When Resistance Isn't Futile: Understanding Canadian Labour's Fight for Decent Pensions

— Joel Davison Harden[1]

In recent years, the Canadian Labour Congress (CLC) – the political voice for over 3.2 million union members in English Canada – waged a "Retirement Security for Everyone" campaign. At the core of the campaign were three demands: doubling future Canada Pension Plan (CPP) benefits; eliminating retiree poverty; and creating a federal insurance system for workplace pensions. From 2009-2010, the campaign was the top priority for Canadian unions with most allocating significant attention and resources to the effort. Many consider this the best work Canadian unions have done since the "free trade" battles of the late 1980s (Wilson, 2011).

During the height of the CLC's pension campaign, employers and governments were compelled to acknowledge union perspectives. Important legislative reforms were introduced while thousands of ordinary union members shared common demands articulated through their own experience. This article describes how the campaign took shape, and its lessons for progressive strategy. Of any, the importance of bottom-up, inclusive activism was reinforced by this example, far more of which must happen if unions want effective anti-austerity campaigns in tough political conditions. Despite the many challenges facing unions, effective resistance isn't futile with an educated, empowered, and confident union membership.

There are four distinct phases to the CLC's pension campaign explored here. The first involved the years preceding the 2008 financial crisis when unions were hamstrung by an expert-led focus on pension

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issues, and stymied by a stalemate in Canada's pension debate. This period then gave way to a second "discovery phase" from 2006-2008 as the CLC grappled with the complexity of pension issues on the one hand, and the need for inclusive pension activism (of relevance to union and non-union workers) on the other. By the autumn of 2009, with an effective campaign in place, the CLC entered into a third "capacity development phase" where hundreds (perhaps thousands) of activists received training on pension issues. Once a critical mobilization point was achieved, substantial momentum developed for pension reforms, with a wide array of observers crediting the CLC for driving the discussion. By the end of 2010, however, the CLC pension campaign entered a tough fourth phase of limited opportunity for activism on pension issues. A key factor was the federal government's decision to withdraw interest in CPP expansion, but the CLC also suffered from a drop in bottom-up pension activism. What follows is an attempt to grasp the lessons learned over the entirety of these four campaign phases.

CANADA'S PENSION STALEMATE ENDS (2005-2006)

The years preceding the CLC's pension campaign are best understood against the "tech wreck" of 2000-2002, when dot com firms became investor nightmares. Robert Brown, an actuary and academic from the University of Waterloo, reflected on Canada's pension debate at the height of this crisis. His conclusion was instructive: the key issue in Canada was an unwillingness from unions to exchange defined benefit (DB) workplace pensions for individual account arrangements (2001). The biggest reason was the simplicity and security of DB plans, which allowed workers to predict their future pension based on years of service, best average or career salary, and a certain percentage of earnings. With this in mind, the rest of this article refers to DB plans as "decent pensions", unlike RRSPs, 401k's, or so-called "defined contribution" plans where retirement benefits are based on the performance of pension investments and prevailing interest rates at the moment of a worker's retirement. DB pensions are decent because of the pension promise that underpins them; benefits, at least in theory, are predictable, and union negotiators were reluctant to let them go (though some felt compelled to make that choice). As a result, the number of workers covered by DB plans in Canada, unlike other countries, increased from the mid 1970s to 2004 (even as the percentage of workers enjoying DB plans dropped by 7 percent from 1992 to 2005) (Statscan, 2005; Townson, 2009). A major source of DB plan growth came from women in the Canadian public sector.

By 2004, Bob Baldwin – then a CLC pension specialist – wrote about a stalemate produced by these conditions (2004). One end of this stalemate was the failure of pension industry lobbyists to succeed in major campaigns of privatization. In the 1990s they had campaigned unsuccessfully to transform the CPP/QPP into a system of individual accounts. Industry lobbyists took a further hit when the tech wreck devastated pensions, particularly market-linked individual accounts. It was hardly a time to suggest that Canadians should fend for themselves.

But if conditions were not ideal for Canada's pension industry, they were more troublesome for unions. By 2005, a third of working-age Canadians (18-64) had no personal retirement savings, and only 30 percent contributed to Registered Retired Savings Plans (or RRSPs, the Canadian version of the American 401k) (Statistics Canada: 2006). Of the 17 million workers in paid employment in 2005, almost 11 million (or 62 percent) were not part of any workplace pension plan (Statistics Canada, 2005). Organized labour had negotiated pensions for union members, but decent coverage had not spread widely outside the public sector. By 2005, barely 20 percent of private sector workers had decent pensions, and this had much to do with the growth of precarious, non-union work, and the stalled position of union organizing in general. This regrettable situation posed major problems for unions' intent on advancing the progressive side of Canada's pension debate.

