

# Ontario: The EllisDon affair, worker rights, and the political charades at Queen's Park

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A leaked email written by Randy Hillier, a leading Conservative in the Ontario legislature, on a proposed law that would gut worker rights has cast light on the mercenary machinations that are the stuff of parliamentary politics in Ontario and across Canada.

The legislation in question (Bill 74) is a private member's bill brought forth by Monte McNaughton, another Conservative member of the provincial parliament. It would abrogate a labor agreement struck many years ago between building trades unions and a single company—EllisDon—a giant, multinational construction services company based in London, Ontario. The targeted agreement compels EllisDon to employ only unionized construction workers.

Private member's bills, especially those authored by opposition legislators, are rarely adopted. But both the Conservatives and the governing Liberals have rallied round Bill 74 in the name of ensuring the "competitive position" of EllisDon, i.e. its ability to slash labor costs. Bill 74 has already passed second reading, meaning its adoption is all but guaranteed.

Hillier's email, which was leaked by an unnamed source, outlined discussions within the Conservative parliamentary caucus that were reportedly led by a senior official in the inner circle of party leader Tim Hudak. "In caucus," wrote Hillier, "it was stated quite explicitly that following a successful EllisDon fundraiser for Tim, our party would continue to benefit financially with the advancement of the legislation. I am genuinely concerned that we may be walking on very thin ice or potentially violating Section 41 of the Legislative Assembly Act" (which prohibits exchanging legislative votes for financial gain).

At the May 2013 fundraiser mentioned by Hillier, EllisDon ponied up with three separate political donations amounting to \$14,815 to go along with \$26,200 it had given to the Liberals just as Bill 74 was to come before the legislature. The Liberals, headed since last January by Kathleen Wynne, form a minority government, meaning they require the support of at least one opposition party to pass laws. Over the past two years, they have alternated

between relying upon Conservative and New Democratic Party (NDP) votes to retain power and press forward with their big-business austerity agenda.

The EllisDon largesse at the spring Conservative party fundraiser clearly whetted some appetites. The company had been identified for many years as a strong backer of the Liberal Party. Company cofounder Don Smith was a former Ontario Liberal party president, his wife Joan was Solicitor-General in the cabinet of former Liberal premier David Peterson, and son Geoff Smith, the current EllisDon CEO, is chairman of the Ontario Liberal Fund.

That big-business political parties take their marching orders from the financial elite will come as no surprise to class-conscious workers. Nor will it raise many eyebrows that politicians and business executives circulate through a revolving door between legislative chambers, political back rooms, and corporate executive suites. But there generally has been an attempt on the part of big business, the politicians and corporate media to maintain a pretense of "distance," so as to promote the fiction that government policy is determined by fair-minded august lawmakers weighing up the public good.

Today, however, as the ruling class gorges on an ever-larger share of the national income and repudiates ever-more openly democratic principles and norms, such pretenses are more and more seen as relics. Thus, Matt Gurney, editorial board member of the *National Post* newspaper, cynically writes that the exposure of the Conservative's pandering to a major construction firm is really no big deal. That Conservative support for Bill 74 was tied by senior party officials to corporate donations from EllisDon is not "as bad as it sounds," writes Gurney. "The worst that can be said is that the Tories saw an opportunity to ingratiate themselves to a large company that traditionally favoured a rival party and thought it would be a good idea to take it."

Of course, as is usually the case, there is much more to the matter than is apparent from the musing of the mainstream press.

Hillier, author of the leaked email and the Conservative's

now defrocked labour critic, was concerned that McNaughton's bill and the party's short-term focus on lapping up funds from EllisDon were cutting across a much bigger prize—winning power and adopting legislation that would abolish the closed union shop for all workers, public and private sector, in the province.

In June 2012, Hudak—attempting to rally big-business support by outflanking the provincial Liberals on the right—issued a party policy paper entitled “Paths to Prosperity: Flexible Labour Markets.” The “white paper” was the Conservative Party response to the Liberals’ imposition of a two-year age freeze on one million public sector workers and their threat—subsequently carried out under Bill 115—to enforce it through dictated contracts and the suspension of basic worker rights. The Conservatives’ “Paths to Prosperity” calls for sweeping, permanent changes to Ontario labour laws patterned after US “right-to-work” legislation. The changes include increasing the legal impediments to obtaining union recognition and abolishing the Rand Formula, which provides for the “automatic check-off” of dues from all workers covered by a collective agreement irrespective of whether they belong to the union.

As Hillier asserted, “In my view, this (Bill 74) is not consistent with our labour white paper and it’s not consistent with the legislation I’ve advanced as labour critic... Advancing legislation that explicitly abrogates a voluntary collective agreement of one employer provides our opposition with a proof-point to their allegations...that we are only fighting unions to make big business richer.” Hillier, putting on his accountant’s hat, further argued that the relatively insubstantial initial corporate cash donation from EllisDon might not be worth the trouble when weighed against the embarrassment it could potentially bring. “EllisDon may appear friendly today,” he warned, “However, the company has a very, long history with the Liberal party.”

If by “opposition,” Hillier means the trade unions and the NDP he surely will be gratified to learn that several skilled trades unions, including the Carpenters and Labourers unions, who cooperate closely with the construction companies against their own members, have already sided with EllisDon’s appeal to abrogate the purportedly “outdated” closed-shop working agreement.

More broadly, on the question of Hudak’s “right-to-work” proposals, Ontario Federation of Labour (OFL) president Sid Ryan has stated that should such legislation be passed by an incoming Ontario government, the opposition to it will make the unions’ campaign against Mike Harris, a previous rightwing Tory premier, “look like a picnic.” Ryan, a strong supporter of the NDP’s current de facto coalition with the Wynne-led Liberals, is known far and wide for such bluster.

An examination of the working-class resistance to the Harris government is nonetheless instructive, for it shows how the unions sabotaged it. Between 1996 and 1997, a wave of demonstrations and strikes erupted against Harris’s attacks on social services, jobs, worker rights and environmental regulations. But the unions and NDP worked to politically emasculate the resistance, insisting that the working class must not challenge the Tories’ “right to govern.” Most notably, they wound down ever-escalating strike actions by hundreds of thousands of Ontario workers in “Days of Action” against Harris and torpedoed a strike by 120,000 public school teachers that even the corporate media conceded enjoyed overwhelming public support. When the Ontario Conservatives were eventually voted out of office, the unions welcomed the incoming Liberal government even though the Liberals left in place all the main elements of Harris’s anti-worker “Common Sense Revolution.”

The unions and the union-supported NDP in Ontario have long pointed to the rightwing policy prescriptions of Hudak and his Conservatives to justify their close collaboration with the Liberals. The NDP, led by Andrea Horwath, has twice ensured the passage of egregious Liberal austerity budgets that cut public sector jobs and wages and slash billions from social services. The three-party charade in Ontario politics is the mechanism by which big business pushes its agenda whilst pretending that voters actually have a substantive choice between the Liberals, Conservatives and NDP.

No sanctions are even contemplated by any political or juridical body against the trough-swilling revelations around Bill 74. The mainstream press has made the issue a “one-day wonder” in their news columns and editorial pronouncements.

Meanwhile, the Liberals, alongside their sometime Conservative allies, are preparing, now that the provincial legislature has reconvened, to complete parliamentary ratification of the bill releasing EllisDon from its commitment to hire unionized workers at standard union pay rates. When they do so, NDP leader Horwath will cynically take the floor to perfunctorily denounce the bill and the very government that she has kept on life support for the past two years as it has imposed social spending cuts even steeper than those of Harris.



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