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Journal Mandate: Established in 1977 *Alternate Routes* is committed to creating outlets for critical social research and interdisciplinary inquiry. *Alternate Routes* works closely with scholars, labour and community researchers to promote the publication of heterodox critical social research, as well as provocative and progressive analyses that may not find a forum in conventional venues. *Alternate Routes* seeks to be a public academic journal and encourages works that advance or challenge theoretical, historical and contemporary socio-political, economic and cultural issues. In addition to full-length articles, we welcome review essays sparked by previously published material, interviews, commentaries, book reviews as well as poetry, drawings and photo-essays.

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The Paradox of Low-Wage Work

Carlo Fanelli¹ and John Shields²

“The worker becomes all the poorer the more wealth he produces, the more his production increases in power and size. The worker becomes an ever cheaper commodity the more commodities he creates. The devaluation of the world of men is in direct proportion to the increasing value of the world of things. Labor produces not only commodities; it produces itself and the worker as a commodity – and this at the same rate at which it produces commodities in general.”

“It is true that labour produces for the rich wonderful things – but for the worker it produces privation. It produces palaces – but for the worker, hovels. It produces beauty – but for the worker, deformity. It replaces labor by machines, but it throws one section of the workers back into barbarous types of labor and it turns the other section into a machine. It produces intelligence – but for the worker, stupidity, cretinism.” – Marx, 1844

In the *Economic and Philosophic Manuscripts of 1844*, Marx wrote of work and labour as central to human existence. Whereas classical political economy assumed but did not explain the existence of private property, Marx took the estrangement of labour under capitalist social relations as his starting point. The process of alienation was intersectional and multifaceted, including: the estrangement of working people from the products of their labour and the work process itself; from nature and conscious life activity; and from other persons. For Marx, then, the estrangement of labour simultaneously established the conditions for capital’s gain at the expense of labour’s pain: “Accumulation of wealth at one pole is, therefore, at the same time accumulation of misery, agony of toil, slavery, ignorance, brutality, mental degradation, at the opposite pole, i.e., on the side of the class that produces its own product in the form of capital.” Contrary to classical political economy’s conflation of

1 Carlo Fanelli is Visiting Professor in the Department of Politics and Public Administration at Ryerson University. He is the author of *Megacity Malaise: Neoliberalism, Labour and Public Services in Toronto*.

2 John Shields is Professor in the Department of Politics and Public Administration at Ryerson University. Most recently, he is the co-editor (with Harold Bauder) of *Immigrant Experiences in North America: Understanding Settlement and Integration*.

capitalism with exchange (i.e. distribution or “the market”), the root causes of alienation resided in the social relations of production, and the instituted compulsions of capital, wherein relations of domination and subordination ruled.

The conditions of particularly harsh worker exploitation which Marx spoke to were from an earlier phase of *laissez faire* capitalism, a condition that to some considerable degree appeared to be mitigated in the developed West during the Keynesian golden era. However, neoliberal capitalism which took hold beginning in the 1980s has once again brought to the fore a more social Darwinian approach to capital accumulation rooted in a logic that celebrates the growth of deep inequality, aggressive social exclusion and a tolerance for the widespread existence of the working poor. Sharing parallels with the processes so vividly described by Marx long ago, contributors to this volume of *Alternate Routes* critically deconstruct the paradox of low wage work under neoliberal capitalism.

Contemporary neoliberal capitalism has championed the rollback of Keynesian-based social policies, de-unionization, labour market restructuring, the individualization of risk, and the promotion of falling living standards for vast sections of the working population. A new age of intensified insecurity and widening socio-economic risks have been downloaded onto individuals and families. The growth of employment precarity and the need for a living wage by large sections of the population rest at the heart of this volume. Using quantitative and qualitative approaches and informed by critical conceptual analysis the reader is treated to a detailed examination of the lived experiences and the broader implications of precarity and low wage work. The validity of Marx’s insights regarding class exploitation and the degradation of work, as captured in the passages quoted above, for the contemporary period of neoliberal capitalism are uncovered in the essays that follow.

The issues and concerns explored here were first raised in a series of panels explored at the conference *Labour Pains, Capital Gains: The Paradox of Low-Wage, No-Wage Work*, which was held at Ryerson University on March 27, 2015.³ We would like to thank the Centre for Labour Management Relations and its Director, Gerald Hunt, for their tremendous support without which both the conference and this volume would not have been possible. Thanks are also due to the Department of Politics and Public Administration, and the Office of the Dean at the Faculty of Arts, Ryerson University, for their continued support.

³ These presentations are available for viewing at <http://www.alternateroutes.ca/index.php/ar/pages/view/Labour%20Pains>

We would like to welcome Henry Giroux, Jamie Peck and Sorpong Peou to *Alternate Routes*' Editorial Advisory Committee, and Jeff Noonan as new Interventions editor. A warm thank you and well wishes to Priscillia Lefebvre who has served in a number of roles since 2010, Jordy Cummings who served as interventions editor since 2014, and Rebecca Schein who served as book reviews co-editor for this volume, for their time and commitment to critical social research as they move on to new avenues of their work. Thank you also to Pance Stojkovski for recording and editing conference presentations. Finally, we wish to express our gratitude to authors and reviewers who worked under extremely tight deadlines in order to meet our publishing schedule.

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Introduction: Raising Wages

*Stephanie Luce*¹

Nick Hanauer is a venture capitalist and a tech-billionaire, based in Seattle, Washington. In June 2015, Mr. Hanauer traveled to New York City to testify in favor of the state raising wages to \$15 per hour for fast food workers. When asked why he made the effort to make the trip, Hanauer proclaimed, “This is *the* issue of our times.” His argument is that if employers don’t significantly raise wages, we will continue to be plagued by growing inequality, and there won’t be enough consumers to buy U.S. products. Hanauer also warns that unless wages are raised, political instability is likely. He writes, “...if we adjust our policies in the way that, say, Franklin D. Roosevelt did during the Great Depression – so that we help the 99 percent and preempt the revolutionaries and crazies, the ones with the pitchforks – that will be the best thing possible for us rich folks, too. It’s not just that we’ll escape with our lives; it’s that we’ll most certainly get even richer” (Hanauer, 2014).

This story highlights the extraordinary moment for the movement to raise wages. A growing number of voices, some from very unexpected places, are highlighting the ways in which persistent inequality is bad for the economy – not just low-wage workers and their families. In just a short while we have seen the mainstream in the economics discipline and policy arena shift from a neoliberal view to a version of Keynesianism. Whereas 20, or even 10 years ago, we heard that raising wages would lead to job loss and inflation, today, tech billionaires to the International Monetary Fund are worried about low wages and the impact of growing inequality on the macro-economy.

The demand for a “living wage” is at least as old as capitalism itself, but the modern movement to pass city and state living wage and minimum wage legislation has been underway in the U.S. for the past 20 years. Activists in Canada, the UK, Australia, New Zealand, Japan, among other places have also engaged in related efforts to raise wages. In

1. Stephanie Luce is Professor of Labor Studies at the Murphy Institute, City University of New York. She is the author of *Fighting for a Living Wage, and Labor Movements: Global Perspectives* and co-author of *The Living Wage: Building a Fair Economy, and The Measure of Fairness*. This article is based on her talk at the 2015 Phyllis Clarke Memorial Lecture, and as part of Alternate Routes’ 2015 conference keynote address at Ryerson University. The presentation is available at <http://www.alternateroutes.ca/index.php/ar/pages/view/Labour%20Pains>

this paper I will discuss the context for the current wave of wage campaigns, including the common arguments some economists and policymakers have used to explain low wages and inequality. I will then review the various kinds of wage campaigns, their similarities and differences. I then evaluate the strengths and weaknesses of these efforts to improve wage standards.

INEQUALITY, POVERTY AND POLICY

Inequality is on the rise, reaching historic levels in many wealthy countries. But it is also an increasing problem in many global south countries. In rich and poor countries we see growth in wages and wealth at the top of the distribution and little, or at least less, at the bottom. In some countries, among some segments of the labor force, we have even seen wages fall in real terms. This persistent and growing inequality within and between countries is evidence that many tenets of the neoliberal vision are flawed. In fact it is possible to have growing GDP alongside stagnant wages and even persistent poverty. Even where large numbers of people are moving out of poverty, such as in China, there is still be growing inequality.

For a while, many economists and policymakers explained the growing inequality was a consequence of changing technology, globalization, and “skill mismatch” (workers failing to learn new skills required to obtain science, technology, engineering and math jobs). But this explanation does not hold up under close scrutiny and while it may explain some of the inequality it fails to explain it all. In recent years, analysts have pointed to other factors, including institutional factors (everything from weak labor laws to trade agreements), to the decline in union density. In early 2015, the International Monetary Fund released a report stating that they too had been wrong to keep arguing that globalization and technology were the main drivers of inequality, and their new research showed that the decline in union power was a significant factor (Jaumotte and Buitron, 2015).

Inequality does not have to necessarily imply low wages but in most cases, they go together. In fact, some might argue that low wages are not just a coincidence but integral to a highly unequal society. High-income workers demand services that employ low-wage workers, such as restaurants, tourism, retail, and personal services. And even those that are considered “middle class” may in fact depend on the existence of low wage service workers to make their own work/life balances possible. For example, it would be impossible for many middle class women to participate fully in the labor market if they did not have access to

affordable childcare. Of course, this does not necessarily require these kinds of jobs to be low wage: in fact, there are higher wage child care and retail and restaurant jobs in some countries. But particularly in the U.S., and in many countries, these are mostly low wage.

Low wages are also one of the fundamental planks of neoliberalism. The theory rests in part on the notion of freeing up investors to engage in economic activity with little restriction. This is one way to create a “friendly business climate” and attract and retain capital. This involves deregulating (or reregulating) labor markets, keeping wages low, and shifting the risks and costs of the employment relationship from the employer to the employee. Some common methods for this include the move to “just-in-time” scheduling where employers put employees on on-call shifts. Workers may be hired on “zero-hours contracts” with no guaranteed work at all, or on contracts with few stable secure hours. Instead they must call the employer the night before, or morning of, a scheduled shift to see if they are needed. Or, they may come into work but be sent home early if the work is slow. In these cases, workers are not paid for the time they wait, or the time that they had kept free for work. This practice is common in low-wage service work, such as retail and food service. But it is also found in higher-wage jobs and professional occupations, such as adjunct faculty. Employers in the high-tech, legal, and health care have moved toward hiring workers on a part-time basis, or contracts of limited duration – or even classifying them as independent contractors rather than employees. This allows them to evade a host of labor and employment laws, and it also allows them to reduce the commitment to regular hours and salaries. If there is any uncertainty due to poor weather, low sales, low enrollment, slack markets, the employee now bears the burden. Low wages and inequality are not just a problem for low wage workers. The evidence is mounting that these are also a problem for the macro-economy. Workers need income to engage in consumer spending. Inequality and poverty are potential causes for social unrest and labor strife. Commentators from Thomas Piketty to Pope Francis are highlighting these problems.

THE FIGHT TO RAISE WAGES

In response to growing inequality is the move to raise wages for the lowest-paid workers. The U.S. established a federal minimum wage as part of the Fair Labor Standards Act in 1938. This set an hourly wage but did not base it on a formula or methodology, and did not include any provisions for increasing the wage level as the cost of living rose. Not all workers are covered by the minimum wage, and some tipped workers are

covered by a much lower minimum wage. States can set their own minimum wages at or above the federal level. Some states also allow cities or counties to set their own wages, but that right is uneven and contested (for example, the state of Louisiana took away that right from cities in 2002 after the city of New Orleans passed its own citywide minimum wage). States can also expand the number of workers covered by the minimum wage in the state. Seven states have eliminated the lower wage for tipped workers – meaning that tipped workers are entitled to the same state minimum wage as other covered workers.

In addition to minimum wage laws, over 130 cities and counties across the country passed “living wage” laws in the past 20 years. These vary somewhat, but typically apply to firms that hold service contracts with the city or receive economic development subsidies. Some also apply to firms that operate on city-owned property. For example, the McDonald’s in the Los Angeles airport has been required to pay a living wage to its employees under the Los Angeles living wage ordinance since 1997. For much of the 1990s and early 2000s activists built broad labor-community coalitions to push their cities and states to pass living wage ordinances and raise state minimum wages. Eventually the federal government raised the minimum wage in 1998, and then again in 2006. But since it was not raised by much and not indexed to inflation it was not long before the rate was low again. Activists continued to push for higher wages and more expansive coverage. But by 2008, and in the years immediately following the “Great Recession” it appeared the movement had run its course. A New York City coalition was attempting to expand the city living wage ordinance to mandate that firms receiving economic development subsidies would be required to pay their employees \$10 per hour. But the Democratic Speaker of the Council refused to even let the issue come up for a vote, fearing that such a bill would be bad on the business climate. By 2010, all signs suggested that the living wage movement was over.

THE MOVEMENT REBUILDS

In September 2011 Occupy Wall Street came on the scene, capturing the public attention in a way that earlier, similar protests did not. Somehow, the concept of the 99% and the 1% caught on and media mentions of inequality skyrocketed (Milkman, Luce and Lewis, 2013). Within a few months the New York City Council scheduled a hearing on the living wage bill, and passed in soon after. And while the Occupy movement was soon kicked out of parks and lost momentum, its impact was not lost on activists from various sectors who were inspired to take bigger risks and make bolder demands. In the spring and summer of 2012,

workers at warehouses servicing Walmart in Illinois and California went on strike against poor working conditions. They won some of their demands. In November 2012, the United Food and Commercial Workers called for strikes at Walmart stores on “Black Friday,” the shopping day held the day after the American Thanksgiving. Some workers, and community allies, joined in at rallies at Walmart stores around the country.

Earlier in the month, that same November 2012, the Service Employees International Union, along with some community organizations, helped fast food workers engage in a one-day strike in New York City. The workers demanded \$15 per hour and a union. Soon, the strikes spread to more cities. By 2014 there were strikes in over 190 cities. In the context of Occupy and strikes, a labor-community coalition in the small town of Sea-Tac, Washington decided to put an initiative on the ballot to establish a citywide minimum wage of \$15 per hour. The measure won. At the same time, an openly socialist candidate ran for and won a seat on the city council in Seattle, Washington, and soon that city passed a \$15 minimum wage as well (phased in over several years).

By mid-2015, the wage movement in the United States had blossomed. Whereas only three cities had citywide minimum wage laws in 2011, over 30 cities had passed citywide or significantly increased their wage in 2012-2015, including San Francisco, California and Emeryville, California all setting wages of \$15 or more. A dozen more campaigns are underway. In addition 14 states raised their wage in 2014, including four Republican dominated states where voters passed ballot initiatives to raise and index the wage. As of 2015, 29 states plus the District of Columbia have state rates above the federal. The call for a \$15 hour wage is remarkable, given that this occurred while the federal minimum wage is \$7.25, and not long after the Democratic New York City Council would not even consider a \$10 living wage for economic development recipients. There are different stories behind how the \$15 amount was chosen, but according to fast food organizers, there was a meeting of fast food workers to establish demands. The workers thought the \$10 living wage rate was too low, but the \$20 rate would be hard to win, so they settled on \$15. There is no magic formula or methodology behind it but somehow the number stuck, helping to launch a national “Fight for Fifteen” movement.

EXPLAINING THE UPSURGE

It is not possible to explain the reasons why the current wage movement is having such success, but I offer a few hypotheses. As mentioned above, Occupy Wall Street helped galvanize and sharpen public

outrage about rising inequality and the weak economy. But it also helped unions and community organizations see that it might be worth taking a bold risk. Rather than spending resources hiring public relations strategists, conducting polls with voters, and testing slogans, the Occupy movement launched a campaign with no demands, no clear strategy, and no focus group testing. Veteran organizers took note. Second, the wave of strikes at Walmart warehouses, Black Friday, and fast food restaurants brought increased public attention to the issue of low wages and inequality. The organizations involved in the strikes had also participated in Occupy to some extent, in some cases advising Occupy activists on strategy. Unions have a lot of restrictions on their ability to strike: most unions agree to a no-strike clause during the life of their contract. They also are subject to labor laws that govern what counts as a legitimate strike and what does not. Workers without unions have, in many ways, more rights than unionized workers, in that the labor laws are not nearly as strict. For example, workers without a union have the right to strike and get their job back if they are fired. As long as they are engaging in concerted activity they have the protection of the law. If McDonalds workers and Walmart employees were unionized most likely they could not have launched the strike wave that they did – or if they did, they would risk penalties.

It also appears to have brought some pressure on the companies. There is no hard data on what the companies lost in terms of sales or profits due to the strike, or what they estimated the impact on their brand. But starting in 2014, a number of major companies announced that they would raise their internal starting wage. By mid-2015, approximately a dozen companies – including the Gap, Walmart, Target, IKEA, Starbucks, and McDonald's – all committed to raising wages. This unusual move suggests the companies were feeling some pressure to raise wages. The pressure may have come externally from strikes or public opinion. It might also have been coming internally, from a growing sense that low wages could have negative direct and indirect impacts for employers. Analysts showed that higher wages could lead to lower turnover and absenteeism, and higher productivity, saving companies hundreds of thousands, or millions, per year. For example, one writer estimates that Costco spends about \$244 million per year on turnover, or \$3,628 per worker, whereas Sam's Club spends \$612 million, or \$5,274 per employee (Cascio, 2006).

In addition, the upsurge happened at a time when an increasingly number of mainstream voices has begun to highlight the problems with inequality and poverty, as mentioned above. This all seems to have

coalesced in an opening for wage campaigns to take off. At the same time, issues related to low-wage work and inequality are on the agenda in many other countries. Minimum wage and living wage campaigns are underway in dozens of places, and a few countries, such as Germany, have recently established minimum wage laws for the first time ever to attempt to address the problem of the growing low-wage workforce (Luce, 2015).

HIGHER WAGES AS A SOLUTION?

The growing movement to raise wages is exciting, and encouraging as a potential source of resistance to growing inequality and the downward trend in the standard of living in many rich countries. However, higher wage floors are not a solution on their own. Many workers in low-wage jobs are in precarious employment: little or no job security, few and fluctuating hours of work. Even with a large hourly raise they may still be in poverty if they don't have enough hours of work. Of course, higher wages do not help those without jobs, either because they cannot find work or because they dropped out of the labor market altogether. Other workers face other problems at work: of too many hours (forced overtime), harassment, no paid leave, no benefits, no chance for promotion. The higher wages movement alone will not solve these.

For these reasons, workers also need unions to enforce the legislation they win, and to address other problems on the job. Fortunately, many of the campaigns for higher wages are being supported by, or even run by, unions. It has been much easier to win higher wages through legislation than to unionize so there is a big challenge to make this goal a reality. Even though the Gap and McDonalds and Walmart have increased their internal base wage slightly, the significant gains have come through legislation. When workers lose the power to win by withholding labor, they may need to increasingly resort to political leverage: forcing politicians rather than employers to make changes. But at places without any democratic representation, such as universities, even higher wages have been hard to win. At least in the U.S., the "living wage" campaigns have had a much higher success rate in cities than on campuses.

The minimum wage and living wage efforts have also been most successful at the municipal level, where citizens have more power vis-a-vis business. Once you go to the state level, and federal level, politics is driven much more heavily by money and worker movements are relatively worse off. The higher wages movement can also be problematic where it divides the "deserving poor" from the "non-deserving poor." Voters consistently support higher wages when they are put on the ballot. But voters, and legislators, also tend to approve measures that further criminalize

poverty, such as anti-panhandling laws. To the extent that we support living wage campaigns in a way that rewards “hard working citizens” while punishing others, we damage the potential to build broader, more inclusive and impactful movements.

Another interesting fact about the trend in the movement in the U.S. is the impact of the strikes. There is no way to prove this but it seems unlikely we would have witnessed such a strong resurgence of the movement, and such a significant jump in wage levels, without fast food and Walmart strikes. The strikes have likely influenced stores to raise their base wage, and influenced local politicians to raise minimum wages. But the strikes have not resulted in unions. It seems that even using a traditional labor strategy – the strike – is not enough leverage yet to win union recognition. It also seems clear that companies would rather raise their wages than allow a union. A higher wage may have benefits – such as reduced turnover and lower absenteeism; it also means more money in the pockets of low-wage workers who also overlap with the customer base. And a higher wage does not cede power in the way a union does.

But without a union, workers will still have many problems on the job, and little job security. For this and other reasons, the efforts to raise wages must be paired with a broader policy and political agenda, which includes unionization, but also includes measures aimed at addressing the needs of the unemployed. One possible solution is the Basic Income Grant, which has been tested in parts of Namibia, India, Canada and Brazil, and in other forms elsewhere, including a new experiment in the Netherlands (Luckerson, 2015). Other solutions include reducing the workweek to spread work among more people, which could improve conditions for those with too few hours of work, as well as those forced to work too many hours (Messenger and Ghosheh, 2013). The movement for raising wages can be a foundation for building broad coalitions, as the idea is consistently popular among voters. At the same time, activists should be aware of the limitations of wage standards as a solution in itself, and instead use the campaigns as a way to build bigger movements with more expansive demands.

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Marx's Theory of Working-Class Precariousness - And Its Relevance Today

R. Jamil Jonna and John Bellamy Foster

ABSTRACT: Worker precariousness has become a major issue globally. Much of this, however, is divorced from the central role that this concept played in Marx's critique of political economy. This article traces the notion of precarious labor back to its classical roots in historical materialism, including Marx's general law of accumulation and his reserve army of labor conception. It then examines related work of such important Marxian political economists as Harry Braverman and Stephen Hymer. Utilizing these theoretical foundations and data from the International Labor Organization, empirical estimates are provided of the extent of the global reserve army today.

KEYWORDS: Marx, Braverman, Reserve Army of Labor, Precarious, Precariat

In the last decade and a half the concept of worker precariousness has gained renewed currency among social scientists (e.g. Barbier, 2004; Vosko, 2000; Fudge and Owens, 2006). This intensified after the Great Financial Crisis of 2007-09 (Vosko 2010; Kalleberg 2011; Kalleberg, 2012; Olsthoorn, 2014; Allison, 2013; Fashoyin et al., 2013; Fudge and Strauss, 2013), which left in its wake a period of deep economic stagnation that persists to this day in large parts of the global economy. Most investigators define worker precariousness by reference to what workers lack: access to work; protection from arbitrary firing; possibility for advancement; long-term employment; adequate safety; development of new skills; adequate income; and union representation (see Standing, 2011, 10).

The origin of the concept of worker "precariousness" is often traced to Pierre Bourdieu's early work on Algeria (Bourdieu, 1963). Yet investigators routinely pass over Bourdieu's own mature reflections on the concept (Bourdieu, 1999, 81-87). Bourdieu connected the notion directly to Karl Marx's analysis of the reserve army of labor. "Precariousness," for Bourdieu (1999, 82), is present when "the existence of a large reserve army...helps to give all those in work the sense that they are in no way irreplaceable." In line with Marx's conceptions of the floating, stagnant and pauperized populations constituting the industrial reserve army, Bourdieu (1999, 83), associated precariousness with what he called the "subproletariat." However, he tended to see a disjuncture between such

“subproletarians” and the “proletariat,” with the latter defined by the stability necessary to initiate a “revolutionary project.”

As a concept, worker precariousness is far from new. It has a long history in socialist thought, where it was associated from the start with the concept of the reserve army of labor. It was first introduced by Frederick Engels in his treatment of the industrial reserve army in *The Condition of the Working Class in England* ([1845] 1993).¹ Marx and Engels employed it in this same context in *The Communist Manifesto* (1848). Later it became a key element in Marx’s analysis of the industrial reserve army in volume I of *Capital* ([1867] 1976). Early Marxian theorists, notably William Morris, were to extend this analysis, explicitly rooting much their critique of capital in the concept of “precariousness.” The concept of precariousness was thus integrally related to the Marxian critique. It was to gain added significance in the 1970s, in the work of Marxian theorists such as Harry Braverman and Stephen Hymer, who explored the relation of surplus labor to the conditions of monopoly capitalism and the internationalization of capital.

For many years, Marx’s ([1867] 1976, 762-870) analysis of the “general law of capitalist accumulation,” which had pointed to conditions of growing precariousness with respect to employment and to the relative impoverishment of the laboring population, was dismissed by mainstream social scientists (see the discussions in Rosdolsky, 1977, 300-07; 012, 127; Foster and McChesney, 2012, 125; Fracchia, 2008). In recent years, however, the notion of precariousness as a general condition of working class life has been rediscovered. Yet, this is commonly treated in the eclectic, reductionist, ahistorical fashion, characteristic of today’s social sciences and humanities, where it is disconnected from the larger theory of accumulation derived from Marx and the entire socialist tradition. The result is a set of scattered observations about what are seen as largely haphazard developments.

Some critical social scientists, most notably former International Labour Organization economist Guy Standing (2011), employ the neologism “precariat” to refer to a new class of (mostly younger) workers who experience all of the main dimensions of precariousness (see Standing, 2011, 7). As French sociologist Béatrice Appay (2010, 34) explains, the term precariat “emanates from a contraction of the words ‘precarious’ and ‘proletariat.’ It regroupes the unemployed and the

1 Engels had initially introduced the reserve army perspective, though in less developed form, in his “Outlines of a Critique of Political Economy” in 1843 (Marx and Engels 1975, vol. 3, 438, 443).

precarious (manual and intellectual) workers in struggle in all sectors of activity.” Since Marx himself defined the *proletariat* as a class characterized by precariousness, the term *precariat* is often no more than a fashionable and mistaken substitute for proletariat itself (in Marx’s sense) – or else is employed to refer to a subcategory of the proletariat, i.e., the “subproletariat.” This resembles earlier theorizations of the “underclass” as a separate entity divorced from the working class (Wilson, 1987). In these various formulations, the notion of the precariat is often contrasted to what is characterized as an overly rigidified concept of the proletariat – the latter defined as a formal, stable industrial workforce of the employed, usually organized in trade unions (a notion, however, far removed from Marx’s classical definition of the proletariat).

Radical French sociologist Loïc Wacquant (2007, 72-73) suggests that “contrary to the proletariat in the Marxist vision of history, which is called upon to abolish itself in the long run by uniting and universalizing itself, the precariat can only make itself to immediately unmake itself” – meaning that its only choices are to join the formal workforce and obtain “stable wages” or to escape “form the world of work altogether.” For Wacquant the growth of working-class precariousness is a movement toward “deproletarianization rather than toward proletarian unification.” The fact that Marx himself presented the conditions of the working-class primarily in terms of the precariousness of working-class employment and existence – a fact we shall elucidate below – is here missed altogether. Instead the concept of precariat is being advanced as an alternative to proletariat, often in order to suggest the impossibility of a worker-based revolutionary project in contemporary conditions, in the tradition of Andre Gorz’s ([1980] 2001) proclamation of *Farewell to the Working Class*.²

² The separation of the concepts of precariat, precariousness, precarity off from the proletariat, so that they are frequently counterposed to the latter can be seen in some influential feminist accounts as well. Feminist theorist Judith Butler (2013) uses “precariat” to refer to “a group of people who are not only exploited workers, but whose labor is now regarded as dispensable,” closely related to Marx’s industrial reserve army (but not presented in those terms). The implication is that this serves to set the precariat off from the parts of the workforce that experience greater security (i.e. the proletariat) in sharp distinction to Marx who saw the proletariat as the working class as a whole. Butler, moreover, implies (incorrectly) that Marx’s proletariat can be viewed in narrow economic terms. She thus seeks to distinguish the precariat from the proletariat by referring to the precariat as those who also “are targeted by war or are living in regions that have been decimated by development,” ascribing to them the general inhuman condition that Marx and Engels identified with the proletariat. Separating “precariousness” from both labor and the proletariat, Butler describes precariousness as “a general feature of embodied life,” applicable to widely differing social situations, and sees “precarity” as an “amplification” of this “embodied” state of instability.

According to socialist critic Richard Seymour in “We Are All Precarious,” “the ‘precariat’ is not a class, and its widespread acceptance as a cultural meme in dissident, leftist culture has nothing to do with the claim that it is. Rather, it is a particular kind of *populist* identification, one that “operates on a real, critical antagonism in today’s capitalism”: the growth on a world scale of an increasingly flexible work force, characterized by unemployment, underemployment, and temporary, contingent employment (Seymour 2012).

In contrast to such varied discursive views emanating primarily from the postmodernist-influenced left, establishment sociologists typically conceptualize worker precariousness in more prosaic terms as nothing more than a widening gulf between “good jobs” and “bad jobs” (Kalleberg, Reskin, and Hudson, 2000; Kalleberg 2011). Moreover, there is a strong tendency to adopt a corporatist view in which the goal is to reestablish a “social contract between organized labor and organized capital” (Kalleberg, 2012, 440). The object in other words is to regulate working conditions in order to shift back from informal to formal labor. This is naturally associated with the decline of organized labor (see Quinlan, 2012, 16). But such surface, reformist analyses rarely explore the historical dynamics with respect to capital accumulation involved in the resurgence of precariousness in the center of the capitalist world economy. In general, conventional social scientists lack the analytical tools to address a phenomenon rooted in the intrinsic character of capital accumulation. Century-long conceptual blinders stand in the way.

In the face of such a confusion of views, the majority of which are nothing but ad hoc responses to what is seen as a separate and separable social problem, it is necessary to turn back to the classical Marxian tradition where the issue of precariousness was first raised, examining the structural relation of precariousness to capitalism, and how this has changed in time. Here the ideas of Marx, Engels, and Morris in the nineteenth century, and those of later thinkers Harry Braverman, Stephen Hymer, and Samir Amin are indispensable. On the basis of the analytical frameworks provided by these thinkers, it is possible to look at the empirical dimensions of worker precariousness both in the United States and globally, and to arrive at definite conclusions about the evolution of capital accumulation and worker precariousness in our time, and its effect on the current epochal crisis.

ENGELS, MARX, AND MORRIS AND THE ORIGINS OF THE CONCEPT OF PRECARIOUS LABOR

The theoretical construct of worker precariousness tied to the industrial reserve army of labor had its origin, as indicated, in classical historical materialism, particularly in the work of Engels, Marx, and Morris. In *The Condition of the Working Class in England*, Engels ([1845] 1993, 149) wrote: “Every new advance brings with it loss of employment, want, and suffering, and in a country like England, where, without that, there is usually a ‘surplus population,’ to be discharged from work is the worst that can befall the operative. And what a dispiriting, unnerving influence this uncertainty of his position in life, consequent upon the unceasing progress of machinery, must exercise upon the worker, whose lot is precarious enough without it!”³ The working class’s general condition thus can be described in terms of precariousness, where the constant threat of being thrown into the “surplus population” of the unemployed and underemployed only intensifies. For Engels ([1845] 1993, 96) this was an integral part of the theory of an “unemployed reserve army of labor” that constituted the whole basis for bourgeois exploitation of the proletariat. In *The Communist Manifesto*, Marx and Engels ([1848] 1964, 17, 72) followed this same line of thought, stating that “The growing competition among the bourgeois, and the resulting commercial cries, make the wages of the workers ever more fluctuating. The unceasing improvement of machinery, ever more rapidly developing, makes their livelihood more and more precarious.”

It was in *Capital*, however, that Marx was to develop fully the theory of the reserve army of labor, and with it a theory of the precariousness of working-class livelihood and working-class life itself. In explaining the general law of accumulation Marx ([1867] 1976, 798) stated, “The law by which a constantly increasing quantity of means of production may be set in motion by a progressively diminishing expenditure of human power, thanks to the advance in the productivity of social labour, undergoes a complete inversion [under capitalism], and is expressed thus: the higher the productivity of labour, the greater is the pressure of the workers on the means of employment, the more precarious therefore becomes the condition for their existence, namely the sale of their own labour-power for the increase of alien wealth.” A few pages earlier he stated, similarly, “the more alien wealth they [the workers] produce, and...the more the productivity of their labour increases, the more does their very function as

3 Punctuation of translation altered slightly in accord with Marx and Engels 1975, vol. 4, 433.

a means for the valorization of capital become precarious” (Marx, [1867] 1867, 793).

Marx, in developing this analysis, discussed the “different forms of the existence of the relative surplus population,” as concrete manifestations of the “general law of accumulation.” Here he singled out four distinct forms: the floating, latent, stagnant, and pauperized populations. The most tumultuous layer of the reserve army was the *floating* population, which comes into existence as a counterpart to the extensive application of machinery and the intensive refinement of the labor process. Here, at the center of modern industry, the working population is in constant flux – not only because of an unceasing compulsion to reduce labor requirements, but also because the “consumption of labour-power is so rapid” that the human body can only withstand the physical torture of work for a short time before it is no longer suitable to capital. The factories, workshops, mines, etc., thus tend to seek out the freshest, most easily exploitable layers of the reserve army – particularly children, young women and “nomadic” (migrant) laborers. Because of the chaotic and intense nature of production in modern industry, flows in and out of the floating population tend to be extremely high. Workers are “repelled and attracted, slung backwards and forwards, while, at the same time, constant changes take place in the sex, age, and skill of the industrial conscripts” (Marx, [1867] 1976, 583, 795, 818). For Marx, this manic relation to labor is a distinguishing feature of modern industry: the attraction of new labor at one moment, during an economic expansion, is matched by an equally strong repulsion the next historical moment, during an economic contraction (Marx [1867] 1976, 794-95). Nevertheless, the floating population consisted of workers who had a connection – if a precarious one – to the active labor army, with a recent history of employment; they constituted those who would likely be the first to be re-hired in an expansion.

The next layer of the reserve army, in Marx’s ([1867] 1976, 795-96) description, is the *latent* surplus population. For the most part this refers to the (self-sustaining) segments of the agricultural (or rural) population. This population served as a vast source of potential labor for capitalist industry (hence, “latent”). Internationally, Ireland, as Marx pointed out, constituted a vast labor reserve, with a huge latent population of largely overpopulated rural workers at the beck and call of English industry. Such conditions were the result of the English conquest of Ireland and subsequent colonial history. “Ireland,” Marx explained, “is at present merely an agricultural district of England which happens to be separated by a wide stretch of water from the country for which it provides corn,

wool, cattle and industrial and military recruits" (Marx, [1867] 1976, 571-72, 860). So precarious were the conditions of rural laborers in England and Ireland that they "had one foot already in the swamp of pauperism," making it easy to attract them to industry when needed, and unceremoniously discarded them the moment they were no longer of direct use to capital accumulation (Marx, [1867] 1976, 796).

The *stagnant* population was for Marx the sharpest representation of the precariousness that characterized the labor force as a whole. This layer continuously absorbed the stream of workers expelled from modern industry and agriculture, representing an "inexhaustible reservoir of disposable labour-power." It was "characterized by a minimum of working time and a minimum of wages." Here employment was "extremely irregular"; and to the extent its members attained employment at all, their degree of exploitation tended to be extremely high (Marx [1867] 1976, 796-98). This was the "self-reproducing and self-perpetuating element of the working class," which was forced back further upon its own devices. The stagnant population represented "a proportionately greater part in the general increase" of the working class, with its increase in "inverse proportion of to the level of wages." Such was the condition of workers in the stagnant population, Marx wrote, that "it calls to mind the boundless reproduction of animals individually weak and constantly hunted down." It is here that Marx famously anticipated the notion of the demographic transition, arguing that population increase, contrary to Malthusian assumptions, falls rather than rises with an increase in wages (Marx [1867] 1976, 796-97). In relation to the stagnant population, he pointed out that day laborers (particularly in Ireland), constituted the "most precarious form of wage" labor, since it often required traveling long distances to get to work and back, long hours for abysmal pay, and

4 In Marx's analysis "manufacture" still had its original meaning of made directly by human labor, or handicraft production, while the term "machinofacture" was used to describe modern industry (corresponding to the way the word manufacture is used today). When Marx refers to "modern manufacture," he therefore means modern handicraft production, which is distinguished both from traditional handicraft and modern industry. In his analysis of unregulated (informal) work and outwork attached to the factory system, Marx further distinguishes between modern manufacture and modern domestic labor (the latter, modern in the sense it is not to be confused with traditional domestic labor). Yet, in practice modern manufacture and modern domestic industry were so closely related, in Marx's analysis, as to be almost indistinguishable – though in establishments where it was mainly women working in a small workshop (usually the home of some small employer), as in dressmaking or millinery, it clearly fit the character of modern domestic industry. In practice, Marx seems to have often conflated the two under the rubric of modern domestic industry.

absolutely no safeguards, promoting sicknesses, disease, and want (Marx [1867] 1976, 865).

Central to the structural conditions governing the stagnant population was the development of “so-called domestic industry” or “modern domestic industry” alongside with “modern manufacturing” (modern handicraft production) (Marx, [1867] 1976, 591).⁴ Modern domestic industry mainly took place in the homes of workers or in small workshops, for example lace-making establishments. This was a form of what Marx called “outwork” or subcontracting attached to the factory system. In modern domestic industry, he wrote, exploitation is “still more shameless than in modern manufacture,”

because the workers’ power of resistance declines with their dispersal; because a whole series of plundering parasites insinuate themselves between the actual employer and the worker he employs; because a domestic industry has always to compete either with the factory system, or with manufacturing in the same branch of production; because poverty robs the worker of the conditions most essential to his labour, of space, light and ventilation; because employment becomes more and more irregular; and, finally, because in these last places of refuge for the masses made ‘redundant’ by large-scale industry and agriculture, competition for work necessarily attains its maximum (Marx, ([1867] 1976, 591).

Labor conditions were particularly horrid in modern domestic industry because it took the stagnant surplus population as its *basis* – i.e., the conditions of the former were reflective of the conditions of the latter. Here was to be found a super-abundance of cheap, freshly exploitable labor – the majority of whom were women and children. The precariousness of workers in modern domestic industry was reflected in the fact that workers were rendered “redundant in the form of underpayment and over-work” to the point of superexploitation. Workers in modern domestic industry, predominantly women and young girls, were “always paid less than the minimum wage” (Marx [1867], 1976, 602-4, 825, 863).

The typical modern domestic industry was preponderantly women and young girls working in dressmaking establishments as “outworkers” attached to modern manufacture. Marx pointed to a shirt factory in Londonderry that employed one thousand workers in the factory and a further “9000 outworkers spread over the country districts.” Such outworkers were scattered around in the large towns and rural areas in

small establishments with the result that “worker’s power of resistance declines with their dispersal.” This tended to accentuate the “murderous side of this economy.” The most notorious of these were the “mistress’s houses” in clothing manufacture. “In English barracks the regulation space allotted to each soldier is 500 to 600 cubic feet, and in the military hospitals 1,200 cubic feet. But in those finishing sties there are between 67 and 100 cubic feet for each person. At the same time the oxygen of the air is consumed by gas lamps.” Children began work at age six and fourteen-hour days (or more), “when business is brisk” were not uncommon (Marx, [1867] 1976, 595-99).

What Marx called “modern industry” or the factory system increasingly came under the Factory Acts, while branches of production associated with modern domestic industry and modern manufacture, which the stagnant population depended on for its exceedingly precarious employment, were still “without legal limit to exploitation,” unfettered by “legal regulations” (Marx, [1867] 1976, 353). It thus corresponded in today’s parlance with the informal economy. Here, Marx insisted, could still be found conditions where children were required to work from 4:00 A.M. to midnight. He quoted the Daily Telegraph to the effect that in these sectors there was still a struggle to limit the workday to an eighteen hour day! Examining branches of production as varied as pottery, wallpaper making, bread making, and lacemaking, Marx ended with a discussion of the conditions of dressmakers in London, which was to overlap with his later discussion of modern domestic industry. There he recounted the story, notorious at the time, of 20-year-old Mary Ann Walkley who had died of working continuously for 26 ½ hours, in one of the most respectable dressmaking establishments in London, under conditions of a chronic lack of sleep, oxygen, and cubic space per individual. Walkely was being forced to work long hours to produce dresses for a ball announced by the Princess of Wales. Even the Morning Star, the organ of free traders responded by declaring “our white slaves, who are toiled into the grave, for the most part silently pine and die.” (Marx, [1867] 1976, 354-67).

As Joseph Fracchia notes, the exploitation of labor power under capitalism with the reserve army as its fulcrum “is not abstract but concretely rooted in individual bodies, it is [for Marx], ‘that monstrosity of a suffering population of workers held in reserve for the changing exploitative needs of capital.’...Capitalism reproduces its supply of labour-power by perpetuating, over generations, a class of ‘needy individuals.’ And life-long neediness is a concerted attack on the body and the bodily capacities of those in need” (Fracchia, 2008, 47; Marx, [1867] 1976, 618,

719, 784). The precariousness of employment under capitalism extends to the conditions of work itself, and to the using up of the corporeal basis of human existence.

The stagnant population, for Marx, fades over into the fully pauperized population. Marx identified the “lowest sediment” of the relative surplus population with pauperized workers – who included both the lowest segments of the relative surplus population and elements that were past all employment. The pauperized layer held down the industrial reserve army and the working class as a whole. The largest portion of this layer dwelt “in the sphere of [official] pauperism” – the remainder being made up by “vagabonds, criminals, prostitutes, in short the actual lumpenproletariat.” The degrees of “official pauperism” Marx identified included:

First, those able to work. One need only glance superficially at the statistics of English pauperism to find that the quantity of paupers increases with every crisis of trade, and diminishes with every revival. Second, orphans and pauper children. These are candidates for the industrial reserve army, and in times of great prosperity, such as they year 1860, for instance, they are enrolled in the army of active workers both speedily and in large numbers. Third, the demoralized, the ragged, and those unable to work, chiefly people who succumb to their incapacity for adaptation, an incapacity which results from the division of labour; people who have lived beyond the worker’s average life-span; and the victims of industry, whose numbers increase with the growth of dangerous machinery, of mines chemical works, etc., the mutilated, the sickly, the widows, etc. Pauperism is the hospital of the active labour-army and the dead weight of the industrial reserve army. Its production is included in that of the relative surplus population, its necessity is implied by their necessity; along with the surplus population, pauperism forms a condition of capitalist production, and the capitalist development of wealth (Marx, [1867] 1976, 797, 807; Engels, [1845] 1993, 96-97).

In *The Condition of the English Working Class*, Engels emphasized that the poorest sectors of the working class, the stagnant and pauperized sectors, engaged in a vast realm of hawking whatever they could, a realm of “huckstering and peddling” on every street corner, eking out a precarious existence by selling “shoe and corset laces, braces, twine, cakes, oranges, every kind of small articles,” as well as “matches...sealing wax, and patent mixtures for lighting fires.” Other “so-called jobbers” went about the streets looking for any kind of small job: a few hours or a day of work. Such was the kind of informal economy that has everywhere been associated with poverty (Engels, [1845] 1993, 97).

Marx drew on Census statistics for England and Wales to point to the much higher formal employment of working-class women than men, largely because women made up 85 percent of all domestic servants. The numbers of domestic servants exceeded those of all textile factory workers (the vast majority of which were women and young children) and metal workers (of which there were lower numbers, but which were predominantly men) put together. Precariousness, in the sense of being part of the reserve army, was thus more likely to fall on men, who traditionally earned higher wages than women when employed, but were increasingly deemed unemployable by a capitalist industry forever looking for cheaper labor (Marx, [1867] 1976, 574-575).

Capitalism, was not confined to single countries but was a global system of production. The reserve army of labor, in Marx's view, was thus an international phenomenon, but including the wider periphery via colonialism. "A new and international division of labour springs up, one suited to the requirements of the main industrial countries, and it converts one part of the globe into a chiefly agricultural field of production for supplying the other part, which remains a pre-eminently industrial field" (Marx, [1867] 1976, 579-80). Precariousness was itself understood as a global phenomenon, impacting the colonized regions most intensely. Marx pointed out that "the profit rate is generally higher there [in the periphery] on account of the lower degree of development, and so too is the exploitation of labour through the use of slaves, coolies, etc." (Marx, [1863-65] 1981, 345). If life was cheap and precarious in the center of the capitalist system, he recognized, it was even more so in the colonized periphery where one found the conditions of primitive (primary) accumulation: "the extirpation, enslavement and entombment in mines of the indigenous population...the beginnings of the conquest and plunder of India, and the conversion of Africa into a preserve from the commercial hunting of blackskins, are all things which characterize the dawn of the era of capitalist production. These idyllic proceedings are the chief moments of primitive accumulation" (Marx, [1867] 1976, 915).

Marx's theory of working-class precariousness was to be extended by the most brilliant Marxian theorist of late nineteenth-century England, namely the celebrated artist, writer, and socialist, William Morris. It was Morris more than any other thinker in the 1880s and '90s who built on Marx's theory of the reserve army of labor as manifested primarily in the growing precariousness of workers. As he declared in 1883, in "Art Under Plutocracy," the result of the degradation of the labor process under capitalism, and the terms in which employment was provided or denied, resulted in conditions for the worker that were extremely "precarious,"

creating conditions of absolute estrangement (Morris, 1915, vol. 23, 176-77). Likewise, in his famous lecture “Useful Work versus Useless Toil” (first delivered in 1883 and later incorporated into his 1888 book *Signs of Change*), Morris wrote of “the precariousness of life among the workers” resulting from the tendency “to increase in the number of the ‘reserve army of labour.’” The monetary contributions that workers made to trade unions were an extra charge that workers had to pay out of their wages simply to combat “precariousness of...employment” against which organized labor was the only defense. So important did Morris consider the issue of “precariousness” in defining the condition of workers under capitalism, that in his 1887 lecture, “What Socialists Want,” he took the unusual step of penciling “precariousness” in the margin, indicating that it was a major, overriding theme to develop further (Morris, [1888] 1896, 169, 187; Morris 1969, 232; Salmon 1996, 127; Leopold 2003, xvi). Later, in his 1894 lecture, “What Is: What Should Be: What Will Be,” Morris argued that “higher wages and less precarious work, more leisure, more share in public advantages” constituted the main demands of the workers, but that these goals could only be achieved via “the beginnings of Socialism” (Thompson, 1976, 613-14). For Morris, it was the instability of working class life – the need constantly to struggle to hold on to or find a job, the threat (and reality for many) of unemployment and underemployment, the extreme moral and physical suffering, degradation, and even death brought on by exploitative working conditions, and the omnipresence of pauperism – that constituted the essence of working class life. Such insecurity, degradation, and useless toil undermined all free human potential.

THE GLOBAL RESERVE ARMY IN THE AGE OF GENERALIZED PRECARIOUSNESS

The structural basis of Marx’s concept of worker precariousness was the reserve army of labor: the fulcrum of the general law of capital accumulation. As opposed to today’s use of “precariousness” or “precarity” as a kind of “cultural meme,” Marxian theory thus offers an integrated theoretical approach and scientific outlook to working class insecurity and exploitation, geared to revolutionary social change. Here the notion of the proletariat is not seen as opposed to precariousness – giving rise to a whole new category of the “precariat” – rather precariousness is a defining element in working class existence and struggle.