The pension industry was first in attempting to break this stalemate. In the summer of 2005, the Association of Canadian Pension Management released a paper entitled Back from the Brink: Securing the Future of Defined Benefit Pension Plans (ACPM, 2005). Its key demand was control of the surplus that accrued on a yearly basis when pension investments performed well, and a call for less stringent pension funding rules. Without question, these arguments were made at an opportune time.

By 2005, the U.S. housing market was in full stride, and finance capital was building a new speculative bubble. In 2005 and 2006, as employers sought control of pension surplus, this bubble was peaking. Any financial organization (or employer with the access to pension fund investments) was freeing up available cash to get in on the game, either through listed trades on stock markets or via the shadow banking system of over-the-counter derivatives trading (Blackburn, 2007). The fight over pension funding and surplus was therefore a fight over a lucrative source of profit, among the most generous in all of global capitalism.

What frustrated Canadian employers were regulations and court rulings that made ownership of pension surplus unclear, and therefore subject to extensive legal battles. In a unionized environment, collective bargaining agreements often specified ownership of pension surplus be negotiated or shared. It faced a similar challenge in efforts to weaken pension funding rules. By 2005, unions were in no mood to offer that consent, and politicians were nervous about being perceived as advocates of an insecure pension system. Nonetheless, the intensity of the moment forced governments to intervene, and facilitate discussion on this issue. In November 2005, the Canadian federal government hosted a "Work to Retirement Roundtable" at Wilson House (where the Meech Lake Accord Constitutional negotiations were once held in 1987). What transpired there spoke to the status of Canada's pension debate.

Following a brief introduction by federal government facilitators, both union and industry leaders staked out positions. Employer executives wanted more "fairness" and "flexibility" to facilitate the growth of decent pensions. Union leaders insisted that meant strengthening (not weakening) the existing pension system, notably the well-being of DB plans. Government facilitators looked on with increasing unease – there was no clear consensus on the key issues. Both sides were dug in, with no apparent appetite for compromise. Industry was attempting to break the 2004 stalemate, but unions were not budging.

At the same time, the stalemate was already unraveling under the force of other pressures. In the private sector, many employers were following through on threats to convert DB plans into less secure arrangements. The cost of public sector worker pensions was (and remains) a frequent source of banter among the usual pundits. To effectively counter these attacks, the CLC needed a vision for change that could compete with the industry-employer view, and unite a broad coalition for progressive reform. But first, the CLC needed its own analysis of the pension industry, and a better sense of the industry's role in the architecture of global capitalism. As the next section explains, a series of important research discoveries would allow this to happen.

2006-2007: THE CLC IN DISCOVERY MODE ON PENSIONS

Starting in early 2006, research surfaced which undermined industry arguments, and helped clarify the CLC's positions in Canada's pension debate. Since the ACPM's Back From the Brink paper, industry lobbyists claimed (to some degree of success) that funding rules restricted the growth of decent pensions. Curiously enough, an article for an industry magazine, the *Pensions and Benefits Monitor* (by Greg Hurst, an influential pensions consultant from Vancouver), demolished this position (2006).

What stood in the way of decent pension coverage, Hurst argued, were employers who viewed pension plans as "cash management tools". In the 1980s and 1990s, high interest rates generated huge windfalls for pension funds, often to the point where most were fully funded from investment returns alone. In these situations, pension rules in Canada allow employers to pursue "contribution holidays", an unfortunate practice that continues to this day.

Research from elsewhere confirmed Hurst's analysis. Quebec's pension regulator has estimated that over $2.9 billion was taken in contribution holidays by employers from 1991 to 2000 (Gold, 2006). Bernard Dussault, the former Chief Actuary of the Canada Pension Plan from 1992-1998, insists this led to the hobbled funding condition of pension plans in general, and their lack of preparation for the leaner years of 2001-2003 and 2008 (2009). Thanks to contribution holidays, employers did not maintain a "rainy day" fund to cushion the blow of market slumps. Instead, they could redirect pension surplus for other purposes – the details for which will never be known.

Hurst painted a picture that did not fit with the industry's explanation, and it gave rise to lively debate in progressive circles. Union researchers soon questioned whether "cupboard is bare" arguments by employers on pensions had any merit, and they quickly found grist for their mill. In April 2006, non-financial employers enjoyed a "net lending position" (or balance sheet surplus) of $80.6 billion, and the International Monetary Fund documented a similar trend worldwide (Tomas, 2006; Cardarelli et al, 2006).

