Ontario unions hold bogus “day of action” over wage clawbacks at Tim Hortons

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Trade unions and pro-union campaign groups staged a “day of action” across Canada last Friday to protest the attempts by coffee chain Tim Hortons to claw back pay and benefits from its workers following this month’s increase in the Ontario minimum wage to $14 an hour.

The character of the protests made clear that the Ontario Federation of Labour (OFL) and groups like Fight for $15 and Fairness are working to exploit this issue to bolster their efforts to re-elect the Ontario Liberal government in the June 7 provincial election.

When the provincial minimum wage rose to $14 an hour on January 1, several Tim Hortons franchise owners and many other businesses across the province responded with undisguised hostility. They announced an end to paid breaks for their workers, removed other workplace perks, or instituted the clawback of tips. In many cases, these measures not only offset the wage increase, but left workers earning less money than before the minimum wage hike took effect.

The Liberal provincial government of Kathleen Wynne, which passed the new employment standards legislation with an eye to the coming election after imposing years of austerity, responded by posing as workers’ friends. Wynne denounced Tim Hortons as “bullies” and Labour Minister Kevin Flynn made a very public visit to an independent coffee shop in Toronto to criticize the action of Canada’s largest coffee-shop chain.

While outrage at the scandalous actions by Tim Hortons and other businesses, like Sunset Grill, and Rainbow Foods is widespread among workers, the union-orchestrated events had nothing to do with mobilizing popular opposition to low-wage jobs, temporary contracts and social inequality. Instead, union bureaucrats addressing the rallies, some of which numbered little more than ten people, sought to cast the issue as being caused by the rogue actions of a single employer. They intentionally covered up the role of their allies in the Liberal government, who drafted their employment standards law in such a way that businesses could legally circumvent the minimum wage hike.

Organizers of Friday’s rallies, including the OFL and Lead Now, reported 42 protests occurring in Ontario, including 20 in Toronto. An additional 11 demonstrations took place outside the province, including in Calgary, Saskatoon, Regina, Halifax, and Vancouver.

The perspective of the protest organizers was summed up by OFL President Chris Buckley, who addressed a pathetic open letter to the CEO of Tim Hortons’ parent company, Restaurant Brands International, Daniel Schwarz. Buckley demanded that Schwarz “take the immediate steps required to ensure that Tim Horton’s franchise owners respect the spirit of, as well as comply with, labour laws in Ontario,” and bring an end to this “unfortunate situation.”

Buckley’s word-for-word parroting of the line adopted by Wynne’s Liberal government, which chastised Tim Hortons for not following the “spirit” of the misnamed Fair Workplaces, Better Jobs Act, is no accident. The OFL president and his fellow union bureaucrats have determined that the Tim Hortons issue can be used as a wedge-issue to bolster their campaign to re-elect the Ontario Liberals.

Through the Working Families Coalition, Ontario’s unions have spent millions of dollars on helping elect Liberal governments for close to two decades. These governments, first under Premier Dalton McGuinty and later under Wynne, have waged one round of attacks after another on Ontario workers. They have virtually outlawed public sector strikes, privatized public utilities, given massive tax handouts to the corporate elite, and implemented devastating social spending cuts.

The claim that this right-wing party of big business has suddenly found its conscience and wanted to help low-wage workers by raising the minimum wage is a fraud. When big and small-business lobby groups raised a hue and cry late last year about the federal Liberals’ plan to rewrite the rules governing Canadian-Controlled Private Corporations (CCPC)—which business owners and well-heeled professional have been using as a massive tax dodge—the Trudeau government quickly shredded its plan. What was initially presented as a move to make the tax system

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"fairer," was subsequently transformed into a further tax cut for all CCPCs and small-businesses.

Aware of the substantial opposition within the corporate elite to any increase to the minimum wage, and in the midst of the furor over their federal allies' proposed changes to the taxation of CCPCs, Wynne's Ontario Liberal government slashed the corporate tax rate on the first $500,000 of profits to just 3.5 percent in the run-up to the provincial minimum wage increase.

Yet when employers take advantage of Liberal legislation to claw back money from low-wage workers, Wynne's ministers restrict themselves to purely verbal and thoroughly hypocritical declarations of outrage.

To the extent that this charade has any credibility, it is only because of the duplicitous role being played by the trade unions and their pseudo-left cheerleaders in boosting the Liberals' "progressive" credentials.

The unions were fully integrated into the two-year consultation process that was organized during the drafting of the Fair Workplaces, Better Jobs Act. One key goal of the legislation is to make it easier for unions to access a new dues base among low-wage, non-union workers. The law also grants outright exceptions to the extremely modest protections for workers it contains, including a provision that bars the province's approximately 150,000 autoworkers from obtaining paid emergency leave.

In November 2017, when the Liberals and New Democratic Party voted in the provincial legislature for the employment standards legislation, also known as Bill 148, the Ontario Public Services Employees Union (OPSEU) declared in a bombastic press release that it was "a sign that working people in Ontario are once again setting the agenda around fairness in the workplace."

OPSEU President Warren Thomas enthused, "If I take anything from Bill 148, it's that when working people get together and say what they need, they have the power to get it. Bill 148 is a significant step forward for workers' rights, and I think every union, community group, and individual who helped make it happen should take a bow."

Thomas' shameless boosting of the big business Liberals came just days after they had illegalized a four-week strike by 12,000 college teachers, members of his own union—an action Thomas all but publicly supported.

In name of "stopping the Tories," the unions are providing the Liberals with "progressive" credentials and otherwise systematically subordinating the working class to this rightwing, pro-austerity party. At the same time, in a minority of heavily working-class constituencies, they patronize the NDP, claiming workers can advance their interests through this long-discredited, right-wing social-democratic organization.

The NDP, which is generally hard-pressed to distinguish itself from the Liberals, has avoided any criticism of the Wynne government over the minimum wage issue. The NDP propped up a minority Ontario Liberal government from 2012 to 2014, enabling it to adopt a series of austerity budgets and use strikebreaking legislation to slash teachers' wages.

The pro-Liberal character of the unions' "day of action" was further illustrated by the role the Lead Now group played in orchestrating some of last Friday's protest events. Lead Now was the campaign group behind a major get-out-the-vote drive in 2015 which, in alliance with the trade unions' "Anybody but Harper" campaign, helped elect Justin Trudeau and his Liberals at the federal level.

Lead Now advanced the spurious claim that a "strategic" vote for a Liberal candidate offered an alternative to Stephen Harper's Conservatives. Since coming to power, Trudeau's "progressive," gender-balanced cabinet has pledged billions more for Canada's armed forces, expanded Canada's involvement in US-led military interventions around the world, launched a vast privatization program to sell off the country's public infrastructure, and continued austerity policies, such as with their below-inflation health transfers to the provinces.

This underscores that if workers are to be successful in their fight for wage increases and improvements to working conditions, they must immediately move to take the conduct of the struggle out of the hands of the OFL and the unions. Workers should form their own independent organizations of struggle to advance their own demands, including a livable income of at least $20 per hour, the full restoration of all of the benefits enjoyed by workers at Tim Hortons and other businesses prior to the recent retaliation by employers, and an end to exploitative practices such as temp agency work.

Such demands can only be achieved in irreconcilable political struggle against the big business Liberals, the NDP, and their pro-capitalist trade union accomplices. It requires the adoption of a socialist and internationalist programme to fight for the establishment of a workers' government committed to placing the needs of the vast majority for decent-paying and secure jobs above the profit interests of the corporate elite.

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