In the immediate post-Second World War years, the capitalist world economy, centered in the United States, Western Europe, and Japan, experienced a period of relatively rapid economic expansion based

on: (1) undisputed U.S. hegemony, (2) a second wave of automobilization in the United States, (3) the rebuilding of the war-torn economies in Europe and Japan (and automobilization there), (4) the massive growth of the sales effort based in Madison Avenue, and (5) two regional wars in Asia along with the general militarization associated with the Cold War. The higher employment, particularly in the Korean and Vietnam War years, coupled with domestic repression in the United States, and a welfare state (especially in Europe – necessary to counter the challenge represented by the Soviet Union and Eastern Europe), created an era of relative peace between monopoly capital and the business unions, which viewed themselves as its junior, imperialist partners. Multinational corporations emerged in this period as major actors on the world stage. Workers at the center of the system benefitted indirectly in this period from the world imperialist system. The U.S. economy peaked in the late 1960s, and in the mid-1970s, as the various external factors that had propped it up gradually waned. Consequently, it entered a severe crisis (corresponding with the end of Vietnam War), leading to a secular slowdown in economic growth that was to turn into full-fledged stagnation. By the late 1970s, capital had initiated the process of global economic restructuring, cutbacks in welfare state spending, attacks on trade unions, and other measures, commencing the heightened class war that was to become known as neoliberalism (Kolko, 1988; Magdoff and Foster, 2014).

In the 1980s, corporations and wealthy individuals seeking outlets for their surplus capital in a climate of overaccumulation and market saturation, in which productive investment no longer seemed viable, began increasingly to speculate, first in corporate mergers, and then in the financial system more generally – to which the financial sector responded by creating an endless array of exotic financial instruments that sliced and diced risk, all based on mounting debt. The financialization of the U.S. and world economy in the new age of monopoly-finance capital generated limited expansion, supported by new digital technology. Yet, none of this was able to prevent the deepening economic stagnation at the center of the world capitalist system, with the rate of economic growth in the triad of the United States/Canada, Europe, and Japan, declining decade by decade from the 1960s to the opening decades of the present century (Foster and McChesney, 2012, 4). In the new globalized economy promoted by multinational corporations, a global labor arbitrage was pursued whereby companies took advantage of the much lower wages in the periphery, shifting production to the global South, which by 2008 accounted for about 70 percent of world production

(as compared with around 50 percent in 1980) (Foster, McChesney, and Jonna, 2011, 4).

This put pressure on the real wages of workers in the global North, who were experiencing higher unemployment and increased competition from low wages of workers in the South. The latent reserve army of migrant labor from other countries (for example, Mexican and Central American workers in the case of the United States, Turkish workers in the case of Germany, and Algerian workers in France) generated further conflict within the working class nationally and internationally, as did new waves of imperial wars in the Middle East, the former Yugoslavia, and north Africa in the 1990s and the opening decades of this century (made possible by the disappearance of the USSR from the world stage). The fall of the Soviet-type societies and the reintegration of China into the capitalist world market brought hundreds of millions of additional workers into the global reserve army, constituting a new era of globalization. All of this served to remove the floor on wages and working conditions of workers throughout the world. In general, the global working class and its various segments were soon in a race to the bottom: a reality bound to create a new sense of precariousness.⁵

The Great Financial Crisis, emerging in the United States in 2007, and extending in 2008 and 2009 to the world economy as a whole, led to vast increase in global unemployment and restructuring. An enormous growth of part-time, temporary, and contingent work, as well as greater unemployment/underemployment generally, constituted the new, more perilous structural condition of the international labor market. The failure of most analysts, even on the left, to understand this in terms of Marx's general law of accumulation has created enormous confusion. Conventional social science has characteristically treated the more exploitative relations between labor and capital as mere anomalies with no essential relation to the system and no prior historical or theoretical basis, while many left theorists have scarcely done any better, enamored by mere discursive constructs.

Within Marxism itself, the return to Marx's reserve army of labor analysis in the attempt to understand both the reemergence of stagnation and its effects on the working class and the internationalization of monopoly capital began with the economic slowdown in the 1970s – even before the crisis had fully taken hold. The most important theoretical developments in the analysis of labor conditions and their relation to

⁵ An exception is in China and some countries in Asia, where workers experienced rising wages due to rapid accumulation, based on the globalization of the world economy, and the incorporation of their latent (rural worker) reserve army into production.

accumulation emerged in the 1970s in the path breaking work of Marxian theorists Harry Braverman ([1974] 1998) and Stephen Hymer (1979). Braverman most famously drew on Marx's labor process analysis to demonstrate the degradation of labor under monopoly capitalism. But he also engaged in a close study of the structure and composition of the working class in the United States – both the active labor army and the reserve army of labor (Jonna and Foster, 2014). Hymer emerged as the foremost theorist of multinational corporations, building his analysis on industrial organization theory and the theory of monopoly capital. He went on, however, to extend his work to examining the effects on the international division of labor, building on Marx's general law of accumulation.

In 1975, Braverman (1975, 29) pointed to the rapid growth of the reserve army of labor in the United States, as well as elsewhere: “The most striking thing to emerge from an examination of the [U.S.] unemployment statistics from the Second World War to the present is the secular trend of the gradual but persistent enlargement of the pool of officially counted unemployment.... The unemployment rate of 5 to 6 percent which characterized the recession years of 1949-1950 has now become the prosperity rate of the seventies, the rate which we would be delighted to have back again.” Nevertheless, the deficiencies of the data, Braverman argued, meant that they were only crude indications of what was really happening, since the larger part of the industrial reserve army (the vast numbers of part-time workers wanting full time work, temporary workers, discouraged workers, the marginally attached, and the economically inactive population) remained uncounted in the official unemployment rate. It was the rapid growth of the reserve army of labor as a whole that was substantially undermining the relatively well-paid working-class sectors (and even the middle class), creating a wider sense of precariousness. More and more workers were drawn into the low-paid service and retail sectors, and into underemployment, unemployment, and unproductive employment.

In a detailed statistical analysis, Braverman ([1974] 1998, 261-62, 1994, 18-21) demonstrated that in 1970 approximately 69 percent of the available work force in the United States (encompassing both the active labor army and the relevant portions of the reserve army) were attached to the six basic working class occupations. More recent analysis has shown that this remains remarkably constant over forty years later (allowing for shifts in occupations) with the working class constituting some 69 percent of the available work force in the United States in 2011 (Jonna and Foster, 2014, 5-8). However, there has been a big shift in the quality of

employment, with many more workers in low-paid sectors and with part-time, temporary, and contingent jobs. All of this means that the precariousness of the workforce and the downward pull of the reserve army on labor as a whole is growing.

In 1975, in “International Politics and International Economics: A Radical Approach,” Hymer (1979, 256-72) developed an approach to the international division of labor to accompany his analysis of the growth of multinational corporations. Building on Marx’s general law of accumulation, Hymer (1979, 262-63) argued that the two major factors in the development of the capitalist exploitation of labor were technological change that allowed the development of a greater internal reserve army of labor, and the absorption of the “latent surplus population” in rural areas, breaking down pre-capitalist areas and incorporating them into capitalist production. By these two means (what Hymer [1979, 269] called “the industrial reserve army” and the “external reserve army”) capital is able to increase the supply of labor in line with Marx’s ([1867] 1976, 764) fundamental proposition that “accumulation of capital is, therefore, multiplication of the proletariat.” “Above the proletariat,” Hymer (1979, 263) wrote,

stands a vast officer class of managers, technicians, and bureaucrats to organize it and to overcome its resistance by keeping it divided. Below it is a pool of unemployed, underemployed, and badly-paid strata continuously fed by technological change and the opening up of new hinterlands, which undercut its position and inhibit its development toward class consciousness. This reserve army drives the labor aristocracy to keep on working and keeps it loyal to the capitalist system from fear of falling from its superior position. By the nature of things, these different strata often come from different regions within a country, different racial or ethnic groups, and different age and sex classes. Thus, the competitive cleavages between workers often reflect lines of race, creed, color, age, sex, and national origin, which make working class consciousness more difficult.

The class consciousness of workers, Hymer (1979, 259) stressed – quoting from Marx’s *Capital* – required that the workers come to the conclusion that by generating through their labor the accumulation of capital, they only increase capital’s economic power relative to themselves, via the action of the reserve army of labor, thereby making their own situation “more precarious.” Once that realization was reached, the

revolutionary role of workers depended on eliminating the competition and inequality within their ranks and reaching out to a wider human liberation. He held out the hope that labor, though increasingly divided by the new international division of labor, and by all sorts of differing social identities, and caught in a condition of growing precariousness, would nonetheless struggle to eliminate the competition within its ranks “at higher and higher levels until it reaches a world historic perspective far more total than capital and replaces capitalism by socialism. This unification, however, is a long-drawn-out process” (Hymer, 1979, 271).

Today the field of operation of the global reserve army of labor spans the entire world. The struggle of labor, as thinkers such as Marx, Engels, and Morris recognized in the nineteenth century, and Hymer recognized even more so in the late twentieth century, must therefore be international. Labor precariousness ebbs and flows with the global reserve army of labor, but the external labor army, though it remains vast, is not inexhaustible, and is diminishing, requiring that capital displace current labor if accumulation is to continue. Meanwhile, billions of people – as Fred Magdoff (2004) explained in “A Precarious Existence: The Fate of Billions,” and as Mike Davis (2007) expounded in *The Planet of Slums* – are concentrating in the large urban centers of the global South where precariousness of existence is the reality, with close to a third of workers living on less than two dollars a day (ILO, 2015a, 28). Nothing but a New International of labor is capable of addressing the catastrophic conditions that have emerged for innumerable people (along with the economic devastation of much of the world, rising militarism and war, and impending global ecological catastrophe).⁶ As Hymer (1979, 270-71) wrote with respect to the tendencies at the top of the imperial order in his day: “The structure of the American Empire, which kept some sort of order...in the past, is dissolving and a Hobbesian-like struggle of all against all seems to be emerging at the world level.” Under these circumstances, a rational, socialist society, geared to the common welfare becomes imperative, not simply for a better life, but increasingly as a requirement of human life itself.

We can see the significance of the global reserve army of labor, and the source of the precariousness of most of the world's population, using data from the International Labor Organization (ILO), which has employed categories closely related to the layers of the reserve army identified by Marx. Chart 1 shows “The Layers of the Global Working Class” from 1991-2013. Here it can be seen that the global reserve army

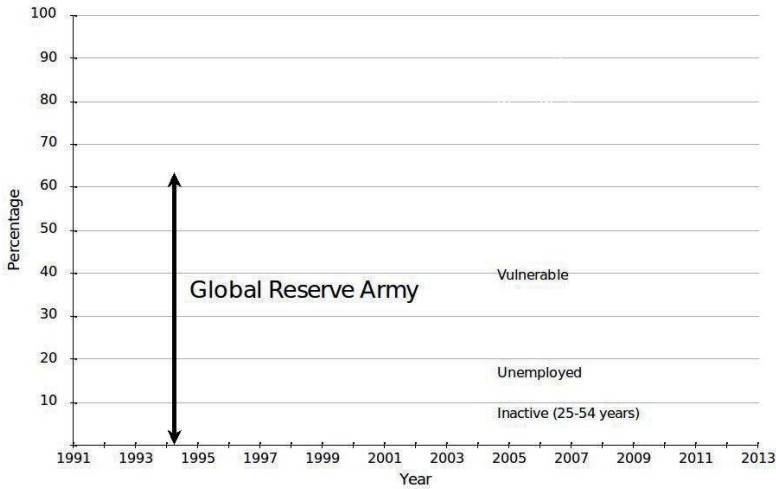
6 On the question of a New International see Mészáros, 2015, 199-217.

constitutes some 60 percent of the available working population in the world, exceeding that of the active labor army of wage-workers plus small proprietors. In 2013, according to International Labour Organization (ILO, 2015b) figures, the global reserve army consisted of some 2.3 billion people, compared to around 1.65 billion in the active labor army, many of whom are precariously unemployed. The number of officially unemployed at that time (corresponding roughly to Marx's floating population) was 200 million workers. Some 1.5 billion workers were classified as "vulnerably employed" (related to Marx's stagnant population), made up of workers working "on their own account" (informal workers and rural subsistence workers) and "contributing family workers" (domestic labor). Another 600 million individuals between the prime working ages of 25-54 were classified as economically inactive. This is a heterogeneous category but undoubtedly consists preponderantly of those of prime working age who are a part of the pauperized population.

These figures, however, severely downplay the full extent of the global reserve army (in Marx's conception) because those who are part-time, temporary, and contingent workers show up in the ILO figures as employed wage workers, which do not consider the increasingly precarious conditions of many of those with only a partial and insecure relation to employment (Foster, McChesney, and Jonna, 2011, 19-26). The share of workers globally making two dollars a day or less stood at 26 percent in 2013, though the percentage is much higher in parts of the global South, such as Sub-Saharan Africa and South Asia, where the working poor make up more than 60 percent of wage workers (ILO 2015b). Nearly 60 percent of wage workers globally are part-time or in some form of temporary employment; in addition, over 22 percent are self-employed (ILO, 2015a, 13, 39).⁷

⁷ Note: This data is based on the latest year available for the given country

Chart 1. Layers of the Global Working Class, 1991–2013

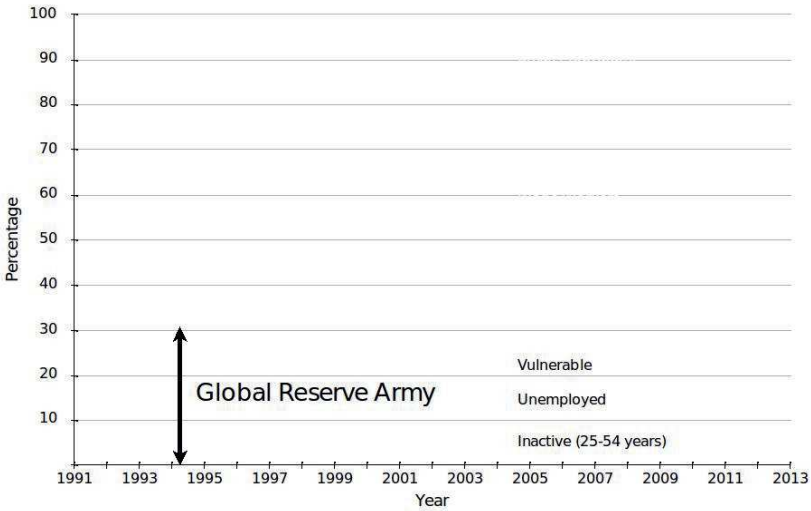


Sources: “Table R3. Status in Employment,” “Table R5. Unemployment Rate” (World and Regional Aggregates) and “Table 13. Inactivity” (Standard Query). International Labour Organization (ILO). 2015. “Key Indicators of the Labour Market (KILM), 8th Edition.” Geneva.

Notes: Since the figures on inactivity are given by country they should be considered underestimates due to data unavailability for certain countries and years.

Chart 2 shows the same ILO data with respect to the developed countries. Here the proportion of wage workers is larger, and the reserve army of labor proportionately smaller. However, what is clear from even these conservative estimates is that the reserve army even in the advanced capitalist states is massive, constituting some 27 percent of the available work force in 2013, and thus perpetuating, and indeed deepening, a condition of precariousness in the working class majority. In the developing countries the reserve army stood at 64 percent of the available workforce in 2013.

Chart 2. Layers of the Working Class in Developed Countries, 1991–2013



Sources: See Chart 1.

Notes: The category “Developed Countries” is equivalent to “Developed Economies & European Union” given in KILM. Also see the notes to Chart 1.

CONCLUSION

The renewed focus, particularly on the left, on precariousness reflects a kind of coming to terms with the capitalism, and particularly the globalized monopoly-finance capital, of our time. Concepts like “precarity” and even “precarariat” may have a role if it means describing more fully the conditions that characterize the reserve army of labor and the increasingly tenuous hold of the active labor army on its jobs and working conditions. Such concepts can help to demonstrate the fact, as Marx emphasized, that capital’s repeated promises to workers are false ones, and that it is now essential that the working class and society move on – in the direction of socialism. More than a century of Marxian political-economic critique allows us to appreciate the extent to which the conditions that Marx described, focusing on a small corner of Europe in the mid-nineteenth century, are now global, and all the more perilous. But

in the age of what Amin (2013a, 2013b) has called the “generalized proletariat” versus “generalized monopoly capitalism” the path lies clearly before us.

Indeed, in contrast to Wacquant (2007, 72-73), who contends that “the precariat can only make itself to immediately unmake itself” – as opposed to “the proletariat in the Marxist vision of history, which is called upon to abolish itself in the long run by uniting and universalizing itself” – we need to emphasize once again the significance of the reserve army of labor (the precariat) within Marx’s understanding of the working class. Here the historic task remains what it was before – the forging of working-class unity – not in order to “universalize” the proletariat, but to transcend it.⁸

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⁸ For Marx the goal of the working-class movement was not the universalization of the proletariat but its “final emancipation...the ultimate abolition of the wages system” (Marx, [1865] 1976, 62).

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Exploitation, Stagnant Wages and Underemployment in Advanced Capitalism: A Canadian Perspective

*D.W. Livingstone*¹

ABSTRACT: In the current context of heightened worker productivity, stagnant wages and increasing exploitation, underemployment of well-qualified workers is also increasing. Basic features of underemployment include time-based, skill-based and intensity of effort. Recent empirical estimates of these features of underemployment in Canada are summarized. Prospects for reducing current levels of underemployment are also briefly considered.

KEYWORDS: Underemployment; Time-Based Underemployment; Skill-Based Underemployment; Intensity of Work Effort

INTRODUCTION

A clear pattern has been widely documented since the 1970s. The real wages of workers, and especially of those employed in creating private goods commodities, have stagnated since the 1970s, while labour productivity in terms of the goods produced per hour has continued to increase significantly. This is true both in advanced capitalist economies generally and Canada particularly (e.g. Carchedi, 2011; Lieberman, 2014; Office of the Parliamentary Budget Officer, 2014). In other words, workers are doing more work for less pay, while private capital increases its profitability – a condition of increasing exploitation. Since the 1970s, this “innermost secret” of capitalism has become increasingly evident. The central driving force is the extraction of surplus labour from hired workers who combine their labour power with more automated technologies to produce more competitively priced commodities for more profitable sales. Corporate capitalists and capital-aligned state agencies have crafted a new regime of accumulation with more stringent limits on workers’ rights and social benefits, and fewer limits on capital, commonly known as “neoliberalism” (see Gindin, 2015). Workers have diminished bargaining powers, with decline of unions and growth of reserve armies of labour. The most evident consequences of this new regime for working people are

¹ D.W. Livingstone is Canada Research Chair in Lifelong Learning and Work and professor emeritus in the Department of Social Justice Education at the Ontario Institute for Studies in Education at the University of Toronto.

stagnant wages, increasing debt loads to try to make ends meet, precarious employment and chronic unemployment. In this piece, I want to underline another pervasive aspect of this new regime that is often overlooked: underemployment.

Underemployment (also known as: “underutilization”, “over-education”, “over-qualification” or much of the “education-jobs gap”) generically refers to the less than optimal use of labour potential. However, agreement on appropriate uses of labour and extent of utilization is problematic in all class-based societies. In advanced capitalist societies, most paid labour is related to the production and sale of goods and service commodities. From private employers’ standpoint, labour utilization, is efficient application of workers’ capacities to ensure the greatest number of units produced and sold in a given time, thereby enabling maximum profits. From hired workers’ standpoints, appropriate utilization may involve spending sufficient time and care to ensure high quality and social usefulness of finished units, as well as adequate monetary benefits and recuperation to enable maintenance of continuing good quality of work. Most of the literature on underemployment ignores this difference. But it is implicit in discussions that argue that connections between knowledge and work are mediated by negotiating powers of those in different social groups (e.g. Grugulis, 2003). With greater power comes greater influence over what is deemed to count as valuable labour and the extent to which its use is recognized and rewarded. Workers with little workplace power may be relegated to ‘getting a little of our own back’ by withholding some skill or effort (e.g. Hamper, 1991). Effective labour utilization from the employer’s perspective may equate to being used up and excreted as waste from workers’ standpoints (Yates, 2011).

Diverse theoretical perspectives have been used to explain relations between labour capacity and employers’ job requirements, including classical economic theory, human capital theory, segmented labour market theories and credentialism.² I use a historical materialist theory positing that inter-firm competition, conflicts between employers and employees over working conditions, and technological innovation all provoke incessant shifts in the number of enterprises, employees, and types of jobs available. Through technological innovation and workers’ learning on the job, increased efficiency leads either to expanded production or to unemployment of excess workers, in either case modifying

² For fuller discussions of theories of mismatches between workers’ competencies and labour market needs, see Desjardins and Rubenson (2011), Livingstone (2009), McKee-Ryan and Harvey (2011).

the overall demand for labour. Popular demand for general education and specialized training increases cumulatively as people seek more knowledge, different specific skills and added credentials in order to live and qualify for jobs in such a changing economy. In advanced capitalist countries, mismatches are inevitable between employers' aggregate demand and requirements for employees on the one hand, and the aggregate supply and qualifications of job seekers on the other. With liberal democratic state regimes that still proclaim the right to equal educational opportunity and widespread public access to knowledge through such means as the internet, the predicted tendency is for the supply of qualified job seekers to exceed the demand for most jobs-- a growing reserve army of qualified labour available for increasing exploitation by capital in the absence of greater collective organization of working people. This paper identifies a few basic conceptual dimensions of underemployment, briefly summarizes empirical research on patterns of underemployment, and more briefly discusses current prospects for underemployment and possible alternatives for reducing it.³

BASIC DIMENSIONS OF UNDEREMPLOYMENT

Three basic dimensions of underemployment can be distinguished: *time*, *skill* and *intensity of effort*. The underemployment of potential labour time is the most evident dimension. The amount of time people are gainfully employed may vary from zero to virtually all their waking hours. The most evident time-based aspect of underemployment is *official unemployment* including those without paid jobs who are actively looking for employment. But less official forms of unemployment include various discouraged workers and others such as prisoners and retired people who want paid work but are restricted from the labour market. In addition, there are those in *involuntarily reduced employment*, people holding temporary, part-time jobs but who want more employment.

Skill-based underemployment refer to the surplus capacities, skills, education, or knowledge that workers bring to the job, in comparison with what is needed for the job. There is much dispute over the notions of skills, relevant education, and knowledge. Numerous ways of conceiving dimensions of the gap between employed workers' capabilities and the requirements of their jobs have been suggested (e.g., Kalleberg, 2008; McKee-Ryan and Harvey, 2011). Three relatively straightforward aspects of the skill gap between workers' capacities and their job requirements are

³ Parts of this paper have been adapted from Livingstone (forthcoming 2016) and Livingstone (forthcoming 2018). For fuller development, see Livingstone (2009).

widely recognized:

- *Entry credential gap* between the training credentials that job entrants bring and those required by employers;
- *Performance gap* between the performance capability of workers and the performance level actually required to do the job;
- *Subjective gap* between job holders' personal assessments of their capabilities and their perceived job requirements.

With regard to *intensity of effort*, those who begin a job become more efficient as they gain experience needed to perform it (Pankhurst and Livingstone, 2006). The level of production of goods and services in a given time will be closely related to the intensity of effort given by experienced workers. Employers' imperative is to ensure that workers maintain or increase their intensity of effort to continue to produce more goods and services in that time. Workers' overriding objective is to ensure they provide sufficient effort to keep the job without exhausting themselves and losing it. Underemployment of effort by workers is a continual threat to employers' profitability; supplying adequate effort but not becoming over-employed to the extent they threaten their subsistence is the continual challenge for workers.

Consider these three dimensions together. For employers, having an ample supply of qualified workers to employ for varying amounts of time and skill use with high intensity of effort is central to profit maximization. For workers, being fully employed in a job that allows them to use their accomplished skills without exhausting efforts is the optimal condition. So, underemployment is a highly contradictory phenomenon. Without pretending to resolve the contradiction between standpoints of capital and labour, we will look briefly at empirical patterns and then, more briefly, at prospects/alternatives.

EMPIRICAL PATTERNS

Time-based underemployment. In global capitalism today, the vast majority of the labour force is located in developing and underdeveloped countries. As a result of agricultural enclosures and limited urban industrialization, there are now *massively* more adult people in these countries without any meaningful employment or only involuntary part-time jobs than the numbers with full-time paid employment, a burgeoning "relative surplus population" (Neilson and Stubbs, 2011). In advanced capitalist countries, official unemployment rates of those actively seeking employment, the long-term unemployed, discouraged workers and involuntary part-time employed all have been increasing secularly to the

point that chronic structural unemployment and involuntary underemployment are becoming widely recognized as major social problems (e.g. OECD, 2014). In Canada, current estimates put official unemployment at around 7 percent of the eligible labour force, involuntary part-timers at around 5 percent, and discouraged workers (including many not actively searching but who want to work) at up to similar magnitudes (OECD, 2014; Jackson, 2010). So, up to 20 percent of the potential Canadian labour force could now be underemployed on the time dimension, a very substantial proportion and a growing trend in recent decades.

Skill-based underemployment. If the focus is limited to the *employed* labour force, a primary issue is the extent to which workers are able to use their skills in their jobs. Leaving aside the issue of different conceptions and measures of “skill”,⁴ a series of Canadian national surveys in 1998, 2004 and 2010 using self-report measures, found that credential over-qualification for job entry increased from 27 percent to 31 percent, while under-qualification dropped from 22 percent to 18 percent during this period. The same series of surveys, found that the over-qualification for performance requirements remained at about 28 percent through this period, while the proportion under-qualified dropped from 20 percent to 15 percent. Thirdly, this series found subjective feelings of over-qualification increasing from 22 percent to 30 percent over this period while subjective under-qualification remained at around 5 percent (Livingstone, 2012; 2013). If these three measures are combined, by 2010 a small majority of the employed Canadian labour force reported experiencing one or more of these forms of skill-based underemployment. While few other studies have considered such combined effects, there are now many others that have found similar magnitudes of specific aspects of underemployment (see Livingstone forthcoming, 2016). The basic conclusion is that skill-based underemployment is being experienced by a large and growing portion of the employed labour force in Canada and throughout the advanced capitalist world.

Underemployment of effort. The weight of evidence suggests that the intensity of effort required of many employees has been increasing in recent decades. Average wages have generally been stagnant over this period while productivity rates have increased significantly (Carchedi, 2011). Many workers have taken on heavier workloads without comparable compensation. For example, in the U.S. the proportion of salaried workers entitled to receive overtime pay for their effort dropped

⁴ Illustrations of the effects of different measures of skill on underemployment measures may be found in Livingstone (forthcoming, 2016).

by about three-quarters in the 1979-2014 period (Eisenberry, 2015). Increasing numbers of workers have been doing more work for less pay. There is widespread evidence of intensification and few signs of underemployment of effort. In sum, both time-based and skill-based aspects of underemployment are found to be very substantial and growing in recent times, while evidence of underemployment of effort is becoming rarer and rarer.

PROSPECTS/ALTERNATIVES

Time and skill-based underemployment are now persisting for the potential labour force of advanced capitalist economies through different phases of business cycles. Whatever measures of skill are used, it is also clear that: (1) workers' knowledge and extent of learning activities now increasingly exceed the narrow formal requirements of existing jobs; (2) such underemployment also applies to computer skills in purported 'knowledge economies'; and (3) higher and sometimes extreme levels of such underemployment occur among youths, recent immigrants, people of colour, and disabled people. Workers have also been found to continually reformulate their knowledge to 'micro-modify' their jobs. A growing corpus of workplace learning studies indicate that workers' rich array of learning activities increasingly exceed current actual job requirements and that people generally are already intently engaged in an 'educational arms race' for credentials (Livingstone, 2009).

These findings should raise serious doubts about the wisdom of policy responses to time and skill-based underemployment that continue to be preoccupied with education and training solutions to economic problems. Advocates of both human capital theory and a knowledge-based economy persist in asserting educational investment, increasingly funded by students themselves, is the answer. Indeed, from employers' standpoint, a surplus of skills may continue to be both a short-term and long-term benefit. Dominant discourse still insists that more training and more information about available (and generally diminishing) qualified jobs is the basic solution to time and skill-based underemployment. The fact that an oversupply of qualified workers is now essential to maintain levels of exploitation and reproduction of advanced capitalism is rarely hinted at.

Education provisions can always be improved, as well as more equitable guidance services for transitions between school and paid work. But effective policies for reducing time and skill-based underemployment are more likely to come from the adoption by employers of job designs and organizational practices that permit workers to more fully use *existing*

skills (e.g. Warhurst and Findlay, 2012), as well as from public policies that facilitate the redistribution of paid work time, wider recognition of workers' prior learning, incentives for workplace democratization and creation of sustainable green jobs (Livingstone, 2009).

Gaining more knowledge to cope with our environment is the most inherently human activity and virtually always valuable. It is only in the narrow sense of qualifications in excess of what employers require for specific jobs that the concept of 'over-education' is intelligible as wasted investment. On the other hand, the notion of 'over-employment' is rarely heard; it is absurd from employers' standpoint which is committed to maximizing the profit-generating efforts of employees. To some employees, this notion is intelligible as intensification of work, or exploitation. Wider recognition of such exploitation among employees is a precondition of movement toward alternative forms of production based on economic democracy, sustainable relations with our environment and decent, fulfilling jobs. The increasingly pervasive condition of underemployment within capitalism also provides more highly qualified workers with opportunity to recognize levels of exploitation they share with less qualified workers (Livingstone and Scholtz forthcoming, 2016). So, it is just possible that underemployment will also provide more potential time for many workers to engage in collective movements to create such alternative forms of production (e.g. Baiman et al., 2011; Gindin, 2015).

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Challenging the Low Wage Economy: Living and Other Wages

Stephen McBride¹ and Jacob Muirhead²

ABSTRACT: The existence of a low wage sector is nothing new, nor are efforts to resist the conditions experienced by people whose incomes typically fall below the poverty line. In recent decades, under the rubric of neoliberalism structural and political factors in many western states have combined to expand the low wage sector. In policy terms this is represented by intensified efforts to flexibilize the labour market and to impose conditionality for the receipt of social benefits. Various social and political forces have pushed for policies to address issues of low wages and poverty. The paper recognizes the intersection of social and labour market policies but focuses on the latter. It opens with an historical overview of efforts to address low wages that touches on sectoral councils in the U.K, and the Awards system in Australia. It then moves on to analyze contemporary minimum wage policy and campaigns for a living wage. We then turn to the discourses/argumentation associated with these initiatives, and those employed by opposition to them. Our goal is to understand and evaluate the arguments advanced but move beyond discourse to identify the conditions in which particular means of addressing low wages can succeed.

KEYWORDS: Low Incomes; Low Wages; Minimum Wages; Living Wage; Labour

Low wages seem endemic to capitalist economic systems though the size of the low wage sector and its characteristics can vary over time. Explanations of the low waged include systemic accounts, such as that of Marx in which an industrial reserve army of the unemployed and underemployed serves to depress wages generally, or Keynes, for whom deficiencies in aggregate demand could trigger depression with the same effect. Orthodox economic accounts suggest a relationship between possession of human capital, productivity, and wages. Here, the responsibility for being low waged lies with the individual who has neglected to acquire the right amount and type of human capital; and

1 Stephen McBride is Professor and Canada Research Chair in Public Policy and Globalization in the Department of Political Science at McMaster University.

2 Jacob Muirhead is a PhD student at McMaster University in the Department of Political Science.

who, as a result, is less productive than his or her peers and endures low wages as a consequence. Human capital theory is open to a number of significant objections (see McBride 2000, 172-6) which undermine its value as an explanation of low wages.

Although there has never been a time when low wages were unproblematic in capitalist society, the post-war period in which Keynesian ideas informed public policy, unions tended to be stronger than either before or since, a relatively generous welfare state came into being, and income disparities became somewhat more equal, represented an exceptional era. With its demise, low waged employment has grown in most jurisdictions (see Standing 1999, 208-221). This article focuses on efforts to deal with low wages through statutory minimum wages and, more recently, through living wage campaigns that pressure either government or private employers to pay rates that enable basic survival above the poverty rate. The latter living wage campaigns are a response to the continued and expanding presence of low wage sectors, even in jurisdictions that have statutory minimum wages. Typically, minimum wage rates are at levels that consign their recipients to lives below the poverty level. However, other mechanisms to address the issue have been attempted and we provide a brief historical outline of two of them. In the ongoing battle against low wages and poverty we focus on wages and thus the labour market in this article. However it is important to keep all options in mind and to consider also the intersection between wages and the “social wage”, as represented by various income or in-kind supports that are, or could be available to those with insufficient market-generated income. The low waged are part of a larger group comprising all those who have low incomes.

The first alternative method was used in Britain, was to establish Wages Councils in a number of low-waged sectors such as retail, hospitality, social and child care, food processing, cleaning, textiles and clothing and hairdressing. Founded in 1909, (Bayliss, 1962) they were eventually abolished in 1993 under the Conservative government’s deregulation of the labour market strategy. Defenders of the councils fought to preserve them based on research findings that they had alleviated low wages and had not cost jobs, as opponents both of the councils and minimum wages generally claimed. Once they were abolished however, it seemed that a national minimum wage had some advantages, not least broader coverage, and support rallied around that option rather than restoration of the councils (Manning 2009; Cabrelli, 2014, 245-6). There was also an institutionalized system of consultation in the public service particularly for lower waged public servants. It took the form of

joint consultative mechanisms, commonly referred to as Whitley Councils after their originator, John Whitley, whose committee on the relations between Employers and Employees during World War I recommended a system of regular formal consultative councils involving workers and employers. The councils would be empowered to cover any issue related to pay and conditions of service, and to refer issues to arbitration if agreement could not be reached.

In the UK a civil service Whitley Council was set up in 1919. Surveys of its early records and other efforts to address poverty, reveal often archaic language but issues and arguments that are very current. These apply both to public sector-private sector comparisons and more generally with regard to low pay and what is now termed precarious work. Demands for some kind of living wage had long preceded the Councils. As early as 1893 a resolution in the House of Commons (and restated periodically at later dates) provided that: “no person [employed by certain types of public sector establishments] be engaged at wages insufficient for a proper maintenance...” (cited in White, 1933, 56). Later versions of the resolution extended similar provisions to workers directly employed by the government.

The original motion also advanced the idea that public service employment should provide a model to be emulated by private employers: “conditions of labour as regards hours, wages, insurance against accidents, provision for old age, sickness etc., should be such as to afford an example to private employers throughout the country” (White, 1933, 158). However, the Whitley Councils found it difficult to operationalize such practices. The concept of public sector as model employer was unsuccessfully counterposed to the business argument that the employers should pay what was necessary for recruitment and retention in a market driven system (White, 1933, 158). By 1929 the concept had been dismissed. Staff associations pointed out that almost half post-office employees had pay rates below the recognized poverty standard of living, one that recognized “bare physical efficiency.” Similarly the associations noted large number of temporary staff (around 35 per cent in 1929) and significant wage differences between men and women employees in the same pay grades, amounting often to 25 per cent of starting salary and/or salary caps (White, 1933, 162-4).

In Australia, the “awards” system provides another historical model. It has undergone considerable revision in the neoliberal period (see Bray and Macneil, 2011). However, in its pre-1990s heyday, the awards system of compulsory conciliation and arbitration, working through ‘labour courts’ and tribunals was largely responsible for establishing minimum

pay and standards for the Australian workforce (McCallum, 2011). Conciliation was first attempted: if it failed, the labour courts could invoke compulsory arbitration which led to a binding award governing the employers, workers, unions, and employers' associations applicable to the dispute. The awards specified minimum wages and conditions though bargaining above these minima could occur. The result was that: "all employees who employed workers in the relevant industry or craft were obliged to abide by the terms and conditions of employment (McCallum, 2011, 8). Neither state nor Commonwealth level governments were typically involved in legislating minima until the 1990s. Instead they relied on the labour courts to establish these. Although technically confined to the named disputants in an award, awards tended to establish standards which spread beyond those immediately affected to all employees of the listed employers' associations and often became community standards (Bray and Macneil, 2011, 156). Since the deregulatory neoliberal changes of the 1980s and 1990s statutory minimums, mostly at the federal or Commonwealth level, have partially displaced the awards system. Whatever its limitations, however, the awards system significantly contributed to one of the most equal distributions of income in the western world and its erosion coincided with increased inequality (Pusey, 2003, 48).

STRATEGIES ADDRESSING LOW-WAGE WORK: THE MINIMUM WAGE

Both examples discussed above have declined or been abolished. In place of them there has been renewed interest in minimum wage provisions and, in light of the perceived deficiencies of that model, in the concept of a living wage. The minimum wage has long been a central public policy used by a variety of states to address low-wage work and economic inequality with varying degrees of success.³ Originally, the idea emerged as part of the 'anti-sweats' campaigns to protest exploitative working conditions in sweatshops in New Zealand and Australia in the 1890s. Minimum wage systems now are embedded in over 100 countries

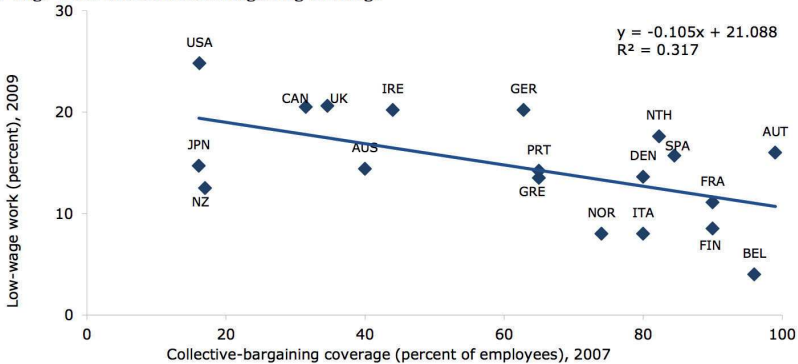
³ Low Wage work has commonly been defined by the Organization for Economic Cooperation and Development (OECD) as full-time work that pays at or less than two-thirds of median full-time earnings. This definition is not the only one, however, and many countries use their own definitions which incorporate different thresholds and vary on whether to include part-time, apprenticeship, young workers, and estimates of the informal economy into their measurements. The OECD, for example, does not include part-time work in its estimate and certainly under-estimates the size of the low-wage economy in countries. See, for example, Damian Grimshaw, 2011.

(Neumark and Wascher, 2008). The historical longevity of the minimum wage as well as its continued centrality in policy discussions around the world speak to the importance of assessing the utility and potential of the idea as a regulatory tool used by states to address and reduce low-wage work. Yet this is no easy task. There is considerable variation in minimum wage policy both historically within countries and also comparatively between them. However, the basic function of all minimum wage policy is to set a minimum market value which employers, by law, cannot go below. Based on this straightforward definition, one can begin to assess the utility of minimum wages through the degree to which they raise wages and their subsequent impact in reducing the size of the low-wage sector in relation to the overall labour market (Schulten, 2014, 13).

There are two distinct approaches to minimum wage regulation. Generally, minimum wage policies differ most significantly in the manner in which they are determined. First, minimum wages can be set universally at the national level or, in federal countries possibly at a sub-national level, and are enforced statutorily through legislation. These minimum wage systems set a common wage floor which applies to all employees unless exceptions are specified relating to age, or industry and historically, gender (Schulten, 2014). Lower minima for young, inexperienced, or workers in industries where tipping is prevalent are example of variations. Universal minimum wage systems are the most common type of minimum wage system. If wage floors are not established through universal statutory legislation, they can be set through a collective bargaining process negotiated either bipartite between employer and union representatives, or tripartite between union, employer and state representatives (Schulten, 2014). Whereas universal national minimum wages tend to be consistent across all sectors of the economy, those negotiated in bipartite and tripartite agreements generally occur at the sectoral or occupational level. Consequently, there is no common wage floor, but instead, a number of different minimum wages. Although this system sounds piecemeal and consequently prone to inequality in the minima that are set, workers in those countries which use a collective bargaining system for minimum wage determination generally do so because they are well-represented by powerful unions, that are highly organized, dense, and provide broad coverage to the majority of workers. In addition, where union density is lower, states using this system often have various ways of extending agreement coverage from specific negotiations to all workers within a sector, whether they are unionized or not (Eldring and Alsos, 2012). Countries with this type of minimum wage-setting system include Finland, Sweden, Denmark, Italy and Austria.

Categorization is not always straight forward, and the two systems are not mutually exclusive as the cases of France and Austria illustrate (Kampelmann et al., 2013, 31, 33). Canada, like most liberal welfare states uses a statutory minimum wage system in order to establish a wage floor (Bernard, 2008; Esping-Anderson, 1990; Rueda & Pontusson, 2000). Minimum wage legalisation has a long history of regulation in Canada at the provincial level as jurisdiction over labour issues falls primarily to the provinces (Ontario Labour Relations Board, 2013), although there is also a separate federal statutory minimum wage in Canada for federally regulated sectors (Benjamin, 2001, 187). Indeed, the provinces first enacted minimum wage legislation in Manitoba and British Columbia in 1918, and this legislation was quickly followed by Nova-Scotia, Ontario, Quebec and Saskatchewan by 1920. Although these minimum wages were initially set only for women in the labour force, all of the provinces mentioned above had extended a minimum wage to include men by 1937 (Human Resources and Skills Development Canada, 2005). Minimum wage policy was enacted by the government primarily in response to public concerns, spearheaded most prominently by the National Council of Women of Canada (McCallum, 1986, 32-34) This cause was also picked up by trade unions that fought to extend minimum wage legislation (McCallum, 1986). Although the achievement of a statutory minimum wage system across the Canadian provinces was a victory for labour activists, these early minimum wage systems still enabled employers to set low minimum wages (McCallum, 1986, 56). As indicated below in Figure 4, these wages remain quite low today, at below 45 percent of the median wage of a full-time worker. This leaves full-time minimum-wage workers in Ontario, for example, earning just 81 percent of the low-income

Figure 1: Low-wage Work and Collective Bargaining Coverage

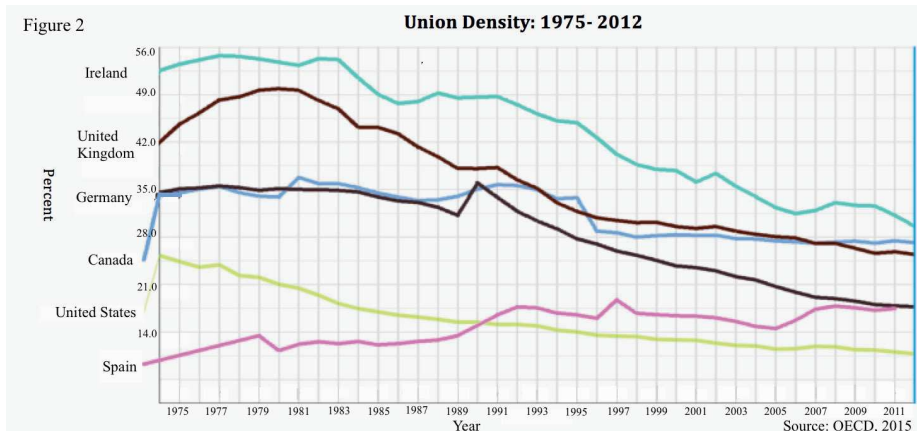


Source: Analysis of OECD (2011), Mason and Salverda (2010), and Visser (2011).

poverty-line measure for the province (Tiessen, 2015, 6), although, the real value of minimum wages has been trending upwards in most provinces over the past decade (Battle, 2011).

Countries that determine minimum wages collectively appear on average to have both more generous wage floors that provide a decent quality of life and also less overall income inequality between top and bottom earners (Kampelmann et al., 2013). Moreover, there is also a correlation between high union coverage and a reduction in the size of the low-wage economy more generally, as seen in Figure 1 (Schmitt, 2012, 3).

Statutory, universal minimum wages tend to be lower, but all encompassing, whereas those produced by a collective bargaining system tend to have higher wage floors and less inequality. These outcomes are dependent on high rates of bargaining coverage to be effective (Kampelmann et al., 2013). This is important to note, as union density and union coverage has been on the decline in the global North, as illustrated in Figure 2, and for this reason the model may have a limited future:



The model of a national statutory minimum has therefore been gaining ground. Ireland, the United Kingdom, and most recently Germany in 2015, all introduced a statutory minimum wage in response to declining union density which has increasingly led to fragmented, decentralized bargaining agreements and the erosion of coverage (Bispinck and Schulten, 2014; Eldring and Alsos, 2012; Schulten, 2014). Indeed, one can see in Figure 1 that these countries all occupy a middle ground in collective-bargaining coverage between unregulated, decentralized labour markets such as the United States, and more

regulated centralized labour markets such as Denmark or Finland. The result of falling bargaining coverage in all three countries has been the growth of a low-wage sector, rising inequality and the emergence of a dual economy. Work for unionized workers on the “inside” has remained well paid and secure, while non-unionized work on the “periphery” has become increasingly common, with workers employed in unregulated industries generally defined by low pay, insecure, short-term and flexible employment (Bispinck and Schulten, 2014; Manning, 2013; Milner, 1995; Pothier, 2014). Part of a policy response in all three countries has been a switch to a statutory universal minimum wage that sets a consistent wage floor at the national level without any gaps in coverage.