Two years later, a report from Desjardins Securities, a financial services firm, explained Canadian employers had operating profits 18.3 times the size of their pension liabilities (Gibson et al, 2008). An average-sized employer, the report argued, could pay down pension liabilities with just one to two months of profit, or a year's worth of operating cash flow. The April 2006 issue of Benefits Canada (a widely-read industry magazine) noted the pension industry had grown to a size of $1.3 trillion, larger than the total of all goods and services sold in Canada the previous year (Cakebread, 2006). The following month, a British study posed more ambitious questions. According to the authors, the industry push for pension privatization (in Canada and elsewhere) was part of a more ambitious effort:

> "Pension privatization is not really about pensions at all, but about extending capital markets, the free movement of capital, and changing the role of the state. The philosophy of [pensions] has changed over the twentieth

> century because politics has changed ... The critical issue is not a choice between the state and the private sector, nor the precise balance between a basic pension and a supplemental one, nor non-funding versus funding, nor general taxation versus contributions based on income. Instead, it is the question of whether financial institutions, financial markets and the "free movement of capital" should play leading roles in social welfare. Debates about pensions cannot ignore the effects pension schemes have on relationships between finance and industry, investment, and the broader social and economic implications of the stock-market approach to welfare or social security." (Minns and Sexton, 2006, p.35-36).

Robin Blackburn, a British historian, took this analysis even further (2007). For him, the attack on decent pensions was not just about creating freer reign for global finance, it was primarily an attempt to restore employer profitability which had gradually slipped since the mid-1970s. If employers and finance executives could access retirement savings, these substantial funds could be diverted to the lucrative paper chase of stock traders and ticker boards. Empowered by a new political context, employers could siphon off money meant for pensions to invest in various financial products, earning a tidy sum in the process. Over time, many did precisely this, but the perks were temporary if employers remained on the hook for a workers' pension. Hence the industry-employer preference to close decent pensions, and opt for schemes where workers bear the risk of market slumps.

Seen in this light, the attack on decent pensions was part of what Blackburn called the "financialization" of capitalism in general. In the course of a few short decades, pension funds were no longer sources of "patient capital", facilitating the lending of money to create investment and jobs. Instead, in a relatively short period of time, they became enmeshed in a paper chase where rampant speculation and fee extraction trumped reasonable judgement. As this happened, precious little went to genuine economic expansion, or what Jim Stanford has called the "real economy" (1999; 2008). In fact Stanford explains that, at the height of recent financialization, every dollar of investment in real production was eclipsed by a hundred dollars in pure speculation (Stanford, 2008). Such speculative activity was permitted by loose financial regulation in US stock markets, the heart of the system. Stock traders and ticker boards, propelled by the heavyweights of global finance, were ballooning a bubble of massive proportions, and often using workers' retirement savings to supply the hot air. The attack on pensions, while profitable, also had the additional benefit of disciplining unions, and taking back much of the postwar compromise in which workplace pensions emerged.

Soon enough, as the CLC grasped this bigger picture, they began challenging the framework for pension discussions in general. In a submission to Finance Canada on pension reform, CLC President Ken Georgetti made this explicit:

> "In a letter to Minister Flaherty dated March 27, 2005, I expressed the CLC's deep regret that the federal review of defined benefit pensions was taking place in a context where corporate lobbyists were guiding the discussion. This has been confirmed in recent months with the government's proposed [pension funding] regulations, which read like a wish list for the pension industry. The federal debate on defined benefit pensions – and retirement security for all Canadians – must be refocused, and reflect the cooperative values most Canadians share. In the twenty-first century, after eight decades of federal pension policy, it should no longer be acceptable for any working Canadian to retire into insecurity. A secure, enjoyable retirement should be the reward for decades of contributions to one's community and Canada's economy." (Georgetti, 2006, p.7).

At a federal government "pension policy dialogue" in 2007, the CLC also came out swinging. Why should unions, they asked, take hits in pension rights after years of employer contribution holidays? Why should consumers be charged ridiculous fees (so-called "Management Expense Ratios") for the mutual funds sold by Canada's financial sector (see: Korma et al, 2006)? And, above all, given most workers are without decent pensions or significant retirement savings, what is the government's vision to ensure retirement security for everyone?

The CLC soon realized that power brokers were ignoring such questions. Instead, debate remained focused on one thing: closing decent pensions, increasing employer access to pension surpluses, and weakening pension funding rules. At government pension consultations in 2006-2007, these objectives were repeatedly sought. Finance Minister Jim Flaherty wrote to the Congress of Union Retirees of Canada responding to their concerns about Canada Pension Plan benefits. At that time, Minister Flaherty insisted the CPP status quo was acceptable, and that current contribution rates "will remain unchanged" (2007). The letter confirmed what the CLC already knew: in 2007, there was little appetite to expand the modest CPP benefits available to all in paid employment.

