American, Southeast Asian, and “Other”.
 - “Other” includes 3 smaller explicit categories (Japanese, Korean, West Asian), write-in categories, and those listing multiple identities.
 - Sample size prevents a more detailed breakdown.
- Male and female.
- 17 broad industrial sectors.
- Union coverage (slightly higher than union membership; more relevant for wage impacts).
- Average hourly wage (incl. normal effective hourly wage for salaried workers).

Key Findings: Racialized Wage Gaps

Table 2. The Racial Wage Gap, 2022		
	Average Hourly Wage (\$/hr)	Racial Wage Gap ¹
Filipino	\$25.02	-23.8%
Black	\$27.36	-16.7%
Latin American	\$28.97	-11.8%
Southeast Asian	\$29.39	-10.5%
Arab	\$30.29	-7.8%
South Asian	\$30.37	-7.5%
Other racialized categories	\$30.57	-6.9%
Chinese	\$33.72	2.7%
All racialized workers	\$29.64	-9.8%
Non-racialized	\$32.85	
Total population	\$31.95	

Key Findings: Union Representation

Table 4.
Union Coverage by Racialized Category, 2022

	Union Covered Workers (thousand)	Total Employment (thousand)	Union Coverage Rate
Black	242.1	719.5	33.6%
Filipino	187.3	629.1	29.8%
Arab	75.6	287.3	26.3%
Latin American	87.0	343.5	25.3%
Other racialized categories	102.9	462.4	22.3%
Southeast Asian	56.3	262.7	21.4%
Chinese	172.4	808.0	21.3%
South Asian	244.4	1261.8	19.4%
All racialized workers	1168.0	4774.3	24.5%
Non-racialized	3994.6	12248.5	32.6%
Total population	5162.6	17022.8	30.3%

Key Findings: Union Wage Effects

Racialized Men	
Non-Union Covered	\$31.90
Union Covered	\$32.54
Union Advantage	1.9%
Racialized Women	
Non-Union Covered	\$26.28
Union Covered	\$30.01
Union Advantage	14.2%
All Racialized Workers	
Non-Union Covered	\$29.14
Union Covered	\$31.16
Union Advantage	6.9%

Complex Interactions

- Racialized workers are less likely to belong to unions.
- The effect of union coverage on wages is significant but smaller.
- Unions reduce the gender gap for racialized workers from 18% to 8%.
- Lower impact of unions on wages for racialized workers reflects a combination of:
 1. Lower employment share in more unionized sectors.
 2. Lower union coverage rates in given sectors (most important).
 3. Lower union wage effect for unionized workers (least important).
- More detailed decomposition of occupation, firm size, and sub-sector needed to better describe and explain these impacts.
- Bottom line: Unions do a lot for racialized workers, but need to do more.

Putting it All
Together

Racialized Union Members	1.2 million
As Share Racialized Employment	24.5%
Average Union Wage	\$31.16
Hourly Wage Advantage	+\$2.02
Average per Year per Worker¹	\$3,270
For All Racialized Union Members	\$3.8 billion

Qualitative Data

1. Key informant interviews.

- Fifteen long-time racialized union activists (identities confidential).
- Semi-structured interviews.
- Reflecting on their personal experience in unions (opportunities & barriers), and their views of what unions must do better.

2. Catalogue of best practices.

- From these interviews, other research, and other contacts, assembled a list of promising best practices implemented by unions to strengthen their organizing and representation of racialized workers.

Advantages & Challenges in Union Activism

- Advantages:
 - Venue for justice work.
 - Connect with activist mentors / role models
 - Space for leadership development
 - Engage future generations
- Challenges:
 - Working 2x or 3x harder, still not being seen
 - Not qualified, deserving, or 'white' enough?
 - Divide and rule; internalized racism
 - Running out of patience with entrenched system racism within the movement
 - "Allyship is not a gym membership."

Best Practices

- Through key informant interviews and other sources / networks, we identify 12 concrete innovations & initiatives that are strengthening unions' capacity to organize & mobilize racialized workers.
- These best practices share common themes and dimensions:
 1. Shared common goal of shifting unions' institutional culture and practices.
 2. Initiatives driven by racialized leadership who will not settle for 'crumbs,' and will use their relative position and power to push for bold actions.
 3. Building trust and support from courageous allies who share the same dream of transforming the union.
 4. Growing presence of Black, Indigenous and racialized membership within union ranks; aim to achieve a critical mass.

Recommendations

1. Make anti-racism an overarching priority in building union power
2. Launch an intensive and massive intersectional union organizing strategy
3. Support organizing with intersectional anti-racism union education
4. Support elected racialized leaders
5. Set term limits for standing committees to advance equity representation
6. Promote employment equity hiring in target sectors and occupations

Conclusion: Urgent Next Steps


- The struggles for racial justice and economic justice for workers are inseparable.
- Strengthening unionization among racialized workers is vital to addressing wage disparities and for black and racialized workers to experience the power of organizing, collective bargaining and solidarity.
- It is also vital to the future viability of Canada's union movement.
- Building a strong, progressive multi-racial working class movement that fights for racial equality in all its activities, will position Canadian unions — and workers of all racialized identities — for a more powerful and hopeful future.

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