POTENTIAL OF STATUTORY MINIMUM WAGE SYSTEMS

A great deal of labour market literature has identified an interconnected set of sobering themes: work is becoming increasingly precarious, egalitarian labour market institutions such as unions are in precipitous decline, wages for all but the richest have stagnated, the welfare state is in retrenchment, social benefits are declining and full-time work is being replaced with jobs that are part-time, temporary and low paying (Appelbaum, 2012; Bivens et al., 2014; Branch and Hanley, 2011; Brosnan and Wilkinson, 1988; Hutton, 2003; Milner, 1995; Western and Rosenfield, 2011). Statutory minimum wages have become increasingly important not only because of a general rise in low-paying, poor quality jobs within developed countries, but also because within flexible, deregulated labour markets very few alternative strategies to address low-wage work remain. To provide some indication of the incidence of low-wage work among economies in the Global North, Figure 3 quantifies the absolute numbers and percentage of employees in low paid work within a sample of OECD countries:

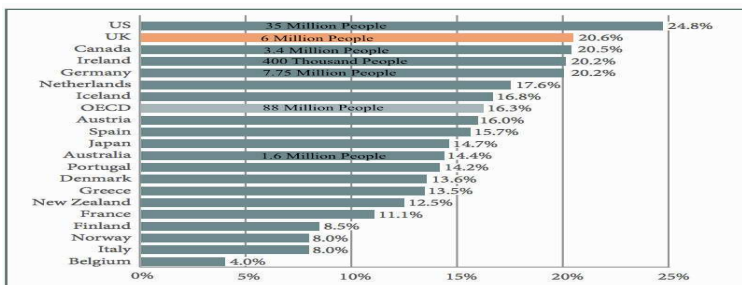
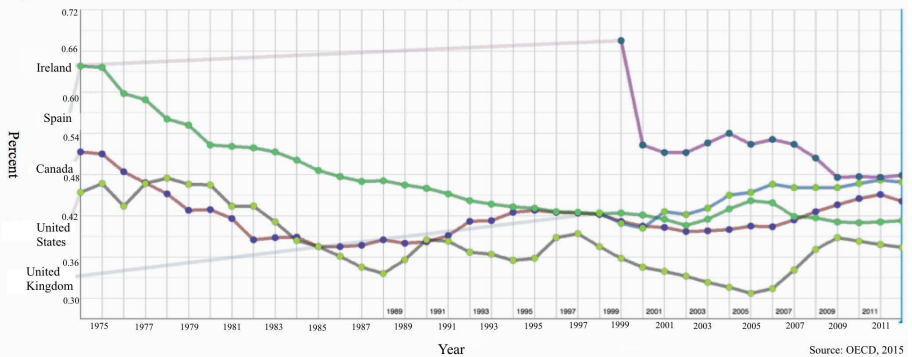


Figure 3: Share of employees in low-paid work (%)

Source: OECD Labour Market Statistics (2009);
 Matthew Pennycook, (2012), What Price a Living Wage? Resolution Foundation
 Note: Low pay is defined by the OECD as earning less than two-thirds of the national gross median hourly wage.

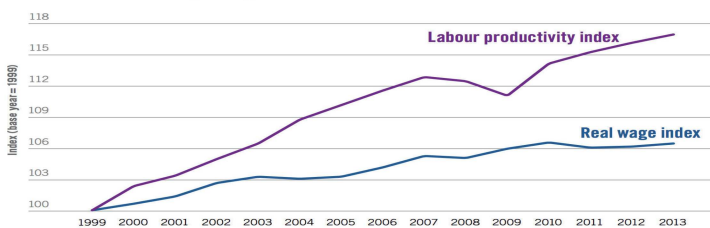
In 2009, over 88 million people within the OECD were employed in low-wage work, and this number has increased since that time as a result of the poor economic conditions that continue to plague many OECD countries and the concentration of post-crisis recovery through the disproportionate growth in low wage jobs. A cursory analysis of statutory minimum wages reveals that they are inadequate in providing a decent standard of living in most cases (OECD, 2015). For example, although there is no commonly accepted definition of what a “fair” minimum wage actually is, both the European Council and the Commission have at various times in the recent past suggested an equitable minimum wage as 60 percent of a full-time median salary (Schulten, 2014). As Figure 4 illustrates, most statutory minimum wages are well below this 60 percent cut-off, ranging between 38 and 48 percent in 2012:

Figure 4: Minimum Relative to Median Wage of Full-Time Workers: 1975-2012



These meagre wages have remained relatively stagnant in terms of real value since 1975, in spite of consistent year on year growth in labour productivity in the Global North. This relationship can be seen in Figure 5:

Figure 5 Trends in growth in average wages and labour productivity in developed economies (index), 1999–2013



Note: Wage growth is calculated as a weighted average of year-on-year growth in average monthly real wages in 36 economies (for a description of the methodology, see Appendix I). Index is based to 1999 because of data availability. Sources: ILO Global Wage Database; ILO *Trends Econometric Models*, Apr. 2014. Data accessible at: www.ilo.org/gwr-figures

This analysis reveals that though becoming more widespread, minimum wages are an inadequate approach to addressing low wage-work. Systems based on collective bargaining are becoming less feasible in the face of union decline and spotty coverage. Most statutory minimum wage policies are set too low to meaningfully improve the quality of life for those working in low-wage employment, even while the proportion of low-wage work as a percentage of the overall labour force is rising within the OECD.

LOW WAGE DISCOURSES

Neoliberal economic thought and public political discourse suggests that a “fair” wage is simply equal to the marginal revenue product of labour (O’Neill, 2014). The divergence between labour productivity and real wages noted in Figure 5 above is problematic for this perspective. Nevertheless it remains in some version the dominant perspective most often articulated by economists and politicians. A minimum wage, therefore, is seen as a policy that interferes with the functionality of the market. Those against a minimum wage argue that these policies have a net negative effect on the economy. Because minimum wages increase the cost of labour, employers are forced to lay off workers, freeze hiring, increase prices, and reduce hours (Brown et al. 1982; Dolado et al. 1996; Neumark and Wascher, 1992; OECD, 1994;). Moreover, economists have argued that minimum wages also disproportionately affect youth, and those worst off and in possession of the fewest marketable skills (Brown et al. 1992; Scott and Neumark, 2005).

Since the 1990s dissenting economic literature has revealed that minimum wage policies may in fact have no impact on employment, or if they do, it is marginal (Betcherman, 2014; Card and Krueger, 1993; Dolado et al. 1996; Doucouliagos and Stanley, 2009; ILO, 2014; Manning, 2013; Metcalf, 1999). In addition, economic research inspired by the recent financial crisis suggests that not only do minimum wage policies likely do little to hurt employment, but they are also useful counter-cyclical tools that help counteract deflationary spirals, by reducing the burden of after-tax government redistribution, and stimulating overall purchasing power and aggregate demand (ILO, 2014; IMF, 2013a; IMF, 2013b; Kapelmann et al., 2013). Finally, recent evidence most powerfully articulated by Thomas Piketty also suggests that economic inequality is one of the greatest threats to stability in the 21st century. Consequently, much more value has recently been placed on interventionary policies such as the minimum wage which can play a role in reducing inequality (Kapelmann et al., 2013; Piketty, 2014). Although it is difficult to quantify, all of this economic

argumentation relating to the minimum wage as a policy tool has been instrumental in the adoption of statutory wage floors in the United Kingdom, Ireland and Germany in 1999, 2000 and 2015 respectively (O'Neill, 2014; Pothier, 2014). It should be noted, however, that although the wage floors set in these three countries are more generous than in the United States, they are guided by cautious economic research that recommends very gradual and modest increases and stipulates clear “optimal” upper limits to the utility of minimum wages before they begin to harm the labour market. Consequently, although these wage floors hover much closer to the 60 percent of full-time employment metric identified by the EU Commission, they nevertheless remain below it.

On January 1st, 2015, Germany introduced its first national minimum wage. The wage itself is determined in large part through the recommendations of a Minimum Wage Commission that is made up primarily of employer and union representatives. Relative to other European and North American countries, the minimum wage level set in January of 2015 was generous (Schulten, 2014). At 58 percent of median full-time income, this places the generosity of Germany’s minimum wage second in Europe only to France. Germany’s move to a statutory minimum wage was made in order to fill a minimum wage gap left by a collective-bargaining system which had become inadequate in providing coverage and good wages to an adequate proportion of German workers (Eldring and Alsos, 2012). Where the German labour market was once defined by strong unions which negotiated industry wide agreements on behalf of most workers, many negotiations now take place at the plant level, do not meet the legal requirements for government extension and provide irregular coverage between full-time permanent employees and other, less permanent contract and part-time work (Bispinck and Schulten, 2014; Hassel, 2011). Unsurprisingly, both contract and part-time work has been growing in Germany as a percentage of overall employment since the 1980s with part-time work doubling between 1991-2007 (Hassel, 2011, 19). Similarly, the share of low-paid among all workers in Germany increased from 14.5 percent in 1998 to 21.5 percent in 2007 (Hassel, 2011, 20).

Based on concern over the composition of the German labour market, an increase in low wage work, and rising income inequality, a number of political parties, including the Social Democratic party began to prioritize a statutory minimum wage. One study estimated that the new wage floor would raise the income of six million workers and affect 15 percent of the German workforce (Pothier, 2014). In explaining such a high initial wage floor, a primary factor has been the role of unions in Germany which are, comparatively speaking, still fairly powerful actors despite their declining

membership. Since 2006-2007, the Confederation of German Trade Unions (DGB) has been campaigning for a minimum wage and they also played a key role in turning a statutory minimum wage into a highly salient political issue during the 2013 elections in Germany (Bispinck and Schulten, 2014). During this time, the DGB successfully secured political buy in and support for a minimum wage from the Social Democrats who went on to form a coalition with Angela Merkel's Christian Democrats in part on the condition of minimum wage legislation (Bispinck and Schulten, 2014). The outcome of this protracted union-led campaign for a statutory minimum wage is a wage floor that has potential to reduce the incidence of low-wage work and income inequality in the country. However, given its novelty it is too new for any comprehensive empirical work to have been undertaken regarding its effectiveness.

The British case is also viewed as a success story although the level of income it provides is less impressive. Throughout the 1980s and 1990s, the number of British workers covered by collective pay-setting institutions such as unions or wage councils fell below 50 percent (Milner, 1995). Within a neoliberal political climate which was fiercely free-market, successive British governments during this time-period waged war on organized labour. This led to reduced union strength and coverage, as well as the abolition, in 1993, of bipartite wage councils which set minimum wages for 2.5 million of Britain's poorest (Machin and Manning, 1994). With perhaps the exception of the United States, the magnitude of growth in wage inequality in Britain during this time was unmatched in any other industrialized country (Gosling and Lemieux, 2004; Thornley & Coffey, 1999, 526-527). The sharp growth in poverty and inequality, combined with sustained pressure from trade unions and activists led the Labour government to introduce a nationwide statutory minimum wage in 1999 (Thornley and Coffey, 1999, 528). This national minimum wage was to be monitored by a non-partisan independent expert commission called the British Low Pay Commission (Metcalf, 1999). The wage itself is set each year following the Commission's recommendation (Kampelmann et al., 2013).

The minimum wage in the UK immediately raised the wages of around five percent of the labour force with no noticeable impact on unemployment (Manning, 2013). The British minimum wage has been credited with reducing income inequality, producing higher than average wage increases, and putting more money into the pockets of the approximately 1.5 million low-wage workers who are directly affected by changes in the minimum wage each year (Low-Pay Commission, 2015). In addition, regardless of methodological approach, economic research has

shown the minimum wage has had little or no effect on employment rates (Manning, 2013). However, a common criticism of the national minimum wage in the UK is that it too modest and conservative to make a significant impact on low-wage work (Dolton et al., 2010). The wage floor is still one that leaves workers in poverty and the low-wage economy continues to grow in the United Kingdom. This brief overview of minimum wage regulation has discussed the potential of these policies to address low-wages. The conclusions are mixed. Although some collective bargaining systems ensure relatively generous wage floors, these systems, which rely on strong union membership, are becoming rare. Consequently, statutory minimum wages increasingly are the dominant approach to minimum wage regulation. Unfortunately, these systems are generally ungenerous and set very low wage floors that leave many full-time workers employed in poverty.

Overall, economics discourse has become more favourable to minimum wage regulation. In addition, popular opinion towards minimum wage policy as measured through national surveys, has become more positive (see for example, Dugan, 2013; Pew, 2014; Dahlgreen, 2014; Thomas, 2014). Moreover, discourses around minimum wages increasingly are now influenced by historical and philosophical considerations preoccupied with issues of justice, fairness, human dignity, social decency, and the good society (Brennan, 2012; Figart, 2004). These discourses stand at the centre of an increasingly powerful and popular social movement known as the “living wage” movement to which we now turn (Figart, 2004; Luce, 2012).

THE LIVING WAGE MOVEMENT

Trends in the labour market over the past few decades have not been positive for the average worker in the Global North and these pressures have only intensified as a result of the global financial crisis of 2007/2008. Despite increases in labour productivity, the majority of income growth has gone primarily to the top one percent of earners (Alvaredo et al., 2015). Real wages for those in lower income deciles have remained stagnant or fallen. Unions and organized labour typically have nowhere near the same levels of organization, density, power or coverage that they once did (Western and Rosenfield, 2011). The level of social security that welfare states once provided is declining or threatened. Jobs are increasingly temporary, part-time, contract-based, without benefits and low paying (Freeman et al., 2005; Muffels, 2008). In this article, three different strategies to address low-wage work have been outlined: Wages Councils, the Australian Awards system, and minimum wage regulation.

None of these strategies have proven capable of permanently addressing the issue of low-wages in contemporary society.

A relatively new strategy to address low-paying work has attracted a great deal of attention in recent years. This is, the Living Wage movement, (Bennett, 2014; Bernstein, 2005; Clain, 2012; Devinatz, 2013; Figart et al., 2002; Figart, 2001, 2004; Glickman, 1997; Luce, 2004, 2012; Pennycook, 2012; Pollin et al., 2008; Rossi and Curtis, 2013; Adams and Neumark, 2005; Wills and Linneker, 2013). Part of what has made this movement so compelling has been its ability to frame the battle over low-wages normatively. In particular, at the core of the movement is a plea to human decency, solidarity, and underlying concepts of “fairness” based on the simple notion that those who work should not have to work in poverty. The contemporary living wage campaign has deep historical and philosophical roots (Werner and Lim, 2015; Figart, 2004). The term itself developed some profile in late 19th century America, attracting support from organized labour, faith-based organizations and well-known religious, political, and social advocates of the time that came together to demand a “wage level that offers workers the ability to support families, to maintain self-respect and to have both the means and the leisure to participate in the civic life of the nation” (Glickman, 1997, 66).

The basic question of what constitutes a living wage has led to the development of a number of complex calculators to quantify this number to an exact monetary amount in given locations at a particular time⁴ (Rossi and Curtis, 2013). These are important components of living wage campaigns though the intuitive ideas behind the campaigns are hardly technical. The modern iteration of the Living Wage movement began in Baltimore, Maryland in 1994. The impetus was straightforward. Throughout the early 1990s, soup kitchens run by religious workers operating in the Baltimore area began to notice two things. First, there was a rising demand for their services. Second, many of those who visited the kitchen or homeless shelter with their families were people who worked (Pollin et al., 2008). The conclusion drawn was that people with families and jobs should not have to work in poverty and bring their families to soup kitchens. Over the next two decades over 140 Living Wage campaigns were won in the United States alone. In the intervening period, the movement also expanded to the United Kingdom (2001),

⁴ See, for example, the “Living Wage Calculator” developed by Dr. Amy Glasmeier of the Massachusetts Institute of Technology and in partnership with Penn State’s Living Wage Project available at: <http://livingwage.mit.edu/pages/about>.

Canada (2010)⁵, New Zealand (2014)⁶ Ireland (2013-2014)⁷ and more recently it has also spread to South and South East Asia. The campaigns have been a response to mitigate the impact of union jobs lost because of increasing privatization in the public sector. They are also a grassroots response to minimum wages that failed to meet basic living requirements. Additionally, they were a response to rising income inequality and wage stagnation in the bottom few income deciles. Finally, they were a means of organizing low-wage workers in a post-union economy (Bernstein, 2005; Levin-Waldman, 2005; Luce, 2004). Living Wage campaigns have often focused on the municipal level which provides more direct access to the policy process than other levels of government where campaigns have made less headway (Bernstein, 2005; Luce, 2004, 2012).

The specific demands made by Living Wage campaigns differ depending on geographical location and country. Nevertheless, Living Wage campaigns tend to model their initial campaign strategies on the basic income requirements for a family of three or four that includes the average cost of child care, food, healthcare, transportation, clothing, and other basic necessities while also taking into consideration cost of living and rent in different geographic locations (Brennan, 2012; Rossi and Curtis, 2013, 122). Using these calculations, campaigns emerge with an income that is generally double the statutory minimum wage, and also includes benefits (Pollin et al., 2008). Advocates argue that these sophisticated models are far more reflective of a basic income than those articulated in relation to state poverty measurements which are generally simplistic and outdated (Rossi and Curtis, 2013). This is the case in the United States at least, which calculates the poverty line based only on the caloric needs of various sized families while excluding all other costs (U.S Department of Health and Human Services, 2014; Luce, 2012, 13). Once operationalized, living wages can differ in a variety of ways in terms of how they function, which groups or geographic areas they cover, and under what conditions they come into effect. Conceptually, however, the vast majority of living wage policy falls into three broad categories.

The first Living Wage model is by far the most dispersed and has been operationalized in nearly 150 American cities. Outside the United States, it has had much less impact, although notably, it is also used by the city of London in the United Kingdom, as well as in the city of New

5 See for example Brennan, Jordan. 2012. *Enhancing Democratic Citizenship, Deepening Distributive Justice: The Living Wage Movement* Toronto: Canadian Centre for Policy Alternatives.

6 See, for example, Living Wage New Zealand at <http://www.livingwage.org.nz>

7 See, for example, Living Wage, Republic of Ireland at <http://www.livingwage.ie>

Westminster, Canada (Brennan, 2012; Pollin, 2008; Wills and Linneker, 2013). This particular model operates through municipal ordinances that might best be described as targeted ordinances. This is because they function quite narrowly at the municipal level to affect only those workers whose jobs can be traced to public money (Luce, 2004; 45). Specifically, they require any actor who interacts in some financial capacity with the municipality to pay their workers a living wage. These ordinances can be targeted towards businesses contracting with the city, businesses which receive economic subsidies from the municipality, subcontractors who work alongside principal contractors on city contracts, businesses which borrow financially from the city, and finally municipal departments themselves (Luce, 2004; 45). Given their narrow target parameters, the impact of these ordinances is typically fairly low, directly affecting only one or two percent of a municipality's overall labour force (Bernstein, 2005; 117). Although the generosity of these ordinances varies from city to city, generally, they require employers to pay wages above the poverty line and also require employers to provide benefits for workers. In addition, these ordinances are often not automatic, and it is quite common that they include minimum requirement conditions before they come into effect. As an example, many municipal wage ordinances only apply to city contracts valued at \$100,000 or more (Bernstein, 2005; 107).

A second Living Wage model is operationalized through municipal ordinances as well, but instead of targeting businesses involved financially with the municipality, these ordinances have much broader coverage and affect all businesses within the political boundaries of the municipality. Essentially, these geographically oriented living wage ordinances are functionally equivalent in terms of how they operate, to statutory minimum wage regulation at the state or federal level. These geographic ordinances set a wage floor for the entire municipality and all businesses within it are required to pay their employees a living wage (Pollin et al., 2008). Currently, these living wage ordinances are operative only within a small number of cities in the United States although this number has grown more quickly recently. Among larger American cities, they exist in Chicago (2014), Los Angeles (2015), Oakland (2014), Sante Fe (2003), San Francisco (2003), Seattle (2014), Washington D.C, (2013), and campaigns with a high probability of success are also currently underway in New York and Portland⁸. Given its broad coverage, this type of Living Wage model has had a much greater impact on low-wage work than

⁸ For more information, see the National Employment Law Project's website at <http://www.nelp.org/content/uploads/City-Minimum-Wage-Recent-Trends-Economic-Evidence.pdf>

targeted municipal ordinances, although they are less common within the United States, and do not exist outside of it as of yet. In addition, it should be noted that these geographic living wage ordinances while relatively generous in relation to the federal minimum wage in America, typically do not provide workers with a living wage income.

A third type of Living Wage model does not operate through mandated and legally enforceable municipal ordinance, but rather through voluntarily adoption by businesses themselves. These living wage models have been most successful in the United Kingdom, but are also found in Canada, Ireland, New Zealand, and to a lesser extent, the United States. Although initial description of these living wage models as voluntary conjures up images of goodwill, corporate social responsibility and amicable cooperation, successful campaigns are also often the result of protracted struggles that rely on public naming, shaming and blaming (Moore, 2015). For example, a Living Wage campaign currently underway in the United Kingdom has targeted the English Premier League (EPL), and the Manchester City football club in particular. This football club pays its players an average of £100,000 per week, and has just recently secured a £5.1 billion television contract, however, as advocates involved in this campaign point out, the club refuses to pay an army of contract workers more than the statutory minimum wage. In this respect, it is not out of a sense of noblesse oblige that Manchester City is responding to calls for a living wage. Rather, the football club is responding to the public outcry that has been conjured up through a highly visible Living Wage campaign (Moore, 2015). Despite this example, relationships between businesses and living wage advocates are generally less antagonistic in these models and voluntary cooperation is much more common (Wills and Linneker, 2013).

The UK Living Wage movement began in London in 2001 (Wills and Linneker, 2013). London Citizens (now Citizens UK), is a broad-based community coalition composed of over 300 education, faith-based, union and volunteer organizations (CitizensUK, 2015, 3). It is credited with beginning the British iteration of the Living Wage movement and was directly inspired by the success of the American movement and in close consultation with living wage advocates from Baltimore throughout 2001 (Wills and Linneker, 2013, 188). Given this shared history, the British and American Living Wage movements share some similarities in terms of their approach. For example, one of Citizens UK's first campaign victories was to ensure that the city of London would require a living wage be paid to any jobs that were connected with public money. However, there are key differences between the British and American Living Wage

movements. First, living wage campaigns in the UK are much more focused on encouraging voluntary participation by municipalities and businesses in providing a living wage to employees. In this respect, far less emphasis is placed on achieving living wage ordinances through law, and much more attention has been placed on developing collaborative partnerships with employers, trade unions, and municipalities. CitizensUK describes itself as a broad-based community coalition, and its membership is primarily faith and education based with some union participation. Reportedly, there has been real tension between trade union leaders and Citizens UK stemming from secular antipathy based on popular perceptions of misogyny, authoritarianism and homophobia associated with faith groups (Wills et al., 2009, 448). This tension is not as visible in the United States, where faith (Christianity) plays a more powerful role in politics, and religious groups have a much longer history of strong community activism, often working alongside organized labour activists (Wills et al., 2009, 450-451).

Second, different strategies to ensure compliance and participation with living wages have evolved in the UK. In particular, an accreditation system developed by CitizensUK helps to monitor and ensure company compliance. Perhaps even more important, this accreditation body also incentivizes companies to participate by turning living wage accreditation into a desirable club-like good (Jensen and Wills, 2013). Currently, about 1000 employers have become accredited (Coulson and Bonner, 2015, 2). Finally, the Living Wage movement is far more centralized in the UK, as a result of CitizenUK's clear and continued leadership within the movement. They have been involved in every major development in the UK Living Wage movement. They spearheaded the creation of a living wage accreditation body and they have also monopolized control over setting and determining a living wage for London, and also nationally (Wills and Linneker, 2013). The movement that originated in London in 2001, has now spread outwards and includes all of England as well as Scotland (Coulson and Bonner, 2015, 4). This is different than in the United States, where living wages reached through campaigns differ from place to place and are the outcome of individual, isolated contests.

Although there is evidence that the British living wage movement has had some success in securing living wages for low-income workers, clearly voluntary participation has not been effective enough (Pennycook, 2012). In fact, since 2001, it is estimated that the movement has secured a living wage for approximately 60,000 workers out of a low-wage labour force of around six million workers. The main business participants in the movement to this date have been public sector employers and large

financial firms in the city of London. A common feature of many private sector participants in this respect is that they have very few low-wage workers and therefore benefit disproportionately from accreditation (Pennycook, 2012).

The development of Canada's living wage movement began in the mid-2000s. The movement is especially well organized in British Columbia, where New Westminster became the first municipality in Canada to agree to a Living Wage for itself and its contracts in 2011, and more recently the city of Vancouver agreed to become a Living Wage employer (Aubry, 2010; Kieltyka, 2015; Ogle, 2015). The origins of the movement, like the American and the British are explained by opposition to the growing low-wage economy (Aubry, 2010; Ivanova & Klein, 2015; Johnstone & Cooper, 2013; Richards et al., 2008). In particular, it is generally accepted that like the US and the UK, the Canadian Living Wage movement was spurred on by exceptionally low minimum wage rates and declining social benefits throughout the 1980s and 1990s (Aubry, 2010, 30-31). In the case of British Columbia in particular, a strong catalyst for the Living Wage movement was also the sudden privatization of unionized jobs for public sector cleaners and cooks in the British Columbian healthcare sector (Aubry, 2010). The Canadian Living Wage movement shares a number of similarities with both the British and the American movements and as a result, can be regarded as sort of hybrid. Like the American experience, the Canadian Living Wage movement is relatively fragmented being loosely coordinated by a variety of think tanks, NGO's, unions, faith-based organizations and academics from across the country. However, in terms of approach, the Canadian movement is more closely aligned with the UK Living Wage movement. For example, like CitizensUK, Canadian activists have sought to pressure municipalities and corporations alike by educating them on the benefits of Living Wages, as they relate to things like worker performance, improved corporate reputation, improved community health and so forth (First Call, 2014).

POTENTIAL OF LIVING WAGE CAMPAIGNS

During a time of declining union strength and a conservative political climate defined by austere policies and stagnating wages for low-income workers, Living Wage campaigns have been successful both in terms of the sheer number of campaign victories they have enjoyed, but also in their ability to provide affected low-wage workers with improved salaries and benefits (Luce, 2004, 2012; Pollin et al. 2012). Living Wage campaigns in the UK estimate they have generated an additional £210

million for 60,000 workers between May of 2011 and November of 2014 (Coulson and Bonner, 2015, 6). In the United States, an old estimate in 2002 analyzing narrowly focused municipal ordinances cited 100,000-250,000 impacted workers although with the introduction of geographic ordinances with much wider coverage, this number is now certainly much higher and in the millions (Devintas, 2013). Further, Pollin et al. (2008) indicate that the average real wage increase for a narrow municipal ordinance in Boston saw real wages rise 25 percent on average. In addition, Reich et al. (2014) indicate that geographic living wage ordinances in the United States hover anywhere from 14 percent to 106 percent above the federal minimum wage.

Some argue that Living Wage campaigns can benefit organized labour (Bernstein, 2005; Devintas, 2013; Luce, 2004 for two interrelated reasons. The first lies in the potential of Living Wage campaigns to create cross-social movement alliances between organized labour and local living wage activists. At a time when unions have been criticized as overly rigid and narrowly self-interested, Living Wage campaigns can provide unions with a broader platform to develop long term and enduring coalitions with community allies pursuing social and economic justice (Freeman, 2005). Second, Living Wage campaigns can potentially increase awareness of organized labour among non-unionized workers. For example, in both Baltimore and Los Angeles, the campaigns for a Living Wage ordinance have been followed by unionization efforts for affected workers (Nissen, 2000, 38; Bernstein, 2005; Devintas, 2013; Luce, 2004).

A review of the economic literature on the impact of all three living wage models outlined above finds only marginal negative economic impacts in terms of price increases, employment loss, business closure or lost contracts due to a more hostile business environment (Bernstein, 2005; Devintas, 2013; Fairris and Reich, 2005; Pennycook, 2012; Pollin et al. 2008; Pollin and Wicks-Lim, 2015). In fact, regardless of the methodology or data set used, the overall aggregated cost of living wage ordinances is between one or two percent of an employers total costs (Devintas, 2013). Living wages generally do not have harmful employment effects.⁹ They can and do lead to cost savings for businesses as a result of increased worker retention, decreased absenteeism, improved morale and productivity, the ability to provide longer training, and improved customer service (Devintas, 2013; Flint et al., 2013; Pollin et al., 2008). A recent study comparing turnover rates of employers moving to a living wage indicated a 25 percent reduction on average (Wills and Linneker, 2013).

⁹ However, a few studies have shown significant negative employment effects for low-income earners in some cases (Adams and Neumark, 2003, 2004, 2005).

Perhaps most important, however, is the Living Wage movement's normative appeal. Indeed, the International Labour Organization has specifically identified the potential of the Living Wage movement as a watershed concept capable of uniting the world's labour movement in relation to the shared vision people have with respect to the good life, economic justice and a living wage (Laliberté, 2012; 10). As Wills and Linneker point out, the flexibility of the living wage movement to be "translated across space" and be "reconfigured wherever it lands to take root" while still reframing wages as a moral and social justice issue is remarkable (2013, 184).

Despite their potential, Living Wage campaigns nevertheless have weaknesses. Universal minimum wages at living wage levels would obviously be a better solution. How to get there remains a key political challenge. For now, the proportion of workers covered by living wages around the world is very low. Even in the United States where the campaign is most advanced, the total impact of the Living Wage including all three Living Wage models may currently impact a few million workers out of a low-wage labour force of 35 or 40 million. In the United Kingdom, the total number of workers affected is 60,000 low-wage workers out of about six million (Jensen and Wills, 2013). An additional limitation of Living Wage campaigns raised is the real difficulty in ordinance implementation (Luce 2004). For a variety of reasons, municipalities do not do a good job of enacting Living Wage ordinances following successful campaigns. Relatedly, municipalities are also fairly poor at monitoring compliance, or enforcing ordinances following violations (Luce, 2004). And, of course, even to the extent they are successful, living wages only address part of the *low-income* problem, that which results from *low wages*. The broader issue of low incomes and the adequacy of the social wage is not addressed by this strategy and can be a source of tension between different social movements (Bennett, 2014; Cornish, 2012, 6-7).

CONCLUSION

A significant sector of low waged workers seems endemic to capitalist economies. Its existence, and that of an involuntarily unwaged sector outside the labour market arguably exerts a depressing effect on all wages. Nonetheless, continual efforts have been made to at least alleviate the conditions of low waged employees. These include wages councils, the awards system, minimum wages of either statutory or collectively bargained types, and living wages. Each mode has advantages and disadvantages. For example, universal statutory minimum wages provide

the most coverage, but typically at rates that hover below the poverty line. Collectively bargained minimum wages have tended to be more adequate than statutory ones but their coverage is less, and they depend for their success on strong trade unions. But unionization rates and union power have been in decline throughout the neoliberal period so the preconditions for sustaining, still less expanding such systems may no longer exist. Living wages have enormous ideological appeal – the idea that someone working full-time should earn enough to live on resonates with basic concepts of fairness. However, coverage is spotty and in conditions where full-time, full-year work is declining, the hourly rates that express what a living wage is may fall short of an adequate standard of living. As with so much else in the labour market the low wage issue could be more easily addressed in conditions of full-employment.

All these modes of dealing with low wages have enjoyed some success, at least for a time, yet none have seriously dented the low waged sector. Precluding any enduring and widespread reduction in the low wage economy, in this respect, are the deeply embedded structural and systemic features of contemporary labour markets. In order to successfully reduce the low wage economy, potential solutions must overcome the increasingly common precariousness of work, the highly concentrated power of capital, the high and enduring levels of unemployment which exert downward pressure on wages and the neoliberal architecture which informs the majority of public policy.

How might this happen? Some have made the argument that the growth of low-waged work is an inevitable, epiphenomenal consequence of economic globalization, and technological innovation and consequently difficult to control. While these factors have certainly played an important role in shaping labour markets, the role of politics must not be underestimated. The war on organized labour and the dismantling of labour laws over the past few decades has been an explicitly political project. These decisions have hindered pro-labour opposition from the left, and contributed significantly to the construction and advancement of a low wage economy dependent on reserves of cheap labour. One way of alleviating the problem of low waged conditions would seem to lie in a revived trade union movement with the strength to push back against a political and corporate elite interested in maintaining the structural conditions necessary for the mass reproduction of cheap labour. However, the rebirth of organized labour in such impressive fashion seems highly unlikely, at least for the present.

Despite its shortcomings, The Living Wage movement can contribute to an effective pro-labour agenda. The movement has widespread

ideational appeal that resonates across the political spectrum and considerable mobilization has occurred around its demands. With that said, it is clear that the Living Wage movement is still in the embryonic stages and that the structural and political conditions required for the widespread adoption of living wages currently do not exist. The open question yet to be answered, therefore, remains whether the ideological appeal of the living wage can prevail within neoliberal labour markets whose current structural conditions lead to a systematic mass reproduction of cheap labour.

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The Precarity Penalty: How Insecure Employment Disadvantages Workers and Their Families

Wayne Lewchuk,¹ Michelynn Laflèche,² Stephanie Procyk,³ Charlene Cook,⁴ Diane Dyson,⁵ Luin Goldring,⁶ Karen Lior,⁷ Alan Meisner,⁸ John Shields,⁹ Anthony Tambureno,¹⁰ and Peter Viducis¹¹

ABSTRACT: This paper examines the social and economic effects of precarious employment in the Greater Toronto-Hamilton area. The analysis is based on data from two surveys conducted in 2011 and in 2014 by the Poverty and Employment Precarity in Southern Ontario (PEPSO) research group. The survey findings paint a picture of how low earnings and economic uncertainty translate into delayed formation of relationships, lower marriage rates for workers under the age of 35, and fewer households with children. They also suggest that workers in precarious employment are more likely to experience social isolation. These findings suggest that the Precarity Penalty is not limited to economic outcomes from employment but also includes disadvantages in establishing healthy households and being engaged in one's community. Workers in secure employment enjoy better economic outcomes from employment that provide the basis for better household wellbeing and increased social integration. While much has been made in recent years of the unequal distribution of income, the PEPSO study also points to the unequal distribution of many of the non-financial aspects of life that people value including companionship, having a family and having friends.

KEYWORDS: Precarious Employment; Household Wellbeing; Families; Communities

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2 Michelynn Laflèche, United Way Toronto.

3 Stephanie Procyk, United Way Toronto.

4 Charlene Cook, United Way Toronto.

5 Diane Dyson, WoodGreen Community Services.

6 Luin Goldring, York University.

7 Karen Lior, Toronto Workforce Innovation Group.

8 Alan Meisner, QUANTACAN.

9 John Shields, Ryerson University.

10 Anthony Tambureno, McMaster University.

11 Peter Viducis, City of Toronto.

The Poverty and Employment Precarity in Southern Ontario (PEPSO) research group was formed in 2010 to measure the prevalence of precarious employment in the Greater Toronto-Hamilton (GTHA) labour market and to examine the effects of insecure employment on workers, families and communities. In 2013, PEPSO released its first report *It's More than Poverty: Employment Precarity and Household Well-being* based on data collected in late 2011. In 2015, a second report was released *The Precarity Penalty: The impact of employment precarity on individuals, households and communities – and what to do about it* based on data collected in 2014. The results from these two reports are disturbing. They suggest that precarious employment is no longer an issue only for low paid workers, women or recent immigrants. It is becoming the norm in many sectors and amongst categories of workers who in the past were privileged to work in secure jobs with good career prospects. The reports show that the effects of insecure employment are much broader than simply low wages and irregular employment. Households where employment is insecure face added challenges in maintaining a healthy family and individuals face added challenges fully participating in their communities. Combined, these effects represent the Precarity Penalty associated with less secure employment.

Many of the survey questions asked in 2011 and in 2014 were identical. This chapter combines the two data sets to assess the nature of the Precarity Penalty focussing on the penalties that individuals experience as a result of their employment relationship. It is beyond the scope of this paper to explore in detail the effects on families and on communities. The discussion section of the paper will touch on some of the more obvious links between employment insecurity and the challenges maintaining a healthy family and participating fully in community life. These topics will be explored in more detail in future papers.

THE GROWTH OF PRECARIOUS EMPLOYMENT

There is overwhelming evidence that labour market conditions in Canada, and in much of the developed world, are in transition (Weil, 2014; Kalleberg, 2011; Standing, 2011; Vosko, et.al. 2009; Farber, 2008; Hacker, 2006; Cappelli, 1999). For workers in their 20s and 30s, today's labour market is fundamentally different from the one their parents knew. Older workers looking for work after the loss of a stable and secure job find a labour market fundamentally different from the one they first encountered as a younger worker. As noted by Hatton, many employers have moved from viewing workers as a long-term "asset" worth investing in to viewing them as a short-run "liability" and as a cost to be minimized

(Hatton, 2011). One outcome of this shift is an increased reliance on insecure precarious employment. Since the 1980s, precarious employment grew more rapidly than overall employment. Between 1989 and 2014, the percentage of Canadian workers in either temporary employment, or those who were self-employed without employees, increased from 13.7% of all workers to 21.8% (PEPSO, 2015, 24). As insecure forms of employment became more prevalent in the economy, earnings stagnated for the majority of workers in Canada and in the United States. Income in both countries has become less equally distributed (UWT 2015). In a recent comprehensive review of the performance of the U.S. economy, researchers from the Economic Policy Institute described the period from 1975-2000 as one of wage stagnation and slow economic growth and the first decade of the 21st century as a “lost” decade for most American households (Mishel et.al., 2012, 5).

The increasing prevalence of precarious employment has not only contributed to the slow rate of wage growth but it also means that more and more workers and their families are falling outside of the protective shield of permanent full-time employment. An increasing number of workers are working on short-term contracts, earn only a basic wage and lack supplementary benefits or pension plans (Kalleberg, 2011). The percentage of workers in Canada who report having an employer pension plan fell by more than 10% between 1990 and 2013, and the percentage in defined benefit plans fell over 30% (PEPSO, 2015, 24). Hacker (2006) describes this as the “Great Risk Shift” as workers and their families are exposed to the vagaries of the labour market with fewer protections from either employers or the state.

PRECARIOUS EMPLOYMENT AND FAMILY WELLBEING

It is easy to imagine the link between precarious employment and the conditions of work, but how does the employment relationship affect family wellbeing beyond the obvious question of household income? A large body of feminist-informed research has pointed to the role of the Fordist compromise of the post-World War II period in shaping the norms that govern relations between men and women, social reproduction and welfare regimes (Gottfried, 2000; Vosko et.al., 2009). It is generally agreed that the Fordist male – breadwinner/female care-giver model of economic and social organization privileged men and allocated to women the role of unpaid social reproduction. Women who did enter paid employment generally worked at jobs that were low paid and insecure. However, what the erosion of this model of economic and social organization means for male privilege, for female employment, for families and communities is

less well understood.

Within households, the transition from the male breadwinner/female caregiver model is likely to lead to new family dynamics and potentially to new opportunities for women. Kanji (2013) and Fulcher et.al. (2005) argue that as male employment becomes less secure, the rationale for the male breadwinner/female care giver model changes and many of the assumptions regarding the roles of men and women in the household and in labour markets may also change. They argue that as the contribution of women to household budgets increases, women's authority to shape household decisions may increase and their opportunities to launch their own careers may improve. A number of researchers including Chan (2011); Russell, O'Connell & McGinnity (2009); Hyman et.al. (2005); Bohle et.al. (2004); Carnoy (2000) argue that increased employment insecurity increases tension at home, as parents and children cope with varying income flows and periods of unemployment and the need to re-negotiate the boundaries between work and unpaid housework as work schedules change. Craig & Brown (2014) argue that precarious employment and the spread of non-standard hours and irregular work schedules may make it difficult to co-ordinate shared leisure time between couples with negative effects on the sustainability of relationships.

A number of researchers have explored how precarious employment may change decisions to form relationships. A German study by (Golsch, 2005) suggested for men, insecure employment is associated with delayed marriages and postponing the start of families. But, it has potentially the opposite association for women, providing them with opportunities to combine childcare and part-time employment. Fuwa (2014) argues that as precarious employment disrupts the male breadwinner/female caregiver model and increases women's "market related resources" while at the same time making men a less dependable source of income, women may find traditional marriage less attractive. Mills et.al. 2005 speculate that, rather than marry, young people are more likely to live together to gain some of the benefits of marriage, including companionship and the sharing of housing costs, without making commitments to an uncertain future. Quilgars & Abbott (2000) suggest that renting will become a better option than home ownership as a way of dealing with employment risks. If a reduction in home ownership results in workers having weaker attachments to their community, it could have profound social implications. Goldring & Landolt (2009 & 2011) argue that for immigrants, early career employment precarity may have long-term negative consequences.

A unique study based on 180 interviews with American families in

1998 and in 2010 provides strong evidence that insecure employment can lead to significant barriers to families trying to get ahead with implications for their children (Thomas, Boguslaw et.al., 2013). They found that families whose wealth grew more slowly were not necessarily the lowest paid, but rather lacked what the authors call “employment capital.” Employment capital is the product of non-wage job benefits, job flexibility and consistent work. Workers in a standard employment relationship will generally have more employment capital and those in precarious employment less. For families with limited employment capital, any savings from employment are used to finance the inevitable downturns and unexpected expenses associated with life and thus compromising their ability to accumulate wealth. Families whose wealth grew more slowly, or needed to conserve savings for the inevitable rainy day, also risked being less able to invest in their children at the same rate as families with higher levels of employment capital, potentially putting their children at a relative disadvantage. The challenges facing children as they become young adults in families with limited employment capital was vividly described by Putnam (2015) who explored how the social mobility of children has decreased in the Ohio community where he grew up.

HOW WE COLLECTED OUR DATA

To be eligible for the study, individuals had to be between the ages of 25 and 65 and have worked for pay in the last three months. The core objective of the PEPSO research group is to understand the impact of insecure employment on workers in the prime of their working lives who are more likely to be contributing to a household, raising a family and engaging as citizens in their communities. This is not to suggest that the challenges that younger workers face starting their careers or those of older workers who continue to work later in life are unimportant. Historically, both of these groups of workers were more likely to be employed in less secure employment relationships. How these historical patterns of youth and senior employment are changing in the face of the changing nature of employment relationships identified in the PEPSO reports needs to be the subject of separate research projects.

A representative sample of workers living in Toronto, surrounding GTA municipalities, Hamilton and Burlington was randomly selected and interviewed over the phone by experienced interviewers. Both survey samples are representative by sex, age and the different regions that make up the study area, based on the 2006 census. PEPSO commissioned Leger Marketing to conduct both the 2011 and 2014 surveys using Random Digital Dialing which included both land lines and cell phones. The

interviews were conducted in English. The average length of the survey was 15-18 minutes. The data was analyzed using Stata software. A total of 8,328 individuals were surveyed and form the data set examined in this chapter (See PEPSO 2015 for details on how the data was collected).

UNDERSTANDING WHO IS PRECARIOUS

While precarious employment is now recognized as an entrenched feature of our labour market, there is no agreed upon way to define it or to calculate how many workers are precariously employed. The challenge is that employment relationships vary across a wide range of characteristics other than simple rates of pay. Some employment is more stable. Some employment provides supplemental benefits, such as a prescription drug plan that insures workers from unexpected expenses. Some employment provides a secure pension for workers when they retire. Some employment provides a career path and helps workers acquire new skills. Some employment provides predictable work schedules. All of these characteristics shape the degree of employment precarity.

A simple approach is to focus on the form of the employment relationship including whether workers are in full-time, part-time, or temporary employment or whether they are self-employed. At best, this provides a rough indicator of precarious employment as the characteristics of employment can still vary widely within different forms of the employment relationship. PEPSO survey respondents were asked to identify both the form of their employment relationship (full-time, part-time, temporary, self-employment) and the characteristics of their employment (non-wage benefits, variations in earnings, future employment prospects). This makes it possible to identify the precariously employed with some precision.

A widely recognized standard for secure employment is the Standard Employment Relationship which represents a sub-set of workers in full-time employment. As well as being full-time, workers in a Standard Employment Relationship receive non-wage benefits such as a pension or supplemental medical benefits, work for one employer full-time, and have a degree of job security. About 65% of the PEPSO sample report they are in full-time employment. However, less than 50% are deemed to be in a Standard Employment Relationship. Another 8.5% of the PEPSO sample report they are in permanent part-time employment.¹²

¹² 19.1% of the PEPSO sample work less than 30 hours but only 8.5% report they are in permanent part-time employment. The majority of the remaining 10.6% of the sample working less than 30 hours report they are in temporary employment, on contract or self-employed.

This leaves about 40% of the PEPSO sample who are not in a Standard Employment Relationship or in permanent part-time employment. There is no general agreement over how many of this group should be classified as precariously employed. In one sense, this entire group experiences a level of precarity which is greater than workers in a Standard Employment Relationship. The most narrow approach to this question is to rely exclusively on the form of the employment relationship and to limit those in precarious employment to workers who self-report they are in some form of temporary employment. Temporary employment includes workers hired into jobs with a fixed end date, including seasonal, temporary, term and casual employment. Statistics Canada first collected such data in 1996. Using this narrow definition, 10.5% of workers in the PEPSO sample aged 25-65 would be classified as precarious. Using a similar definition, Statistics Canada reported that 11.3% of all Canadian workers over the age of 15 were in temporary employment in 2014 (PEPSO, 2015, 24). The U.S. Government Accountability Office (2006 and 2015) refers to this category of workers as the "core contingent" category. In 2010, they identified 7.9% of the workforce as the "core contingent" category. While there has been some upward trend in this category in countries like Canada and Australia, it has been relatively stable in countries like the United States and Britain since the late 1990s leading some researchers to argue that the spread of insecure employment has been exaggerated (Doogan, 2009; Cross, 2015).

Focusing only on workers who declare they are in temporary employment misses a large and growing segment of the workforce who may not self-declare as temporary, but are still precariously employed. This includes the growing share of the workforce employed as freelancers, contractors and the self-employed. 8.8% of the PEPSO sample were self-employed and worked on their own without employing any other workers. Statistics Canada estimated that 10.5% of all Canadian workers over the age of 15 in 2014 were self-employed without employees. U.S. Bureau of Labor Statistics identified 16.2% employed as independent contractors or self-employed in 2010. Temporary forms of the employment relationship plus the self-employed without employees represent 19.3% of the PEPSO sample, 21.8% using Statistics Canada data and 24.1% using data from the U.S. Bureau of Labor Statistics.

Weill (2014, 271-72) also includes part-time workers in the contingent category. This would increase the number of contingent workers to 30.1% of the U.S. workforce in 2005 and the most recent U.S. data suggests this may have grown to 40.4% in 2010 (U.S. Government Accountability Office, 2015).

Approaches described above that identify workers in precarious employment based on the form of the employment relationship provide a rough estimate of employment security. However, some workers classified as precarious using this approach may have a high degree of employment security and some not classified as precarious may be quite insecure once the characteristics of their employment relationships are taken into consideration. In the PEPSO survey, almost one-quarter of the sample is neither in a Standard Employment Relationship nor precariously employed based on the form of their employment relationship. Many of these workers report uncertainty regarding their future employment prospects, variable hours of employment, uncertain future earnings and few if any supplemental employment benefits beyond a wage (PEPSO, 2015, 26). In Ontario, workers in this category with less than one year of seniority can be terminated with one week's notice, and even those with up to 3 years of seniority might only get 2 weeks' notice. In a similar fashion, some workers who declare their job is temporary or are self-employed without employees can still experience a degree of employment stability that makes their employment relatively secure.

There is growing recognition that we can no longer assume that a worker who self-declares as being in full-time employment is also in secure employment.¹³ David Weil (2014, 273) argues that the U.S. workforce has become more fissured, by which he means large lead firms are reducing their core workforce and relying more heavily on the contracting out of tasks to subordinate companies or employing temporary workers hired from external agencies. As a result he argues that, "Though workers in those subordinate businesses may be classified as employed on a standard, full-time basis, the relationship between lead firms and those where these workers are employed may be fissured and therefore likely to have the characteristics of precarious employment."