Given these realities, the CLC faced tough conditions. It had gone through a valuable discovery phase, gained a broader awareness of pension issues, and expressed it well to reporters and politicians. These interventions made an impact, but they had not shifted the industry and employer framework that defined Canada's pension debate. Through polling research, the CLC had confirmed union members wanted action on pension reform, but the kind of reform was unclear. Most union activists, while an important voice in communities across Canada, were not informed players in the pension debate. Given this situation, union leaders and researchers were labour's political action team, and that limited group ensured less political influence.

For that to change the CLC needed a "capacity development phase" that could empower union activists to engage in pension activism; this activist core could then recruit others, and apply pressure to waverers and opponents. But for that to happen, a clear and compelling vision was required. If this was done well, politicians would face constituent anger (and electoral consequences) for not championing a more adequate, fair and secure pension system. As many have explained, Canadian history had seen this happen before, particularly when pensioners were involved (Finlayson, 1989; Deaton, 1989; Morton, 1987).

A golden opportunity soon presented itself: the CLC had pledged to hold a pension conference in late 2007, and union activists were motivated to participate. But what kind of conference would this be? Would it feature technical workshops of use to pension specialists, or a clear and compelling vision for pension reform? Between these two choices, unions leaders picked the latter, and at times to the dismay of their pension specialists. The 3rd CLC Pension Conference theme was *Move Forward Together or Fend for Yourself*? The Future of Canadian Pensions, and offered a clear indication that labour had grasped the bigger picture.

The conference was structured around political demands and aimed to refocus the CLC's pension work. A discussion paper was circulated that prioritized CPP expansion, improved public pensions, and a federal system of pension insurance (CLC, 2007). Three hundred and thirty-five delegates participated, making it the most successful event the CLC had held in some time. All delegates were registered on a "CLC Pension Activism" email list, which proved useful given mobilizations that happened later. One could sense union confidence on pensions was building. Debbie Marantz, a pension representative for the Communications, Energy, and Paperworkers Union, captured this in a report to her Executive Board:

> "The 3rd Annual CLC Pension Conference from November 1 to 3 in Ottawa was meant to energize those attending and to assist them in focusing on labour's campaign to protect pensions and retirement security. And, may I say, for myself and everyone else who had the opportunity to attend, it did that and a lot more." (2007, p. 5).

2008-2010: CRISIS AND OPPORTUNITY FOR LABOUR ON PENSIONS

By 2008, the CLC shifted into action on pensions, and not a moment too soon. In April, the viral impact of Wall Street's defective investments was clear, setting off a chain of events well documented by others (Ferguson, 2012; McNally, 2010). The resulting slump, at its worst, caused stock markets to plummet by 52 percent and pension funds worldwide lost $5 trillion USD in assets (over three times the size of Canada's economy in 2008) (OECD, 2009).

At first, Canada's federal government denied these problems seeped North of the 49th parallel. In his economic and fiscal update of November 21, 2008, Finance Minister Jim Flaherty announced a budget surplus, and Prime Minister Stephen Harper speculated about "buying opportunities" in plummeting stock markets (as cited in Palmer, 2008). In a further bizarre move, a clawback on party financing was also announced (canceling, among other things, the $1.75 per vote federal political parties had received since 2003) which forced the hand of the government's opposition. A constitutional crisis followed, with a coalition of opposition parties threatening to oust the federal government from power.

To avoid that outcome, the federal government introduced a range of economic measures (which now meant forecasting a deficit of $64 billion) (Harper, 2008). Among these measures were new rounds of consultations on pension reforms, which the CLC rightly saw as an opportunity to advance its agenda for progressive change. After organizing an initial round of public forums on the economic crisis in January 2009, the CLC began a nationwide process of pension education sessions empowering union activists to attend federal pension consultations en masse. This proved to be challenging given details for consultations were often released a week before they were held, but the member response was unlike anything the CLC had seen in decades.