Given the inaccuracy of relying on the form of the employment relationship to identify who is in secure employment and who is in precarious employment, PEPSO developed the *Employment Precarity Index* to provide a more precise way of identifying precarious employment. The *Index* is made up of 10 questions from the survey and includes both measures of the form of the employment relationship and measures of the characteristics of employment. Each of the questions below was scored on a scale of 0-10 and combined to generate the *Employment Precarity Index*.

¹³ Recent research suggests that many workers on short-term contracts mistakenly report on surveys that they are in permanent employment. See Pavlopoulos and Vermunt, 2015.

- Do you usually get paid if you miss a day's work?
- I have one employer, whom I expect to be working for a year from now, who provides at least 30 hours of work a week, and who pays benefits.
- In the last 12 months, how much did your income vary from week to week?
- How likely will your total hours of paid employment be reduced in the next six months?
- In the last three months, how often did you work on an on-call basis?
- Do you know your work schedule at least one week in advance?
- In the last three months, what portion of your employment income was received in cash?
- What is the form of your employment relationship (short-term, casual, fixed-term contract, self-employed, permanent part-time, permanent full-time)?
- Do you receive any other employment benefits from your current employer(s), such as a drug plan, vision, dental, life insurance, pension, etc.?
- Would your current employment be negatively affected if you raised a health and safety concern or raised an employment-rights concern with your employer(s)?

The *Index* is used to divide the sample into 4 more or less equal employment security categories as shown in Table 1. Nearly 20% of workers in the PEPSO sample in temporary forms of the employment relationship are not classified as precarious using the *Employment Precarity Index*.

Table 1: Employment Security Categories

	n	Percentage	Index range
Secure	1842	22.7	≤ 2.5
Stable	2120	26.1	$> 2.5 \ \& \ \leq 17.5$
Vulnerable	1943	24	$> 17.5 \ \& \ \leq 37.5$
Precarious	2208	27.2	> 37.5

Source: PEPSO surveys

Table 2 describes some of the key characteristics of each of the employment security categories. Men are under-represented in secure employment and marginally over-represented in precarious employment compared to the percentage of men in the entire sample. While somewhat surprising, this is indicative of the changes that are taking place in the economy of Southern Ontario as sectors where men enjoyed privileged access to secure employment such as manufacturing are shrinking. It is also a function of women being over-represented in the public sector where unions have been more successful in supporting secure employment and in the under-representation of women in self-employment which tends to be less secure. It is also evidence of the success women have had defending their employment rights through union representation where they now make up a majority of union membership.

White workers are over-represented in secure employment and under-represented in precarious employment compared to the percentage of white workers in the entire sample. However, white workers still made up almost two-thirds of workers in precarious employment. The relatively high percentage of men and white workers in precarious employment is indicative of the extent to which precarious employment has spread to socio-economic groups that in the past were largely insulated from this form of employment.

Young workers, aged 25-34 are under-represented in secure employment and over-represented in precarious employment compared to the percentage of young workers in the entire sample. Workers aged 35-54 are still the largest age group in precarious employment and made up just over half of all precariously employed workers. Young workers aged 25-34 represented about one-third of precariously employed workers and workers 55-65 represented just under 20% of the category. Workers in secure employment are more likely to be married and have children living in their household. Nearly two-thirds of the workers in precarious employment are married and over 45% have children living in their households. Workers in secure employment are more likely to be unionized.

Table 2: Socio-Economic Characteristics of the Employment Security Categories (% of each employment relationship category)

	% male	% white	% age 25-34	% age 35-54	% age 55-65	% married	% child living in the household	% unionized
Secure	42.6	75.1	20.4	61.7	17.9	73.6	55.2	33.9
Stable	50.3	67.6	22	61.5	16.5	71.4	52.8	27.3
Vulnerable	50.2	61.9	26.2	54	19.8	69.4	51.7	22.7
Precarious	50.4	60.6	31	50.5	18.5	62.3	45.5	15.1
Total Sample	48.6	66	25.1	56.8	18.1	68.9	51.1	24.5

Source: PEPSO surveys.

Table 3 describes some of the other characteristics of the four employment security categories. Workers who describe themselves as doing knowledge work are over-represented in secure employment and under-represented in precarious employment. The pattern in the service sector was the opposite with service sector workers being under-represented in secure employment and over-represented in precarious employment. Manufacturing and construction workers are under-represented in secure employment but about equally represented in the other three employment categories. It is not surprising that service sector workers represent the largest component of precarious employment. Perhaps somewhat surprising is the large number of service sector workers in secure employment and the large number of knowledge workers in precarious employment. Again this points to the extent to which precarious employment has spread to all sectors of the economy.

The last two columns of Table 3 report the distribution of jobs across the four employment categories by the education needed to perform these jobs. Workers doing jobs that require a university degree are over-represented in secure employment and under-represented in precarious employment. The exact opposite pattern can be found with jobs that require only on-the-job training. Jobs that require a university degree still represent almost one-third of all jobs in precarious employment. Almost half of all workers in precarious employment have a university degree meaning many are working at jobs that do not require the education these workers have obtained.

Table 3: Socio-Economic Characteristics of the Employment Security Categories (% of each employment relationship category)

	Knowledge worker	Service sector worker	Manufacturing & construction	Job requires a university degree	Job requires only on-the-job training
Secure	50.5	39.8	9.7	65.3	4.8
Stable	44.7	38.5	16.8	55.8	8.5
Vulnerable	34.1	45.9	20	36.8	20
Precarious	35.6	46.3	18.1	30.5	26.5
Total Sample	41	42.7	16.3	46.7	15.2

Source: PEPSO surveys.

Tables 1 to 3 provide a picture of precarious employment between 2011 and 2014 with a number of surprises. Racialized workers and young workers are over-represented in precarious employment. However, precarious employment is far from being mainly the preserve of racialized or young workers. Nor is it mainly the preserve of women workers, who are actually under-represented in precarious employment, nor is it predominantly found in the service sector. The two PEPSO surveys indicate that precarious employment has spread throughout the economy and that while racialized workers, young workers and workers doing jobs that require little training are over-represented in precarious employment, many of the precariously employed are white, work in the knowledge sector and do jobs that require university degrees.

THE EMPLOYMENT RELATIONSHIP PRECARIETY PENALTY

A critical penalty related to precarious employment with significant social implications is low pay. Many researchers examining precarious employment include low pay as a characteristic of precarious employment. The PEPSO research group opted to examine employment precarity independent of income allowing the analysis of poverty and precarity as two separate characteristics of individuals and families. The main advantage of this approach is that it facilitates the analysis of the social effects of precarious employment amongst middle income households and the impact of low wages on families where employment is secure. Over one-third of workers in precarious employment earn more than \$40,000 or live in households where household income exceeds \$80,000.

Table 4 reports average individual and household income by employment security categories. Being precariously employed results in a significant individual and household income penalty. Workers in precarious employment earn half as much as workers in secure employment and live in households that earn over one-third less than workers in secure employment. The income ratios of workers in precarious and secure employment are virtually unchanged when the sample is restricted only to married workers who are not separated or divorced.

It is often suggested that the model family in the last few decades of the twentieth century was one worker in a good paying secure job and a partner in a less secure low paid job. The findings from the PEPSO study suggest we are moving away from this model. If the average household was made up of one well-paid securely employed worker and one low-paid less secure worker, we would expect household earnings of married couples to be the same regardless of the survey participant's employment relationship. As shown in Table 4 this is not the case.¹⁴ Survey participants in secure employment report substantially higher household income than survey respondents in precarious employment. One reason for this was evidence that employment insecurity of one partner in a household negatively affects the labour market options of the other partner. There was a higher probability that the partners of workers in precarious employment were either not working for pay, or working in some form of less secure employment compared to partners of workers in secure employment.

Table 4: Average Individual and Household Income by Employment Security Categories

	Individual income	Household income	Individual income	Household income
	Entire sample		Married workers only	
Secure	79361	101511	81595	107493
Stable	72995	94016	75842	100291
Vulnerable	54420	78519	57582	84670
Precarious	40800	64821	43873	72284
Total Sample	60847	83898	64638	91327

Source: PEPSO surveys.

14 On the issue of clustering by employment relationships and how this affects family income and average neighbourhood family income, see Chen et.al., 2011.

Precariously employed workers are also penalized in not receiving employment benefits such as a pension or supplemental health benefits. Table 5 reveals the unequal distribution of employment benefits by employment security categories. Less than 20% of workers in precarious employment have an employer funded pension plan and less than 10% receive supplemental health benefits such as a dental plan or drug plan. Everyone in secure employment and the majority in stable employment enjoy both types of benefits as a result of their employment. Limiting the sample only to married couples does not result in a significant change in the access to benefits by employment security categories.

Table 5: Employment Benefits by Employment Security Categories (%)

	Employer Pension	Other benefits	Employer Pension	Other benefits
	Entire sample		Married workers only	
Secure	100	100	100	100
Stable	70.1	95	70.8	94.5
Vulnerable	38.82	41.3	37.4	40
Precarious	15.42	8.2	16.7	8
Total Sample	54.9	59.7	56.9	61.4

Source: PEPSO surveys.

In 2011, a supplemental question was asked whether workers were eligible for any benefits as result of their partner's employment. Just over one-third of workers in precarious employment report they received such benefits. This number increased to almost half for workers in precarious employment who were married. However, nearly 60% of all workers in precarious employment received benefits from neither their employment nor someone else's employment and over 45% of married workers in precarious employment received benefits from neither their employment nor someone else's employment.

Low income and lack of benefits are only two of the penalties that workers in precarious employment face. As shown in Table 6, they also face irregular employment and uncertain future prospects. Nearly 40% of workers in precarious employment experienced at least some weeks without work in 2014 and nearly 20% experienced more than two months

of unemployment. Over one-third of workers in precarious employment also report their income varied a lot in the last 12 months. Nearly one-quarter anticipate their hours of employment will be reduced in the next six months. In addition, workers in precarious employment face uncertainty over their work schedules.

Table 6: Employment Insecurity by Employment Security Categories (%)

	At least some unemployment last 12 months*	More than two months of unemployment last 12 months*	Income varied a lot last 12 months	Hours of employment likely to be reduced in the next 6 months	Work schedule often changes unexpectedly
Secure	1.6	0.9	0	0	3.9
Stable	4.1	2.5	3.7	4	9.1
Vulnerable	15.8	6.9	8	10	12.9
Precarious	39.5	18.9	34.7	24.5	27.4
Total Sample	16.4	7.9	12.3	10.1	13.7

Source: PEPSO surveys

*Only asked in 2014

Inability to find work when work is wanted, variation in income from week to week, uncertain future employment prospects, and unexpected work schedule changes can create both financial uncertainty as well as creating stress and anxiety at home. Over 15% of workers in precarious employment report work schedule uncertainty often negatively affected family life compared to less than 4% of workers in secure employment. In 2014, survey respondents were asked if scheduling uncertainty limited childcare choices. Over half of workers in precarious employment report this was a problem compared to just over 20% of workers in secure employment.

Workers in precarious employment also face long-term career penalties. They are less likely to benefit from training provided by their employer and less likely to report their job offers good career prospects. As shown in Table 7, less than 20% of workers in precarious employment receive training funded by their employer and over one-quarter fund their own training. One result of this is almost half of workers in precarious employment report their current job does not offer good career prospects. Age did not have a large effect on whether the current jobs held by workers in precarious employment offered good career prospects.

Table 7: Training and Career Prospects (%)

	Training paid for by employer	Training paid for by worker	Job does not offer good career prospects*
Secure	57	8.8	14.2
Stable	47.9	9.4	23.4
Vulnerable	28.6	16	31.6
Precarious	15.7	27.6	43.8
Total Sample	36.6	15.8	28.4

Source: PEPSO surveys.

* Only asked in 2011

DISCUSSION: THE PRECARIETY PENALTY, FAMILIES AND COMMUNITIES

Workers in precarious employment suffer a number of disadvantages related to their employment. Together these disadvantages can be thought of as the Precarity Penalty. Individual income and household incomes of workers in precarious employment are lower than for workers in secure employment. Fewer than 1 in 10 workers in precarious employment receive supplemental employment benefits such as a drug plan. They face more employment uncertainty than workers in secure employment including more frequent periods of unemployment, variable earnings, irregular work schedules and increased short-term employment uncertainty. There are also long-term penalties. Workers in precarious employment are less likely to receive training provided by their employer and are more likely to be in jobs with limited future career prospects.

The final section of this paper examines how the Precarity Penalty shapes entering relationships, decisions to start a family and social isolation.

A) *Forming a relationship.* There are many ways insecure employment can create barriers to forming a relationship with someone. Workers who are uncertain of future earnings or career prospects may be reluctant to enter into lasting relationships. Low earnings and irregular work schedules can make it difficult to engage in many of the social activities that might lead to a relationship. 18% of workers in precarious employment reported they had delayed forming a relationship with someone due to employment uncertainty compared to only 3% of workers

in secure employment.¹⁵ Such delays were most pronounced for workers under the age of 35. Nearly one-quarter of workers in precarious employment under the age of 35 had delayed forming a relationship compared to only 4% of workers in secure employment. Men in precarious employment were almost 50% more likely to delay forming a relationship than women. Racialized workers in precarious employment were almost twice as likely to delay forming a relationship compared to white workers. Young racialized men were the most likely to view their employment relationship as a barrier to forming relationships.

Decisions to delay forming a relationship with someone are reflected in the percentage of workers in different categories who are married. Almost 70% of the sample reported being married. Just over 62% of workers in precarious employment were married compared to just over 73% of those in secure employment. Most of this gap in the overall sample represents much lower rates of marriage of younger workers in precarious employment compared to younger workers in secure employment. 42% of workers under the age of 35 in precarious employment were married compared to 65% of those in secure employment. For workers 35 and older, the percentage married varied very little by employment security category. Women in precarious employment were marginally more likely to be married than men in precarious employment consistent with gender differences in delaying forming relationships discussed above. Racialized workers in precarious employment were marginally less likely to be married than white workers. The reluctance of young racialized men to pursue relationships with someone is reflected in low rates of marriage for this group. Only 31% of racialized men in precarious employment under the age of 35 were married compared to 41% of white men, 48% of racialized women and 56% of white women under the age of 35.

B) *Starting a family.* Insecure employment can also affect decisions to start a family.¹⁶ Over 16% of workers in precarious employment reported having delayed having children due to employment uncertainty compared to only 6% of those in secure employment. Decisions to delay having children were more significant for younger workers. Workers under the age of 35 in precarious employment were almost two and a half times more likely to delay having children than workers under 35 in secure employment. Workers aged 35-54 in precarious employment were almost as likely to be married as workers in secure employment however they were still more likely to report delaying having children. Over 16% of

15 Asked only in 2014.

16 Asked only in 2011.

workers in this age group in precarious employment reported delaying having children compared to just under 5% of workers in this age group in secure employment. Men and women in precarious employment were equally likely to report delaying having children due to employment uncertainty. Over 20% of racialized workers in precarious employment report having delayed having children due to employment uncertainty compared to 14% of white workers.

Decisions to delay having children as a result of employment uncertainty are reflected in the number of households with children. Just over 45% of workers in precarious employment had a child living in their household compared to just over 55% of workers in secure employment. The impact of the employment relationship was most substantial for workers under the age of 35. 28% of workers under the age of 35 in precarious employment had a child living in their household compared to 40% of workers in secure employment. Men and women in precarious employment appear to have approached the decision to start a family differently. 38% of men in precarious employment had a child living in their household compared to 52% of men in secure employment. 53% of women in precarious employment had a child living in their household compared to 57% of women in secure employment. Racialized workers and white workers in precarious employment were equally likely to have a child living in their households.

C) *Social isolation.* Precarious employment can also influence a capacity of workers to engage with their community. Factors include low and uncertain earnings that can limit the ability to participate in activities that might lead to friendships. 21% of workers in precarious employment reported not having a close friend who they could talk to about what was on their mind compared to 14% of workers in secure employment. This form of isolation was especially significant for younger workers. 28% of workers under the age of 35 reported not having a close friend who they could talk to about what was on their mind compared to 12% of workers in secure employment. Men in precarious employment were marginally more likely not to have a friend they could talk to than women. Racialized workers were less likely to have a close friend who they could talk to about what was on their mind compared to white workers. 29% of racialized workers in precarious employment did not have a close friend who they could talk to compared to 17% of white workers in precarious employment.

The temporary relationship many workers in precarious employment have to a workplace can also reduce the likelihood of co-workers being a source of friends. 35% of workers in precarious employment reported not

having a friend at work who they could ask a favour of, compared to 12% of workers in secure employment.¹⁷ The absence of friends at work was most significant for workers under the age of 55. Men and women in precarious employment were equally likely to not have a friend at work they could call on for support. Racialized workers were less likely to have a friend at work they could call on for support compared to white workers. 41% of racialized workers in precarious employment did not have a friend at work compared to 30% of white workers in precarious employment.

CONCLUSION

This paper has mapped out the disadvantages that workers in precarious employment face at work and how this shapes social outcomes such as decisions to form relationships, to start families and to participate in community activities. The survey findings paint a picture of how low earnings and economic uncertainty translate into delayed formation of relationships, lower marriage rates for workers under the age of 35, and fewer households with children. They also suggest that workers in precarious employment are more likely to experience social isolation. These findings suggest that the Precarity Penalty is not limited to economic outcomes from employment but also includes disadvantages in establishing health households and being engaged in one's community. Workers in secure employment enjoy better economic outcomes from employment that provide the basis for better household wellbeing and increased social integration. While much has been made in recent years of the unequal distribution of income, the PEPSO study also points to the unequal distribution of many of the non-financial aspects of life that people value including companionship, having a family and having friends.

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¹⁷ Asked only in 2014.

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'Illegalized' Migrant Workers and the Struggle for a Living Wage

Charity-Ann Hannan¹, Harald Bauder² and John Shields³

ABSTRACT: A higher proportion of workers are earning sub-poverty wages today, compared to few decades ago. Illegalized migrant workers have been disproportionately affected by this trend through super-exploitative employer practices. To improve the wages of low-wage workers, members of unions, community groups, activists, and support coalitions have launched living wage campaigns in cities in the USA, UK and, more recently, Canada. Recognizing that illegalized migrant workers' lack of legal status is valuable to neoliberalism's economic "success", yet at the same time, subjects them to arrest and/or deportation by federal immigration authorities, this paper examines modern living wage campaigns, and how they have incorporated the situation of illegalized migrant workers into their agenda. A review of the literature shows that living wage campaigns have not been very successful in achieving their broad goals while at the same time protecting low-waged illegalized migrant workers. These findings indicate that current and future living wage campaigns should consider working closely with Sanctuary City campaigns to improve their strategies for protecting illegalized migrants from arrest and/or deportation while working to improve the working and living conditions of low-waged workers, including the illegalized.

KEYWORDS: Living Wage; Poverty; Illegalized Migrants; Exploitation; Rights

"...the basic premise of the living wage movement could not be more simple: that anyone who works for a living should not have to raise a family in poverty" (Pollin and Luce 1998, 1).

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- 1 Charity-Ann Hannan is a PhD Candidate in Policy Studies at Ryerson University. The authors thank Natasha Pei from Canadian Living Wage Movement for advice and acknowledge support from the SSHRC grant Policy Engagement at Multiple Levels of Governance: A Case Study of the Living Wage and Minimum Wage Policy.
 - 2 Harald Bauder is Professor in the Graduate Program in Immigration and Settlement Studies and the Department of Geography at Ryerson University.
 - 3 John Shields is Professor in the Department of Politics and Public Administration and a faculty member of the Graduate Program in Immigration and Settlement Studies at Ryerson University.

“...irregular/undocumented/clandestine migrants [illegalized migrants] ... find themselves in ‘a situation of radical rightlessness’, without ‘voice’ or access to counter-balancing resources for representation. Their situation could be designated as one of hyper-precarity, marked by super-exploitation.” (Likić-Brborić and Schierup, 2015, 231).

INTRODUCTION

Within the past few decades, the income gap between low-wage workers and high-wage workers in western countries has increased, and a higher proportion of workers are earning sub-poverty wages today, compared to few decades ago. The living wage movement is centred on the struggle for what the International Labour Organization (ILO) calls the decent work and wages agenda to address the growing global problem of the working poor (ILO, n.d.). Illegalized migrant workers, who have become an important segment of the working population in western countries, are disproportionately affected by this trend through super-exploitative employer practices (Steinlight and Glazov, 2008). Their lack of formal legal status strips them of basic rights, exposing such workers to extreme exploitation by their employers.

To counter these changes, unions, community groups, activists, and support coalitions have launched living wage campaigns in cities in the USA, UK and, more recently, Canada. This living wage movement pushes for change at the levels of policy and practice that will provide vulnerable workers with living wages and is helping more broadly, to revitalize the labour movement at a grass roots level. In this paper, we examine the development of the modern living wage movement considering its contribution to the support of vulnerable workers and the situation of illegalized migrant workers in light of the emerging living wage campaign in Toronto, Canada.

The working population that the living wage movement addresses is an impoverished and disempowered segment of the workforce that is disproportionately racialized, gendered and often of immigrant background. However, the most vulnerable of the vulnerable, workers who lack full legal status, are often not included in the movement’s target population. Therefore, we explore how illegalized migrants fit within the living wage movement. As workers without access to many basic rights and lacking full legal status, illegalized migrants confront special circumstances. For example, they tend to work in the shadow economy where they are vulnerable to abuse, and lack access to government supported services for citizens and legal residents, which forms an important component of low-wage workers’ overall wage package. In

addition, workers who lack full legal status are unable to easily pursue legal action against employer violations of their rights. Illegalized workers have become a necessary component of the contemporary labour market required by neoliberal capitalism. Hence, illegalized workers are an expected, necessary but under-acknowledged contributor to neoliberalism's economic "success".

APPROACH

We examine the contemporary living wage campaign with particular reference to illegalized migrant workers in Toronto. As a point of entry into our investigation, we completed an extensive review of the English-language literature on the living wage movement in the UK, US and Canada, and on the labour market experiences of illegalized migrants. This review included peer-reviewed scholarly literature as well as grey literature drawn from civil society, municipal documents and public media sources (e.g. newspaper articles, living wage movement websites) published since 1990 when the contemporary living wage movement commenced. The relevant literature was identified through a variety of search terms, and various combinations of these terms including: "living wage," "(im)migrant", "undocumented", "non-status", "irregular", "precarious", "alien(s)", "illegal(s)", "unauthorized", "informal", and "illegalized", "labour market", "employment rights", and "labour rights".

We define "illegalized migrant" as "a migrant who does not have the right to work or reside in which he or she lives because state policies have rendered him or her "illegal." (Bauder and Shields, 2015, 421). Most illegalized migrants have entered the country legally with the state's authorization, as in the case of temporary foreign workers, foreign students, visitors, refugee claimants, but their status has lapsed. Other terms that have been used to describe this group include: illegal aliens, unauthorized, undocumented, irregular and clandestine migrants (Bartram, et al., 2014; pgs. 144-148; Hannan, 2015, 144). We employ the term illegalized because it "shifts the emphasis away from the individual and towards the recognition of a societal process that situates immigrants in positions of precarity and illegality" (Bauder, 2013, 2).

BACKGROUND: RISING INEQUALITY, THE LIVING WAGE, MIGRATION, AND ILLEGALIZATION

Socio-economic inequality has existed within nation-states, subnational regions, and cities for centuries. However, intensified globalization of economic activity, the emergence of "global cities", and the corresponding transformations in the organization of the labour process

since the 1960's, have led to an increase in the socio-economic gap between low-wage and high-wage workers. This transformation has pushed larger numbers of workers into situations of serious economic vulnerability (Sassen, 2006). A Fordist economy “created the conditions for the expansion of a vast middle class [life styles] because it: (1) facilitated unionization; (2) was based in good part on household consumption, and hence wage levels mattered in that they created effective demand; and (3) the wage levels and social benefits typical of the leading sectors became a model for broader sectors of the economy” (Sassen, 2006, 151). In contrast, the Post-Fordist domination of economy by the finance and services industries was associated with “the growth of an informal economy in large cities and highly developed countries” (Sassen, 2006, 152).

Major cities in highly developed countries, including Toronto, experienced greater informalization in the labour market, the decline of standard employment relationships, and an increase of employment precarity and own account self-employment (see Lewchuk, et al. 2015). Saskia Sassen (2006) observed that a series of trends in global cities, including, on the one hand, the demand for high-priced, customized services and products by a narrowly based but growing high-income population; and on the other hand, the increased need for low-cost services and products by an expanding low-income population reflected in a polarizing economy. The rise of a more informal economy has become a conduit “for reducing costs, and for providing flexibility in instances where this is essential and advantageous, resulting in the various shifts in the earnings distribution and income structure in global cities” (Sassen, 2006, 162). The recent report *The Precarious Penalty* vividly documents the growth of precarious insecure work within the labour force of the Toronto region (Lewchuk, et al., 2015; also see Lewchuk et al., this volume).

Guy Standing (2011) has expanded on global neoliberal capitalism's need for hyper exploitable precarious labour. Migrants “make up a disproportionate part of the growing social category whose experience in the world of work is marked by ‘precarity’ in terms of informal labour, wage squeezes, temporariness, uncertainty, and pernicious risk” (Schierup et al., 2014, 2). For Standing, illegalized migrants form a core element of the group of low-wage and vulnerable workers he calls the *precarariat* (Standing, 2011). According to Schierup et al. (2014, 2):

“Exclusivist migration policies, together with the ‘irregularization’ of citizenship, have forged a globally fragmented and disposable labour force in industry, entertainment, hospitality, care-work,

cleaning, and domestic services subject to long hours of dangerous, demanding, demeaning, and dirty work in permanent fear of dismissal and, potentially, deportation. These workers are exceedingly vulnerable and many basic labour, citizenship, and human rights simply do not apply to them. It is a precarious workforce present globally; segmented and discriminated against through ascription of race and ethnicity and also gender through insertion into specific sections of the local and national labour markets.”

While all low-wage workers including non-migrant and “legal” migrant workers have been the focus of attention for the living wage movement, illegalized migrants are playing a special role to modern capitalism, which requires corresponding attention within the living-wage movement.

THE LIVING WAGE MOVEMENT

In 1906, John Ryan, a Roman Catholic priest, argued that, “the laborer’s claim to a Living Wage is of the nature of a *right*” (Ryan, 1920, *Revised and abridged edition*, 3). He further stated that “the laborer’s right to a decent livelihood is superior to the employer’s right to enjoy goods that are superfluous to his social position” (Ryan, 1920, 3). Drawing from these ideas, unions, community groups and religious and other civil society organizations today, are lobbying municipalities to pass laws requiring employers to pay employees a living wage for work done for the city and to persuade employers to voluntarily pay a living wage to their employees. The calculation for the “modern” day living wage is usually based on the official poverty threshold for a family of four and centred on the concept that people who work full-time jobs, and their families, should not be forced to live in poverty (Devinatz, 2013). The living-wage movement, however, is about more than raising workers’ wages to above sub-poverty levels. It encompasses a much broader agenda for improving the overall labour market conditions of low-wage workers (Pollin and Luce, 1998; Reynolds, 2001). Pollin and Luce (1998, 7-8) explain: “The living wage movement is resisting dominant economic trends and posing an alternative economic vision, making it an effective voice for economic justice in the United States. [It]... is committed to reversing the economy-wide wage squeeze, stopping tax giveaways to big businesses, reenergizing the labor movement, and ending the war on the poor.”

The goals of the Los Angeles living-wage campaign, for example, were to “directly affect the lives of workers who are getting a raise; to

develop a tool for union organizing actions; and to raise the public issue of the need for a living wage, the problem of wage inequity, and a certain level of dignified treatment for workers” (Pollin and Luce, 1998, 8). Religious and union support for the modern living wage movement has also been tied to a broad agenda for equality and economic fairness (Holgate, 2013; Pollin and Luce, 1998). While some living-wage campaigns have been unsuccessful and some living wage ordinances have been repealed, there are many examples of living-wage campaigns that achieved their goals (Holgate, 2011; Levin-Waldman, 2008; Luce, 2005; Reynolds, 2001). Beginning in Baltimore in the early 1990s, the living-wage movement quickly spread to dozens of cities in the US, UK, and Canada. While some effort has been made to bring living wage policies to the national and regional scales (BBC, 2015; Freeman, 2005), it is at the municipal level of government that the greatest successes have been achieved. Living wage movements tend to target municipalities in the core of larger metropolitan areas because “the problem of poverty and low-wage employment are more severe in cities than sub-urban regions” (Pollin and Luce, 1998, 54).

In practice, cities typically will adopt only one of two versions of living wage policies. The first is the contractor-only ordinance, which covers companies that possess contracts with municipal governments. The second applies to private businesses that receive financial support from the governments. Either way, these two kinds of statutes end up applying to less than 3% of the low-wage workforce (Fairris and Reich, 2005). Nonetheless, Pollin and Luce maintain that living wage ordinances benefit low-wage workers, employers, and society in both direct and indirect ways:

“As the low-wage family comes to rely far less on government support to keep themselves afloat, the corollary is that the government spends correspondingly less to help working people survive the effects of earning sub-poverty wages. ... [F]irms employing a high concentration of low-wage workers will themselves benefit through establishing a living wage standard. This is because the raises to the low-wage workers will reduce absenteeism and turnover, i.e., the rate at which workers quit their jobs and firms then have to replace them (Pollin and Luce, 1998, 20-21).”

Evaluations of the effects living-wage ordinances’ on poverty levels, employment rates, and employee productivity show mixed results. While reducing the likelihood of families living in poverty (Neumark and Adams,

2003; Schoenberger, 2000), living-wage ordinances have also been found to reduce employment by 3.2% to 17% depending on the type of ordinance that was passed (Fairris, 2005; Neumark and Adams, 2003; Yelowitz, 2005). In contrast, Reich et al. (2005) found employment increased by 15.6% after the San Francisco Airport's living wage policy was passed. Similarly, Lester (2011) concluded that the implementation of living wage policies in 19 California cities did not adversely impact employment growth. Employers in London were also found to have benefited from living wage ordinances, with reports of higher work productivity associated with paying living wages (Wills et al., 2009a). Similarly, living wage firms were found to have lower rates of labour turnover and employee absenteeism, and a higher morale compared to non-living wage firms in the US (Brenner, 2005; Reich et al., 2005). Living wage ordinances have made it easier for unions to organize low-wage workers and have contributed to the development of broad labour community coalitions that promote labour rights (De Graauw, 2015; Hearn and Bergos, 2011; Luce, 2004; Pastor, 2001; Tapia and Turner, 2013). Nevertheless, living wage campaigns continue to face opposition from business and its political allies.

Opponents argue that an increase in wages would weaken firms with a high proportion of low-wage workers, although studies suggest that cost impacts are modest (Lamman, 2014; Pollin, 2005; Schoenberger, 2000). Employers have also retaliated against workers who have been part of living wage initiatives. After employees unionized as a part of the living wage movement for example, a UK employer reported the presence of illegalized migrant staff in their organization to UK immigration authorities, who then conducted a worksite raid that led to their arrest and deportation (Hearn and Bergos, 2011; Ivereigh, 2009). Employers in the US have similarly reported illegalized migrant workers to immigration authorities, after learning about their attempts to: fight for unpaid wages; report labour violations; and participate in unionizing drives (Harris, 2013; Smith et al., 2009; Smith and Cho, 2013). Despite resistance and retaliation efforts from living wage opponents, public support for living wage campaigns is strong, with local campaigns emerging in cities across North America, including Toronto (CCPA, 2015; Living Wage Canada, 2013; Living Wage Canada: Ontario, 2013; Luce, 2005).

LIVING WAGE ADVOCACY EFFORTS AND ILLEGALIZED MIGRANTS IN THE US, UK, AND CANADA

Campaigners have applied a variety of strategies and tactics to counter resistance from living wage opponents including: taking advantage of political opportunity structures, helping to frame public policy debate, multi-racial coalition building, union organizing, grassroots actions, engaging in research, evaluation and evidence collection, educating workers about their rights, campaigning around regularization of illegalized migrant workers, and other forms of activism (de Graauw, 2015; Lopes and Hall, 2015; Luce, 2005; Pastor, 2001; Reynolds, 2001; Wills, 2008, Wills et al., 2009b). As a result of these strategies, many cities and employers have adopted voluntary or mandatory living wage policies. While these responses have benefited many low-wage workers, some employers have retaliated against illegalized migrant workers. Such incidents in the US and the UK can provide important lessons for Toronto's living wage campaign.

A growing number of workers in the US are earning sub-poverty level wages due to the growth of the informal economy. Profit-maximizing, subcontracting and sweatshop work have resulted in greater earnings and occupation dispersions, weak unions and a growing share of casualized low-wage jobs along with a narrower layer of high-income jobs in cities across the US (NELP, 2011; Peck and Theodore, 2001; Pollin and Luce, 1998; Sassen, 2006). While many low-wage workers have been affected, illegalized migrants have been disproportionately pushed into poverty. They often experience violations of basic employment standards rights, and retaliation by employers after attempts to defend themselves (Bernhardt et al., 2009; Sassen, 1998; Smith and Cho, 2013). In response to the rise of low wage work over 100 US municipalities had passed living wage ordinances by the early 2000s (Freeman, 2005).

Leading up to the first living wage ordinance in the US, the first living wage campaign was initiated in the early 1990s by a group of pastors in Baltimore who became concerned about the increase in workers using their soup kitchen. As members of the Industrial Areas Foundation (AIF), the pastors joined the American Federation of State, County, and Municipal Employees (AFSCME), and the Baltimoreans United in Leadership Development (BUILD), a coalition of worker centres, to form the local living-wage campaign to pressure the Mayor for a resolution to the increasing number of impoverished workers (Devinatz, 2013; Pollin and Luce, 1998; Reynolds, 2001). After facing strong opposition from the business community, the City passed the country's first municipal living wage ordinance in 1994 (Pollin and Luce, 1998). Soon thereafter, religious

organizations, community groups, labour unions, and student associations joined the IAF, AFSCME and other political actors to initiate living wage campaigns in other US cities (Devinatz, 2013). As a result, living wage regulations were adopted in New York City, Santa Clara County, Milwaukee, Jersey City, Los Angeles, and numerous other cities in the late 1990s. Living-wage campaigns also sprung up at colleges and universities across the US, including Harvard, Wesleyan, John Hopkins, Brown, and the University of Virginia. Living wage campaigns applied a range of strategies and tactics to persuade city authorities to pass living-wage ordinances and for employers to adopt living wage policies.

The Los Angeles living-wage campaign was linked to a broader process to save hundreds of jobs at the airport and to organize 30,000 non-union airport workers. Led by the Los Angeles Alliance for a New Economy (LAANE), the Los Angeles living wage campaign applied multiple strategies and tactics before winning an 18-month battle with City Council in 1997 (Reynolds, 2001; Saito and Truong, 2014). To win over a City Council that was led by an unsupportive mayor, LAANE led the living wage initiative with the goal of linking policy development and union organizing. The campaign conducted phone-in operations, asked organizations to fax letters of support, and mailed council members over a thousand decorated paper plates during Thanksgiving that symbolized the struggle to feed a family on poverty wages (Levin-Waldman, 2008; Reynolds, 2001). The campaign also used the media to champion living wage employers and to highlight the social-justice dimensions of the living wage issues. Two employers, for example, wrote opinion pieces for *The Los Angeles Times* explaining how high-wage policies have benefitted their companies. In addition, workers organized a media event that took reporters and City Hall staff on a tour that showed the conditions under which they work. Workers further made testaments at City Hall about work injuries that went untreated, lack of insurance, families crowded into one-bedroom apartments to make rent, and how they visited food pantries to obtain enough groceries to live on.

Workers' participation also developed an activist nucleus among low-wage workers that fed into union activity. The Service Employees International Union (SEIU), for example, won union jobs for janitors using the living wage law, whereas the Hotel and Restaurant Employees Union (HERE) used the coalition's support to win union recognition in Hollywood. Furthermore, Los Angeles' living wage campaign runs its own contract and financial assistance database, trains workers about labour law, and maintains a coalition network capable of going after employer violators, as well as employers that attempt to bust unions (Pollin and

Luce, 1998; Reynolds, 2001).

In contrast to Portland's and Los Angeles' living wage campaign, which faced weak and moderate levels of opposition respectively, Chicago's living wage campaign confronted strong opposition for three years before the City passed an ordinance in 1999. To gain public and political support for their agenda, the Chicago campaign employed a variety of strategies including participation in the May Day march through downtown Chicago, achieving media coverage through news articles that supported the "wage warriors", championing prominent society members to pressure the un-supportive Mayor for his support, shaming the Mayor at the 1996 Democratic convention, and by taking busloads of delegates on "tours of shame," which included visits to low-wage employers who had public contracts and financial assistance. The campaign built a very strong coalition of more than 60 organizations, with a combined membership of 250,000. Upon hearing of the strength of the movement, the City illegally closed its doors to the public from attending the City Council meeting in which aldermen voted down the proposed living wage ordinance. When the Mayor and Council began the preparation for proposing salary increases for themselves in 1998 they realized that they could not risk a backlash from the living wage movement who would publicize the hypocrisy. A living wage law was therefore passed, although its terms were narrower than the originally proposed ordinance (Reynolds, 2001).

Although cities with larger immigrant populations and higher union density are more likely to pass living-wage ordinances than cities that do not have these demographics (Levin-Waldman, 2008), less is known about the link between living-wage campaigns, living-wage ordinances and illegalized migrant workers. Employers have fired illegalized migrant workers or called immigration authorities to arrest and deport workers after these workers attempted to retrieve withheld pay, obtain safer working conditions, pay increases and unionize (Harris, 2013; Nissen, 2005; Smith et al., 2009; Smith and Cho, 2013). The US literature, however, does not demonstrate the extent to which living-wage campaign strategies and tactics have prompted employer retaliation against illegalized migrant workers. Furthermore, if living-wage campaigns in the US have resulted in employer retaliation towards illegalized migrant workers, what have living-wage campaigns done to protect illegalized migrant workers from being fired, arrested and deported?

Like the US, income inequality has risen rapidly in the UK during the past four decades. Changes in global production and employment systems have led to growth of precarious flexible, part-time, fixed-term,

temporary, or agency work, rather than full-time permanent work (McDowell et al., 2009; Sassen, 2006; Thornley et al., 2010; Wills, 2009c; Wills et al., 2009d). Also similar to the US, workers who earn sub-poverty level wages in the UK are more likely to be immigrants and illegalized migrants than native-born residents. As “invisible” workers immigrant and illegalized migrant workers often remain hidden from public view when they clean banks, hospitals, or universities while the city sleeps, or when they cook meals in the kitchens of countless restaurants (Hearn and Bergos, 2011; 2009; Rienzo, 2011). Studies have found that UK employers prefer to hire exploitable immigrants (with or without legal documents) to gain competitive advantage (Hearn and Bergos, 2011; Tapia and Turner, 2007).

The East London Communities Organization (TELCO) launched London’s first living wage campaign in 2001 (Holgate, 2009). The Unison trade union and the Transport and General Workers Union (TGWU) provided funds and the human resources to support workers to organize. After securing increases in pay, holidays, pensions and sick pay for cleaners in the early 2000s, TGWU and Unison’s union membership grew and the living wage campaign expanded. Additional lobbying efforts secured the living wage for all people working on the 2004 Olympic projects, and resulted in the establishment of a Living Wage Unit in the Greater London Authority. Supported by the Justice for Janitors Campaign in the US, the TGWU began a sector-wide campaign to unionize cleaners in the City and Canary Wharf and worked with London Citizens (Formerly TELCO) to demand a living wage for all. Within months, the campaign expanded to higher education, focusing on low-paid contracted cleaners at multiple universities across London. The living wage campaign has employed a variety of strategies to achieve pay increases for low-paid, mainly migrant workers. However, as in the US, the campaigns have not been without opposition (Hearn and Bergoes, 2011; Holgate, 2009; Lopes and Hall, 2015).

Throughout the living wage campaigns, TELCO, workers, and unions employed a variety of tactics to persuade employers and the City to adopt the living wage. During the beginning of the campaign, public protests (marches, demonstrations, public assemblies) and lobbying of politicians and employers attracted the support of the Mayor and trade unions (Tapia and Turner, 2013). TGWU then decided to focus on a strategy for growth, putting more resources into organizing workers, many of whom were immigrants. Including immigrants gave the labour movement an opportunity to transform itself into a stronger force. Once the unions shifted their attitudes towards immigrants, and immigrants

began joining previously closed unions, they acquired new positions within the union structures, changing the union from within (Tapia and Turner, 2013). The growth in membership influenced unions to fight not only for a living wage, but also for structural changes in the labour market, demanding better social protection for immigrant workers, and, by extension, for all workers. Campaigns framed the issues in terms of social justice and fairness. Through sustained campaigns, including demonstrations, strikes and civil disobedience, vulnerable workers and their union supporters were able to pressure employers and policy makers to win significant concessions (Tapia and Turner, 2013; Lopes and Hall, 2015).

TELCO initiated a 'Strangers into Citizens' campaign, after learning about the City's role in exploiting illegalized migrant workers. The campaign came together in May 2007 at Trafalgar Square to call for regularization. The campaign's proposal was debated in the UK House of Commons in June 2007. By September 2007, the Liberal Democrats adopted the idea of an earned route to citizenship with residence conditions of 10 years and the UK Border Agency began granting legal status to thousands of asylum seekers whose claims had failed (Ivereigh, 2009). Not all illegalized migrant workers benefitted from regularization, however, due to strict exclusionary criteria (e.g. proof of long association with the UK). Furthermore, UK unions were not united on this initiative (Tapia and Turner, 2013; Ivereigh, 2009). On the one hand, union leaders perceived regularization as a very difficult and contentious issue that many members would not support. On the other hand, some leaders found TELCOs campaign to be too limited because it was tied to too many conditions. While an opening was created for the union to support regularization of illegalized migrant workers, the political willingness and strategy of the union leaders to make regularization a priority remained absent (Tapia and Turner, 2013). The deportation of eight cleaners in early 2009, approximately one year after the living wage was won for cleaners at the School of Oriental and African Studies (SOAS) at the University of London indicated that "it is not enough to be able to organize a successful campaign around union recognition and pay and conditions, unions must also be in a position to protect their activists" (Hearn and Bergos, 77). More specifically, "there are a number of important lessons for the trade union movement to learn; namely, the need to have specific legal and campaigning strategies in place to defend its migrant activists as well as calling for the regularization of 'irregular' workers" (Hearn and Bergos 2011, 65).

TEMPORARY FOREIGN WORKERS AND THE RISE OF LOW-WAGE ILLEGALIZED WORK IN CANADA

Canada's growing Temporary Foreign Worker (TFW) program is a prime example the use of cheap vulnerable migrant labour to perform expanding shares of the low skilled and poorly paid work in the economy. Rooted in the 1973 Non-Immigrant Employment Authorization Program (NIEAP) and 1966 Seasonal Agricultural Workers Program (SAWP), Canada's TFW program has rapidly expanded during recent decades. While 69,901 TFWs were employed in Canada in 1973 in agriculture, by 2012, 338,221 TFWs were employed across Canada in agricultural, domestic, live-in caregiving work, food processing, catering, fast-food services, hotel housekeeping and services, engineering, and construction (Sharma, 2006; Curry, 2014). The TFW program is projected to continue to expand in upcoming decades (ILO, 2009; Sawchuk and Kempf, 2008). Prior to the TFW program, most migrants who entered Canada to work were issued a "permanent resident status", giving them access to labour rights and enabling them to eventually apply for citizenship. With the implementation of the TFW, however, the Canadian government began channeling migrant workers into two major status streams: (1) a low-skilled stream that issued "temporary migration status" and few real opportunities for gaining citizenship, and (2) a high-skilled stream that offered pathways to permanent resident status and eventually citizenship (Basok, 2004). Unlike the high-skilled immigrant workers who have pathways to citizenship, TFW low-skilled migrants' are treated as disposable "guest workers", subjecting them to exploitative employment conditions (Binford, 2009).

Employers continue to claim to need temporary migrant workers because of labour shortages in low-wage, low-skilled work (Barnetson and Foster, 2013). They characterize the TFW program as a labour market necessity and as an opportunity to workers in developing countries to earn valuable dollars to send home. However, the TFW program has been more accurately described as a program that bonds workers to importing particular employer (Sharma, 2006), resulting in "low wages, often below the minimum, and long hours with no overtime pay; dangerous working conditions, crowded and unhealthy accommodation; denial of access to public healthcare and employment insurance, despite paying into the programs; and being virtually held captive by employers or contractors who seize identification documents" (Walia, 2012: 72). Due to these labour conditions, some TFWs choose to leave their employer to seek employment elsewhere, in which case they lose their status in Canada. Other TFWs overstay their visas. In both cases, workers become "illegalized" (Bauder, 2013).

There are other ways in which migrants and refugees become illegalized. Their paperwork can become lost in the bureaucracy; their application for asylum may be; or they can cross the border without the proper documents (Bauder, 2013). In Canada, most illegalized migrants likely entered the country with legal status of some kind (Marsden, 2012). While, their precise number is unknown, reports estimate that the number ranges from 80,000 to 500,000, with half of them residing in Toronto (Magalhaes et al., 2010; MCI, 2012). A 2000 RCMP report further estimated that approximately 15,000 migrants cross the US-Canada border annually without proper authorization (Oxman-Martinez et al., 2005). The expanding TFW program will likely contribute to an increase of illegalized migrants due to an estimated overstay rate of 1.5%⁴ (Basok, 2007). In 1976, the Canadian Immigration Act criminalized the employment of illegalized migrants through employer sanctions. The criminalization of employing illegalized migrants continued with IRPA in 2001, which states that, “every person commits an offence who ... employs a foreign national in a capacity in which the foreign national is not authorized under this Act to be employed”. While employers who violate this law can be fined up to \$50,000 or imprisoned for up to two years, employers easily escape prosecution if they conducted “due diligence,” for example by asking for a SIN number, when hiring employees (Library of Congress, 2015). Illegalized migrant workers face the real brunt of sanctions as they are subject to arrest and deportation. To evade the arm of the law, they become extremely vulnerable to employer abuse and exploitation.