The first consultation took place in Ottawa on March 13, 2009, and union activists accounted for most of the 150 people in attendance. This hardly surprised officials who were aware of labour's focus on pension issues. What shocked them, however, were ideas that came from the front of the room. Bernard Dussault, the Chief Actuary of the Canada Pension Plan and Old Age Security from 1992-1998, had been invited as an expert to share his thoughts on specific reforms to federally-regulated pension plans. But Dussault, a major player in the CPP debates of the 1990s, did not restrict his comments to such narrow parameters. He instead proposed a dramatic expansion of CPP benefits that would eventually see all Canadians earn 70 per cent of their salary in retirement (Dussault, 2008). It was a case to shift the Canadian pension system to a "medicare" model, and away from its largely "fend for yourself" design. The direct losers would be banks and financial services companies who would almost certainly forego RRSP clients. Dussault's vision shook the pension establishment, and labour now realized it had a powerful ally in the case for pension reform.

As the consultations moved to six other Canadian cities, halls were filled with angry union members and retirees. Soon after, a conference room in Halifax meant for eighty participants was swamped by 150 people. Loretta Kent, a worker based at AV Pulp and Paper in Nackawic, New Brunswick, shared one of many compelling pension stories heard that day. Loretta's employer had declared bankruptcy in 2004 after underfunding the pension plan for five years. As a result, her pension went from 92 per cent funded to 48 per cent funded. When the employer emerged from bankruptcy protection, Loretta and her co-workers realized how much they lost given Canada's unfair bankruptcy rules, which rank workers' pensions at the bottom of an employer's list of creditors. For Loretta, it meant $400 in pension after sixteen years of service. Not $400 a month, or $400 a year, but a one-time post-bankruptcy payout of $400 (Kent, 2009). After she spoke, the entire room (industry experts included) stood and applauded her courage in sharing this story.

In Toronto, a room for 150 was packed by over 300 participants. One after another, they berated the government for failing to adequately protect their pensions, and provide decent options for the next generation. As Len Wallace, a retiree leader for the Canadian Autoworkers Union (CAW) spoke, heads nodded around the room: "Why should politicians and CEOs," he fumed, "get amazing pension plans, but not fight to ensure everyone else gets the same? What's the message to young people there? Do our kids have to be politicians and CEOs to retire with dignity?" (Wallace, 2009).

In Vancouver, a room meant for 225 was filled well beyond capacity, and once again retirees in particular made their presence felt. Art Kube, past-President of the Council of Senior Citizens Organizations of B.C., reminded government officials not to use consultations to delay reform. "Consultation is fine, and talking is fine," Kube said, "but we've had many years of that. We want action. And let me remind you of the obvious: seniors vote and we vote for people who care about pensions. You get this issue wrong, and you could be out of a job" (Kube, 2009).

The 2009 federal pension consultations confirmed what union leaders had said all along: pension anxiety was wide and deep, and action was required to fix the system. The CLC had prepared briefings and materials for union participants in the consultations, and these proved useful for the predictable deflections that came from the front of the room. A joint submission by seven federal employers (employing over 50 percent of all federal sector workers) once again demanded greater access to pension surplus and weaker pension funding rules (Air Canada et al, 2009). As they made these demands, the pension stories shared by workers and retirees became a powerful source of resistance. It was difficult to seek concessions in rooms filled with people facing an insecure pension future.

On April 23, 2009, yet another event added to labour's pension momentum. Following a call from the CAW, over 15,000 people demonstrated at the Ontario Legislature in Toronto to "protect our pensions." Rally participants included angry Nortel Networks workers and pensioners (facing significant concessions from a bankrupt employer), irate CAW members, and several concerned citizens who came for their own reasons. A Toronto "Stewards Assembly" held two weeks later (called by the Toronto and York Region Labour Council) drew over 1800 participants, from rank and file union stewards and elected union officials, and pensions were a hot topic. The *Globe and Mail* – a widely-read newspaper in English Canada among intellectuals and policymakers – took close notes at both events, capturing several compelling stories for an influential series than ran six months later (entitled "Retirement Lost"). Union activists realized that politicians could no longer, after bailouts for finance companies in 2008, ignore pleas to fix Canada's pension system. Momentum for change was starting to build — pension anger and anxiety had traction in the mainstream press and public mind.

In the midst of these opportune conditions, the CLC released its latest vision for pension reform (CLC, 2009b). Its July 2009 discussion paper — entitled Adequacy, Security, Fairness: Labour's Proposals for the Future of Canadian Pensions – proposed three core demands:

1. Doubling future CPP benefits through a phased-in increase of 60% to worker and employer contributions;
2. A 15 percent increase to the Guaranteed Income Supplement to federal Old Age Security Pensions (amounting to a $100 per month boost for low-income pensioners at a yearly cost of $1.2 billion);

3. Implementing an insurance system to protect workplace pensions should an employer declare bankruptcy, to a value of $2500 per month (pp. 6-8).

These demands formed the backbone of the CLC's Retirement Security for Everyone campaign launched on September 7, 2009, and elements of this vision were soon evident well beyond progressive circles. On September 11, 2009, the Provinces of Saskatchewan, Alberta and British Columbia threatened to "go it alone" on pension reform in the absence of coordinated action from Ottawa, and referenced CPP reform among other options (D'Alliesio, 2009). On September 15, the Financial Post ran a lead story entitled "pensions loom as election issue" that featured angry Nortel retirees, and quoted CLC Chief Economist Andrew Jackson on labour's plan to expand the CPP (Mazurkewich, 2009).

The following day, David Dennison, President and CEO of the CPP Investment Board (CPPIB), commented on the public debate over the fund's future (Dennison, 2009). The CPPIB had usually restricted its public relations to investment issues, but Dennison confirmed the depth of Canada's pension problems, and acknowledged a range of potential CPP reforms (including the CLC's proposal). On October 16, the *Globe and Mail's* "Retirement Lost" was released, beginning with these words:

> "Canadians can no longer assume they will retire with security. Many are seeking increasingly scarce work while others flail as their once-flush retirement accounts hemorrhage. A Globe and Mail series beginning today shows that the crisis in Canadian pensions is not looming; it is here, and has been for some time. A concerted national effort, involving changes in policy, behaviour and mindset from governments, businesses, unions, pension overseers and individual Canadians, is needed to repel the crisis." (McNish et al., 2009).

A week later, over three thousand Nortel workers and retirees joined union activists on Parliament Hill, demanding justice for a company once thought to the jewel of Canada's "Silicon Valley North". Earlier that month, Nortel CEO Mike Zafirovski appeared before the House of Commons Finance Committee, and was forced to account for demanding a 30 percent reduction in pensioner cheques while authorizing a $45 million bonus plan for top executives (CBC, 2009). This was a "hairshirt" moment for corporate Canada, and the CLC did much to publicize the exuberant heights to which executive pay and pensions had soared.

Politicians promised reforms due to an unrelenting wave of negative publicity, mobilizations, and appeals for change. After being ignored or dismissed by the pension establishment, the logjam that kept progressive options off the table had been broken.

Almost immediately, Canada's federal political parties began jostling for position on pension issues. The New Democratic Party and Bloc Quebecois supported the CLC's demands, while the Liberal Party proposed an expansion of the CPP through a private sector model. The ruling Conservatives, however, were cool to any ambitious plans. Reacting to the Liberal proposal, federal Finance Minister Jim Flaherty accused his opponents of a "knee-jerk reaction to a serious issue", while his staff warned against policy ideas that might "saddle taxpayers with big obligations" (cited in Chase, 2007). This was the first sign of a counter-attack to the CLC's new momentum on pensions, with more to come soon.

As Provincial, Federal and Territorial Finance Ministers prepared to meet in December (in Whitehorse, Yukon Territory), similar appeals continued from government reports and spokespersons. Jack Mintz, a public policy professor based at the University of Calgary, wrote a report for the Whitehorse meeting which emphasized the strength of the existing pension system (2009). Bob Baldwin, the former pension CLC expert, produced a study for the Ontario Government which downplayed ambitious reform, preferring instead to suggest "key subordinate questions", and hint at "mixing and matching" various policy ideas (2009, p. 76, 78).

"Fend for yourself" advocates seized on the ambiguity produced by these claims. The Canadian Bankers Association released a paper calling for raised RRSP limits (2009), while the C.D. Howe Institute published a study attacking federal public service pensions (using, critics charged, questionable assumptions to balloon the perceived costs) (Laurin and Robson, 2009). David Dodge, former Governor of the Bank of Canada, likened an expansion of the CPP to a "nanny state solution", and urged Finance Ministers to embrace policy options that allow "choice" in retirement planning (as cited in Scoffield, 2009).

These arguments gave politicians an excuse to deflect appeals for substantial reform, but they confirmed the CLC's pension campaign had traction. The Province of British Columbia said as much through its own independent study (also shared with Finance Ministers) that discussed CPP reform in positive terms (2009). Nevertheless, the Whitehorse talks ended with no commitment to reform, and most space given to dismissals from Mintz and others. The positive outcome was a pledge to hold further public hearings, leave "no policy option off the table", and articulate a clear direction on pension reform at the next Finance Ministers meeting in June 2010.

If Whitehorse was a tough moment for the CLC campaign, it was also clear that momentum for progressive options had not stalled. In fact, the CLC's lesson from Whitehorse was that more grass-roots mobilization was needed to push politicians in the right direction. So, from January to April 2010, the CLC worked with others in organized labour to host large pension forums, many of which invited attendees to share their own pension anxieties and concerns. The anger expressed at these forums generated more political action as labour activists pressed local politicians, held rallies and occupied constituency offices of pension industry supporters. This second wave of bottom-up pension activism quickly morphed into a movement for pension justice.