American studies have found that US immigration and border policies enacted between 1985 to 2010 increased the vulnerability and undercut bargaining power in the lower segment of the labour force, where many illegalized migrants work (Massey and Gentsch, 2014). Once contacted by a disgruntled employer or employee, immigration officials conduct worksite raids, whereby they arrest, detain, and/or deport illegalized migrant workers (Smith et al., 2009). Although illegalized migrants are formally be protected by labour rights, fear of employer retaliation usually prevents them from accessing these rights (Mondragon, 2011). Employers therefore continue to super-exploit illegalized migrants in the US (Braker, 2012-2013; Heyman, 1998; Smith et al., 2009), and findings from studies conducted in Canada indicate that illegalized migrants may be facing a similar situation here (Goldring & Landolt, 2012; Magalhaes et al.; Monsebraaten, 2009).

⁴ This rate would likely also increase in the case of a major economic downturn where TFWs come to be laid off by their sponsoring employer before the expiry of their contract, as with the recent depression of commodity prices such as oil.

Researchers have therefore argued that most important functions served by the illegal population is political, and resides in illegalized workers' vulnerability to employers, who can control them easily due to their lack of formal legal status (Grasmuck 1984, Rivera-Batiz 1999, Champlin and Hake 2006). Furthermore, employers prefer illegalized workers during phases of rapid industrial transformation because their lack of legal protection prevents them from unionizing and protesting wage erosion (Morales 1983-1984). "The category 'illegal alien' is [therefore] a profoundly useful and profitable one that effectively serves to create and sustain a legally vulnerable – and hence, relatively tractable and thus 'cheap' – reserve of labor" (De Genova 2002, 440). The lack of status prevents migrants from competing for employment with native-born and legal immigrants on the same terms and conditions. Instead, they are bonded to employers, forced into accepting greatly inequitable remuneration for their work and kept in low-paying occupations that legal residents would not accept (Donato et al., 1992; Gentsch and Massey, 2012; Gomberg-Munoz and Nussbaum-Barberena, 2011).

THE LIVING WAGE AND THE STRUGGLE FOR THE PROTECTION OF ILLEGALIZED WORKERS IN TORONTO

Similar to the US and UK, Canada's labour market policies and practices have shifted dramatically during the past few decades, resulting in the polarization of workers' income levels especially in cities (Hulchanski, 2010; Lewchuk et al., 2015; OECD, 2011). Without intervention, projections indicate that 60% of Toronto neighbourhoods will be low or very low-income neighbourhoods by 2025, threatening social cohesion and the overall inclusiveness and health of the city (City of Toronto, 2011; Hulchanski, 2010). Illegalized migrants are particularly susceptible to employer exploitation. They often work in poor and unsafe work conditions, and do not receive protection against unfair labour practices (Goldring and Landolt, 2012; Magalhaes et al., 2010; Sidhu, 2013).

To counteract these trends, living-wage campaigns have emerged in Canadian municipalities such as Toronto and Vancouver. Unlike cities in the US, however, explicit living wage ordinances have not to date been passed in Canadian cities (Pei, 2015). Canada's first living-wage campaign was officially launched in Vancouver in 2007. In Toronto, the emergence of efforts resisting the expansion of precarious work can be traced to Councilor Ana Bailão's request of Toronto's Community Development and Recreation Committee to study the social and economic impact of the city's intentions to begin contracting-out cleaning and custodial work

(City of Toronto, 2011; Vosko et al., 2013). Citing concerns of the ILO, the United Way, and the Toronto Community Foundation about the disproportionate impact of precarious employment on immigrants, Bailão demanded that the study focus “on the social impact of hundreds of jobs being performed at salaries that are barely above minimum wage, often with no benefits, and particularly the impact on [low-income] priority neighbourhoods.” (City of Toronto, 2011). After the study’s completion, the city took several steps to reduce the negative impacts of contracting-out services, including: updating the City’s Fair Wage Schedule to reflect prevailing market rates, directing the Fair Wage Schedule to be revised every three years, and revising requirements for companies that bid for custodial services to improve job quality contractors’ employees (Wellesley Institute, 2015). The Toronto City Council also directed its staff to develop of a job quality assessment tool that includes a living wage standard and that considers other dimensions of job quality, including skills and training opportunities, and working conditions (City of Toronto, 2013; Wellesley Institute, 2015).

In addition, the Canadian Centre for Policy Alternatives (CCPA), the Toronto and York Region Labour Council, CUPE Local 79, ACORN Canada, Social Planning Toronto, the Solidarity City Network, Justicia for Migrant Workers, the Worker’s Action Centre, and Savings and numerous Credit Unions are advocating for the living wage in Toronto and elsewhere in Canada (CCPA, n.d.). The CCPA has determined the cost of raising a family of four in various Canadian cities as an evidence base in support of living wage policies. Toronto’s 2015 living wage is calculated to be \$18.52 per hour, which includes the costs for rent, transportation, child-care, food, clothing, internet, and laundry (CCPA, 2015). It builds into its living wage calculation that workers have access to public benefits such as healthcare, employment insurance, housing benefits etc. In general, however, these services are often refused to illegalized migrants who are unable to show identification cards required by service delivery staff and other public officials (Sidhu, 2013; Solidarity City Network, 2013).

To provide access to such benefits to illegalized migrants in Toronto, and in response to pressure from No One Is Illegal, the Solidarity City Network, and other activist organizations, Toronto became Canada’s first Sanctuary City in 2013. As a Sanctuary City, Toronto improved upon the previous *Don’t Ask Don’t Tell* Policy, which enabled city staff to serve illegalized migrant clients without asking about their immigration status. The formal Sanctuary City designation is now supposed to ensure that all residents receive access to the City’s funded core services, including

healthcare, education, income support programs, employment protection, affordable housing, settlement services, social assistance and legal services (Cities of Migration, 2013). Despite becoming a Sanctuary City evaluations have shown that illegalized migrants continue to face barriers to accessing these benefits (Sidhu, 2013; Solidarity City Network, 2013). Sanctuary City activists are therefore continuing their struggle towards ensuring the successful delivery of municipal services to illegalized migrants and the broadening of coverage to public supports provided by the provincial and federal governments, while simultaneously protecting illegalized migrants from arrest and/or deportation. As the literature review has shown, living wage campaigns have not been very successful in achieving their broad goals while at the same time protecting low-waged illegalized migrant workers. Current and future living wage campaigns should consider working closely with Sanctuary City campaigns to improve their strategies for protecting to illegalized migrants from arrest and/or deportation while working to improve the working and living conditions of low-waged workers, including the illegalized. The public supports provided by Sanctuary City protections are important to illegalized migrants' economic and social well-being and are in this way complementary to living wage campaigns.

CONCLUSION

The living-wage movement has directed its attention to workers who are, in Guy Standing terms, the precariat. Illegalized migrants constitute the most precarious and exploited of this segment of the precarious labour force. Neoliberal globalization requires a disciplined and low-wage labour force to sustain its economic foundations. In fact, global cities like Toronto are a prime location in which to observe increasing income polarization and labour market insecurity for ever larger numbers of workers. Therefore, living-wage campaigns have been most marked, and seen their greatest successes, at the urban scale.

Although illegalized migrants are among the most exploited workers, they are often invisible, even within the living-wage movement. The neoliberal logic maintains that "illegal" migrant work is ultimately a supply problem, and that tolerating or legalizing "illegal" migrants only create incentives that increases the supply of such migrants. Hence, the solution according to this logic is to address the supply side and blame vulnerable illegalized migrants for the existence and increased use of unauthorized low-waged work. Consequently, authorities are targeting illegalized migrants in addressing this policy problem. However, from the political economy perspective that Sassen and Standing assume,

illegalized migrant work is driven from the demand side. Vulnerable and exploitable workers facilitate capital accumulation and labour market segmentation (Bauder 2006). Illegalized work is built into the very DNA of modern neoliberal capitalism.

Addressing the situation of illegalized migrant workers is a way to confront the uncontrolled power of capital in a hyper neoliberal world. The labour market situation of illegalized migrants reveals some of the most exploitative aspects of neoliberal capitalism and the policy framework that supports it. The living-wage movement offers important strategies and tactics employed of active resistance to neoliberal globalization. However, illegalized migrant workers could be placed more centrally within this struggle and more visibly and organically connected to living-wage movement. The struggle for a living wage is not only an issue for low-waged citizens and legal residents, but also for *all* workers, including the illegalized. Winning living wages for illegalized workers is connected to broader protections from exploitation by employers and solidarity among workers. A living wage, enhanced security and status of migrants deemed “illegal” by the state is central to a progressive policy agenda.

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Paving Their Way and Earning Their Pay: Economic Survival Experiences of Immigrants in East Toronto

*Keren Gottfried¹, John Shields², Nasima Akter³, Diane Dyson⁴,
Sevgul Topkara-Sarsu⁵, Haweiya Egeh⁶, Sandra Guerra⁷*

ABSTRACT:

This paper lies at the intersection of precarious labour and immigrant employment experiences. The labour market has evolved over the past few decades such that jobs are increasingly precarious - poorly paid, insecure, and lacking in employee protections. Immigrants are overrepresented among those working precarious jobs and face compounded challenges to achieving socio-economic stability. Immigrants, especially immigrant women, experience heightened exploitation and marginalization in the process of trying to economically and socially integrate into Canadian society. The paper investigates how immigrants living in an east Toronto ethnic enclave navigates the labour market and survive precarious and informal employment realities. It makes use of a unique empirical survey of this community to help shed light on the economic lives of this population.

KEYWORDS: Immigrants, Informal Economy, Community Research, Neoliberalism, Precarious Work

The rise of precarious work is a key phenomenon that is a defining feature of the 21st century Canadian job market (Lewchuk, et al. 2015).

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- 1 Keren Gottfried is a public policy and performance measurement professional who has worked at Indigenous and Northern Affairs Canada and Ipsos Global Public Affairs.
 - 2 John Shields is a Professor in the Department of Politics and Public Administration at Ryerson University. He is also the Acting Academic Director of the Ryerson Centre for Immigration and Settlement (RCIS).
 - 3 Nasima Akter is the Executive Director of Bangladesh-Canadian Community Services.
 - 4 Diane Dyson is the Director of Research and Public Policy at WoodGreen Community Services.
 - 5 Sevgul Topkara-Sarsu is the Manager of Settlement Services at WoodGreen Community Services.
 - 6 Haweiya Egeh is a Community Development Officer with the City of Toronto's Toronto Newcomer Office.
 - 7 Sandra Guerra is the Partnership Coordinator for the Toronto South Local Immigration Partnership.

Many jobs that once formed the bedrock of middle class employment no longer offer the stability or economic rewards they once provided. Precarious employment can be defined as work that has poor job security, poor benefits and employee protections, and it is often poorly paid. These jobs are commonly part-time, temporary, shift work, or informal jobs, many of which exist outside the formally-recognized employment market. This shift in the job market to more precarious work is taking place not only in Canada but in many developed and developing countries. The International Labour Organization (ILO) identifies the absence of ‘decent jobs’ as the new labour market reality (2006), and reflects a ‘decent work deficit’ (Likić-Brborić and Schierup, 2015, 229). The ILO statistics tell us that more than half of the world’s labour force is employed in insecure work today (Wise, 2015, 28).

The Organization for Economic Co-operation and Development (OECD) situates precarious work at the intersection of “low levels of pay and high levels of labour insecurity” (Campbell, 1996). Employees generally are pushed into these positions because it is the only work they are able to find in today’s labour market and they quickly discover they have “minimal control over working conditions” (Law Commission of Ontario, 2012, 1). A report by the Wellesley Institute (Akter et al., 2013) notes that precarious employment often reflects substandard conditions that do not meet legislated minimum employment standards like minimum wage, hours of work limitations, health and safety codes, and the like. Precarious jobs can also be defined as what they are not. Poverty and Employment Precarity in Southern Ontario (PEPSO) defines “standard employment relationships” as working at least 30 hours per week, receiving a decent wage and benefits, and expecting to be working at the same employment a year from now (Lewchuk, et al, 2013, 13). Precarious employment deviates from these norms. Some forms of self-employment also fall in the category of precarious work. The Wellesley Institute places unregulated self-employment in the precarious umbrella, particularly unregulated self-employment that might run out of one’s home and operate “under the radar of most regulatory and tax rules” (Akter, et al., 2013, 8). PEPSO contends that people who are self-employed but list no official employees are often working in precarious jobs because they tend to be “a disguised form of employment” that in normal circumstances would be part of the waged/salaried labour force (Lewchuk, 2015, 19).

Many precarious jobs are also called “informal” because they fall outside of the formal employment framework expected in Western economies (Topkara-Sarsu, 2013). Colin Williams (2010) writes these are

jobs not registered for tax, social security, and/or labour law purposes. More broadly, informal work can be thought of as “emigration from the established ways of working” or operating “against the official norms and formal institutions for economic activity” (Schneider and Enste, 2013). Williams (2008) distinguishes three categories of informal work. The first two reference various forms of unpaid work. First, ‘self-provisioning work’ includes unpaid household labour done by household members. Second, ‘unpaid community work’ covers unpaid volunteering and kinship exchange between household members and their extended family, social, or neighbourhood networks. The third refers to ‘paid informal work’ and this encompasses all monetary exchange that is unregistered for tax, social security, and/or labour law but that is largely legal in other respects. Informal jobs are united mostly by their heterogeneity (Topkara-Sarsu, 2013); they can be legal or illegal, monetary or non-monetary, on or off the books, destructive or complementary to the formal economy, for profiteering or survival, and can be a person’s primary or supplementary income source (Schneider and Williams, 2013; Topkara-Sarsu, 2013). The sector includes a range of activity: favours for friends or community members, illicit activity like smuggling or embezzlement, undocumented workers, performing licensed activities without a license like electrical work, and some other forms of self-employment. Questions posed in the east Toronto enclave survey, however, attempted to tap into informal types of work that were engaged in by respondents or members of their household for some form of financial reward.

Neoliberalism, a political ideology and mode of governance that celebrates free markets, limited government, deregulation and encourages the heightened socioeconomic inequality that follows (Burke, Mooers and Shields, 2000), tends to view informal work as an example of individual initiative and a creative alternative to its perception of ‘over-regulation’ in the labour market. Without state regulation of informal activities, Portes and Haller (2005) contend, the flow and transactions of goods and services reflect the true will of market forces (Topkara-Sarsu, 2013). Williams maintains that this view “portray[s] informal workers as heroes casting off the shackles of an over-burdensome state” that is blamed for economic and social problems (2010, 3). On the global scale, alternatively, the context is reversed. Williams notes that informal jobs, in part, can be seen as having grown from an unregulated world economy that encourages “race to the bottom” labour practices. Employers take advantage of opportunities to subcontract work to places where off-the-books workers face “degrading, low-paid and exploitative” conditions (2). The counterweight to these problems, according to the neoliberal viewpoint, is

that through informal work people can achieve some employment rather than no employment. It demonstrates the autonomy and creativity of individuals who take responsibility for their own livelihoods and make their own living rather than relying on welfare services from the public purse (Williams, 2008).

A recent Ontario initiative, the “Changing Workplace Review,” sheds some light on the evolution of these working conditions. Ontario Premier Kathleen Wynne’s mandate letter (Wynne, 2014) calls for a review the province’s employment and labour standards processes. The Review identifies five key trends that shape the changing labour market: (1) increased reliance on the service sector, (2) a rise of “non-standard employment relationships,” (3) globalization and trade liberalization (which drives competitiveness and increases pressure to keep costs low – including labour costs), (4) rapid technological change, and (5) increased diversity in the workplace. PEPSO describes the rise of precarious work as “a result of technological change, increased contracting out, and [internationally] extended supply lines” and “financial reorganizations, decisions to relocate, the entry of new competitors, or the inability to keep up with the rapid pace of innovation” (Lewchuk, et al., 2013, 13). Large companies that typically provide middle-income jobs find they now ‘face an uncertain future’ and are significantly reducing their workforces, reorganizing or even dissolving.

Though precarious jobs are rising on aggregate across the breadth of the labour market, immigrants are especially vulnerable to work in precarious jobs. This is not due to a lack of appropriate skills. In fact, immigrant newcomers on average have higher levels of education and human capital than those born in Canada; despite this, they often remain unemployed or underemployed (Shields, et al., 2010). A Wellesley Institute report explains that “immigrants are not only blocked from entering the professions for which they trained but a substantial portion of them are not in any type or form of secure employment. Instead, Canadian newcomers often face substandard, precarious and sometimes dangerous working conditions” (2013, 1). A Law Commission of Ontario report (2012) concludes that this is due to the difficulty encountered by many newcomers in finding financially satisfactory standard employment. Immigrants tend to take what they can get, i.e. survival jobs. The likelihood of immigrants working precarious jobs is also because of their overrepresentation in jobs most affected by the changing labour market. The Worker’s Action Centre (WAC) finds that “outsourcing, indirect hiring, and misclassifying workers takes place in sectors with distinctly local markets: restaurants, business services, construction, retail,

warehousing, trucking, janitorial, home healthcare and manufacture of goods consumed locally.” Moreover, WAC explains that “low-skilled or labour intensive” jobs, where immigrants are disproportionately represented, are increasingly contracted out to third parties. To get one of these jobs, employees no longer look for a waged job but instead sign up with an employment agency as an “independent contractor.” The result is that immigrants face barriers to stable employment and experience very poor economic outcomes. These poor economic outcomes have been a reality facing many newcomers for the last number of decades and have been well documented in the literature (Shields & Türegün, 2014). Moreover, some immigrant groups fare more poorly than others. For example, data from the 2006 Canadian Census show immigrants from racialized groups are more likely to live below the poverty line, as defined by before-tax Low Income Cut-Offs thresholds, than those from non-racialized groups (Shields, et al., 2011).

As Root et al. (2014) explain, the neoliberal mindset has facilitated the development of a particular immigration policy framework in Canada that prioritizes so-called “economic migrants” who are “perceived as self-reliant and embrace practices and expectations around personal responsibility” (5). Over the last decade, the federal Conservative Government has been particularly active in reshaping Canadian immigration policy along neoliberal lines. The focus is on highly-skilled immigrants and less of a priority is placed on allowing immigrants to sponsor family members. Former Minister of Immigration Jason Kenney has been the “prime architect and force” behind these neoliberal reforms and responsible for articulating the “law-and order, family and religious values, small state and self-sufficiency agendas to the immigration portfolio” (Ibid, 9). The driving force behind this policy framework is the assumption that highly-skilled immigrants are perceived to be less of a financial burden on the state, less of a challenge to integrate into society, and more likely to have the English/French language skills to succeed in the labour market. Kymlica writes that this policy framework “affirms - even valorizes - ethic immigrant entrepreneurship, strategic cosmopolitanism, and transnational commercial linkages and remittances but silences debates on economic redistribution, racial inequality, unemployment, economic restructuring, and labor rights” (2013, 112). These policies also privilege recognized high levels of education, Canadian employment experience, and formal credentials that many newcomers, particularly people of colour and women, often lack (Arat-Koc, 1999).

Neoliberalism perpetuates gender stereotypes. The so-called “self-sufficient family” is praised as one that reflects heteronormative, nuclear

family structures (Root, et al., 2014, 7) and rely on women to provide care through family upbringing and voluntary and low-waged work in social services. With the care-taking responsibilities being offloaded from the public sphere to the family, attempts to balance family and employment obligations becomes impossible and particularly burdensome to immigrant women. Neoliberal immigration policy asserts that there is a need to end purported immigrant overreliance on state social supports and ensure that they are making positive contributions to the economy.

The charge that immigrants are a public burden is a myth utilized by neoliberal governments to further their ideological policy agenda. A 2013 report by the OECD, for example, notes that immigrants to Canada use fewer benefits than might be expected and contribute more to the economy in taxes than they withdraw via public services and benefits – a position reinforced by Hiebert (2005). Recent changes in social policy, however, has worked to place greater restrictions on newcomer access to social and health benefits, further depressing their usage of such benefits. At the same time, neoliberal policy casts those who make ‘excessive demands’ on public welfare as undesirable and, in the case of newcomers, the language of ‘good versus bad immigrants’ comes to be employed (Barrass and Shields, 2015). Significantly, the federal Conservative Government’s restrictions on refugee claimants’ access to health services has been ruled by the Supreme Court of Canada as an “outrage [to] Canadian standards of decency” (Root, et al., 2014, 10). The end result is that immigrants have found themselves in an increasingly hostile environment with leaner settlement and social supports and a more hostile and competitive labour market that is marked by few good job opportunities.

Women, especially immigrant women, are particularly vulnerable. Immigrant women are more likely to engage in precarious and informal jobs and are compensated at lower economic levels than men (Akter, et al. 2013; Shields & Türegün, 2014; Shields et al., 2010). Peterson (2012) notes that within the labour market, women have unique experiences because “feminized” workers are assumed to be “less demanding, docile but reliable, available for part-time and temporary work and too [frequently] structurally vulnerable to contest low wages” (16). She also describes the immigrant mother as a person who is likely to be working out of desperation for money and the demands of raising children, all while maintaining normative gender appearances (ibid). During times of economic crisis, the double burden – having to care for social reproduction while making monetary contributions to the family – on women increases and is magnified when social services are cut in the name of government

austerity (Root, et al., 2014). Immigrant women find themselves taking informal jobs that sacrifice workplace standards, protections, and employment stability in exchange for a degree of flexibility that might relieve the family-workplace juggling act.

METHODOLOGICAL APPROACH

This work is part of a community-university research project *The Social and Economic Inclusion of Newcomers in Toronto: Navigating the Informal Economy and its Impact on Newcomer Outcomes*, funded by Ryerson University's RBC Immigrant, Diversity, and Inclusion Project. The partners on the project are: the South Toronto Local Immigration Partnership, WoodGreen Community Services, and academic researchers from Ryerson University. The project is based on an analysis of a dataset conceived and developed by the Toronto South Local Immigration Partnership and funded through Wellesley Institute. The range of community partners included: Action for Neighbourhood Change, Taylor Massey, Bangladeshi Canadian Community Services, Chinese Canadian National Council - Toronto Chapter, Neighbourhood Link, Riverdale East African Association, and WoodGreen Community Services (Akter, et al., 2013).

The data presented herein reflect a sample of n=453 households in east Toronto from three communities: Bangladeshi (n=199), Chinese (n=214), and Somali (n=40). The sample included n=284 women: n=122 Bangladeshi, n=142 Chinese, and n=20 Somali. Respondents in the survey were selected using interval sampling, were either male or female, and were aged 19 years or older. The stratified sample randomly selected participants in their homes and from street intercepts in east Toronto. The interviews were face-to-face and used a semi-structured questionnaire delivered by multilingual, trained community researchers who conducted the interviews in either English or the interviewee's mother language. Interviews were conducted through October-December, 2011. The survey was primarily fielded in the neighbourhoods identified as ethnic enclaves in the east end of the old City of Toronto: Crescent Town, Broadview Chinatown, and Central Riverdale. Data presented herein were analyzed using SPSS 22.

In the following analysis, we employ descriptive statistics to present a labour market profile of this immigrant enclave sample. We contrast this east Toronto population with other groups along a number of dimensions and internally compare differences within the sample using factors such as gender and ethnicity. When employing ethnicity in the analysis of our sample, we are only able to contrast those of Bangladeshi and Chinese

background given that the Somali sample size was too small to provide statistically meaningful results. Furthermore, multivariate statistics are employed to deepen our analysis regarding the independent role of variables like ethnicity, gender, and English language ability on labour market outcomes.

DATA FINDINGS

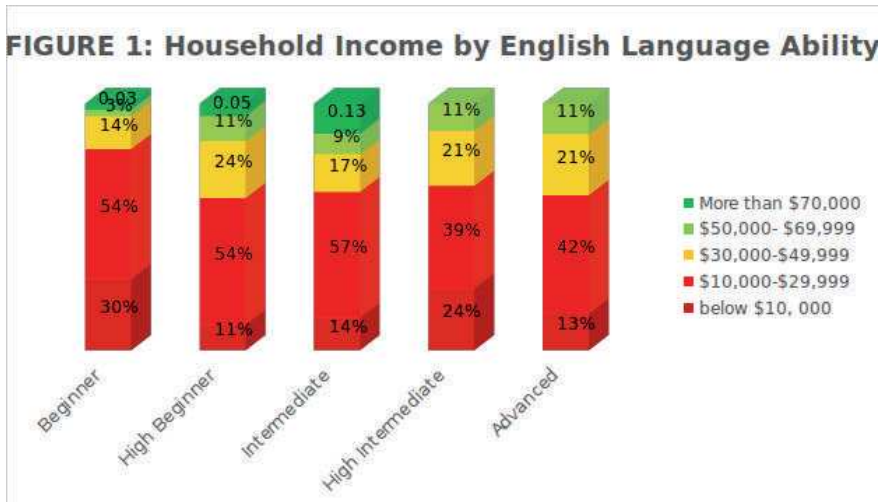
Demographic Profile. About half (48%) of our sample population immigrated to Canada under the immigration class of “Family/Sponsorship,” while one in three (34%) were “Economic Class,” 12% were “Refugee Claimants,” 5% were here on temporary visitor, student, or work permits, and less than 1% said “other.” More Bangladeshi respondents moved here under the economic class (42%) than Chinese respondents (30%). Chinese respondents were more likely to be refugee claimants (13%) than Bangladeshi respondents (3%). About half of the men in the survey were here under economic status (49%) while only one quarter (25%) of women were. Considerably more women (62%) than men (26%) fell under family class designation. The majority of respondents (71%) were married, while two in ten (19%) were unmarried and 7% were divorced. The rest were separated (2%) or widowed (2%). A plurality (38%) moved to Canada five or less years prior to survey participation, three in ten (28%) moved five to ten years ago, and three in ten (31%) had been in Canada for more than ten years. These figures begin to demonstrate how demographic variables link together to compound their impact on labour market experiences.

More specifically, six in ten (63%) of respondents had an English proficiency level⁸ of High Intermediate or Advanced: more men (73%) than women (58%) did so, however. Approximately half (46%) reported using English at home sometimes or all the time (52% men, 43% women) and 87% reported using English at work sometimes or all the time (90%

⁸ Respondents self-identified their English proficiency levels based on the following definitions: *Beginner* (ESL Levels 1-2, LINC levels 1-2)- communicates only through a few words. May recognize and write letters and numbers and read and understand common sight words. *High Beginner* (ESL Level 3, LINC level 3) – communicates using basic learned phrases and sentences. Reads and writes letters and numbers and a limited number of basic sight words and simple phrases. *Intermediate* (ESL Levels 4-5, LINC Level 4) – can follow oral directions. Has limited ability to understand on the telephone. Can read simplified material on familiar subjects. *High Intermediate* (ESL Level 6, LINC Levels 5-6) – ability to understand and communicate on the telephone. Can participate in conversations on a variety of topics. *Advanced* (ESL Levels 7-8, LINC Level 7) – can participate fully in social and familiar work situations; can understand and participate in conversations and in technical discussions in own field.

men, 83% women). Seven in ten (70%) said they use English in the community sometimes or all the time, while more men (75%) than women (68%) said so. Hence, overall, a large proportion of all respondents did have good English language skills although there was also a clear gender differentiation. The weaker English language ability among women put them at a distinct labour market disadvantage.

We will explore the place of English language and employment patterns more fully in later section of the paper but Figure 1 provides an outline of the core nature of the relationship; more advanced English language ability results in improved economic outcomes. Those with high intermediate or advanced English ability (62%) were more likely than those with lower levels (52%) to be employed at all – full-time, part-time or casual – though they are just as likely to have full-time work (35% vs. 33% respectively). Critically, however, those with stronger levels of English (42%) were considerably more likely than those with weaker English skills (27%) to be living with household income levels above \$30,000.



n=453 (all respondents)

Employment Rates, Types, and Participation in the Labour Market.

Figure 2 gives us a snapshot comparison of general employment outcomes between our surveyed enclave population and the overall Canadian workforce in 2011. What particularly stands out is the much lower rates of full-time employment from our surveyed immigrant population and their much higher rates of unemployment. One in three (34%) from our immigrant enclave report were working full time, defined as 30 hours per week or more, while data from the Labour Force Survey by Statistics Canada report the Canadian employment rate among those over the age of 15 in 2011 was 50% (Statistics Canada, 2015). The difference in unemployment levels between these two groups was 15% versus 7%, a rate that was twice the level for the enclave. The enclave sample also had somewhat higher levels of part-time and casual work.

FIGURE 2: Proportion of Respondents Who Are Employed Compared to Statistics Canada Data



n=453 (all respondents)

Bangladeshi respondents in the survey (36%) were more likely than Chinese respondents (32%) to have full-time work, while men and women both held, on aggregate, similar levels of full-time employment (34%). One in ten (10%) responded to having a current employment level that was “casual,” defined as “whenever you can get the work, but it is not very predictable.” Chinese (11%) respondents were more likely than Bangladeshi (8%) respondents, while men (15%) were more likely than women (7%), to hold casual work. Our sample overall reflects 15% currently not employed and looking for work, compared with 7% of the overall Canadian labour force, as reported by the Labour Force Survey (*ibid*). While there is no apparent difference between the ethnicities surveyed, women (17%) were more likely than men (13%) to be unemployed but looking for work. Hence, overall our sample experienced significantly greater rates of unemployment and nonstandard employment than the overall labour force.

Levels of household income reveal the grim employment and financial prospects facing respondents living in these ethnic enclaves. A majority of households (68%), where the respondent said they were working more than 30 hours per week, reported earning less than \$30,000, versus only 25% at the City of Toronto level (*ibid*). This is an earnings deficit figure that approaches three times the low incomes levels found in City of Toronto households. Looking at individual income, eight in ten (80%) overall reported earning less than \$30,000 and 40% earned below \$10,000. Among the lowest income bracket, women (53%) were more than twice as likely as men (25%) to report income levels below \$10,000. Hence, low income levels displayed a distinct gender dimension with women being greatly disadvantaged.

Only one in three (37%) households reported being able to fully cover their household expenses on income earned through formal employment while a majority (67%) said they relied on other income sources. Six in ten (62%) reported difficulty in meeting their monthly household expenses and one in seven (14%) reported great difficulty in doing so. A similar proportion (60%) of employed respondents (full-time, part-time or casual) said they were having difficulties making ends meet, indicating that this difficult situation reflects poor work prospects among those living in these communities. Consequently, the problem for many of these immigrant households was not simple unemployment but employment that did not provide a living wage (i.e. a wage that provided them enough to meet the basic necessities of daily life).

One in three (34%) of all respondents reported doing at least some self-employment work and three in ten (32%) reported that someone in

the household was doing cash work. Self-employed workers were most likely to say they pursued this route because of unemployment (37%), convenience (25%) or start-up costs (14%). These figures reveal that self-employment activity within this immigrant enclave has become extremely important for providing a source of income – the survey provides important evidence revealing the turn to work outside the standard labour market for survival work. Of those engaged in self-employed work, childcare or babysitting (20%) led the list, followed by self-employment work in food services (12%), building/renovating (10%), caregiving (8%), tutoring (8%), and taxi driving (8%). There were, however, distinct types of self-employment activity utilized by the different ethnic communities and by men versus women. Bangladeshi respondents were more likely to say tutoring (16%) or taxi driving (16%) while Chinese respondents were more likely to report working in food service (20%), providing room and board (13%), and sewing (8%). Men reported building/renovations (20%) or taxi driving (17%) considerably more than women did (1% each) while women reported babysitting (27%) and caregiving (15%) more than men did (11% and 1% respectively).

Among those working for direct cash payments, factory work (35%), working in a store (29%) and restaurant (14%) work were the most popular forms of employment. Bangladeshi respondents were more likely than Chinese respondents to say they were doing restaurant work for cash (19% vs. 11%) or tutoring (13% vs. 1%) while Chinese respondents were more likely to say factory work (35% vs. 19%). Men were considerably more likely to say they were doing factory work for cash (45%) than women (28%). The amount of work carried out in the shadow economy by those in the ethnic enclaves is considerable and speaks to the reach and importance of ‘informalized work’ within the immigrant community (Castles, 2015, 57-58).

Employment Standards Violations. One aspect of nonstandard employment forms and low wage based work is the notion that these workers are more exposed to employer abuse (Rodgers, 1989; Rubery, 1989). Respondents were asked if they, or anyone in their household, had worked for cash and if certain employment conditions applied to that work. The survey data reveal that immigrants living in the East Toronto Bangladeshi, Chinese and Somali communities do in fact face poor employment standards. Regarding the household member who was working for cash, about one third (36%) indicated at least one employment standard was not met at this job; 17% reported two violations, 11% reported three violations, and 7% reported four violations. These numbers vary considerably by ethnicity. Fully half (50%) of those from

Chinese communities reported experiencing 1 violation while 23% of those from Bangladeshi communities reported so. Specifically, 16% received less than \$10.25 an hour (the minimum wage in 2011) – 23% of Chinese and 11% of Bangladeshi respondents were below this level. Overall, one in ten reported the household member working for cash experienced the following workplace violations: no paid holiday (11%), no vacation pay (11%), and cash payment without deductions (10%). Figure 3 reports the frequency and percentage by type of employment standard violation for those who had experienced such victimization. The high incidents of violations of basic employment standard norms speaks to the deficits of employment quality experienced by so many racialized immigrants in urban centres.

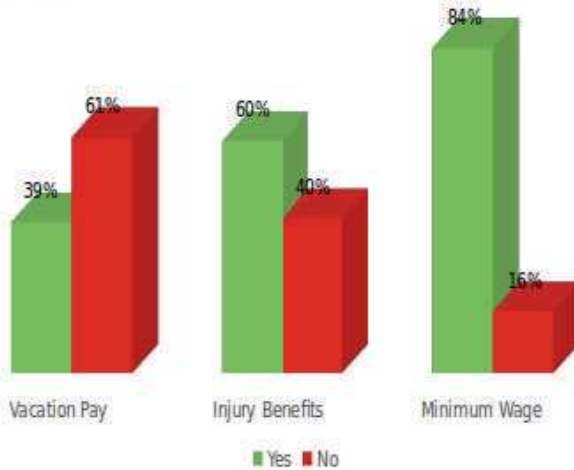
FIGURE 3: Respondents With Members in Household Working for Cash, Experiencing Workplace Violations



n=453 (all respondents)

An immigrant group that has faced particular challenges with integrating into the labour market has been the most recently arrived newcomers. Figure 4 examines those who had come to Canada within the last five years at the time of the survey. They are a group that are particularly vulnerable to Employment Standards violations and the survey shows that a high percentage of them were not aware of many of their employment rights. Interestingly, however, very large majority were aware of what the minimum wage rate was, yet, as indicated previously, this was the most common form of Employment Standards abuse by employers. Clearly, many newcomers do not feel that they are in a position to stand up for their rights against employer abuses.

FIGURE 4: Percentage of Newcomer Respondents (arrived 2007-2011) Aware of Employment Rights



n=171 (respondents arrived in Canada between 2007-2011)

Health and Social Outcomes. The labour market is closely connected to other parts of society. For instance, poor employment can negatively affect health and social outcomes. This relationship is outlined in the social determinants of health perspective that is widely used in policy circles (Graham, 2007). Figure 5 compares health outcomes for our sample with the general population. It indicates that there are large differences between these populations with our sample population fairing far more poorly. Three in ten (31%) from our sample rated their health as poor (3%) or fair (28%) while the rest (69%) rated their health as good (44%), very good (19%) or excellent (6%). By contrast, only 10% of the Canada-wide sample rates their health as poor, 62% as excellent or very good and 28% as good. From our immigrant enclave sample, more men (34%) than women (20%) rated their health as excellent or very good while more Chinese (82%) than Bangladeshi (70%) respondents said so. Three in ten (30%) experienced stress, two in ten (19%) experienced difficulty sleeping, and 12% experienced depression more than twice per week over the past month. Clearly, the health outcomes from the east Toronto immigrant sample compared negatively along a variety of dimensions to the general Canadian population. Social determinant of health perspectives relate these kinds of differences directly to poor working and economic conditions of vulnerable populations living in immigrant enclaves (Graham, 2007).

FIGURE 5: Self-Reported Health Quality of Respondents Compared with Statistics Canada Health Indicator Profile



n=453 (all respondents)

Problems associated with social inclusion were also revealed in the survey. We use one measure here related to feelings of social inclusion – the respondent’s sense of strong attachment to community. The rather weak sense of attachment/inclusion is telling. Less than one third (27%) said they strongly felt they are a part of their community. Interestingly, more women (29%) than men (22%) and more Bangladeshi (37%) than Chinese (13%) respondents felt these strong attachments to their communities. As revealed in our findings, there is clearly an inter-relationship at play between such variables as gender, ethnicity/race, immigration status and class. More work is required of researchers to untangle the nature of some of these differences within such ethnic enclave populations but what is clear in the results overall is that there exists a measurable deficit in feelings of social inclusion among this immigrant population.

PRECARIOUS WORK

Precarious forms of work encompasses those in our sample who are employed but are not well paid, who work in informal jobs like self-employment or cash work but who cannot get by, those employed only part-time or casually but desire more hours, those working jobs where employment standards are not met, and those with poor job security. While there are various ways in which precarious work has come to be operationalized (see Lewchuk, et al., 2013) we considered the following variables from our survey to help capture and measure elements of precarity in our sample:

a. *Insufficient employment*: those who work full-time (30 hours per week or more) but earn less than \$30,000 at the household level;

b. *Precarious informal work*: those who work informal jobs (self-employment or cash work) and report they ‘cannot make ends meet’ each month; and,

c. *Workplace violations*: those who work full-time but where at least one employment standard was not being met.⁹

The survey of this East Toronto enclave uncovered evidence that a large proportion of this population was struggling to make ends meet and working in precarious, insecure work. Of those employed full-time (34%), 65% had household earnings of less than \$30,000 at the household level and 32% experienced at least one employment standard that was not met.

⁹ The following employment standards were measured in the survey: minimum wage, irregular hours, cash payment without deductions, irregular pay schedule, working more than 13 hours per day, no vacation pay, no paid holidays, or poor physical working conditions.

Of those working informal jobs – either self-employed or earning cash without formal documentation – 26% said they could not earn enough to make ends meet. Overall, one third (33%) of those surveyed fell into one of these three categories. The literature would suggest that gender, ethnicity and English proficiency are related to involvement in precarious work. Taking a look first at some basic relationship testing¹⁰, a chi-square analysis suggests ethnicity and English proficiency may play a role though gender may not be a significant factor in determining whether one holds a precarious job, though the type of precarious work done is impacted by gender (see Table 1; also refer to the appendix). In fact, a recent PEPSO study on precarity in the Toronto-Hamilton region reported broadly similar levels of precarious employment between men and women (Lewchuk, 2015, 29-30).

An ethnic breakdown of our sample found that eight in ten (78%) Bangladeshi respondents who work full-time were also living in households earning less than \$30,000, while this was the case for only half (51%) of the Chinese respondents surveyed. However, full-time employed Chinese respondents appear more likely to be exploited at work; half (47%) reported at least one employment standard as not being met while this was the case for only 21% of Bangladeshi respondents. Each ethnic group was about as likely to report engaging in any informal work, however; 37% of Chinese and 13% of Bangladeshi respondents working informal jobs also reported having a hard time making ends meet. Those with an advanced level of English language proficiency were considerably less likely overall to do informal work, to have a hard time making ends meet (15% vs. 49%), and to experience at least one workplace violation at their full-time job (15% vs. 43%) among those who were employed on a full-time basis. There does not appear to be a statistical difference by gender, however.

A logistic regression sheds more light on these relationships when each independent variable is controlled for¹¹. Again, ethnicity and English proficiency level appear to be driving the dependent variable of insufficient employment and involvement in precarious informal work, though only English language level appears to be driving the existence of workplace violations for those with full-time jobs. These models, however, once again do not uncover a significant independent role for gender regarding these relationships. This multivariate analysis may be masking

10 Results presented herein are statistically significant to the .05 level according to chi-square independence tests.

11 These findings are also significant at the .05 level according to the multinomial logistic regression.

an important role played by gender in that it is the very intersectionality (the interconnectedness) of variables working together like ethnicity, gender and English language ability that suggests that gender not be dismissed here.

Table 1: Logistic Regression Models: Sig. Values
(Full results in Appendix)

	Model 1 Dependent variable = insufficient employment (works full-time but HH earns < \$30k/yr)	Model 2 dependent variable = workplace violations (work full-time, at least one workplace standard not met)	Model 3 dependent variable = precarious informal work (works informal job but cannot make ends meet)
Men	0.241	0.352	0.253
Bangladeshi	0.014	0.064	0.003
Chinese	0.006	0.072	0.001
Somali	0.124	0.274	0.625
English advanced	0.821	0.066	0.041
Constant	0.004	0	0

Clearly, immigrant background/ethnicity (Chinese versus Bangladeshi¹²) plays a role in mediating employment type held and employment well-being. Further targeted, in-depth research is required to uncover the dynamics behind ethnically-distinct employment outcomes; this should be the focus of future studies. The results point to the fact that ethnicity and/or racialization are experienced differently and unevenly by various segments of society. The role of English proficiency, by contrast, is easier to make sense of. Clearly, poorer English skills translates into greater employment precarity and a high incidence of employment standards abuses, like employer wage theft (Milkman, 2015, 165). Some employers exploit the lack of English language strength of immigrant populations to break workplace rules, confident that workers are either unaware of their rights or too afraid to report employers to authorities (Kerwin & McCabe, 2011). Indeed, our data reveal that six in

12 The Somali sample for the survey was not large enough to derive a statistically significant reading.

ten (59%) of respondents believed it is likely that their future employment would be negatively affected if they were to raise employment rights or health and safety issues concerns with their current employer. Problems communicating in the working language of English also push immigrant workers out of the formal labour market into the shadow economy where they are in greater danger of exploitation (Akter, et al., 2013). Immigrant men and women are both vulnerable but our sample points to women as having overall weaker English language skills than men, heightening their risk. The need for stronger employment standards legislation, accompanied by strong enforcement, is among the public policy implications of these findings, as is the need for more investment in immigrant language training with targeted programs for women.

CONCLUSION

This paper provided an analytical perspective on the economic experiences of ethnically/racially identifiable immigrants in urban Canadian cities with two approaches. The first approach provided a critical evaluation of the relevant literature that illustrated the nature of the informalize economy generally, the role of immigrants within that spectrum, and the relationship between informal economic activity and the increasing precarity found in jobs in Canada today and around the world. The second approach leveraged empirical findings from a unique survey conducted in three ethnic enclaves in East Toronto – Bangladeshi, Chinese, and Somali. It has found that the drastic increase in precarious work – poorly paid, insecure, and lacking in employee protections – correlates with the rise of dependence on informal work by immigrants, a scenario reinforced by prevailing neoliberal ideologies.

The literature pointed to a relationship between gender and economic outcomes, finding that women are particularly burdened by an increasingly precarious job market. The data presented from the East Toronto immigrant survey, however, also demonstrate a strong correlation between economic outcomes and the variables of ethnicity and English language level. Bangladeshi immigrants are faring better than their Chinese counterparts. Strong English speakers fare better than those with poorer English language skills. These two variables are linked; many more Bangladeshi immigrants arrived in Toronto with stronger English skills than the Chinese immigrants surveyed. Similarly, though the data did not show this driver, gender is strongly linked with ethnicity and language skills. These variables intersect; men were much more likely in the survey to indicate they had advanced or high intermediate English skills, for example. Indeed, given the political economy of immigrant

selection, and the structure of the family, women are at a distinct disadvantage that is connected to the intersection of gender, language, and ethnicity. The study also demonstrates that women are experiencing job precarity differently from men, largely because they are employed in different types of work. They also report higher levels of experience of discrimination in the workplace and report worse health outcomes. Given these results, further in-depth study is needed to more clearly see the full picture of the vulnerability of women in the labour market. The intersectionality of these variables is difficult to tease out but the literature and data point to a troublesome experience for immigrant women that merits targeted public policy attention.

APPENDIX: REGRESSION TABLES

TABLE 1

Logistic Regression: dependent variable = **insufficient employment**
 (works full-time but HH earns < \$30k/yr)

		B	S.E.	Wald	df	Sig.	Exp(B)	95% C.I.for EXP(B)	
								Lower	Upper
Step 1a	Men	-0.282	0.241	1.376	1	0.241	0.754	0.47	1.209
	Bangladeshi			8.586	2	0.014			
	Chinese	-0.697	0.252	7.659	1	0.006	0.498	0.304	0.816
	Somali	-0.731	0.475	2.37	1	0.124	0.482	0.19	1.221
	English advanced	-0.057	0.252	0.051	1	0.821	0.945	0.577	1.547
	Constant	-0.74	0.258	8.258	1	0.004	0.477		

TABLE 2

Logistic Regression: dependent variable = **workplace violations**
 (work full-time, at least one workplace standard not met)

		B	S.E.	Wald	df	Sig.	Exp(B)	95% C.I.for EXP(B)	
								Lower	Upper
Step 1a	Men	-0.3	0.323	0.867	1	0.352	0.741	0.394	1.393
	Bangladeshi			5.512	2	0.064			
	Chinese	0.614	0.341	3.248	1	0.072	1.848	0.948	3.604
	Somali	1.152	1.053	1.197	1	0.274	0.316	0.04	2.49
	English advanced	-0.713	0.388	3.379	1	0.066	0.49	0.229	1.048
	Constant	-2.024	0.371	29.794	1	0	0.132		

TABLE 3

Logistic Regression: dependent variable = **precarious informal work** (works informal job but cannot make ends meet)

		B	S.E.	Wald	df	Sig.	Exp(B)	95% C.I.for EXP(B)	
								Lower	Upper
Step 1a	Men	-0.352	0.308	1.306	1	0.253	0.703	0.384	1.286
	Bangladeshi			11.738	2	0.003			
	Chinese	1.209	0.365	10.955	1	0.001	3.349	1.637	6.852
	Somali	0.334	0.684	0.239	1	0.625	1.397	0.365	5.343
	English advanced	-0.776	0.381	4.159	1	0.041	0.46	0.218	0.97
	Constant	-2.305	0.391	34.833	1	0	0.1		

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Lived Experiences of Unemployed Women in Toronto and Halifax, Canada Who Were Previously Precariously Employed

*Leslie Nichols*¹

ABSTRACT: Over the past few years, there has been an increase in the number of workers in Canada who are not in standard employment relations but are instead in contract, part-time, or otherwise precarious employment. At the same time, the neoliberal policy paradigm has replaced the belief that we should support workers through full-time stable employment with an idea that labour can be utilized whenever and however required, as dictated by the economy's needs. The detrimental effects of neoliberal market policies are well known. Further exploration is needed on the differential impacts of these policies on women with intersectional identities, particularly in an era of increasing employment precarity. Based on a qualitative study of unemployed women's lived experiences in Toronto and Halifax, this article explores the issues surrounding unemployment, including financial impacts, job searching, retraining, and health impacts of unemployment and employment precarity. The results were analyzed using intersectional and grounded theory. The study concludes with key results related to the impact of precarity in the labour market: Neoliberal erosion of the welfare state is manifested in a lack of supports for workers.

KEYWORDS: Precarious Employment, Women, Unemployment, Toronto, Halifax

Unemployed workers in Canada expect to have access to unemployed workers' supports because they have paid Employment Insurance (EI) premiums. Many have been unable to do so since 1996/1997, however, when Unemployment Insurance (UI) became Employment Insurance. This modification led to stricter regulations and rules, notably in the number of hours required to qualify for supports (MacDonald, 2009a, 2009b). Not everyone has been impacted to the same degree by the changes. Those most impacted have been individuals from lower socio-economic levels in

¹ Leslie Nichols is currently a Visiting Researcher at Osgoode Hall Law School. Dr. Nichols' research focuses on the social conditions of women in Canadian society through feminist theory and methods, with a focus on women workers in Canada. The author would like to thank the editors of this volume, Carlo Fanelli and John Shields, and the anonymous reviewers for their helpful suggestions.

society, particularly women, who as a result of their traditional role in the household have been more impacted than men (Nichols, 2014a, 2014b; McGregor, 2004; Silver, Shields, Wilson, & Scholtz, 2005; Silver, Wilson, & Shields, 2004). Household demands make it more complicated for women to access and remain in the labour market (Shields, Silver, & Wilson, 2006; Silver et al., 2005; Townson & Hayes, 2007).

To follow up on this line of inquiry, in 2013 I conducted a study of the lived experiences of unemployed women with intersecting identities that included: being precariously employed prior to the period of unemployment; being a single parent, a parent of a child, or a parent of multiple children; caring for parents; lacking a partner's income; having a precariously employed or unemployed partner; having a racialized identity or immigrant status; and having various gender, class, and age.² These multiple identities bring attention to diversities and inequities in women's working lives. I interviewed 15 participants from each region to probe the socio-economic and psychosocial impacts of Canadian unemployed workers' supports, notably financial and health implications. Two main findings related to precarious employment resulted from this study. First, the neoliberal policy paradigm has eroded state infrastructure, leading to a paucity of supports for unemployed women workers. Second, unemployed women not only face poor EI support, but also have inadequate supports in relation to childcare, health care, retraining, and re-entering the labour market. As a result, many women experience inadequate living conditions if they do not have a domestic partner upon whom they can rely. Notably, women's health is negatively impacted regardless whether they are precariously employed or unemployed, and they develop insecurities because of their inability to plan for the future, their limited income, and the poor health-care benefits they receive. Ultimately, neoliberal market policies place women in jeopardy, especially those with specific intersectional identities.

WOMEN'S EMPLOYMENT IN CANADA

More women are working in Canada today than four decades ago, despite gender roles and the division of labour in the household. In December 2013, 67.6% of Canadian men and 58.3% of Canadian women were employed (Statistics Canada, 2014a). In comparison, 72.7% of Canadian men and 41.9% of Canadian women were employed in 1976 (Ferraro, 2010). Yet, despite the increase in their employment numbers,

² These identities were the identities presented by participants. While there are many other identities (such as disability, etc.) to explore in a study related to access to EI policy, the participants did not focus on these other identities.

few women are able to access unemployment supports when they lose their employment. Two segments of the labour market, the primary and secondary labour markets, have structured the labour supply through a variety of social differences (Gordon, Edwards, & Reich, 1982). Peck (1996, 46) noted that “segmentation theory holds that social space of the labour market is not only divided into submarkets . . . but also that the rules governing the behaviour of the labour market differ from one segment to another.” Better working conditions, better jobs, higher income, secure employment, and possibilities for promotion exist in the primary sector (Krahn, Lowe, & Hughes, 2008; Peck, 1996; Reich, Gordon, & Edwards, 1973), while the secondary sector incorporates the fewest desirable jobs, with poor wages and working conditions as well as job insecurity (Krahn et al., 2008; Peck, 1996). Women have generally been employed in the secondary labour market as a result of their presumed domestic duties (Peck, 1996), while men have had more access to the primary labour market. This is notably due to the impacts of household labour that, despite legal changes in relation to policies, the majority of women still complete (Teghtsoonian, 1996).

Not all female workers desire to be attached to the labour market, though they generally are compelled to work due to a lack of resources, which limits their ability to choose. Women in the middle and upper classes, however, often by virtue of having spouses with high incomes, have more resources that enable them to decide whether they want to participate in the labour market, and if so, to what degree (Little, 2004). To address this social inequality, resources should be made available to women, including federal universal child care, so that *if* they choose to work, they will be on an equal footing in the labour market (Little, 2004).

Changes from UI to EI. UI was introduced in the early 1940s in response to large-scale unemployment caused by the Great Depression. The program was administrated by the federal government, which contributed 20% of the combined employee and employer contributions to the program (Lin, 1998). The goal of the program was to provide financial assistance during times of unemployment (Lin, 1998). Initially, UI eligibility was based on the number of weeks worked during the year prior to the claim. Depending on the region, the claimant was required to have worked between 12 and 20 weeks, with at least 15 hours of work per week (Townson & Hayes, 2007). A claimant’s benefits were based on the total hours of work during the previous year and the total earnings for that year (Nichols, 2012; Townson & Hayes, 2007).

UI was replaced by EI in 1996/1997. The main policy changes included an increase in the number of hours required for receiving

benefits and a decrease in the benefit payouts. The change in the number of required hours meant that a worker would have to demonstrate 180 days of paid labour, based on a 35-hour week, within the last two years, twice the number of paid hours that had been required before the benefits were modified (Townson & Hayes, 2007). Taking inflation into account, the average EI claimant received \$514 per week in 2014, compared to the \$595 per week that the average UI claimant received in 1995 (Battle, 2009; Government of Canada, 2014). The changes in EI had noticeable impacts. For instance, only 39% of unemployed workers were approved for EI benefits in 2009, while 83% had been approved in 1990 (Mendelson, Battle, & Torjman, 2010).

Growth of Non-standard Employment and its Impacts on Workers.

Over the past few years, the number of workers who are not in standard employment relations, but instead are in contract, part-time or otherwise precarious employment, has increased (Chayowski & Powell, 1999; Joshi, 2002). As in a recent study that examined precarious employment (Pepso, 2013), this study incorporates a wide range of forms of employment. As such, precarious employment is not solely defined as being low-wage work, but as any work that has some form of precarity. As a result of widespread changes in the economy (which are often related to new technologies), work has become more unstable and precarious. Furthermore, the neoliberal policy paradigm has replaced the belief that we should support workers through full-time, stable employment with an idea that labour can be utilized whenever and however required, as dictated by the economy's needs. In Canada, 20% of the workforce is currently in non-standard employment relationships, such as short-term and precarious contract work (Pepso, 2013). Townson and Kevin Hayes' (2007) study suggests that 30% of Canadian men, compared to 40% of Canadian women, are working in precarious employment relationships (see also Chayowski & Powell, 1999; Pupo & Duffy, 2003).

The inequities resulting from precarious employment are summarized in the Pepso's recent (2013) report for the Greater Toronto Area: Precariously employed workers (a) earn about 46% less than those in steady full-time employment, resulting in household incomes that are 34% lower than their full-time-employed counterparts; (b) face income variability; (c) rarely receive any benefits related to employment; (d) experience few opportunities for progress or promotion within their current employment relationship; (e) often face many weeks of no income; (f) ignore health and safety concerns due to concerns about the future of their jobs; (g) are subjected to more employer monitoring; (h) often hold more than one job; (i) commonly work on call; and (k) often have to pay for

their own training in the workplace. The increase of precarious employment in Canada over the past two decades is associated with a lack of job security, income polarization between the upper and lower classes, and an intensified working life (Mikkonen & Raphael, 2010). The Organisation for Economic Co-operation and Development (OECD) has noted that Canada has poor employment protection, with only limited employment regulations and benefits for temporary workers. In fact, Canada was ranked 26th out of the 28 OECD nations for employment protection (cited in Mikkonen & Raphael, 2010), which illustrates the plight that these workers face in neoliberal Canada.

Women and the Transition from UI to EI. EI policy does not acknowledge the range of reasons why someone may be unemployed (Cooke & Gazso, 2009). Consequently, women are impacted when they temporarily leave the labour market to raise children (Cooke & Gazso, 2009; Townson & Hayes, 2007). Canadian workers are viewed as reentrants or new entrants to the labour market if they have been not attached to the labour market for a period of time. This stipulation means that they are not credited with any of the hours they worked before the period when they were not attached to the labour market. Furthermore, they are required to have worked 910 hours during the previous 52 weeks to claim EI benefits (Townson & Hayes, 2007). This stipulation limits individuals' ability to access EI benefits even though individuals need these benefits to support their efforts to reenter the labour market (Bezanson & McMurray, 2000).

THEORY AND METHODS

During 2013, I completed a qualitative interview study with 30 diverse women participants: 15 from Toronto and 15 from Halifax. This study was designed to explore the various ways that women deal with unemployment through a qualitative analysis. The study focused on lived experiences since becoming unemployed, but it was also designed to comprehend the reasoning behind (Bryman & Teevan, 2005) the decisions participants made when they were unemployed. From each region, 15 participants were interviewed to explore the psychosocial and socio-economic impacts of being unemployed in Canada. Within Toronto and Halifax, participants were recruited through research advertisements in a variety of social service agencies. This article focuses on participants who were previously employed in precarious employment relationships prior to their unemployment. Therefore, 23 interviews were explored for this purpose.

The most significant part of this study is its exploration of the effects of EI policy on the lived experiences of unemployed women in Canada. The study's main focus was on unemployed women between the ages of 25 to 40 years of age who were caring for children or adult dependents. The study explored the lived experiences of unemployed women in the two cities who had a broad range of intersecting identities (See Appendices A and B). The use of a variety of levels of identity analysis is central to a new development of intersectionality that notes the significance of multiple-level analysis to an inclusive social theory (Nichols, forthcoming; Scheibelhofer & Marotta, 2010).

The study concluded with two main findings concerning the experiences of becoming unemployed while caring for children or having dependent adults, either siblings or parents. The first finding is related to the erosion of state infrastructure: There is a lack of supports for unemployed women workers, and they also face difficulties owing to a lack of supports extended through social programs and supports in the areas of health care, childcare, retraining, and reentering the labour market. As a result, many of these women face inadequate living conditions unless they have a supportive domestic partner. Second, precariously employed and unemployed women experienced a negative impact on their health. They had to cope with insecurity in both situations, including having to live on a limited income, not having adequate health-care benefits, and not being unable to plan for the future. Thus, neoliberal market policies place women in jeopardy, especially those who are caring for children or adult dependents and who have intersecting identities.

There has not been much research on the use of intersectionality as a method (Denis, 2008; McCall, 2005). My study built on the research of McCall (2005) and Hancock (2007) and used intersectionality as a method to illustrate the importance of context specificity and the fluidity of identities (Nichols, forthcoming). The main insight of intersectionality theory is that there is not one salient identity; rather, the impacts of identities are context dependent. In addition to using intersectionality as the research methodology, I coded the responses in my study using grounded theory (Charmaz, 2004). This involves coding data with an eye to generating new concepts to guide the critical analysis (Majjala et al., 2003). Grounded theory helps establish a strict set of rules for analyzing qualitative data (Charmaz, 2004, 96). In grounded theory the researcher will: "Start with individual cases, incidents, or experiences and develop progressively more abstract conceptual categories to synthesize, to explain, and to understand your data and to identify patterned relationships within it. You begin with an area to study. Then, you build

your theoretical analysis on what you discover is relevant in the actual worlds that you study within this area.” (Charmaz, 2004, 497). Grounded theory helps move qualitative research from narrative or thematic analysis to more carefully defined methods, similar to quantitative methods (Bryman et al., 2012; Charmaz, 2004).

FEMINIST EPISTEMOLOGY

Feminists have critiqued social policies because they are based upon and perpetuate unequal gender roles, assumptions, and social relations. Socialist feminists were among the first to analyze the ways in which forms of oppression interact and connect, with a focus on social class and gender (O’Connor, 1996; O’Connor, Orloff, & Shaver, 1999). Socialist feminists also noted the need to address other forms of marginalization, beyond improving access to the labour market, changing the division of household labour, and ensuring the capability to have and maintain an autonomous household. We need to push the analysis further to explore how different social categories and identities are affected by social policies. The change from UI to EI policy, for example, has marginalized some individuals in the Canadian population more than others, including those living in poverty, immigrants, and racialized individuals.

Starting in the 1980s, third-wave feminists noted that gender is not the salient reason for inequality and that there are instead many other reasons that are related to the creation of identities (Tyyskä, 2007). Tyyskä noted that “multiple feminisms associated with this most current wave attempt to address women’s local and specific experiences, with an emphasis on the interpretations of the women themselves” (2007, 378). These research endeavors occurred before the term *intersectional* was coined (Walby, Armstrong, & Strid, 2012) by U.S. scholar Kimberlé Crenshaw in 1989. The aim of Crenshaw’s study was to explore employment-related issues among black American women. Crenshaw noted that in critical race theory and traditional feminist theory, one’s identity was seen to be a privilege (Crenshaw, 1991). Ludvig (2006) argued that gender is only comprehended where it is coined, due to context (time and place; see also Acker, 2012; Shields, 2008). Therefore, intersectionality theory is important and relevant, because it espouses the notion that everyone has many significant parts of their identity, all of which are affected by relations in the social world (Garry, 2011).

Scholars engaging in intersectional projects note, understand, and analyze the intersections among different forms of identity, including race, class, and gender, taking all of these as “fundamental traits” (Hindman, 2011; Manuel, 2007). Using this approach, researchers explore

the many different social locations where individuals experience oppression within society, along with the structural systems of power that help marginalize individuals through forms of exclusion and inclusion (Hankivsky, 2007). Thus, this approach enables us to comprehend a wider range of experiences within society (Christensen & Jensen, 2012; Phoenix & Pattynama, 2006). The key theoretical argument of the intersectional approach is “that identity is not additive, fixed, or multiple, but rather that the coming together of race, gender, sexuality, class, and other factors creates distinct wholes” (Boris, 2012, 1).

Although intersectionality was first developed in feminist studies, it has traveled across disciplines (Christensen & Jensen, 2012; Denis, 2008). This approach has been taken by a variety of scholars, leading to many different methods and research studies (Acker, 2012; Bilge & Denis, 2010; McCall, 2005), all of which demonstrate its interdisciplinary nature (Shields, 2008) and complexity (McCall, 2005). Therefore, it is not surprising to see it used in various ways (Phoenix & Pattynama, 2006); indeed, *intersectionality* has been called a “delightfully novel but irritatingly ambitious” term (Davis, 2008, 79). At the same time, it is also not surprising that scholars have noted and are beginning to address the “limitations, implications or slipperiness of intersectionality or question its focus” (Garry, 2011, 826).

The intersectional approach is explored with many different methodologies (Acker, 2012). Quantitative methods use intersectionality to examine hidden issues that can be the basis for further exploration (Covarrubias, 2011). The quantitative approach has a weak premise, however, as it depicts identities as an additive phenomenon. Doing so does not capture the agency of the individuals being studied. I approached my interviews using an approach grounded in intersectionality theory, because it provides “a clearer picture of the way the intersections of identity impact individuals’ access to social policies, and, indeed, to full social citizenship” (Nichols, 2013, 234–235). A fuller understanding of individuals’ lives, choices, and decisions can be developed through the use of intersectionality (Manual, 2007).

COMPARING ONTARIO AND NOVA SCOTIA

The combination of Ontario and Nova Scotia provides an interesting case study for comparing EI benefits in traditional “have” and “have-not” provinces. In the past, Ontario was a “have” province with high levels of employment. Because of this status, the province paid federal transfers to “have-not” provinces, such as Nova Scotia. A significant difference between the two provinces lies in the work patterns. Ontario has

traditionally had high levels of employment in manufacturing. Workers employed in this sector often hold standard full-time jobs. In Nova Scotia, employment has traditionally been in large fisheries that typically provide precarious seasonal employment (Porter, 2003). Since EI policy is regionally based (Radmilovic, 2011), the history of manufacturing and fishing industries in these two labour market regions allow for an interesting exploration of EI policy. This study explored the largest city in each province: the Greater Toronto Area (GTA) and the Halifax Regional Municipality (HRM).

Economic comparisons provide a good starting point. During December 2013, unemployment in Canada was 7.2% (Statistics Canada, 2014a). The unemployment rates in Toronto and Halifax were higher: 9.2% and 7.9%, respectively (Statistics Canada, 2014a). During November 2013, 512,330 unemployed workers in Canada processed claims for EI benefits, a decrease from 514,220 in July 2013. The number of claimants in Ontario for this period decreased from 162,060 in July to 152,120 in November 2013. The number remained about the same between September and November 2013. The number in Nova Scotia was stable between July and November 2013, beginning at 27,020 and ending at 27,990 (Statistics Canada, 2014b; see Table 1). Halifax has traditionally had higher seasonal unemployment due to closed fisheries during the winter season. Despite research strongly indicating that seasonal unemployment is better supported by EI programs than precarious employment (Van Audenrode, Fournier, Havet, & Royer, 2005), it is still easier to make a claim in Toronto than in Halifax (Pepso, 2013). The number of hours required to receive EI benefits in Toronto is 530, while in Halifax it is 630 (Canadian Economic Insurance Commission [CEIC], 2012). Differences in hours of employment requirements are tied to regional rates of unemployment. In areas where unemployment rates are 6% or less, the number of required hours to qualify for EI are 700; for areas with 9.1 to 10% unemployment rates, the requirement is 530 hours, and for 13.1% or more the cut off is 420 hours.

Table 1: Number of Claimants for Employment Insurance, July to November 2013

	2013-07-01	2013-08-01	2013-09-01	2013-10-01	2013-11-01
Canada	514,220	516,900	512,340	511,060	512,330
Ontario	162,060	160,420	152,330	151,730	152,120
Nova Scotia	27,020	27,210	27,620	27,550	27,990

Note. Numbers are actual figures of individuals receiving EI benefits. Adapted from Employment Insurance program (EI) beneficiaries receiving regular income benefits by province, declared earnings, sex and age, seasonally adjusted, monthly (persons), CANSIM Table 276-0022, by Statistics Canada, 2014. Ottawa, ON: Statistics Canada.

DISCUSSION

Impact of Precarious Employment on Work and Unemployment. Seven of the participants from Toronto had previously worked in standard employment, while 8 had worked in precarious employment, including working as an educational assistant, a retail sales associate, a personal support worker, a program coordinator and counsellor, a customer service representative working through an agency, an administrative assistant working through an agency, and a tax consultant working through an agency. Two participants from Halifax had worked in standard employment and 13 in precarious employment, including working as a contract teacher, a hair stylist, a financial clerk working through an agency, an international program officer, a waitress, a retail sales associate, and an early childhood educator.

Significantly, those who had previously worked in standard employment were approved for EI benefits. Previous precarious employment, however, was not a sufficient reason for denying benefits. In fact, nine participants from Halifax who had worked in precarious employment were approved for EI benefits, because of the type of precarious employment in which they had engaged. For instance, Jessica from Toronto had worked multiple jobs as a way to support herself and her family: She had held both an educational assistant job and a retail sales job. She indicated that this was how she supported herself and that

she was now concerned about having to return to work with a child to care for and support. She was hoping to find a full-time educational assistant job with a nearby school board for the employment income, guaranteed hours, and benefits. Participants who were able to work almost full-time hours on a contract, for instance, three participants who had been casual teachers, were able to acquire enough contract hours for EI approval. Seven other participants also worked on temporary contracts that allowed them to acquire enough hours to be approved for EI benefits. Many participants who had been precariously employed noted that they had also been previously unemployed at some point. For instance, Danielle said: “I have been working pretty much since just before I turned 16 at various jobs growing up through high school and university. I’ve been on unemployment off and on...I haven’t jumped from job [to job]...like I’ve worked for a job for about two or three years and then I’d be off for like a month and then start a new job for a few years.”

Only five participants, three from Halifax and two from Toronto, noted that this was the first time they had been unemployed. Yet these five participants had all previously worked in precarious employment relationships. In fact, the reason why this was the first time they were unemployed seems to have more to do with their age and when they earned their educational credentials. Four of these participants were younger workers, all under the age of 31. Therefore, one might argue that if they were older, they could have experienced a number of periods of unemployment. Susan, the fifth worker who was unemployed for the first time, was an older worker at 38 years of age – but she was new to the teaching field, as she had recently completed her teaching degree. Similar to the younger workers who were experiencing unemployment for the first time, Susan was a new worker in the teaching field despite her age. In sum, it may be that precarious employment a common employment relationship for mothers attempting to deal with the lack of a social policies that support women and their children, and that young women and those who are new to their profession often face precarious employment. It therefore seems that new junior positions within different sectors of the economy are very unstable and that it is a difficult rite of passage to attain a better full-time and stable job within the labour market.

Women’s caregiving role was one identity that impacted the form of employment the study participants had prior to their unemployment. All of the participants who were previously employed were caring for a family, and two participants were caring for their parents. The participants who were caring for their children had different numbers of children. For

instance, six participants from Halifax and four from Toronto were each caring for one child; one participant from Halifax was caring for two children; another had one child and was expecting a second; and three participants from Halifax and two from Toronto each had three children. One participant had twins, and another had children born close together. Having children, particularly, multiple children or children close in age can lead to a more intensified double shift for working women. As well, it can lead to fewer leisure hours. Thus, women's caregiving role had a significant impact on their other identities arising from their previous precarious employment.

EI Benefits. Participants in the study had substantially different experiences when applying for EI benefits. Within this study, of those who were precariously employed in Halifax (13 participants), 3 participants were denied EI benefits, and in Toronto (10 participants) 4 participants were denied EI benefits and 3 did not apply because they knew they would not qualify. Those who did apply, whether denied or not, recounted difficulties in obtaining support from Service Canada staff and with the online application form. In addition, many of the participants' previous employers had delayed forwarding a Record of Employment (ROE) to Service Canada, a situation that often necessitated numerous calls to both their previous employers and Service Canada. Others who worked multiple jobs had to determine by themselves what their highest paid workweeks were, as these are needed for calculating EI benefits. For instance, Claire from Halifax, a contract teacher with irregular hours at different school boards, had to determine which weeks of employment would maximize her EI benefits. Also, many of Claire's paycheques had inadequate hours listed on them, because of a human resources problem at the school board where she worked. These ongoing errors resulted in Service Canada receiving an incorrect listing of her weekly work hours. She had to visit Service Canada repeatedly and make multiple calls in hope that they would approve her for EI benefits. Jessica from Toronto also experienced a delay in benefits that her employer had caused. When she visited her previous employer in preparation for approval from Service Canada, the employer informed her that they could not give the ROE to her directly; instead, they would forward it to Service Canada as soon as possible. This policy lengthened her waiting time for benefits.

These participants had identities with open and fluid connections to one another that resulted in difficulties during the application process. The study participants who had difficulties obtaining EI benefits had previously worked in precarious employment. Precarious employment has become a more common labour market attachment in the Canadian

market. It leaves workers at their most vulnerable in the labour market, and yet many are denied EI benefits.

Financial Insecurity and Unemployment. Financial insecurity was a common theme throughout my study. Many participants noted that the first impact of unemployment was a lack of money. Sarah from Toronto clearly articulated this, saying that “everything [is] related to money.” Danielle in Halifax noted: “Yeah. I can money manage like the best of them, it’s what I did for years, but when the income does not meet the output of what we need, there’s just...It’s impossible to manage a budget when there’s not enough income to pay the bills.” Sarah’s and Danielle’s words illustrate the general feelings shared by all participants in the study.

All participants suffered from the same initial difficulty in maintaining financial security through employment, since they also cared for children or other dependents. As such, these participants strongly believed that their main priority was their dependent(s), which led them to do what was expected of them at home while simultaneously trying to achieve financial security. For instance, Jessica, a racialized woman from Toronto, noted: “Now I am buying for two. When I do have money but it is not enough, I do have to think about my son first because he has to eat, so if it is about him getting his formula over me, then so be it. Because, I mean, he is a baby, he was not asked to be born to this world to suffer. It is my responsibility to take care of him to make sure he is doing well.” Similarly, Tina, a lower-income woman from Halifax, said: “I go without new clothes and food at times...if it allows my children to eat. They have no choice, but I have to help them. They are too young to understand. I need an income to pay the bills...I have maxed out my credit. I do not know what I am going to do. I need to support my family...I am worried.” Through these examples, we can see that the participants’ roles as caregivers were significant in their view. Thus, their financial security also rested on the ability to support their children or other dependents – and this applies to all participants in the study.

Unemployment and its Health Implications. Despite reports about some health improvements following employment, a majority of participants noted that they had developed health concerns during their period of unemployment, ranging from a decrease in physical health to deteriorating mental health. Eighteen participants in total referred to a deterioration of their health while unemployed: 10 from Toronto (Jules, Jessica, Ann, Janet, Jennifer, Emily, Hilary, Carolyn, Nancy, and Brooke) and 8 from Halifax (Stephanie, Kathryn, Danielle, Erica, Sharon, Susan, Stella, and Tina), despite all of them having different unemployment

durations. The duration of unemployment at the time of interview ranged from 1 month to seven years in both Toronto and Halifax. Among the Toronto participants, Janet was unemployed for 2 and a half months, as were Kate and Carolyn (3 months), Brooke and Helen (4 months), Sarah (5 months), Laura (7 months), Jennifer and Jessica (8 months), Diana (9 months), Nancy (10 months), Hilary (two years), Emily (four years), Jules (five years), and Ann (seven years). Among the Halifax participants, Meghan was unemployed for 1 month, as were Claire and Mary (2 months); Sharon and Susan (3 months); Lois, Kathryn, and Victoria (4 months); Tina (5 months); Sophia (6 months); Stephanie (9 months); Danielle (10 months) Erica (13 months); Stella (14 months); and Amy (two years). Thus duration of unemployment was not a salient factor for the development of health concerns; what mattered was the unemployment itself.

The prior employment relationships that these workers had were all precarious, except for those of Jennifer and Helen from Toronto. Jennifer was the manager of a restaurant that closed down. She was married with three children and her income was low, at \$19,000 to 34,999 a year. Thus, the stress of low prior income combined with the demands of multiple children, compared to Helen being single while caring for aging parents, produced similar stress-related health care concerns. In sum, experiences while employed have a more salient impact on a worker's health while unemployed, while caring responsibilities may have compounded this effect.

Women who were previously precariously employed suffered from unemployment-related stress as a direct result of their form of employment relationship. The women in the present study, similar to the ones in Pepso's (2013) report, previously suffered from a lack of money and supports, and not knowing whether they had a secure future. As a result, since wages are related to hours worked, many of these precarious workers were not eligible for EI, which further compounded their difficult financial situation. Jessica noted that her employment situation was difficult and made it hard to plan for her future: "I am praying, because I am a casual employee, that the job is still there. Hopefully positions will be open for permanent because I need benefit[s] because I have a baby and medication and things...This would be really helpful plus the pay would be better than what I am receiving right now and then I actually know that I am guaranteed my hours for the week." Similarly, Lois in Halifax noted the inability to plan for her family's future: "It just seems that, I don't know if it's just a bad string of luck that I've had in sales, and jobs I have had were either only temporary jobs or company shut down. Or like

my most recent, they just, they cut out the department I was working in completely. And I just kind of want something that I can make a career out of and know that okay, this is what's going to happen, this is what I'm trained in, and if something happens with this company I have no problem moving to the next one. I want to know my future."

Thus, the main concern for these women was the precarious nature of their previous employment. They were concerned that despite the potential of finding employment, they could be right back into a similar position, including the ongoing stresses in both their employed and unemployed lives. In sum, the participants' identities of having precarious employment and low-income status impacted how they experienced work, and this, in turn, impacts the length of their unemployment, leading to health complications. This study strongly suggests that within neoliberal markets, workers experience precarity and uncertainty, regardless whether they are employed or unemployed. These workers have limited knowledge about their future, live on a reduced income, and have ongoing concerns about their future. Thus, their health situations are similar, whether employed or unemployed.

CONCLUSION

The numbers of workers who are not in standard employment relations but instead are in contract, part-time, or otherwise precarious employment are increasing. In addition, the neoliberal policy paradigm has replaced the belief that we should support workers through full-time stable employment with an idea that labour can be utilized whenever and however required, as dictated by the economy's needs. In my study, 23 participants worked in precarious employment relationships, 8 from Toronto and 13 from Halifax. Individuals who work in precarious employment relationships suffer from a lack of money and benefits, and often hold multiple jobs (Pepso, 2013). All of these known effects of precarious employment impacted this study's participants while they were employed and unemployed. These women tended to be willing to accept any form of employment and had limited financial resources to live off of while unemployed, mimicking their employment situation. They also had health concerns prior to their unemployment that remained during their employment, due to difficulties in accessing health resources.

Most participants in this study would have had a better chance at attaining UI benefits than they had at getting EI benefits, and the UI benefits would have provided more support. Through an exploration of participants' identities and structural conditions, I was able to determine where and how EI policy is not supporting these unemployed women, such

as the lack of support for caring for children or dependents, health care and medical benefits, and a general lack of financial support. Thus, even though intersectionality theory can be time-consuming and challenging to use in research analysis, it allows us to address fluid realities, personal identities, power relationships, and material conditions (Manuel, 2007).

Policy analysts need to adopt an approach to understanding labour market issues based on intersectionality, which takes into account gender, race, immigration, socio-economic, immigrant, and other identities, in order to identify those areas where EI policy needs to be modified. The detrimental effects of EI policy vary based on identity intersections of immigrant status, parenthood, parenthood of young children, parenthood of children born close together, parenthood of children born as multiples, single parenthood, and racialization, as well as structural impacts, including those coming from the lack of child support and from socio-economic status. Identities are based on context-specific personal and structural circumstances, including single parenthood, and precarious employment before the period of unemployment. These factors significantly impact women's experience when they are in the labour market, as well as when they are temporarily removed from it through unemployment. This study illustrates the need to analyze and change state policies by examining fluid and context-specific identities. As Danielle, a participant in my study, put it, the state EI policy "needs to be customized per situation more...to actually tailor each situation to the person's needs or their situation.

Appendix A: Characteristics of Halifax Participants

Identity	Halifax Participants														
	Amy	Claire	Danielle	Erica	Kathryn	Lois	Mary	Meghan	Sharon	Sophia	Stella	Stephanie	Susan	Tina	Victoria
25 to 29 years old	X	X	X	X		X	X	X	X	X				X	X
30 to 34 years old					X		X					X			
35 to 40 years old													X		
Caucasian	X	X	X	X	X	X	X	X	X		X	X	X	X	X
Racialized										X					
Canadian Citizen	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Permanent Resident															
Income in 2012 \$0 - 18,999									X	X	X			X	
Income in 2012 \$19,000 - 34,999			X	X	X	X	X	X				X			X
Income in 2012 \$35,000 - 44,999	X	X											X		
Income in 2012 \$45,000 - 59,999															
Mother to one child	X	X						X	X	X					X
Mother to two children			X	X	X		X							X	
Mother to three children						X					X				
Mother to four children															
Caring for a parent (mom/dad)												X			
Caring for parents													X		
Precarious employment	X	X	X	X	X	X	X	X	X		X	X	X		X
Previous unemployment															
Married/common-law	X		X	X		X		X		X	X	X	X	X	
single/separated		X			X		X		X						X
EI approval	X	X		X	X	X	X	X		X		X	X	X	X
Did not apply for EI benefits															
EI denial			X						X		X				
Social Assistance					X										
Social Housing															
Partner is unemployed						X									
Partner works in a precarious job						X									
Child Support					X	X	X								
No Child Support									X						X
No post-secondary education											X			X	

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Reality TV's Low-Wage and No-Wage Work

Tanner Mirrlees¹

ABSTRACT: In keeping with this issue of *Alternate Routes'* focus on forms of low-waged and no-waged work, this article focuses on low-waged and non-waged work in the reality TV production sector. How do reality-TV studios try to maximize profits by keeping the costs of making their commodities to a minimum, and how does the push for profit disorganize and devalue labour? This article contextualizes and critiques how reality TV studios try to maximize profits by minimizing production costs in three sections. "Reality TV Producers: Work Behind the Scenes" shows how reality TV's classification as "non-scripted" programming enables production companies to exploit a non-unionized workforce. "Reality TV Celebrities: Work in the Scenes" highlights how reality TV production companies exploit the no-waged labour of "contestant-participants." "Reality TV Interns: Work Behind the Scenes, and In Them" shows how studios use internship programs to get workers to make reality TV programs without pay and how some of these programs glorify no-waged work. The article concludes on a more optimistic note with an overview of reality-TV worker challenges to reality-TV's owners with unionization, strikes, litigation, publicity and discourse.

KEYWORDS: Cultural Industries; Reality TV; Cultural Work; Political Economy of Communication

INTRODUCTION: THE POLITICAL ECONOMY OF REALITY TV

Since the turn of the millennium, the North American reality-TV production sector has grown immensely, and it is a boon to TV networks as they compete for viewer attention, ratings and ad revenue in a period of TV industry transformation (Kraidy and Sender, 2011; Murray and Ouellete, 2009). In the 2001-2002 TV season, reality TV accounted for about a quarter of the prime time network TV audience watching the top ten programs. In the 2007 and 2008 TV season, reality-TV captured about

¹ Tanner Mirrlees is an Assistant Professor in the Communication and Digital Media Studies program at the University of Ontario Institute of Technology (UOIT). His research focuses on the political economy of the global cultural and entertainment industries. He is the author of *Global Entertainment Media: Between Cultural Imperialism and Cultural Globalization*, *Hearts and Mines: The US Empire's Culture Industry* and the co-editor of *The Television Reader*.

three quarters of the audience for the top prime time TV shows; in 2010-2011 season, it took in more than half (Nielsen, 2011). Despite a recent downturn in reality TV ratings (Collins 2014), North American TV networks still load their schedules with reality TV shows like *Big Brother*, *America's Got Talent*, *Duck Dynasty* and *Dance Moms* to collect viewer attention and cash in on advertising revenue (Kraidy and Sender, 2011; Mirrlees, 2013; Murray and Ouellete, 2009).

Reality TV shows are pervasive not simply because viewers demand that TV networks schedule them, but because these shows cost TV networks so much less to acquire from TV production companies than scripted TV shows do (Slocum 2005). And reality-TV shows cost less to buy because they cost less to make. On average, an hour long reality TV show costs a studio between \$350,000 and \$500,000 to make, while one episode of a fictional TV show costs anywhere from \$1 to \$2.5 million (Adalian, 2015; Eidelson, 2013; Gornstein, 2008). That reality-TV is “cheap” to buy and make relative to more expensive scripted TV shows is not surprising, but newsy descriptions of reality-TV’s low exchange-value obscures the asymmetrical power relations between the owners of reality-TV studios and the workers whose labour they employ to make these commodities. At the base of abstract and impersonal market exchanges between TV networks and TV studios and the scheduled flow and happy consumption of the latest *American Idol* or *Dancing With the Stars* knockoff, is the exploitation of human labour. In the capitalist system, especially in this epoch’s post-Fordist neoliberal one, corporations competitively strive to maximize profit on behalf of shareholders and they regularly do this by selling commodities for more than what they pay their workers in wages to produce them. Following this capitalist logic, high profits correlate with low wages (Norris, 2014).

The capitalist profit motive is full blown in the reality TV sector, where big TV networks demand cheap-to-acquire content from reality TV studios, and these studios compete against each other by slashing prices and labour costs. How specifically do reality-TV studios try to maximize profits by keeping the costs of making their commodities to a minimum, and how does this disorganize and devalue labour? This article contextualizes and critiques how reality TV studios do this in three sections. “Reality TV Producers: Work Behind the Scenes” shows how reality TV’s classification as “non-scripted” programming enables production companies to exploit a non-unionized workforce. “Reality TV Celebrities: Work in the Scenes” highlights how reality TV production companies exploit the no-waged labour of “contestant-participants.” “Reality TV Interns: Work Behind the Scenes, and In Them” shows how

studios use internship programs to get workers to make reality TV programs without pay and how some of these programs glorify no-waged work. The article concludes on a more optimistic note with an overview of how reality-TV workers are challenging the power of reality-TV's owners with unionization, strikes, litigation, publicity and discourse.

This paper's critical focus on reality-TV's low and no-waged work builds upon important political economy of communication studies of labour in the cultural industries (Mosco 2009). In general, political economists of communication analyze the "power relations that mutually constitute the production, distribution, and consumption of resources, including communication resources" (Mosco, 2009, 24). Over the past decade, scholars have illuminated the "blindspot" of labour in communication studies with significant research on work in the cultural industries, as well as the experiences of cultural workers (Cohen, 2012; Deuze, 2007; de Peuter, 2014; Hesmondalgh, 2010; Huws, 2010; Mayer, Banks and Caldwell, 2009; Mosco and McKercher, 2008; Ross, 2004; 2009). The cultural industries – all of the companies involved in the production, distribution and exhibition of cultural and informational commodities that convey meaning about the world –are surrounded by promises of "good work" and some jobs in these industries do enable cultural workers to express themselves, flexibly meet their needs by "doing what they love" and control the fruits of their labour (Hesmondalgh, 2010). Yet, research shows that the dream of good work in the cultural industries is often dashed by material conditions marked by class division between a few CEOs and a "reserve army" of workers (Miller et al., 2005), exploitation (Cohen, 2012; Ross, 2009), the corporate control of intellectual property (IP) rights to worker-produced content (Miller et al., 2005), hard Tayloristic managerial strategies that standardize, intensify and speed up the labour process (Huws, 2010), softer techniques that build "humane workplaces" as a way to get workers to actively coordinate their own exploitation (Ross, 2004), creativity automation systems, and the outsourcing of tasks to the new international division of cultural labour (NIDCL) (Miller et al., 2005). Furthermore, political economists of communication have documented how life and labour in the cultural industries tend to be marred by precarity and existential insecurity, as many cultural workers routinely move from short-term contract to contract, never knowing what's coming next or whether or not their labour will be sellable (Cohen and de Peuter, 2013; de Peuter, 2014).

The political-economy of communication method is useful to this article's study of reality TV's low-wage and no-wage work in the following ways. First, it enables a contextualization of the reality TV industry is

part of capitalism, an economic system in which privately owned media companies produce cultural commodities for sale in the market (with the intention of making a profit) instead of for human need using privately owned capital goods (technology) and human labour power (the manual and mental capabilities required to complete tasks). Second, it centers on the asymmetrical power relations between reality TV industry owners and workers and the class conflicts that emerge as result of them. Third, it avoids textual fetishism, or, the tendency to analyze texts sans production contexts, by relating reality TV show texts to the conditions of their production as well as to the lives and labour struggles of the workers who produce them. Fourth, its commitment to a good, equitable and just society enables a moral critique of the reality TV industry's bad, inequitable and exploitative conditions, while also pointing beyond them. In the following three sections, reality TV's real capitalist conditions are critiqued. This article does not break radically "new ground" in the field. But it hopefully offers readers, especially those unfamiliar with the political-economy communications' labour turn, a succinct and pedagogically helpful synthesis of some research about, news reports on and union coverage of reality TV's low wage and no wage work.

REALITY TV PRODUCERS: WORK BEHIND THE SCENES

The first way that reality TV studios keep production costs to a minimum is by exploiting non-unionized cultural workers in labour markets defined by post-Fordist flex work and precarity. Due to the efficacy of its exploitation of labour, the reality TV sector has been conceptualized as "paradigmatic" of post-Fordism's flex production model (Hearn, 2014). Over the course of the 20th century, workers fought and won battles against Fordist-era corporations to establish standard employment regimes and pocket a larger piece of the surplus they generated (i.e. in the form of high wages, benefits and pensions). This Fordist worker-capital "class compromise," however, was rocked to the core in the 1970s and with the onset of political neoliberalism (Harvey, 2007). In response to a profit-squeeze stemming from union militancy and strikes, some of which were motivated by worker efforts to escape the factory's cage of a routinized and standardized "job for life," corporations pushed a shift from a Fordist to post-Fordist flex regime of accumulation (Harvey, 1989).

To consolidate this post-Fordist flex work regime, many corporations pushed against standard employment relations and unions, replacing full-time and secure jobs with regular hours on a relatively fixed schedule with non-standard jobs that were part-time, contingent, insecure and

temporary (Harvey 1989). Post-Fordism's lean and mean flex work regime enables corporations to hire workers on contract and fire them as they like while spatially and temporally dis-aggregating work from one place and time into many spaces and time zones, often diminishing the collective power of workers and outflanking union initiatives to organize and bargain. Across the many sectors of the post-Fordist media and service industries, workers now commonly experience "intermittent employment and radical uncertainty about the future" (Ross, 2009, 4) as well as "financial and existential insecurity" (Brophy and de Peuter, 2007, 180). This post-Fordist work regime is typified by the rise of "freelancing, short-term contracts, internships, solo self-employment, and other unstable work arrangements" (de Peuter, 2014, 266). In this context, corporations strive to keep profits high and labour costs low by flexibly exploiting low to no paid workers who precariously move from contract to contract, task to task, without union protection and zero job security.

For most of TV's history, the production of "scripted programming" (i.e. dramas, sitcoms and soap operas) fell under union contracts, meaning that TV studios had to hire unionized workers if they wanted make TV shows. At present, the Director's Guild of America (DGA), The Writers Guild of America (WGA), the Screen Actors Guild (SAG), the American Federation of Television and Radio Artists (AFTRA), the Casting Society of America (CSA) cover "above-the-line" TV workers while The International Alliance of Theatrical Stage Employees (IATSE) represents "below-the-line" workers and give them a means of negotiating wages, benefits and work conditions with the Alliance of Motion Picture and Television Producers (AMPTP), a lobby for media owners. These unions are intermediaries between the interest of TV owners to maximize profits by reducing labour costs and the interests of TV workers to get equitable wages for their labour, residual payments for the reproduction of the TV content they create and benefits. The relationship between TV unions and TV owners is at times collaborative and at others conflicted. But overall, through collective organizing and strike actions, TV unions have clashed with TV owners and established a barrier to their push for maximal profits. The WGA, for example, has organized three major strikes against TV owners. In 1960 (January 16 to June 10), the WGA went on strike to increase the minimum wage paid to writers for their labour and to ensure that they would receive a fair share of studio revenue accumulated through the lease or sale of movie distribution/exhibition rights to TV networks. In 1988 (March 7 to August 7), the WGA struck to try to get writers fair residual payments for hour-long syndicated TV shows, expand the creative power of writers to shape what actors and directors get hired

and to challenge TV studio strategies for lowering production costs. In the 2007-2008 WGA strike (November 5, 2007 to February 12, 2008), the WGA struck for pay raises relative to TV profits and a cut of what studios accumulated through DVD sales and deals with digital giants (i.e. iTunes, Amazon Video on Demand, Netflix and Hulu.com) (Schechner, 2007).

In the context of ongoing (class) struggles between TV owners and unionized TV workers, reality-TV tipped the balance of power in the favour of TV owners at the expense of workers. Here's how. Reality-TV covers many different TV formats (i.e. game shows, talent competitions, mock documentaries, unscripted dramas, lifestyle episodes and home improvement shows) that mix different tele-visual genre codes and conventions. But what unites all reality-TV shows is their classification as "non-scripted programming." To free themselves from collective agreements and bargaining, TV studios used "non-scripted programming" as part of a "wider industry move toward using non-union, freelance production crews" (Raphael 2004, 129) and consequently, established a "non-union business model with a work force that is underpaid, overworked and made to feel fungible" (Verrone ,2007). The distinction between scripted and non-scripted TV basically split the TV labour market in two. In the first, unionized workers create "scripted" programming; in the second, non-unionized workers make "non-scripted" programming, or "real-TV" (Raphael, 2004; Yglesias, 2006). In the non-scripted sector, TV owners replace unionized directors with precarious production managers and displace unionized scriptwriters with casualized story editors. Workers in this sector get paid less than those in the scripted TV sector, work overtime without pay, lack health insurance and pensions, do not receive residual pay, are denied credits and flexibly move from one reality TV project contract to the next, some lasting weeks, others, many years (Eidelson, 2013; Rendon, 2004; Waxman, 2005).

The non-scripted label, however, obscures how reality TV is quite similar to scripted TV in terms of its labour process (Delgado, 2007; Richmond, 2004; Rupel, 2014; Stradal, 2014). Like many scripted TV shows, reality TV shows entail formats that enable producers to standardize and routinize the labour process. Akin to the procedural scripts of IKEA furniture assembly manuals, reality-TV formats convey the "one best way" to assemble the given TV show. These Taylorize the labour process, breaking it down into steps to be efficiently followed by workers, and they shape the action behind the scenes and the interactions of on-screen hosts and contestants alike. Like the sequences in fictional TV, reality-TV scenes are contrived, shot by a production crew on sets that are built or found (Mohan 2014). If the initially recorded material does not

provide the content from which a compelling story can later be fashioned, sequences are often re-staged and re-shot (Delgado, 2007). Reality TV is supposedly non-scripted, yet, writers, though not recognized as writers, shape what viewers see or don't see. These "story producers," "story editors" and "segment producers" turn hundreds sometimes thousands of hours of source material into compelling twenty-two to forty-four minute narratives with a beginning, middle and end, protagonists (heroes) and antagonists (villains) and conflict-driven action—all typical of scripted TV (Rupel, 2014; Stradal, 2014). They also use Franken-biting techniques to splice together select pieces of footage or sound-bites to create sequential clips of contestants doing or saying things that better fit with the producer's overall vision of the narrative or the story effect they wish to achieve (Waxman, 2005).

Though non-scripted TV is a misnomer, it has helped TV studios and major TV networks outflank and outlast TV union strikes. During the 2007-2008 WGA strike, for example, TV workers refused to write new TV episodes, anticipating that this would shut down TV production, compromise network profits, and compel TV owners to meet their demands. Though the scripted TV sector stopped churning out TV shows, the non-scripted sector kept assembling TV shows and selling them to TV networks, which filled their schedules with reality-TV shows like *American Gladiators*, *Farmer Wants a Wife*, and *My Dad is Better Than Your Dad*. With reality-TV in cue, TV networks drew mass audiences, upped ratings and collected ad revenue (Strachan, 2008). "The strong performance of non-scripted series has network executives brimming with confidence about their anti-strike strategy" wrote a *New York Times* journalist in an article appropriately entitled "Reality TV Is No Lightweight in the Battle to Outlast Strikers" (Carter, 2008). Furthermore, as reality-TV studios competitively raced to the bottom to sate TV network demand for a glut of cheap TV shows, the WGA strike arguably helped major TV networks save money they would have otherwise spent on scripted TV programming. Leslie Moonves, CBS's CEO, commented: "We have added a number of reality programs" and "costs will be down considerably" (Wyatt, 2007). Peter Chernin, president of Fox, announced: "My guess is that during fiscal 2008, a strike is a positive for us" because "We save more money in term deals and story costs and probably the lack of making pilots than we lose in potential advertising." Chernin continued: "Our animated shows are a year ahead in terms of scripts, and we have *American Idol* and other reality shows coming" (TV Guide, 2007).