The movement's climax happened in March 2010, when the CLC and Ontario Federation of Labour hosted a "Pension Summit" in Toronto that offered space to divergent perspectives to debate the way forward. Almost six hundred delegates attended, including Federal Finance Minister Jim Flaherty, Canadian Federation of Independent Business CEO Catherine Swift, Pension Consultant Keith Ambachtscheer, and influential employer-side actuary Malcolm Hamilton. These voices, unlike usual, did not dominate the proceedings. Union delegates posed tough questions, and soon realized how brittle the "fend for yourself" establishment was. It was a moment where organized labour discovered a sense of its power, and one could feel received wisdom starting to shift. Incredibly, this shift was also on display a month later at an elite pension conference hosted by Jack Mintz at the University of Calgary.

Ken Georgetti was invited to speak on a panel with industry heavyweights (who, we can presume, were expected to lay waste to the CLC pension campaign). But when Robert Brown (a former top executive for Price Waterhouse Coopers) spoke after Georgetti, he told a stunned audience that expanding the Canada Pension Plan was likely the "best of all available options" (Georgetti, personal interview, 2010). Georgetti nearly tumbled from his chair, and that reaction was modest compared to Mintz's gaping jaw. Without question, the CLC notched a minor victory in the heart of Canada's conservative policy establishment. In June, this was followed by a resolution passed at the Federation of Canadian Municipalities Convention, where delegates (including the Mayors of Canada's large cities) backed he CLC's call to expand the CPP. The call for pension reform was making an impact at the highest official levels of Canadian politics.

This was confirmed in June 2010 when federal Finance Minister Jim Flaherty announced a new consensus among his colleagues for pension reform. The policy direction, he argued, would involve a "modest expansion of the Canada Pension Plan", while encouraging the financial sector to offer new retirement savings products (as cited in Curry, 2010). Alberta stressed its objections to the CPP reform, but it emerged as a lone voice doing so (with, perhaps, some support from right-leaning Saskatchewan as well). Union activists celebrated the result, and took pride in creating an historic moment in Canada's long-running pension debate. The rest of the summer, however, was unkind to organized labour. By the time union activists returned for Labour Day weekend, CPP reform was sputtering in the top levels of the federal government. In November, the federal government unveiled legislation enabling Pooled Registered Pension Plans (PRPPs), the latest "fend for yourself" policy option (Department of Finance, 2010). PRPPs would be voluntary in nature, and did not even require employer contributions. Critics from across the political spectrum argued PRPPs would do little to expand the scope of workplace pension coverage.

The CLC fumed about PRPPs receiving higher priority than CPP reform, and this fact was confirmed a month later when Prime Minister Stephen Harper confirmed the latter was officially off the table. "Canadians", Harper insisted, "are looking for options ... not a hike in their CPP premiums" (as cited in Scoffield, 2010). The union reaction was furious: Flaherty's constituency office was occupied by enraged protesters, and the CLC would later announce two access-to-information requests aimed at exposing who undermined CPP reform. Prior to a meeting of Finance Ministers in late December, a joint letter from the Governments of British Columbia, Ontario, Prince Edward Island, New Brunswick, Manitoba, and Nova Scotia urged the federal government to re-commit to CPP expansion, but this overture was rebuffed by Flaherty at a meeting the following week. The window of opportunity evident months earlier was abruptly closed.

LOOKING FORWARD: HOW DID IT HAPPEN? HOW CAN IT HAPPEN AGAIN?

Despite this unfortunate result, the CLC's pension campaign is a good news story in otherwise tough times for unions. As observers sift through the tea leaves of this experience, it will be important to understand where the CLC's clout on pensions came from, and how it can be restored. At a time when many question the political capacity of organized labour, this was an example of collective action winning positive results. Not mentioned in the above narrative, for example, were legislative changes Canadian governments felt compelled to make given widespread pension activism. These included guaranteed wage payouts in the event of corporate bankruptcies, strengthened rights for pension plan members, and guidelines to prevent federal sector employers "walking away" from unfunded liabilities in their pension plans. These were not the specific objectives the CLC sought, but significant in their own right, and more than could have been won without any activity at all. They also offer important lessons about what kind of activism is effective in today's challenging times.