REALITY TV CELEBRITIES: WORK IN THE SCENES

The second way that reality TV companies keep production costs to a minimum is by exploiting the no-waged labour of anybody who wants to and consents to try to become a reality TV celebrity. For most of TV's history, TV studios hired and paid for the labor of professional actors, many which were unionized. But reality-TV studios channel the labour of presumably “ordinary people” – as opposed to professionally trained and unionized actors – into the production of “on-screen” TV content. In effect, they bypass AFTRA and SAG-supplied actors, decrease the number of paid jobs for TV actors and increase the number of unpaid jobs for amateur “scab” actors, all for the sake of maintaining low labour costs (Utley, 2000). In fact, TV production companies have harnessed the unwaged labour of ordinary people to make TV since network TV's emergence in the late 1940s. Allen Funt's *Candid Camera* (1948-) filmed ordinary people being tricked and surprised, *The Art Baker Show* (1950-58) invited viewers to interactively submit postcards to producers describing what they wanted to see on TV and Ralph Edwards' *This is Your Life* (1948-52) profiled the biography of ordinary people before a live studio audience (Slocum 2005). *Game* shows that integrate people as unpaid contestant-workers in competitions for money prizes – such as *What's My Line*, *I've Got A Secret* and *To Tell the Truth* (the 1950s), *Jeopardy!* (1960s), *The Price is Right* (1970s), *Wheel of Fortune* (1980s) – have aired for decades. PBS's *An American Family* (1973) turned the daily life of a middle-class Santa Barbara family (the Louds) into a TV show that was a precursor to MTV reality-docu-soaps like *The Real World*, *The Osbournes* and *Nick & Jessica*. Late in the 1970s, the airwaves carried TV shows based on the lives of people with unique talents such as *Real People* and *That's Incredible*. In the 1980s, talent contest shows like *Star Search* showcased people singing, dancing and joking in spectacular competitions for \$100,000.

In the 1990s, *Rescue 911* and *Cops* used police-generated video content to show the security state cracking down on petty criminals in racialized and poor communities. *America's Funniest Home Videos* repackaged video content submitted to its producers by people who used low-cost cam-corders to record and watch people just like themselves doing silly things. Millennial reality-TV hits like *Survivor*, *Big Brother* and *American Idol* integrated the labour of people to make the on-screen reality content that fills each TV episode's commodity's form. The reality-TV production industry's incorporation of the labour of amateurs as cast members, life-tellers, contestants, participants into the content it generates, sells and screens significantly reduces, if not eliminates, the

cost of unionized “actors.” Reality-TV’s “field for ordinary people vying for potential fame is virtually inexhaustible” and all of their performances are unwaged, but value-adding (Collins 2008, 97).

Every year, people compete to be cast on reality-TV shows. Some of these are trained actors searching for paid work in scripted TV (Peterson, 2012) but can’t get it, so settle for unpaid unscripted gigs. TV studios mobilize their workforce by placing ads for casting calls and auditions in newspapers, on TV and on websites (Kelley, 2006). At the same time, on websites like Reality Wanted (www.realitywanted.com), workers promote their talents and headshots in hopes that reality producers will take notice and give them an audition. Each year, reality-TV studios audition thousands of people for roles that they’ve pre-designed to be filled by someone who by playing themselves, will fit the part. In preparation for the auditioning process, reality-TV hopefuls self-exploit, committing many hours of unpaid labour and spending a lot of their own money. Tom Sullivan, for example, worked hundreds of hours without pay and spent thousands of dollars to shoot, edit and mail videotapes of himself to Survivor’s casting agents; he was auditioned five times but was never cast (Ellin, 2007). Sergio Alain Barrios, an aspiring fashion designer, worked over a thousand unpaid hours and spent \$7500 to produce fifteen sample clothing designs in preparation for his Project Runway audition (Ellin, 2007). While reality-TV hopefuls like Sullivan and Barrios may have believed that self-exploitation would give them an advantage over competitors in the reality-TV labour market, they were not cast by reality-TV production firms and neither are most others. The people that do get cast for unwaged work on reality TV must forego waged work if they have it by taking leaves of absence, extended vacations or quitting (Gornstein, 2009).

How do TV studios get the people they cast to consent to the exploitation of their labour? Prior to the audition, prospective reality-TV performers must sign a “participation agreement” with the TV studio (Cianci, 2009). The contract for Sirens Media’s *Real Housewives of New Jersey*, a Bravo reality-TV show, sheds light on the asymmetrical, unequal and exploitative terms of the agreement. The contract asserts Sirens Media’s right to: 1) exert proprietary control over the contestant’s recorded image, voice, information, videos (Footage and Materials) and exploit this content in any way it likes; 2) “edit, delete, dub and fictionalize the Footage and Materials, the Program and the Advertisements as Producer sees fit in Producer’s sole discretion”; and, 3) not be held accountable for injuries or damages to the contestant for having “personal, private, surprising, disparaging and embarrassing” details of

their life (even if not true) represented. Furthermore, the contract stipulates that the relationship between the production company and the contestant is not one of employer and employee, but voluntary. As such, the “volunteer” will not receive payment for their appearance on the TV show (“I hereby waive any and all rights I may have to any compensation whatsoever”).

The contract implies that the volunteer exchanges their Footage and Materials – and the labour it requires – for exposure (“I acknowledge and agree that a significant element of the consideration I am receiving [. . .] is the opportunity for publicity”). By signing the contract, the participant exempts themselves from being covered by unions and governmental labour laws and regulations and agree to take full responsibility if they are injured, fall sick and or are even killed while making the TV show. Also, the contract says the volunteer may be exposed to “public ridicule, humiliation or condemnation” but cannot sue if they don’t like the way that Sirens Media “took or used the Footage and Materials or used the Footage and Materials in the Program.” Furthermore, the contract says volunteers are not free to talk about their experience of making the TV show and must keep “in strictest confidence” “prior to, during, or after the taping” all “information or materials.” The agreement basically censors what each voluntary can and can’t publicly say about their experience. The agreement says the participant understands they are “giving up certain legal rights under this agreement, including without limitation, my right to file a lawsuit” and additionally, that if the volunteer breaches the terms and conditions of the deal, they could be sued (Tereszczuk, 2013).

The above “agreement” between Sirens Media and the “housewives” is comparable to many others in terms of its power to accumulate Footage and Material by exploiting the people who make it. By signing such agreements, participants voluntarily exculpate their legal rights to the audio-visual content of their labour, privacy, experience, free speech compensation for work, union and an attorney (Blair, 2010; Cianci, 2009; Helppie, 2013; Kelley, 2006). “Reality TV cast members are subject to totally unequal terms of negotiations” says Andrejevic (2009). “They are essentially a disposable commodity, and if they don’t sign the contract there are hundreds of other people lining up for their spot” (cited in Wyatt, 2009a). Participants do invaluable work for TV companies, but participant agreements obscure this fact (Blair, 2010) and are designed by studios to maximize owner power and minimize the power of the workers that appear in their shows. Liberal cultural studies scholars make much of reality-TV’s “democratization” of entertainment, citing its inclusion of “oddballs” (Steinberg, 2014) and empowering “semiotic self-

determination” (Hartley, 2004), but the terms of reality-TV participation agreements undermine workplace democracy and creative autonomy on reality-TV. Participation agreements give TV owners a “significant legal advantage over participants because reality show participants waive certain rights” and then fall into a “grey area of the law somewhere between the classification of an employee of the studios and an independent contractor” (Kelley, 2006, 15). By freely signing the participation agreement, people consent to unfreedom on the job and producer control over their labour and lives. Under contract and on sets – beaches, kitchens and stages – reality-TV celebrities are really serfs. Survivor’s cast gets stranded on islands; Big Brother housemates cannot exit the house; Bachelorette contestants can’t skip the late-night rose-giving ritual. “They locked me in a hotel room for three or four days” before production started, said Jen Yemola, a pastry chef who appeared on Hell’s Kitchen 2007. “They took all my books, my CDs, my phone, any newspapers. I was allowed to leave the room only with an escort. It was like I was in prison” (cited in Wyatt, 2009a).

The labour of reality TV’s contestant-participants is objectively exploited, but what might motivate so many people to consent to this exploitation? Political-economists have shown how workers will sometimes consent to work without wages in the cultural industries in exchange for the prospect of accumulating non-monetary rewards like peer recognition, self-actualization, or exposure that may be parlayed into a future oriented employment opportunity (Hesmondhalgh, 2010; Kuehn and Corrigan, 2013; Ross, 2004; 2009). What seems to unite many reality-TV contestants is the pursuit of an experience that may yield symbolic and monetary rewards in the near or distant future. Some people jump into reality-TV for a shot at the money prize. Others give their labour to reality-TV companies in exchange for a chance to build a celebrity profile (Couldry, 2002). Some may sing, dance, cook or manage on reality-TV in exchange for a coaching lesson from Paula Abdul, Gordon Ramsay or Donald Trump on how to hone their skills as artists, chefs or budding capitalists. Others may exchange their labour for a fleeting feeling of being part of TV’s power networks, to rub shoulders and schmooze with industry gatekeepers and tastemakers like Simon Cowell or Ryan Seacrest. Others exchange their labour for access to privatized services and lifestyle experts – psychologists, dieticians and coaches – that the post-Keynesian state fails to provision while internalizing neoliberalism’s ethos of individual self-responsibility for social problems (Ouellette and Hay, 2008).

Significantly, people may work without wages in the reality-TV factory in exchange for the opportunity to generate publicity for themselves that may translate into future monetary returns. As Hearn (2008) says: “reality programming provides the means for individuals to produce their own image personae, or ‘branded selves,’ which, potentially, can be traded for cash down the line.” On *Chopped*, chefs compete to make three course meals for a panel of culinary experts in hopes of winning \$10,000, advertising their skills and generating publicity for their current restaurants. The Hills’ Lauren Conrad says she used reality-TV to “help start a business” (Fahner, 2008). *Dragon’s Den* and *Shark Tank*’s motley innovators consent to appear on TV in exchange for a chance to win the financing they need to start a company. Sometimes, the unwaged work of reality TV pays off. Keeping up with the Kardashians gave the Kardashian family members publicity that landed them franchising opportunities with advertising companies. *Survivor* Marquesas’s contestant Hunter Ellis did not win the competition, but still leveraged her appearance to get a job as host of History Channel’s reality-TV show, *Tactical to Practical and Man, Moment Machine*. *Idol* winners like Kelly Clarkson and Carrie Underwood were shuttled into careers in the music business. In sum, reality-TV studios invite entrepreneurial cultural workers to gift their labour power to them as a way to publicize themselves and gain access to more lucrative cultural industry labour markets.

But in the reality-TV biz, as in capitalism, inequality of outcome prevails, and there are always more losers than winners. A lucky few do profit from their reality-TV work experience while many others suffer great losses and hardships, subsisting “neither as employers nor traditional employees, in a limbo of uncertainty” (Ross, 2014, 34). The physical and emotional toll involved in being on camera 24/7, working to be watched, judged and assessed on a weekly basis, trying to act in accord with cultural industry-standard entertainment values, recounting traumatic personal details like breakups, marital discord, accidents, deaths and layoffs, bearing the pressure to competitively complete challenges and crunch producer-ordered tasks, enthusiastically contemplating what it would mean to win the grand prize and then repressing the disappointment of losing it, punishing work routines, sleep deprivation and induced intoxication—all of this leads reality-TV’s reserve army to anxiety, depression and burnout. After the reality TV shoot ends and the deal between TV studios and TV networks is complete, TV studios dump their contestant-workers back into other labour markets of precarity while retaining proprietary control and secure exploitation

rights to their Footage and Material. Much reality-TV focuses on the power of the makeover, but many former reality-TV volunteers cannot reinvent the image that TV made for them. Ridiculed by publics, frowned upon by scripted TV casting agents and desperate to make ends meet, reality-TV's "dispensable celebrities" chase low-paid appearance gigs at shopping malls, sporting events, conferences, nightclubs, resorts and colleges, often in violation of their "participation agreement" with TV studios (Cave, 2005; Collins, 2008). Unable to exchange their unpaid appearance on reality-TV for a compensated acting career and dispossessed of the sign-value studios made of them, reality-TV has-beens try to regain former waged jobs in the service economy. But some get fired from waged jobs because of being on TV (Princ, 2013). Ebony, the winner of *I Want To Work for Diddy: Season Two*, for example, did not receive her prize as one of Diddy's minions and was fired from her day job as a public school teacher because of her use of profane language. "I've been unemployed ever since" said Ebony. "This is the most broke I've ever been in my life" (Moore, 2010).

REALITY TV INTERNS: WORK BEHIND THE SCENES, AND IN THEM

A third way that reality TV studios keep production costs to a minimum is by exploiting the labour power of workers via internships, many of which do not pay in cash, but in experience (Mirrlees, 2015). The "internship" is often a synonym for an "experiential education, volunteer work, participant observation, training, or apprenticeship" (Perlin, 2012, 206), and the "intern" is often defined by companies as anything but an employee who does real work and is thus entitled to a minimum wage. Yet, the "internship" label frequently act as a "kind of smokescreen" (Perlin 2012, xi) for the real work that millions of people are doing for corporations in these programs and obscure the fact that many so-called interns are actually cultural workers whose labour power serves the firm's bottom line (Perlin, 2012).

Internships are pervasive in the contemporary TV industry (Cohen, de Peuter and Brophy, 2013; De Peuter, Cohen and Brophy, 2012) and at present, the US's big six media conglomerates hire interns for little to no pay and channel their labour toward the completion of tasks that contribute to their TV properties. NBC-Universal, for example, says it has "strengthened its commitment to developing young, high-potential talent through the creation of specialized internship and rotational programs" that establishes "a diverse pipeline of talent by building a team of graduates into future leaders." Walt Disney says it offers "an internship

unlike any other world” and an “internship opportunity that only happens once-in-a-lifetime” that enables interns to “contribute to a global company” and explore their “passion alongside some of the most inspiring talent around.” News Corp says its program “offers an exciting and fast-moving environment for aspiring media professionals to gain valuable learning experiences.” Time-Warner declares to prospective interns that an “internship with one of our divisions will not only provide you with valuable experience in media and entertainment, but an opportunity to develop key skills and build your network while learning and having fun within businesses at the top of their industries.” CBS Corporation says it is “proud to offer internship opportunities in virtually every field of media and entertainment” and strives to “provide students [...] with meaningful and practical work experience.” Viacom claims its internships “allows college students to work in an innovative, progressive, fast-paced and professional environment” that exposes them to “all levels of the company” and which is “an invaluable experience to individuals interested in pursuing a career in the entertainment industry.”

The big six media conglomerates offer some paid internships, but many of the sub-contractor reality-TV studios that source the TV network-exhibition subsidiaries of these conglomerates with cheap content do not. Skip Films, for example, is looking for unpaid reality-TV development interns for “2-3 days a week” to do “heavy research, drafting treatments/pitch materials, pursuing leads to determine if a show concept is feasible/interesting and misc office tasks.” Nan Fisher Entertainment seeks a “highly organized, responsible intern” who has an “enthusiasm for reality television” to “be involved in every aspect of the making of a reality show.” Departure Films wants to hire “development and casting interns” who have a PASSION for UNSCRIPTED TV and an eye for talent” to research “potential show concepts and talent” and conduct “preliminary interviews with talent.” Half Yard Productions says its “looking for an intern” who will work two days a week on “various projects related to television production, including various jobs in the office.” The Idea Factory posts for “interns to work in [reality] development and production” who are “amicable,” “highly creative,” and “able to think on their feet” and “ready to wear lots of different hats.” Clearly, reality-TV production studios are trying to mobilize the labour of young interns and channel it toward the completion all kinds of un-waged jobs “behind-the-scenes” that add value of reality TV shows. These examples suggest that interns are actually unwaged cultural workers that do a lot of real work. They conceptualize, research, cast, edit and produce reality TV shows. Reality-TV intern ads may attract people to labour without pay in

exchange for the prospect of career-relevant skills, mentorship and networking opportunities (Mirrlees, 2015).

And some reality TV shows promote the idea that unwaged internships are a stepping stone to waged work in the cultural industry. As Perlin (2012) says: “reality TV truly embraces the intern” (xii). Indeed, a number of reality TV shows represent people competitively doing jobs, not for pay, but for experiences that help them land paid careers at a later date. MTV's *The Hills - Season One* (2006) depicts Lauren Conrad and Whitney Port benefiting from an unpaid internship at the hip *Teen Vogue*. At this internship, they enhance their skills, meet peers and make connections, and then move from this experience onto paid creative careers. On CBS's *The Cut* (2005), fashionista interns square off to win an opportunity to design a clothing line for Tommy Hilfiger. *Project Runway's* (2004-present) designer interns slog away for training (“mentorships” at companies like Banana Republic and Inter-National Concepts), publicity (editorials in *Marie Claire* and *Elle*), sales platforms (on *Piperlime.com* and *Bluefly.com*) and cash prizes (\$100,000). On *America's Next Top Model* (2003-present), women work without pay as walking ads for beauty industry products with the goal of winning a shot at a modelling contract or endorsement deal with one of the TV show's sponsors. *I Want to Work for Diddy* (2008-2009) got its contestants to work toward a chance to be a paid assistant to the rapper multi-millionaire Sean “Diddy” Coombs, at Bad Boy Entertainment.

Reality TV shows like these give expression to and crystallize the fundamentally asymmetrical power relations between corporations and interns but elide social antagonism by showing interned workers worshipping the boss. They depict interned cultural workers as hyper-individualistic and entrepreneurial subjects who employ their cunning to outsmart, out-perform and undermine each other in competitions to win exposure and pay, displacing emerging forms of worker solidarity. They degrade the value of labour in the cultural industries by depicting interns completing numerous high-skilled tasks that contribute to the production of cultural goods and services as a game played for fun rather than as real work that deserves pay. They normalize unpaid work by framing it as something that interns enthusiastically consent to do as a “stepping stone” to a future opportunity of paid work, not as something they are increasingly expected or compelled to do by necessity. Moreover, these shows legitimize unpaid work with a meritocratic ideology that conveys the idea that the hardest working and most talented, not the already class privileged, will prosper.

CONCLUSION: REALITY TV WORKERS UNITE!

This article has shown how reality TV studios feed upon the labour-power of a low and no waged workforce behind the scenes and in the contrived scenes of the reality TV shows they own. Reality TV workers—precarious, flexible, self-branded, performative, entrepreneurial, risk-taking and self-exploiting—fit the job description of 21st century creative capitalism’s “role model worker” (de Peuter, 2014). But just as the one-sided rendering of “role model” precariats as hyper-exploited risk a “sense that there is no way out,” overlook the capacity of workers to collectively “contest” and “resist,” and gloss over “countervailing possibilities” (de Peuter, 2014, 365), stock descriptions of reality TV workers as dupes or pawns fail to address how these workers possess the collective capacities for understanding and changing their circumstances, possibly for the better. It is thus important – analytically and politically – to balance the critique of the capitalist structures that exploit labour with an account of the different ways that workers are uniting to contest them. By way of conclusion, I briefly review five emerging reality-TV worker challenges to studio owner power.

First, reality-TV workers are unionizing. From 2006 to date, the Writers Guild of America (WGA) has been attempting to unionize the editors/writers of reality TV shows. During the 2007-2008 strike, it tried to bring reality-TV writers into its fold and called for reality-TV writers to be credited as “Story Producers” and “Supervising Story Producers.” To elevate this issue in the public mind, the WGA protested outside of Fremantle North America, one of the largest reality TV firms. The WGA lost this battle to the studios, which walked away from the bargaining table and refused to return unless the WGA dropped its proposal to unionize reality-TV workers (*The Economist* 2008). Despite this setback, the WGA continues to try to unionize reality-TV workers and has won some small victories. In 2010, workers at Lion Television (*Money from Strangers*) and Optomen Productions (*Worst Cooks in America*) voted to join the WGA and did. In 2012, they won a three-year collective agreement that provides weekly compensation minimums, health benefits, a grievance and arbitration process and vacation time (Cunningham, 2012b). Following the lead of US unions, the Canadian Media Guild (CMG) (2015) is fighting to expand union coverage to reality-TV workers. In Britain, the Broadcasting Entertainment Cinematograph and Theatre Union is fighting a similar battle. So, there is an emerging international effort to unionize reality TV workers, and some small victories.

Second, reality TV workers are striking against TV studios. Some strikes result from union planning and others are spontaneous. In 2010,

the below-the-line crew members of *The Biggest Loser* who belong to the IATSE struck against Eyeworks-owned 3 Ball Productions and won health and pension benefits (Andreeva 2010). In August of 2012, IATSE's Local 700 won similar benefits for 11 story editors after organizing a strike against Blueprint post-production, which was editing the Syfy TV show *Hot Set* (Finke, 2012). Some of reality-TV's on-screen workers have staged wildcat strikes during the shooting of the TV show to demand better working conditions or more control over the creative process. In 2012, participants of *The Biggest Loser* walked off set, refused to work and threatened to quit when they learned the producers were planning to bring back former loser-victors to compete with them for the \$250,000 grand weight loss prize (Hater 2012). By collectively withdrawing their labour, they challenged the power of owners to rig the game.

Third, reality-TV workers are struggling against TV owners through the courts. While studio participation agreements define the relationship between the studio and the worker as voluntary and outside of existing labour laws, entertainment lawyers are struggling to redefine this relationship as one of employer and employee. The courts should categorize reality-TV studios as employers and reality-TV participants as employees due to the amount of control that studios exercise over contestant labour power. "[R]eality show participants provide 'services' to the producers of these reality shows in an environment most often significantly manipulated and controlled by the producers" (Kelley, 2006, 37). The fight to expand and enforce labour laws in reality TV is important given that the participation agreements workers sign violate existing labour laws and subvert minimum employment standards. Reality-workers are also enlisting the help of attorneys to demand pay for work. In 2009, Melody Murray, Aaron Silberman and Rosemarie DiSalvo, producers of reality-TV formats such as *The Osbournes: Reloaded*, *Thank God You're Here* and *American Idol*, sued Freemantle Media North, claiming the company compelled them to work in "sweatshop" conditions, seven days a week, up to twenty hours a day, and falsify payroll records (Wyatt, 2009b). Some reality-TV workers do not seek legal representation to confront wage theft because they fear employment deprivation. But some workers are gaining the confidence to challenge capital in the courts.

Fourth, reality-TV workers are using their precariously acquired celebrity power to demand payment for their labour from TV production firms. When a reality-TV series becomes a hit, reality-TV production studios find themselves in a relationship of relative dependence on the people they cast. For example, *The Thompson family* of TLC's smash hit, *Here Comes Honey Boo Boo*, received a stipend of about \$5000 per episode

in season one. The antics of the child amateur-star, Honey Boo Boo, turned the TV show into hit, bringing in ratings and revenue for TLC. Using Honey Boo Boo's fledgling star power as a bargaining chip, the Thompson family got the TV studio to pay it a higher stipend—between \$15,000 and \$20,000 per episode – in exchange for the work they put in to season two (TMZ, 2012). In 2014, the “cast” of Party Down South banded together to collectively demand a 1400% pay increase from 495 Productions. Each cast member hoped to increase their payment from \$500 per episode (as stipulated by the participation agreement) to \$7,500 per episode. After some bargaining, 495 Productions agreed to a 400% pay increase and now pays each cast member \$2000 per episode (Daily Mail, 2014). The pay increase is a pittance when compared to the \$250,000 to \$750,000 earned per episode by top-tier TV actors like Ashton Kutcher, Mariska Hargita and Claire Danes. But it does show how reality-TV participants and contestants are starting to perceive themselves as workers and their TV appearances as jobs deserving of pay.

Finally, reality-TV workers are challenging the discourse of owners by fighting over the definition of the commodity they produce and revealing the real labour that all reality-TV classifications hide. The power of TV studios to maintain a non-unionized, precarious and interned workforce relies in part on their power to define reality-TV as a type of TV that is categorically different from other types in terms of who makes it (non-professional or un-skilled amateur workers) and what it is made of (“the real”). This classification creates the illusion that reality-TV shows are made by workers who do not possess the same skills or do the same jobs as the workers who create un-reality TV shows (scripted programmes) and that reality-TV shows give viewers privileged access situations, events and happenings that are more true to life, original or authentic than conveyed by scripted TV shows (“reality”). This classification enables TV owners to build, control and exploit a low-waged and no-waged workforce (the workers who make reality TV are not unionized) and deflect claims that the people in reality TV are workers whose performances should be paid for (the people are contestants playing a game for fun, not workers in an employer-employee power relationship). In response, reality-TV workers argue that the classification of reality-TV as different from scripted-TV masks substantive similarities between them, namely, a division of labour and company efforts to control their labour as well as the property rights to the reality-effects they make. The struggle to define reality-TV as a product made of labour whose value is equivalent to the labour of making scripted entertainment is integral to the material struggle for expanding union membership, anti-wage theft

legislation and fair pay to the workers toiling behind and within TV scenes.

So, while reality TV studios degrade and disorganize the labour of cultural workers to profit-maximize, these workers are beginning to dignify their labour and organize. The reality TV workers toiling behind the scenes and in them – producers, contestants and interns – are quite different with regard to their professional roles and the distinct tasks they perform in the overall division of labour, but what they share in common is media capitalism's dispossession and exploitation of their labour. A challenge for reality-TV organizers is to shed light on how these workers' manifestly different orientations relate and link to a common social relation in capitalism as a class by and for itself.

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Finally the Right to Strike: But What About Organizing?

*Patricia McDermott*¹

ABSTRACT: The *Saskatchewan Federation of Labour* decision from the Supreme Court of Canada (January, 2015) is a landmark case in that, after a twenty-eight year judicial lead-up, it finally confirms the right to strike as guaranteed by the *Charter's* Section 2(d) freedom of association. The decision found the provincial government's unilateral authority over designating essential services during a work stoppage to be unconstitutional. The decision is indeed a victory for unions that goes far beyond the particular issues in the case and will have ramifications for years to come. This paper presents a preliminary look at the decision and discusses four interrelated areas of labour law that will be affected. The downside of this decision, however, is the finding that amendments to Saskatchewan's Labour Relations Act that are designed to make organizing more difficult, are constitutional. This decision continues a trend in labour legislation that will undoubtedly help undermine the much needed organizing in Saskatchewan in the face of declining union density, particularly for the fast growing cadres of precarious workers who need unions. This aspect of the decision, which represents the loss of a rare opportunity for the Court to support organizing, will also be discussed briefly.

KEYWORDS: Right to Strike; Freedom of Association; Charter Rights; Essential Services; Back-to-Work Legislation

The Supreme Court of Canada's (SCC) *Saskatchewan Federation of Labour* (SFL) decision has been touted in the media as "a stunning victory" (Fine, G & M, 2015) for unions and their supporters, a description that is indeed justified. The purpose of this paper is to provide a preliminary look at this decision in which the Court has finally accepted the right to strike as constitutionally protected by the *Charter*. The legal impact of SFL on four interrelated areas of labour law will be explored: the designation of work as 'essential'; assessing whether legislation can clear the Section 1 (s.1) test of a justified limit to a constitutionally

¹ Patricia McDermott is Associate Professor in the Department of Social Science and the School of Gender Studies at York University. She would like to thank the reviewers for their helpful comments.

protected right; the issue of what constitutes a strike; and, perhaps most importantly, back to work and strike prohibition legislation. The evolving case law on s.2(d) in the industrial relations arena concerns the rights of union members with regard to the primary goals of their association: forming and joining unions, engaging in collective bargaining, and the focus here, striking. The facts of *SFL* involve the Saskatchewan government's legislation prohibiting certain government workers, deemed as 'essential', from striking. The decision represents the final shift in the SCC's twenty-eight year jurisprudential journey with regard to the right to strike. In 1987 the SCC held that s.2(d) only protected rights for individuals and now *SFL* has finally affirmed it protects collective rights as well. As we shall see, however, although *SFL* is a 'victory' and indeed a 'stunning' one, it does come with another message that the Court is not ready to move towards an equally important goal of helping to facilitate the much needed movement of people into unions. The decision will undoubtedly encourage ever more restrictions in the area of organizing as other provincial governments continue this decades old trend (Bartkiw, 2009/10; 2008). The Trade Union Amendment Act (TUAA) will also be briefly discussed, a ruling that certainly dampens the celebrations for *SFL* for those interested in increasing the rate of unionization.

In *SFL* the SCC states that unions must have the right to negotiate the designation of which workers are considered "essential" and therefore required to work during a strike. If negotiations break down over this issue, the decision stresses that there has to be a fair, alternate dispute resolution process that can meet the tests involved in clearing the Charter's s.1 requirements, namely that a restriction on a right must be "demonstrably justified in a free and democratic society" – a topic to which we will return shortly. *SFL*'s position on the right to strike goes far beyond the issue of essential services and, as noted, finds a *Charter* guaranteed right to strike within the context of collective bargaining. In December 2007, the newly elected conservative government, the Saskatchewan Party, introduced two pieces of legislation: *The Public Service Essential Services Act (PSESA)* and *The Trade Union Amendment Act (TUAA)*. Both statutes became law on May 14, 2008. We will first explore the outcome in *PSESA* since it is with regard to this *Act* that the Saskatchewan Federation of Labour was successful. *SFL* was a much-monitored case as it made its way up the hierarchy of Canada's court system. There were fifteen Appellants along with the major litigant, the Saskatchewan Federation of Labour, twenty-seven Interveners that included six attorney generals and twenty-one union affiliates.

THE PUBLIC SERVICE ESSENTIAL SERVICES ACT

The purpose of the *PSESA* was to fill what the SCC described as a “gap” in the law in that prior to the introduction of this Act “strikes where regulated on an *ad hoc* basis” (para 5²). Although the Court notes a so-called “gap” in the law, in fact the province’s policy represented a decision to allow an “unfettered strike” regime that permitted unions and employers to negotiate the parameters of their strikes and lockouts, rather than a “controlled strike” model in which government intervention becomes the norm (Adell, 2013). A number of prominent strikes provided the rationale for the newly elected government in Saskatchewan introducing this legislation, namely the 1999 province-wide strike by 8,400 members of the Nurses Union and a protracted strike in 2001 by health care workers. In the winter of December 2006/07 a third strike involving highway workers, snowplow operators, and correctional officers, the Court noted, “sparked concerns about public safety” (para 6). The government decided there was need for a mechanism that would help designate which employees are doing “essential” work and thus required to continue working while their co-workers are permitted to go on strike. On the question of the constitutionality of the *PSESA*, the trial judge ruled that given the SCC’s recent interpretation of the scope of s.2(d) in two cases *BC Health Services* (2007) and *Fraser* (2011), “the right to strike is a fundamental freedom protected by s.2(d) of the Charter” (para 18) and further that the prohibition on this right contained in the *PSESA* “substantially interfered” with the rights of the affected employees (para 19). His reasoning was: the government of Saskatchewan failed to engage in meaningful consultation or negotiation with respect to essential services; good-faith negotiations are not possible when “one side has the capacity to impose an agreement”; the definitions of essential services and public employers are both “overbroad”; and, finally when compared to analogous legislation in other jurisdictions, the *PSESA* is uniquely restrictive and devoid of both review mechanisms and alternate means of addressing workplace issues – such as binding arbitration (para 19).

The Saskatchewan Court of Appeal unanimously found the *PSESA* to be constitutional and concluded that “[w]hile the Court’s freedom of association jurisprudence has evolved in recent years, it has not shifted far enough, or clearly enough, to warrant a ruling by this Court that the right to strike is protected by s. 2(d) of the *Charter*” (para 23). Justice Rosalie Abella writing for the 5-2 majority of the SCC stated “I agree with the trial judge”, not the Court of Appeal: “... the right of employees to

² Unless otherwise indicated all para (paragraph) references refer to the SFL decision of the SCC.

strike is vital to protecting the meaningful process of collective bargaining within s. 2(d).” As the trial judge observed, without the right to strike, “a constitutionalized right to bargain collectively is meaningless” (para 24). Abella further finds that within the context of its role in the collective bargaining process “the strike is unique and fundamental” (para 52). Following the then Chief Justice Dickson’s minority opinion in *Alberta Reference* (1987), which she comments “has recently proven to be a magnetic guide” (para 63), she notes that Dickson’s challenge to the majority’s ruling that constitutional protection only applies to individuals, was the starting point for the judicial evolution towards the “more generous approach” in *SFL* (para 33). Dickson argued that “the very nature of a strike, and its *raison d’être*, is to influence the employer by joint action which would be ineffective if it were carried out by an individual.” Effective constitutional protection of employees in the collective bargaining process requires...“protection of their freedom to withdraw collectively their services, subject to s.1 of the Charter” (para 49 & 59).

Alberta Reference is one of a the original so-called “Labour Trilogy”, a set of 1987 SCC decisions, including *RWDSU v Saskatchewan* a case involving back to work legislation in the dairy sector, and *PSAC v Canada*, which involved a challenge to the federal government’s imposition of wage restraint legislation. These three cases found that s.2(d) contained neither a right to bargaining collectively nor a right to strike.³ Bernard Adell, proposed another “Labour Trilogy”, consisting of: *Dunmore* (2001), *Health Services* (2007) and *Fraser* (2011) – the three decisions that were relied upon in *SFL* to shift the jurisprudence toward the final ruling on s.2(d) (Adell, 2013, 415). Indeed many observers now refer to the three January 2015 decisions, *Meredith*, *Mounted Police*, and *SFL* as the ‘latest Trilogy’ that has, after twenty-eight years, established a clear *Charter* guarantee of a right to strike. Robert J. Sharpe and Kent Roach (2013, 193-204), Panitch and Swartz (2003,51-83), and Paul Cavalluzzo (Faraday, et. al., 2012) provide excellent overviews of the jurisprudence leading up to *SFL*, a full survey of which is beyond the scope of this paper. As we shall see, the issues in the four areas of labour law that will be significantly impacted by this decision are quite closely interrelated and have been isolated for the purpose of exploring the particular issue under discussion.

³ The ‘Labour Trilogy’ generated a great deal of legal analysis. See Harry Arthurs, Paul Cavalluzzo, Geoffrey England, and Judy Fudge in *Queen’s Law Journal*, 13 (1988).

THE DEFINITION OF AN ESSENTIAL SERVICE

The *PSESA* mandates that a public employer and the union are to negotiate an “essential services agreement” to govern how public services are to be maintained in the event of a work stoppage. If negotiations break down the public employer has the authority “to unilaterally designate, by ‘notice’, which public services it considers to be essential” along with the classifications of employees required to continue working during a strike, including the names and number of employees in each classification (para 11). A key factor in *SFL* is the fact that the *PSESA* contains, as noted, a very broad definition of “essential services”, namely those whose work is necessary to enable the public employer to prevent: danger to life, health or safety; the destruction or serious deterioration of machinery, equipment, or premises; serious environmental damage; and disruption of the courts (para 9). In addition to the provincial government as employer, the statute covers all broader public sector employers including all crown corporations, health service agencies, both provincial universities and the Saskatchewan Polytechnic, and all municipalities (para 10). The SCC found, again in agreement with the trial judge, that this coverage is far too broad and questioned whether, for example, a university or a polytechnic college, and every crown corporation, including the Liquor Control Board, engages in work that should be considered ‘genuinely’ essential.

The trial Judge thus proposed the much narrower definition commonly accepted in international law, and now definitively endorsed by the SCC:

The jurisprudence under ILO Convention No.87, the ICSECR (sic) and the ICCPR has been consistent... Each of these instruments has been interpreted as enshrining the right to strike, and their respective supervisory bodies have insisted that the right to strike may be restricted or prohibited:

- (a) in the public service only for the public servants exercising authority in the name of the state;
- (b) in essential services *in the strict sense of the term* (that is, services the interruption of which would endanger the life, personal safety or health of the whole or part of the population) (emphasis added); or
- (c) in the event of an acute national emergency and for a limited period of time (para 86).

This definition represents a significant shift in the Court's approach to "what is an essential service" in that it conclusively makes Canada a jurisdiction that accepts the international definition endorsed by the ILO. This move towards employing international standards was encouraged when the majority in *B.C. Health* (2007) stated that: "...the *Charter* should be presumed to provide at least as great a level of protection as is found in the international human rights documents that Canada has ratified." (para 70).

The Court's assertion that the international definition of essential services should be used was an issue raised not just in *Alberta Reference* (1987) but in another 'Labour Trilogy' decision, *RWDSU v. Saskatchewan* (1987), which contains a significant debate between Chief Justice Dickson and Justice Wilson that will undoubtedly continue to be helpful for the ongoing discussions concerning what constitutes an essential service. Since this decision involved both legislation that temporarily prohibited strikes, as well as the "demonstrably justified" limit under s.1, it could be discussed in the two sections below on these topics, however here we want to highlight its contribution to the issue of what constitutes an essential service. Although Dickson and Wilson agreed that s.2(d) protected the right to strike, they disagreed on whether the legislation could be saved by the s.1 review. Perhaps Wilson's dissent in *RWDSU* will prove to be as 'magnetic' a guide as Dickson's minority opinion in *Alberta Reference* (1987) was for *SFL*?

Dickson argued that a ban on strikes could be justified if the potential economic harm to a third party was "so massive and immediate and very focused in its intensity" while Wilson viewed this reliance on economic harm to overreach the consensus in international law on the limits to the right to strike. She noted that the objective of the impugned legislation was to protect dairy farmers from economic harm and then cites Dickson himself in *Alberta Reference* (1987) pointing out that he supported the use of the international standard for a strike as repeatedly set out by the Committee on Freedom of Association (CFA) of the ILO. She continues that Dickson was now sanctioning:

"...the abrogation of the freedom to strike when the economic interests of a particular group are threatened. The implications of this for the collective bargaining process are extremely far-reaching since some measure of damage to the economic interests of the parties and the public is an inevitable concomitant (of) every work stoppage. Indeed, the effectiveness of this negotiating tool depends on it (para 51)."

Wilson further notes that although she agrees that economic regulation is a significant tool for governments, if it is to be done at the expense of our fundamental freedoms, “then it must, in my view, be done in response to a serious threat to the well-being of the body politic or a substantial segment of it”, again referring to the internationally accepted definition of an essential service (para 56, *RWDSU v Saskatchewan*). She argues that the evidence regarding the harm to dairy farmers falls far short of establishing economic harm of the nature needed for it to come within the ILO’s definition. She is prescient in pointing out that legislative definitions of what constitutes an essential service “have gradually expanded to cover fire-fighters, and police and more recently the media, teachers” and so on, and asks whether this expansion of the definition of “essential” is “the route through which increasing government intervention in labour disputes is to be justified?” (*RWDSU* para 54-58). She further argues that she is not convinced that the “provision of milk” is an essential service. “Milk is undoubtedly an important food product but there may be other food products which are an adequate substitute” and finally that it is possible, that “milk would be imported from outside the province to supply the Saskatchewan consumer” (*RWDSU* para 71).

After *SFL* the Court will have to assess whether work is ‘genuinely’ essential and not a matter of inconvenience, a strategy designed to weaken the union’s bargaining strength, or as Wilson suggests, the route for government to intervene in labour disputes. *SFL* also raises a relatively new issue in the Canadian industrial relations setting – whether workers that are designated as ‘essential’ should *also* have to do non-essential work when carrying out their duties during a work stoppage (para 13). As part of the *PSESA* scheme the Saskatchewan Labour Relations Board was given jurisdiction to review the number of employees required to work in a particular classification, but had no authority to review whether any service is ‘genuinely essential’, whether specific employees are being reasonably selected, or whether they are doing a job that is entirely or only partly “essential” (para 13). These questions will have to be addressed in any existing or future legislation of this nature.

The acceptance of the international standard of what constitutes an “essential service” represents one aspect of *SFL* that will have a lasting impact on labour law, and hopefully labour legislation, now that it has been so definitively endorsed by the Supreme Court. K.D. Ewing’s recent discussion of the *SFL* reminds us of Canada’s extremely poor record in the eyes of the International Labour Organization’s (ILO) supervisory bodies particularly the Committee on Freedom of Association (CFA). He notes

that Canada has more CFA complaints launched against it than any other G7 country, which is “even more notable” since it is the country with the smallest population. There have been 98 CFA complaints against Canada for issues that include an array of alleged violations of international standards to which it is a signatory. One prominent criticism of Canada by the CFA is the banning of strikes in services that are *not* essential, such as education, ferry services, postal services, air travel, and so on. (Ewing, 2015, 546)

Panitch and Swartz also noted Canada’s poor record in their *From Content to Coercion* and argued that since the Canadian state’s “shift towards legislative interventions against labour rights” in the 1970s, Canada accounted for 33% of all complaints before the CFA from 1974-91, a sharp rise from the 1954-73 period in which Canada only accounted for only 4% of all complaints. (2003, 54) They also commented that: “...ILO decisions have generally been ignored by Canadian governments, a sorry testament to the degree of dissonance between Canada’s formal adherence to international declarations on labour rights and their actual embodiment in the practices of the Canadian state” (2003, 58).

MEETING THE SECTION ONE CHALLENGE

A further criticism by the international labour law community has been imposing legislation that either prohibits strikes or orders strikers back to work in services that are truly essential, without an appropriate alternative dispute mechanism to replace the removal of the right to strike - precisely the case in *SFL* (Ewing, 2015, 546-47). The necessity of honouring international legal standards to which Canada is a signatory, was raised by Dickson’s dissent in the *Alberta Reference* (1987). Meeting the requirements of s.1 would essentially involve providing an alternate, fair, and independent method of dispute resolution for those denied their constitutional right to strike. As Abella points out, *SFL* did not engage in a s.1 analysis since the full ban on striking in itself rendered the PSESA to be “substantially interfering” with the guarantee of freedom of association. She does note, however, that when essential services legislation provides for such a mechanism “*it would more likely* be justified under s.1 of the *Charter*” and further that “in my view the failure of any such mechanism in the PSESA *is what ultimately* renders its constitutionality impermissible” (para 25, emphasis added).

One of the clear impacts of *SFL* on future litigation will be to move the focus to s.1. Governments both as employers and legislators will have to meet the onus of ensuring that these alternate methods, primarily systems of compulsory interest arbitration, will be implemented in such a

manner that they will be found to be in compliance with the standards set for s.1 - not always an easy task. The first question that must be answered under the *Oakes* test (1986) that sets out how the SCC implements s.1, is whether the purpose of the legislation or provision is “pressing and substantial.” If it is found to be, then the court or tribunal will consider the next question - whether the reason for overriding a constitutional freedom is “proportional” and “rationally connected” to the pressing and substantial purpose. In other words whether the legislation/provision is “minimally impairing” or could the objective of the legislation be achieved with less restriction on guaranteed rights or does it “overreach.”

It is also noted in *SFL* that alternate dispute resolution mechanisms have not been considered “as sensitive to the associational interests of employees as the traditional strike/lock-out mechanism” (para 60 citing Dickson in *RWDSU v. Saskatchewan*, pp. 476-77) and such imposed settlements decrease the effectiveness of the collective bargaining process over time since they do not tend to be regarded as accepted by employees when compared to those that are collectively bargained (para 60 citing Adell, Grant and Ponak, 2001). Further there is also the belief that strikes are essentially good for democracy. Pierre Verge, for example, has argued that the right to strike is fundamentally important to “collective autonomy ... and the democratic vitality of society as a whole” (cited in translation, Adell, 2013, 414). Indeed the theme of democracy runs throughout *SFL* particularly with regard to the assessment of s.1 solutions for denying the *Charter* right to strike in that these must be “demonstrably justified in a free and democratic society.” Jamie Cameron has argued that despite the Court having been “notoriously rigid” about the *Oakes* test and its “status as a universal standard of reasonable limits”, it has been “applied flexibly from case to case and guarantee to guarantee.” She suggests that the Court should develop “customized standards” such as ones that would apply a specific test to determine whether a restriction on the right to strike is justified. (Cameron, 2019/10, 310-11)

Wilson’s dissent in another labour trilogy decision, *PSAC v. Canada* (1987), will hopefully offer another guide on the issue of meeting the s.1 challenge. This case involved the implementation of the wage restraint legislation by the federal government. Wilson points out that, on the government’s own admission, the legislation had no direct effect on or causal link to inflation, but was passed “to persuade the general public to enter voluntarily into employment agreements” that provided for a wage increase no more than 6% in the first year and 5% in the second. She argues that the legislation, although its purpose was to induce ‘voluntary’

compliance, did so by ‘mandatory’ measures that not only removed the employees’ potential to voluntarily comply, but violated their fundamental rights (para 61-62) by imposing restrictions. She stresses that the *Oakes* test requires that legislation must be “carefully designed to achieve the objective in question” and concludes that the legislative measures it used were “arbitrary and unfair in that they were imposed upon a captive constituency”, were not “expected to have any direct effect on inflation”, and could not “constitute an example of voluntary compliance” (para 66-67).

WHAT IS A STRIKE?

The question of “what is a strike” could also become a key issue in the aftermath of *SFL*. In referring to a number of constitutions, including those of France, Italy, Portugal, South Africa and Spain, all of which Abella notes contain a right to strike - although not primarily within the strict context of collective bargaining that the SCC clearly has in mind in *SFL*. However, the strong language supporting the right to strike could also be seen to protect political strikes more typical in Europe. In Canada rallies and marches such as events like the “Days of Protest” in opposition to Ontario’s Conservative government in the late 1990s raise questions about what is an “illegal strike” (an untimely, ie. mid-term cessation of work) rather than what is a strike. Labour lawyer Paul Cavalluzzo has argued however, the Wager model must be seen as a “whole package” that has been long accepted as effective in Canada. He warns against tampering with the system for such objectives as parlaying the protected right to strike from the workplace into the political arena (Cavalluzzo, 2015).

The question of what will be considered a strike when further judicial treatment of this issue unfolds, as Brian Langille argues, will be far from an easy task. He notes that there is a mistaken assumption in Canadian labour law that there is an objective definition of the right to strike, namely “any concerted cessation of work”. He maintains that the definition is overbroad and a narrower, subjective definition based on the reason/s for the work stoppage must be found. (Langille, 2009/10, 355-56) The collective refusal to do overtime or calling in sick, a slowdown or speed-up, and so on, have all been treated as ‘illegal strikes’ by labour boards and courts if done in an ‘untimely’ manner, namely during the life of a collective agreement. Langille points out that there are many concerted cessations of work, however, that are not strikes, such as a group of employees ‘playing hooky’ to go and see a baseball game – done with no intent to pressure their employer to reach an agreement or for any

immediate workplace matter (361).