The first is the necessity for unions, where possible, to pursue broad and inclusive campaigns. In 2007, the CLC made the crucial decision to depart from an expert-led focus on pensions, and embrace demands that bridged the concerns of union and non-union workers. In this vein, the decision to champion CPP reform and public pensions was important; industry critics could not easily criticize unions for being "self-interested", and non-union workers could be credibly told the CLC was fighting for everyone. The opposite would have happened if the focus had been protecting the pensions of unionized workers. Such defensive campaigns do not appeal to a wider public grown weary from decades of "fend for yourself" economic policy (in pensions and elsewhere). If organized labour is unable or unwilling to mount broad campaigns, employers will do so, and redirect public anger against "privileged unions". This is why US labour's recent pursuit of the Employee Free Choice Act was doomed to fail, and the CLC learned a similar lesson after a vigorous pursuit of federal "anti-scab" legislation in 2007 (Harden, 2007).

These goals, while important, will not appeal to a broad enough base, and will cater to the perception that unions are driven by self-interest. To regain momentum, unions must demonstrate their capacity to win victories for all workers. This was the first strength of the CLC's pension campaign — it offered a compelling vision of "retirement security for everyone", and forced opponents to defend a flawed status quo.

The second strength of the CLC pension campaign was its efforts to harness the fears, energies, and dreams of everyday union members. When it first realized an opportunity to mobilize on pension issues, the CLC could have simply presented its spokespersons to "multistakeholder" meetings and media opportunities. Instead, following the advice of Marshall Ganz (2001; 2009) and others, the CLC did that and much more. It recognized the power of workers' stories, and invited them into a focused campaign. For that to happen, the CLC financed an extensive, two-year process of pension education, at first to intervene in federal government hearings, but later to ensure inspired advocacy took place in every region possible.

As CLC campaigners criss-crossed the nation, they empowered union members to argue the merits of improved public pensions through the realities of a retiree on their street. The argument for pension insurance, likewise, was articulated locally as a backstop to prevent more Nortels, Abitibi-Bowaters, or AV Pulp and Papers (as referenced in Loretta's story above) from tearing communities apart. The costs of CPP expansion were explained as a sacrifice of a few take-out coffees or magazine subscriptions per month. From these local, accessible perspectives, union activists could speak from a position of strength, recruit supporters, and apply significant pressure to intransigent decision-makers. To this the CLC added an array of attractive materials which activists would colour with local stories (which were often more difficult for politicians to dispute). This was a welcome departure from CLC's earlier pension education efforts – intermittent regional courses, and research papers published for a specialist audience.

Solid research would remain a key element of the campaign, but a newly-mobilized layer of pension activists gave the CLC renewed agency on pension issues. This vindicated those who insist that "staffing up" or "hyper-professionalizing" takes unions away from their source of strength: the activism of union members (Clawson, 2008). If the grassroots of organized labour take ownership of campaigns, mass participation can happen, and much is possible. If union activists are compelled to act as a stage army, far less enthusiasm can be expected. For genuine success, labour's rank and file must be the authors of change.

Relatedly, the need to sustain local activism is third and final lesson from the CLC's campaign and it is likely the most challenging to understand. During the CLC's capacity development phase, it was never clear how bottom-up mobilizations would continue beyond appeals to politicians or mobilizations for various events. And yet, many of the campaign's most impressive moments came because activists themselves scored blows against the forces of pension austerity. The mass meetings, rallies, and sit-ins happened because union members gained a sense of their power, and focused it against a common adversary.

By June 2010, an apparent victory (through CPP reform) caused many to think change was coming. The truth, of course, was otherwise — and blame is hard to allocate about why this perception was widespread. The CLC leadership urged vigilance following Flaherty's June 2010 announcement, and called on local pressure to "get the job done". Pension activists sent in numerous requests for additional campaign materials and further trainings, many of which came to fruition. However one interprets the federal government's final decision, they clearly believed that betraying an earlier pledge would not entail significant political consequences.

As it happened, this turned out to be true – in Canada's May 2011 Federal Election, the ruling Conservatives won their first majority government. CLC supporters (particularly the NDP) also did well, but not well enough to ensure greater adequacy, fairness, and security for Canada's pension system. That weighty task remains, and it is one organized labour must take seriously. If capitalism's crisis-prone history portends anything, it is more economic slumps and major assaults on the living conditions of workers. When (and not if) that happens, unions must present a vision of change that inspires action, rather like the 99 percent visionaries whose protest encampments challenged the world's financial elite, or the Quebec student movement who (as these words were written) held fast in the face of enormous pressures. Canada's unions, despite their many challenges, can be a similar political force. This is possible, even probable, but only likely with the active involvement of labour's rank and file; their activism is the best means of ensuring resistance isn't futile, both for today and numerous battles ahead.

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