Langille also raises the concern about what the right to strike will mean for those excluded from the statutory schemes set out in labour legislation. There is indeed an accepted common law right to strike, yet there is no protection against an employer's retaliation of dismissal for those who have taken strike action. Employees covered by labour legislation are protected by a further set of employee rights, such as unfair labour practices and the right to retain their status as employees while on strike and thus have the right to their job back within certain time parameters. There are also statutory duties imposed on employers who must refrain from interfering with a right to strike (368-69). Although those outside the statutory protection will not be able to look to any rules on striking, they, however, do not have all the restrictions the Wager scheme imposes. They will be able to strike for recognition and engage in collective work cessations. With these seeming 'advantages' will come much uncharted territory such as will they need to take a strike vote, engage in conciliation? Will their collective agreements set in place by a successful strike be binding, as so on? As Langille comments that for courts to undertake such explorations will be "to enter a world without end." (371)

PROHIBITING STRIKES AND BACK-TO-WORK LEGISLATION

Back to work legislation has been described as an "immensely intolerant and uniquely Canadian" practice. (Ewing, 2015, 546). There has been a long-standing domestic critique of this practice (Panitch & Swartz: 2003, 3rd ed.). As touched upon earlier, there has been a running dispute between the ILO's Committee on Freedom of Association (CFA) and the Ontario government about the use of back to work legislation particularly in the educational sector which, the CFA repeatedly points out is *not* an essential service "as normatively determined by the ILO supervisory bodies." In 2004 the CFA commented in one of its decisions concerning a teachers' strike that although it "recognizes that unfortunate consequences may flow from a strike in a non-essential service", these do not warrant intervention in the right to strike until these become so serious "as to endanger the life, personal safety or health of the whole or part of the population." (CAF, 2004, para 505, cited in Ewing, 2015, 547). Again this stresses the importance of moving to the internationally accepted definition of essential services, as has been discussed, since it is only in essential services that back to work legislation and an outright ban on strikes is appropriate if s.1 requirements are to be satisfied.

The CFA has pointed out that the province's repeated recourse to back-to-work legislation has been used in an "inpatient and disproportional" manner at early stages of a dispute. For example, in the case of a BC ferry dispute, (again not an essential service) the CFA argued that back-to-work legislation was employed "as a first rather than a last resort" during a legal strike "that had barely lasted 48 hours". The Committee pointed out the repeated use of this type of legislation in the Ontario educational sector, four times from 1998 to 2011, creating a situation where teachers "theoretically have a legal right which, in practice however, is taken away from them when they exercise it." (Ewing, 2015, 547-48)

In recent years the federal Conservatives have repeatedly implemented back-to-work legislation in, for example, both Air Canada and Canada Post and legal challenges pending will likely now have successful results for the unions. Statutes such as the *Protecting Air Service Act* (2012), designed primarily to prevent strikes, will have to be revised. Governments will now have to be very careful about how they draft no-strike provisions and alternate dispute resolution mechanisms such as binding interest arbitration in the light of the heightened scrutiny in s.1 reviews. Since the introduction of Saskatchewan's PSESA in 2007 the federal government and other provinces have continued the long-term trend of introducing and/or modifying their essential service legislation. For example, Nova Scotia amended their *Trade Union Act* to replace the right to strike for firefighters and police officers with interest arbitration. Nova Scotia's recent (2014) *Essential Health and Community Services Act* mandates "a binding method of resolving the issues in dispute" between the parties (s.15). Similarly Manitoba passed a relatively recent (2011) *Essential Services Act* that specifies which public sector employees must continue to work during a strike and includes a broad array of services that the government considers essential – without regard to the internationally accepted definition of an essential service. Quebec, P.E.I., Alberta, New Brunswick, Newfoundland and Labrador, Ontario, the Northwest Territories, and Nunavut all have public service legislation which contain various restrictions on the right to strike that will have to be reviewed.

It is interesting to note that the Conservative federal government amended a number of statutory provisions in several Acts including the *Public Service Labour Relations Act (PSLRA)* as part of its *Bill C-4, Economic Action Plan Act* (2013). In the "Frequently Asked Questions" document outlining the changes, the Q & A section announces that going forward "The employer has the *exclusive right* to determine which services

are essential for the safety or security of the public” and further that “Employees occupying positions designated essential are required to report to work during a strike.” Question # 7 of this document asks: “Why is the designation of essential services now exclusively determined by the employer?” – the answer – “The *employer is in the best position* to determine the number of employees required to maintain delivery of essential services within its organizations” (emphasis added). With such a unilateral scheme in place, there is no doubt that the federal government’s *PSLRA* will be one of the first statutes on the chopping block once the many legal ripples from *SFL* start to roll out. Now that the right to strike has become a guaranteed freedom under the *Charter*, it will hopefully be far more difficult to prevent workers from exercising this right. As suggested much current legislation will have to be revised or face judicial challenge that will hopefully be more rigorous than in the past forty years. Panitch and Swartz, well over a decade ago, noted Canadian legislatures’ and the courts’ lack of respect and compliance with international law and asked whether governments “could hardly ignore so readily” the freedom of association in the *Charter*? Now that finally, after twenty-eight years, the right to strike is actually ‘enshrined’ in the *Charter*, a question that still remains (2003:58).

THE TRADE UNION AMENDMENT ACT, 2008: WHAT ABOUT ORGANIZING?

SFL has a lot to say about power inequalities in the workplace, and by extension, in society. In addressing her colleagues in dissent in *SFL*, Wagner and Rothstein, Abella argues that they essentially ignore “the fundamental power imbalance which the entire history of the modern industrial relations has been scrupulously devoted to rectifying” (para 56). She then points out that the SCC has “long recognized the deep inequalities” that characterize relations between employers and employees and again refers to Dickson in *Alberta Reference* who comments “Throughout history, workers have associated to overcome their vulnerability as individuals to the strength of their employers.” (para 55 citing p. 368). *Mounted Police*, also stresses that the goal of s.2(d) protection is to empower “vulnerable groups” and “help them work to right imbalances in society. It protects marginalized groups and makes possible a more equal society” (para 53). *Mounted Police* also notes: “Individual employees typically lack the power to bargain and pursue workplace goals with their more powerful employers. Only by banning together in collective bargaining associations, thus strengthening their bargaining power with the employer, can they meaningfully pursue their workplace

goals (para 55).”

With all this focus on vulnerable and powerless groups it is unfortunate that the SCC did not take the opportunity to comment more fully on the necessity of preserving clauses in the Saskatchewan Labour Relations Act that have the potential to offer clear workplace protection to one of the most disadvantaged groups in society today - precarious workers. This outcome, it has to be said, came after the Appellants’ essentially declined to fully argue the case after clear defeats at both the trial and Court of Appeal. Whatever the reason, it is unfortunate since the opportunity to hear the SCC on this crucial issue comes so rarely. The part of *SFL* decision that was not successful was the finding that The *Trade Union Amendment Act (TUAA)* is constitutional. This statute represents a serious loss for the trade union movement in Saskatchewan at a time when unionization could benefit so many low-waged workers. In finding that the *TUAA* did not breach s. 2(d) the trial judge acknowledged that the changes to the certification process had the effect of *reducing the success rate of union applications for certification* yet he argued that s. 2(d) does not require legislation that “ensures unions *succeed easily* in their efforts to be certified”, but it “precludes the enactment of legislation that *interferes with* the freely expressed wishes of employees in the exercise of their s. 2(d) rights” (para 22 – emphasis added).

TUAA was clearly designed to make it more difficult to organize unions and introduced more “restrictive requirements” for certification. First it requires the “written support”, (signed union cards), increase from 25% to 45% before a certification vote can take place; it reduces the time for union organizers to collect cards from six months to three; and eliminates the automatic certification that used to be available when over 50% of employees signed union cards - indeed a feature that has always had a positive impact on the certification process for unions wherever it has been part of the industrial relations regime. In addition, the discretion that the Labour Board had to decide whether a representation vote was needed, was also eliminated (para 14) and a vote is now mandatory. The *Act* also decreased the level of “advanced written support” required for decertification from 50% plus one, to 45% and the period within which the written support for decertification has to be submitted is reduced from six to three months – amendments that make decertification faster and easier.

The most significant amendment, and certainly a serious barrier for those interested in promoting unionization, is the employers’ new right to communicate “facts and its opinions to its employees” during an organizing drive. This practice will no longer be considered an unfair

labour practice and will only be reviewable by the Labour Board if the communication is done in a manner that “does not infringe on the ability of the employees to engage their collective bargaining rights in accordance with their freely expressed wishes” (para 101). This qualification presents a new terrain for union organizers and labour lawyers to sort out, without reference to a comprehensive jurisprudence from the Labour Board, when this activity can be considered an unfair labour practice (para 22). The Saskatchewan Court of Appeal unanimously found that the *TUAA* did not violate s.2(d) of the *Charter*, and the SCC’s majority also agreed that the *Act* “does not substantially interfere with the freedom to freely create or join associations” (para 100). Abella points out the trial judge’s conclusion was partly based on a review of comparable labour relations schemes and found that the right to organize was not substantially interfered with when the *TUAA* is compared to other labour legislation in Canada (para 100). Legislation, it has to be noted, that has been seriously undermined for at least three decades by neoliberal governments whose goal has been decreasing the rate of unionization.

The majority in *SFL* also agreed with the trial judge that permitting an employer to communicate “facts and opinions” to its employees is constitutional. It is important to point out that the trial judge’s reasoning around this issue was that such a finding “is consistent with the employers’ freedom of expression under s. 2 (b) of the *Charter*” (para 21). Balancing an employer’s freedom of expression against the freedom of association of hundreds of workers in a potential bargaining unit is for many an extremely unfortunate feature of *Charter* litigation. Seeing the “corporation as person” with essentially an individual’s rights, has long been critiqued by social justice advocates as one of the fundamental flaws with our common law system as a whole (Bakan, 2000). The result of this amendment will undoubtedly see employers bombarding workers with their “opinions” about how they will go bankrupt and everyone will lose their jobs if a union is certified. The outcome of this all too typical behaviour on the part of employers will be more lengthy and costly litigation and as the certification process drags on, enthusiasm for the new union will tend to wane.

Sid Ryan, president of the Ontario Federation of Labour and presenter at Ontario’s 2015 review of both the *Employment Standards Act (ESA)* and the *Ontario Labour Relations Act (OLRA)* commented that the shift from a regime of card based organizing drives and automatic certification to one that mandates a vote gives employers “more opportunity to target organizers.” He also cited a survey of managers in Canadian workplaces where union drives have occurred that found: “94

per cent had used anti-union tactics and 12 per cent admitted to using what they believed to be illegal practices to stop the union.” (*Toronto Star*, June 15, 2015). The six changes in Saskatchewan’s *TUAA* will make it considerably more difficult to organize vulnerable workers and could likely, as mentioned earlier, set a new low standard for labour codes across the country. As neoliberal governments slowly but surely chip away at the ability to organize, the industrial relations landscape will have an ever more restrictive framework within which to meet the challenge of organizing the unorganized. When does making the certification process so difficult that it “substantially interferes” with organizing unions? What threshold must be crossed before the Court recognizes that restrictions placed on unions are seriously hindering organizing drives to the extent that people are being effectively denied their right to be represented by a bargaining agent and thus unable to exercise all the rights now confirmed by s.2(d)? The protected right to strike, after all, comes with being in a union in the first place, and government assistance with certification was part of the Wagner model compromise. If unionization is made more difficult it could mean many will not be able to access the “self-fulfillment and the collective realization of human goals, consistent with democratic values” now assumedly even more clearly promised by s.2(d) (para 30).

In the review of Ontario’s *ESA* and *OLRA* noted above, the hearings have revealed a serious and growing lack of compliance on the part of employers with regard to even the most minimum employment standards the *ESA* offers. This is partly due to the rapid growth of low-waged, part-time work in the past decade that makes monitoring workplaces an overwhelming task, particularly with cut-backs that have reduced the number of compliance officers. One clear solution for vulnerable workers would be to increase the rate of unionization among this group and rely on unions to ensure at least minimum standards are met. As Sheila Block, a senior economist at the Canadian Centre for Policy Alternatives comments from her study done for the Centre that the share of Ontario workers who make minimum wage is now five times higher than in 1997. She suggests that the Ontario government “has to look at how (to) increase access to union membership for low-wage precarious workers” and notes that “having a trade union right in your workplace is really a very effective way to ensure that your rights are enforced” (*Toronto Star*, 2015).

As noted, the adoption of the *Wagner Act* model of industrial relations from the US in 1935 has been recognized as a ‘compromise’ since the limitation on the right to strike during the life of an agreement is tempered with the right to enforce the terms of the agreement through

grievance arbitration (para 44). The Wagner model is also seen to have solved the need for recognition strikes by implementing a government run union certification process, along with enforcing ‘closed shop’ and automatic dues check-off provisions. See Fudge and Tucker for a comprehensive discussion of the history of the right to strike in Canada in which we are reminded that “when legislatures restricted the freedom to strike they also gave the workers something in exchange.” Yet, as pointed out, in the past three decades since the expansion of collective bargaining under the *Charter* one or more of the freedoms to form and join unions, collectively bargain, and strike “have increasingly been suspended or limited, without giving them any compensating rights” as in *SFL* (2009/10, 352-53; see also Panitch and Swartz, 2003). It can be argued that the certification process, since it is part of the compromise regime under the Wagner model, should be protected and encouraged and indeed labour boards should function to *facilitate* organizing. In fact they should ‘*make it easy*’ in the words of the trial judge, for unions to promote access to such important fundamental *Charter* rights.

WHAT LIES AHEAD?

What lies ahead is surely litigation, litigation and more litigation. We have briefly touched on only four areas in which *SFL* will have a major impact on the law. What about injunctions against striking? Or limitations placed on the scope of remedies an arbitrator can consider – such as no monetary items? How about restrictions on picketing and the right of unions to their s.2(b) right to ‘express’ their demands to the public in the hopes of gaining support for their cause? Does *SFL* modify the law on secondary picketing (Adell, 2003)? Must an appeal process be included in ‘binding arbitration’ since it is replacing a constitutional right? And on and on. Unfortunately there is little hope of avoiding extensive litigation now that the array of *Charter* rights for unions under 2(d) seem almost fully in place. The hope is likely that after a certain point the need for turning to the courts will diminish, however, this is likely wishful thinking.

In commenting on the Court’s description of the strike as an “affirmation of the dignity and autonomy of employees in their working lives” (para 54) Charles Smith, who has written extensively on unions and the *Charter* has noted: “To my knowledge, never before in its history has the SCC shown such sympathy for the *collective* actions of workers to further workplace democracy” (2015, 5). Perhaps this is also a victory in *SFL* – the clear, definitive and quite inspirational words throughout the decision about correcting power imbalances and supporting the right of

people to come together to pursue their workplace rights. Such words, coming from the highest court in the land, would likely be impressive and persuasive in organizing drives for nervous and reticent potential members who are worried about their employers' reactions if they sign on with the union.

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Interventions

Living Wage Campaigns and Building Communities

*Don Wells*¹

The Occupy movement's 'we-are-the-99%' protests that erupted in some thousand cities around the world in 2011 have morphed into a growing anti-austerity politics. From Athens to Seattle, Montreal to Madrid, London to Lagos, protesters in their thousands have been marching in the streets against increasing polarization of wealth, income and power. A principal focus of this anti-austerity politics is the need to end poverty wages. In Los Angeles, New York and over 200 other US cities, fast food workers and other low-wage workers have been demonstrating in front of Macdonald's restaurants and other low wage firms. Together with home care workers, retail employees and other low paid workers in the "Fight for \$15" movement, they are demanding a minimum of \$15 an hour as a "Living Wage."

Recently the University of California agreed to a \$15 an hour wage floor. New York State announced a \$15 Minimum Wage for some 200,000 fast food workers and all state workers. Seattle, San Francisco and Los Angeles have also adopted a \$15 Minimum Wage and Chicago and Kansas City have adopted a \$13 wage (Greenhouse, 2015, 2). Similar policies are being debated in other cities, expanding a movement in which over 150 US cities and counties have adopted Living Wage policies over the past twenty years. In Britain almost 1600 organizations have been officially recognized as Living Wage employers (Cooper, 2015), and in 2012 the London Olympics became the first Living Wage Olympics.

Supported by advocacy, educational, research and anti-poverty organizations, such as Vibrant Communities Canada, ACORN (Association of Community Organizations for Reform Now) Canada, and the Canadian Centre for Policy Alternatives, Living Wage coalitions are also spreading across Canada². In many ways, British Columbia is leading the way. VanCity Credit Union became the largest employer in Canada to

1 Don Wells teaches at the School of Labour Studies and Department of Political Science, McMaster University. Thanks to Tom Cooper, Carlo Fanelli, Peter Foulds, Trish Hennessy and Anthony Marco for helpful comments and information.

2 In Ontario alone there are Living Wage initiatives in at least 24 communities, including Hamilton, Waterloo, Peel, Toronto, Chatham-Kent, London, St. Thomas, Perth Huron, Thunder Bay, Sudbury, Ottawa, Renfrew County, Simcoe County, Oxford County, Peterborough, Kingston, Brantford, Guelph, Windsor, Grey Bruce, Haldimand-Norfolk, Halton, Niagara and Gravenhurst.

adopt a Living Wage, New Westminster, B.C. became the first Canadian city to adopt a Living Wage for its municipal employees, and Vancouver City Council recently voted unanimously for a Living Wage for city employees.

So what is a Living Wage? And what is the difference between a Minimum Wage and Living Wage? A few Minimum Wages are Living Wages, but usually they are a lot less. Minimum wages are whatever governments say the legal wage floor is in particular places for various kinds of work. By contrast, Living Wages are based on two normative premises. One is a moral premise that workers should be paid enough to raise themselves and their families out of poverty and maintain their dignity in society. The other premise is that everyone should have the means and leisure time to *participate meaningfully in the civic life of their community*. That means that Living Wages are almost always higher than the Minimum Wages that governments legislate.

In Canada there has been a sharp increase in the proportion of workers who work for low wages. Wages in the high paying sectors are growing twice as fast as wages in low-paying sectors (Tal, 2015, 3), especially in rapidly expanding service sectors. In Ontario alone, 700,000 work for a Minimum Wage. Add another million who earn between \$11-\$15 an hour, and we have three out of every ten Ontarians working for low wages – almost doubling the proportion of low wage workers in less than fifteen years. This doesn't include the 11% of workers in Ontario who are not covered by the Minimum Wage (Vosko et al., 2014). Particularly for those working for minimum wages, the proportions of low wage workers are even higher – often much higher – among women, First Nations, youth, racialized workers and recent immigrants (Block, 2015, 8-9; Government of Ontario 2012; Lewchuk et al., 2014; Block and Galabuzi, 2011).

These low wage workers are the 'working poor.' They are found across growing expanses of Canadian labour markets, including retail, cleaning, hospitality, security, care work, and other sectors. In Canada, 1.8 million work for less than they need to pull themselves and their families out of poverty (Cooper, 2015). In 2008, two of every three families living in poverty in Canada had one or more family members in the paid workforce (Canada, 2012, 28). To lift them out of poverty, they need a Living Wage that allows them to make enough to meet their families' basic needs – food, clothing, rent, transportation, child care and other essentials – and have a bit left over for things like their children's soccer team so they and their families can participate more in community life. Based on actual costs of meeting these needs, Living Wage rates vary from community to

community. For example, the Living Wage in Vancouver is \$20.68 an hour; in Toronto it is \$18.52 an hour; in Hamilton – whose Living Wage campaign is the main focus here – it is \$14.95 an hour.

THE BEST PLACE TO RAISE A CHILD

In Hamilton, an Ontario city of half a million, Living Wage coalitions have been making significant gains. They have also been facing formidable challenges. This mix of success and adversity provides insights into the special importance of *community identity* to the success of Living Wage campaigns. The overarching goal of the City Council of Hamilton and Hamilton’s Roundtable for Poverty Reduction, a local coalition of community, faith, policy, municipal groups, charities and private firms, is to make Hamilton “the best place to raise a child” by reducing poverty. Although the rate of child poverty in Canada has been declining in recent years, it is still among the worst among rich countries, ranking 20th out of 30 industrialized nations (Raphael, 2009). Some parts of the city suffer poverty levels that are among the worst in Canada. One of every five Hamilton children lives in poverty, and in some neighbourhoods this runs as high as two or three children in five. Every month the equivalent of over 270 classrooms of children use foodbanks.

A big part of children’s poverty is due to their parents’ low wages. Over 30,000 Hamiltonians go to work for pay – and yet they and their families still live in poverty. A Living Wage is a top priority at Hamilton’s public school board. Teachers and school trustees know personally many of the children who are growing up in poverty while their parents are working for poverty wages. They see the impacts every day in their schools: physical and cognitive developmental delays, poor health, depression and anxiety, aggressive behaviour, kids who are too hungry to learn, and parents who are too stressed out to help them.

At a recent recognition ceremony, about twenty Hamilton organizations received official public recognition for adopting a Living Wage policy. This includes the public school board, the first public institution – and the first publicly elected body – in Ontario to adopt a Living Wage. As school trustee who sponsored the board’s adoption of the Living Wage argued: “the best way to fight child poverty is to pay parents a living wage.” Among the employers recognized was the co-chair of Hamilton’s Living Wage coalition, the CEO of a local manufacturing firm. The head of the Hamilton Chamber of Commerce, who adopted a Living Wage for employees at the Chamber, spoke about how his support of the Living Wage arose in important part because he was raised by a working single mother.

A Living Wage Policy is also a growing priority at Hamilton's McMaster University. For several years the McMaster Community Poverty Initiative (MCPI), a coalition of faculty, staff, students, and unions, in partnership with anti-poverty groups in Hamilton, has been promoting a Living Wage policy. Support has been growing across campus, including among some senior administrators, as part of a new priority of "community engagement" inside and outside the university. The university appointed the co-chair of the MCPI to head up the university's new office of Community Engagement. It was in this context that cleaners at the university, and their union, the Building Union of Canada, made a major gain. Before their most recent contract, many McMaster cleaners were paid only \$13.51 an hour. Since many are single parents, what they earn is what their children live on. Now, thanks to the university administration's agreement to a Living Wage in their contract, they're making a minimum of \$15 an hour.

The way the cleaners won the Living Wage points to the importance of community building. As has been the case for many years in regard not only to the cleaners but also to other low wage, predominantly female, often immigrant workers, including cafeteria workers represented by the Service Employees International Union, university negotiators were very aggressive in contract negotiations. The cleaners were told they were expendable and that the university could get cleaners for even lower than the poverty wages many were making. The university threatened to outsource the cleaners unless they accepted the administration's 'final' contract offer that would keep many well below the Living Wage. This threat came in the middle of summer when most students and faculty were not on campus.

However, word got out and in a couple of days over 150 faculty, staff and students signed an online petition to the university president expressing their "strong disagreement with the ultimatum" the university had made to the cleaners. They called on the administration to "commit to paying all of its fulltime workers a living wage immediately." As a "community dedicated to the fulfillment of human potential, McMaster University should be leading the way on this issue." After admonishing the administration for its "final best offer" which "perpetuates gender inequality" by keeping workers in the mainly female part of the bargaining unit (but not the mainly male higher skilled part) below a Living Wage, the petitioners said they wanted to "work in a community that values all its members." In closing, they noted that many had been inspired by the university president's public position that the university must "uphold above all else the obligations of the University to serve the

greater good, beginning with our immediate community”.

With public support for a Living Wage for the cleaners growing among the public outside the university as well, the *Hamilton Spectator* newspaper soon picked up the issue. With the administration’s hard bargaining under pressure from many in the university community and in Hamilton, McMaster’s president, often a progressive voice, announced that the administration would offer a Living Wage in the new contract.

CHALLENGES

Living Wage campaigns in Hamilton also illustrate formidable challenges. One is that such campaigns can lead to the redistribution of wages *among* workers: a transfer from higher paid workers to lower paid workers without helping to raise wages for *all* workers and without changing the *overall* distribution between the top salaries and bottom wages in the organization. At McMaster, the lowest paid cleaners got a Living Wage but the wages of the higher paid cleaners and skilled trades in the bargaining unit were essentially frozen. And there was no redistribution of income from senior administration and other highly paid employees at the university, some of whom make annual salaries upwards of \$300,000, \$400,000 and more, on top of generous pensions and other benefits.

A second major challenge is that the Living Wage is calculated on the basis of a fulltime job. This assumption does not reflect today’s increasing numbers of part-time and contract jobs. These and other ‘non-standard’ jobs are growing faster than full-time jobs (Tiessen, 2014, 20; Workers’ Action Centre, 2015). Only about half of the workers in Toronto and Hamilton have standard employment (Lewchuk et al., 2014). About half of Ontario’s workers work less than 40 hours a week (Block, 2015, 5). So in order for them to get out of poverty, they need either full time work or they need a Living Wage that is higher for part time work.

A third challenge is that because the Living Wage focuses on raising the “working poor” out of poverty, it does not address the poverty of the unemployed. There is a danger that the unemployed poor, who are already pervasively stigmatized as ‘non-deserving poor,’ may be further excluded. In response to these challenges, the Living Wage needs to be part of a broader set of policies to reduce poverty. Among them are policies to create more and better jobs, and better protection for those who lose their jobs. Whereas in 1990 seventy five percent of Canada’s unemployed received Unemployment Insurance benefits, today only thirty nine percent do. And Canada’s Employment Insurance benefits are low compared to those in other rich industrialized countries.

More affordable housing is also crucial. At least 200,000 Canadians use homeless shelters or sleep outside each year. Untold numbers more ‘couch surf.’ In the 1990s government support for affordable and social housing was cut, and in 1993 the federal government got out of social housing altogether. About 95% of housing in Canada today is built by private, for-profit developers (Silver, 2014, 84). There is little profit to be made from building housing for very low income people. Often wages and social assistance rates are so low that many people can’t afford to pay their rents. Already one in five Hamilton renters pay over half their incomes on rent (Freeman, 2015). Gentrification in Hamilton encourages landlords to raise their rents higher, forcing many of the poor out of their apartments.

A Guaranteed Minimum Income could be a powerful companion to the Living Wage. As an experiment in the 1970s, the Manitoba and federal governments implemented a policy in the town of Dauphin, Manitoba in which each family received a Minimum Income. Those who were working had their income from the policy reduced by 50 cents for every dollar they earned in employment. While the Minimum Income’s impacts on hours of work were minimal, gains to the community were considerable. Children and adults attained higher education levels. There were fewer hospital visits, work-related injuries, and car accidents. There was less domestic abuse and lower levels of reported mental illness (Forget, 2011; Goar, 2011). Hours of paid employment went down but this was almost exclusively due to mothers of young children delaying their return to paid work so they could spend more time with their children, and to youth who continued in school instead of leaving to work for wages before graduation.

BUILDING COMMUNITY POLITICS

Much of the strategy of Living Wage campaigns in Canada, the US, Britain and elsewhere centres on a ‘business case’ and on local economic development. At the level of individual workplaces and organizations, there is growing empirical evidence associating the adoption of Living Wages with ‘efficiency benefits’ to employers, including higher employee productivity, lower employee turnover, lower training costs, better corporate reputation and other advantages (Brenner and Luce, 2008; Fairris and Reich, 2005; Reich, Hall and Jacobs, 2005). A prominent example is Costco, the ‘anti-Wal-Mart,’ where the yearly turnover is 20 percent in contrast to 50 percent at Wal-Mart, and where the savings in training and recruitment costs contribute to wages and benefits that average \$20,000 more for each fulltime worker than at Wal-Mart (Greenhouse, 2009, 162-4). Furthermore, there is evidence that, as a

result of Living Wage contributions to increased consumer demand and `multiplier effects` that flow from that initial increased demand, local net employment is often modestly higher as well (Card and Krueger, 1994; Dube et al., 2010). Such benefits to employers and local economic development are important Living Wage contributions.

There is another benefit of Living Wage campaigns: their contributions to citizen participation and community civic culture. Living Wage campaigns, and the values of social solidarity and community cohesion they embody, can be strengthened by being linked explicitly to community identity and to `grass roots` participation. Unlike Minimum Wage legislation and Minimum Income legislation, the Living Wage is not something citizens have to wait for politicians and public officials in legislatures to decide. It is a *community option*.

On the one hand, this local character of Living Wages is a source of major weakness. Whereas Minimum Wages apply to *all* workers specified in the provincial or federal jurisdiction, the scope of Living Wages is usually considerably less, so the benefits are fewer. In addition, Living Wage policies are largely urban-centred and leave out most rural areas. And often they are an option that is not exercised by many employers, especially those with small businesses in predominantly lower- skilled, labour- intensive sectors such as retail, fast food, security, cleaning, hotels, etc. Since Living Wages are a voluntary option for individual employers, another weakness is a built-in `free rider` incentive problem. Local employers who do not pay a Living Wage can benefit from or `free ride` on the increases in local purchasing by the employees of businesses that do pay a Living Wage. By contrast, government Minimum Wage laws are mandatory, enforced (to varying degrees) by the state, and typically cover most smaller businesses. Consequently they can provide benefits to larger numbers of working poor.

On the other hand, the community focus of the Living Wage can also be a source of strength, but for different reasons. Partly this is by default: while most provincial Minimum Wages have risen in recent years, and Alberta's new government has committed to increase the province's minimum wage to \$15 an hour, as yet no provincial government has provided Minimum Wage increases that meet a Living Wage across the province.³ And unlike Minimum Wage legislation which is largely based on a calculation of political benefits, Living Wages are, as the name suggests, based on local costs of living.

³ However, in some smaller communities and rural areas, where housing, food and other costs are lower, provincial minimum wages may approximate living wages.

Living Wage campaigns operate at multiple levels. They focus on persuading individual employers to pay their employees a Living Wage, on getting city councils to adopt Living Wage policies for municipal employees, on mobilizing neighborhood business associations to adopt Living Wages, and on negotiating Living Wages as part of local employment provisions in “Community Benefit Agreements” with developers and officials building public infrastructure projects in the community (Galley, 2015). This varied nature can make Living Wage values and arguments part of a *multilayered political conversation* in which community members, not just a few government officials and politicians, talk about the Living Wage in the street, at work and at school, at community and faith events, and across the kitchen table. These civic conversations can contribute to increased public awareness of social and economic inequality and exclusion and, at the same time, to a stronger sense of community belonging and commitment. By expanding the meaning and spaces of politics to include people who are left out, such conversations can contribute to popular participation in public policy-making. In addition to the goal of providing a better material basis for workers and their loved ones to participate in community life, by operating outside conventional electoral representation processes, Living Wage campaigns can strengthen political citizenship.

To the extent Living Wage campaigns are embedded in community consciousness and identity, public moral and political pressure can come not only from those workers who are directly affected by Living Wage as a ‘labour issue’ but also from the community itself as a focus of civic identity and community development. In Hamilton there is broad support across all party lines in city council for a Living Wage policy. “Anchor institutions,” such as large public and non-profit employers (Dragicevic, 2015), with strong identification with Hamilton, such as the university, community college, hospitals, the Catholic school board, and others are also likely candidates for Living Wage policies. Large private sector employers, including the main newspaper and other media firms, credit unions and other financial institutions, the airport, and Hamilton’s iconic steel and other manufacturing companies whose history is deeply intertwined with the city and its sense of itself, are also strategic to linking the Living Wage as part of Hamilton’s community identity. Faith organizations, the city’s beloved Hamilton Tiger-Cats CFL team, and prominent community service organizations such as the YMCA and YWCA, are also strategic candidates for early Living Wage adoption. To the extent the Living Wage campaign and its values become integral to how people in Hamilton see their city, a new community conversation with

employers who have yet to adopt Living Wage policies can begin, along the lines of “This is Hamilton. Hamilton is a Living Wage community. You’re part of Hamilton, so why aren’t you paying a Living Wage?”

The Hamilton and District Labour Council is also making a Living Wage a top priority, vigorously promoting an online petition calling on the City Council to adopt a Living Wage for municipal employees (Hamilton and District Labour Council, 2015). At a time in Ontario when union density has fallen to 14% in the private sector, even further to 11.3% for part-time workers in the private sector, and to 6.7% among the rapidly increasing numbers of small workplaces in the private sector (Block, 2015, 6, 10-11), Living Wage campaigns are a way to help build *community unionism*. Living Wage campaigns can promote community issues linked to unionized workplaces, and build solidarity among union and non-union workers to help create a kind of informal *community collective bargaining around a Living Wage floor*. Especially where, as is almost universally the case today, unionized workers are being pressured to make contract concessions, a Living Wage floor can help to limit employers’ ability to coerce already low paid workers to make more wage concessions or lose their jobs (as we saw for example in the case of the McMaster cleaners).

Living Wage campaigns are also about building intergenerational solidarity. A disproportionate and growing number of young workers are working for poverty wages. Although the Canadian Charter of Rights and Freedoms prohibits discrimination on the basis of age, Ontario allows employers to pay workers under 18 years of age, who work 28 hours a week or less, a lower minimum wage of \$10.30 an hour. Wage reductions for young males have been particularly dramatic: between 1981 and 2011, real wages for men 17-24 years old fell more than 14 percent (Morissette et al., 2012). In 2014 some 400,000 workers, male and female, in Ontario aged 15-24 were paid \$11 or less an hour, and another 305,000 made \$11-15 an hour. Together they comprise four of every five low paid Ontario workers (Block, 2015, 10-11).

The impacts of low wage work also extend to parents and other family members, and this opens up new bases of community support for Living Wage policies. Parents, including many who may have higher, more secure incomes, increasingly experience the impacts of the low wage economy through their children who can’t find decent, stable jobs, live with their parents because they can’t afford rent, can’t afford escalating costs of post-secondary education, can’t afford to start their own families and can’t participate in their communities in ways their parents do. Growing numbers of low-paid, precarious jobs are transforming the Living

Wage into a broader community issue linking generations, as well as income and employment groups. Finally, starting at community levels, Living Wage campaigns can be part of building a more 'bottom up' politics that contributes to more horizontal inter-community, province-wide and nation-wide politics which can foster more genuinely democratic popular participation and social solidarity.

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Rethinking Precarity and Capitalism: An Interview with Charlie Post

Jordy Cummings¹ (JC): The theme of this year’s *Alternate Routes* is the “paradox of low-wage, no-wage work”, and there is a great deal of analysis of an allegedly new historical subject, “the precariat”. What do you make of this “paradox”? Is capitalism really that different in 2015 than it was 20, 30, 40 years ago?

Charlie Post² (CP): Capitalism is certainly different today than it was during the so-called “Golden Age” of 1945-1975. During those years, “full-employment” – unemployment below the “frictional” rate of 3-4 percent, the dominance of full-time work with unemployment insurance, health care, pensions and the like (provided by the state, private employers, or some combination) – was the norm. This “full-employment” model also included some measure of job security – either legal or contractual protections from arbitrary dismissal, etc.

The “Golden Age” was, in my opinion, *exceptional* in the history of capitalism. It was the product of a combination of a long period of rising profitability (1933-1966) and a militant labor movement across the industrialized world. Workers had threatened the foundations of capitalist rule (France and Spain in the mid-1930s, France and Italy immediately after World War II, France in 1968, Portugal 1974-1975) or severely disrupted capitalist accumulation in mass strike waves in the mid-1930s, immediate post-war years and again between 1965-1975. Capital was forced to make major concessions to labor. The “full-employment” model and the expansive welfare state were the most important gains, giving workers unprecedented security of employment.

However, the “Golden Age” was not typical of the history of capitalism. Piketty, in his greatly overrated *Capital in the 21st Century*, has demonstrated that the *very slight* decline in income and wealth inequality in this period was a short-interruption of capitalism’s historic tendency to *increase* inequality. Not only was the period exceptional for small decreases in inequality, but in the “full-employment” regime. The period since the mid-1970s – with the growth of part-time (but still mostly

1 Jordy Cummings is a PhD candidate in Political Science at York University. He has published in *Red Wedge*, *Socialist Studies* and *Socialism & Democracy*.

2 Charlie Post is Professor of Sociology at the Borough of Manhattan Community College-City University of New York. He is author of *The American Road to Capitalism: Studies in Class-Structure, Economic Development and Political Conflict, 1620-1877*.

long-term) jobs, less job security and greater consequences of unemployment because of the dismantling of social welfare – is actually a return to the capitalist norm. If you look at the advanced capitalist societies before 1945, they all experienced lots of part-time work and lots of insecure employment – and guaranteed health care, pensions and the like were enjoyed by a distinct minority of the working class. Even the most “privileged” workers – the skilled ‘labor aristocrats’ of the late nineteenth and early twentieth centuries – experienced prolonged bouts of unemployment.

JC: In a June essay for *Viewpoint Magazine*, Aaron Benanav³ wrote that in response to the rise of this theorization, some, you in particular are “seeking to defend a more or less classical orientation, [and] have sought to deny that any such radical recomposition of the working class has taken place.” He seems to, by implication, be suggesting a sort of non-workplace oriented model of organizing, not dissimilar, some might argue, to how some labour leaders want to appear to be helping precariously employed service and other unskilled workers without actually *organizing* them. Do you have anything you’d like to say about the Benanav piece?

CP: I will reserve my empirical criticisms of Benanav’s use of data for my reply in *Viewpoint*. To me it is unclear what Benanav is advocating for *strategically*. He caricatures my strategic position. I do not advocate a return to the sorts of working class political parties (mass social-democratic/popular frontist-reformist, “Communist”) and trade unions (dominated by the officialdom and committed to capitalist state regulated union recognition mechanisms, routine collective bargaining, reliance on the grievance procedure) that characterized the “Golden Age.” Benanav uses the term “Fordism,” which is either associated with the problematic “Regulationist School” or is, as Simon Clarke has argued, without analytic value.

However, I do argue that strong *workplace* organization, based in key manufacturing and logistics/transport industries, is absolutely necessary if we want to rebuild working class power. So will some sort of political organization that gives expression to a new workers’ movement (recognizing, in the light of the experience of the Italian PRC and Syriza, the problems such parties will inevitably face if electorally successful). However, I think that workplace organization, in particular, will only be rebuilt through a rejection of the current norms of “trade union legality.” The industrial unions were organized in the 1930s through direct action

3 Benanav, A. (2015, June 15). Precarity Rising. *Viewpoint Magazine*, <https://viewpointmag.com/2015/06/15/precarity-rising>

(strikes, sit-downs, etc.), rather than state sponsored ‘recognition’ elections. Union power rested on strong organizations of shop stewards who lead brief short strikes and slow-downs over workplace grievances. This is the only road to the revival of workers powers today.

The strategy of non-workplace organizing – at best workers’ centers of low-wage workers based in their neighborhoods; at worst, the SEIU’s new attempts to convince employers that concessionary contracts with unions will help be more profitable than non-union firms – is a dead end. Neither an emphasis on low-wage workers *alone* – especially those with the least social power – nor offers of “labor peace” will rebuild the labor movement. Only a strategy based on identifying which groups of workers actually have the ability to disrupt accumulation – and on the *exercise* of that social power will lead to a new workers’ movement. I believe this strategy is applicable to the so-called “service sector” – in particular organizing the giant transnationals like Wal-Mart or McDonalds. Organizing store-by-store, relying on ‘moral power’ and symbolic disruptions will not organize this sector. Only by organizing “up the supply chain” – among better-paid, more stably employed warehouse and logistic workers – will unions be able to wield sufficient social power to organize the industry as a whole.

JC: You have long been critical of the so-called “labour aristocracy” thesis, that, to put it simply, workers in ‘advanced capitalist countries’ are not prone to militancy due to their being beneficiaries of ‘super-exploitation’. Do you see a relationship between the “precariat” line and the “labour aristocracy” line?

CP: Absolutely! Both disparage the strategic importance of full-employed, relatively well-paid workers in industry and transport-logistics. Both fetishize low-wage workers with little social power. Both appeal to *elitist* tendencies on the left and in the labor movement – either labor bureaucrats or leftists influenced by Stalinism and/or social-democracy who believe that workers need to follow their ‘enlightened’ leadership. These sorts of folks are worried that better paid, more socially powerful workers will actually want to run their own organizations. Workers with little social power tend to be much more reliant on their ‘leaders’ and their attempts to leverage influence with politicians and employers through symbolic actions.

JC: Among others, you have argued that there is growing potential working class power within the logistics sector. Can you expand upon this?

CP: The centrality of the logistics center is rooted in the spread of what Kim Moody and others call “lean production.” Lean production was a very successful drive to raise the rate of surplus-value through a hyper-

Taylorist division and simplification of tasks, massive speed-up, use of non-union workers (“out-sourcing”) and more contingent workers. Along with these measures to increase the rate of exploitation, “just-in-time” inventory systems reduced the costs of capital and raised profitability. By eliminating large inventories of spare parts in manufacturing – or inventories of merchandise in retail – firms saved on building warehouse space and on the interest they paid while parts or merchandise remained unused or unsold.

“Just-in-time” inventory is actually a return to the norms in many industries *before* the organization of industrial unions in the 1930s and 1940s. What the auto industry used to call “hand-to-mouth” inventory systems proved to be highly vulnerable to disruption by small groups of workers, especially those who would stay at their work-stations and stop working (“sit-downs”). “Hand-to-mouth” was abandoned because workers were willing to take advantage of their potential social power. With the smashing of the conventional union movement over the past forty years, capital has felt confident about returning to this system. However, it *recreates* potential bottlenecks and points of pressure for workers.

When strategically placed workers act on their renewed power the results are quite amazing. In 1995, workers at a GM plant in Flint, Michigan that produced all the brake-assemblies for GM cars and light trucks in North America struck against forced overtime. Within a week, they had shut down approximately 24 or 26 GM factories in the US, Canada and Mexico. GM gave in and suspended forced overtime in Flint. More recently, port truck drivers (“truckeros”) on the West Coast docks – mostly Latinos classified as ‘independent contractors’ – struck, shutting down some of the largest ports on the continent (Long Beach, CA) and winning recognition as *employees* with the right to collective bargaining. The spread of just-in-time inventory systems to retail and fast food in North America also gives workers tremendous *potential* power. Unfortunately, few unions involved in the attempts to organize workers in these industries (SEIU, UFCW) have focussed on warehouse and logistic workers. Instead, they engage in flashy acts of “symbolic” disruption – one-day strikes by minorities of workers at a single store – that are incapable of changing the relationship of forces and compelling capital to grant union recognition. Only the small United Electrical Workers (UE) has chosen to focus on logistical and warehouse workers.

JC: As well, you have been skeptical of claims regarding the centrality of the service sector. Can you say a bit more about this?

CP: I come from a political and intellectual tradition that has long been suspicious about claims that the industrial working class – workers

in manufacturing, transport-logistics, telecommunications, etc. – no longer matters to the revival of socialist politics. All of the data indicates that industrial output, adjusted for inflation, has risen as both an absolute magnitude and a percentage of Gross National Product since the early 1980s – surpassing levels at the end of the last long boom. Clearly, the percentage of industrial workers has fallen – as it has since the 1890s as a result of mechanization and a rising rate of surplus-value. Put simply, the potential social power of industrial workers has probably *increased* in the neoliberal era. The notion of ‘immaterial labor’ is a hot mess. It confuses highly *material* labor – work in the telecommunications industry creating and maintaining the infrastructure for computerization – with forms of mental labor – designing machinery and work-systems. While the former is central, the latter workers are unlikely to be in the lead of a new workers’ movement.

JC: Like many of us, you are active in your union, as an academic worker. I would say that probably the majority of socialists in academia are precariously employed – at least by my own observation. My point in raising this is my contention that the reason that “precariousness” is such a ‘hot topic’ is that it has been theorized by often precariously employed academics. Do you have any thoughts on this? What is the role of the academic labour movement and how can more solidarity develop between the tenured and untenured?

CP: The growing experience of real *precarity* is quite marked among academics, and may help *partially* explain the popularity of the notion of the “precariat” among graduate students and young professors. However, we should not lose track of how labor bureaucrats and their intellectual supporters promote the notion. Blaming “precarity,” “deindustrialization-globalization” and other “sociological” factors for the decline of the labor movement does two things for the labor officialdom. First, it lets them off the hook – their dead-end strategies are no longer responsible for the decline of organized labor. Second, low-paid and precarious workers appear as “low hanging fruit” – workers who can easily be recruited into powerless unions, but who can pay dues.

In terms of academic labor’s strategic place – I am skeptical. While I have been very active in my faculty union for over twenty years, I do not think that academic labor will be an important element in transforming the labor movement. I reject the essentially elitist notion (that leaders of my union are very fond of) that “academic labor” brings “big ideas” to the labor movement. Actually, the greatest source of radical ideas in the labor movement has been skilled industrial workers – few of whom were college educated, no less college professors. I do, however, think it crucial for

radicals in the academy to be engaged in *workplace organizing*. Whatever social power academics have will only be realized through collective action at the workplace. I think the key to developing solidarity between different segments of the academic workforce is convincing the more ‘privileged’ faculty that their conditions of work are directly tied to those of less secure faculty. Put simply, the more part-time and untenured faculty universities and colleges can hire, the greater the ability of managers to lower the salaries, increase the workloads, etc. of full-time faculty. If we can convince full-time and tenured faculty of this, solidarity may well increase.

JC: You have called yourself a “Capital-Centric” Marxist, in the tradition of Robert Brenner and Ellen Meiksins Wood. Does this account of the historical development of capitalist social property relations have any influence on your analysis of the prospects for the working class movement in 2015?

CP: Yes, in two ways. First, Brenner and Wood have been among the most important left intellectuals defending the centrality of workers and workplace organization to the survival (or revival) of the socialist project. Brenner’s work on social-democracy/reformism is especially valuable in understanding the strategic and tactical limits of the labor officialdom. Second, I have used “*Capital-centric*” Marxist, rather than “*Political Marxist*” (at least most of the time), to *broaden* the tradition. Brenner and Wood have demonstrated that only with the emergence of social property relations where exploiters and exploited must reproduce themselves through market competition do we see the dynamic of productive specialization, technical innovation and accumulation – the operation of the *law of value*. Others, in particular Anwar Shaikh and his students, have done the heavy lifting in analyzing the dynamics of established capitalism – accumulation, competition, and crisis. The work of one of Shaikh’s students, Howard Botwinick, on capitalist competition, capital mobility and differentiation within the working class is central to my analysis of the roots of the crisis of organized labor. The reissuing of his book, *Persistent Inequalities* as part of the *Historical Materialism* book series in 2016 – and its appearance as an affordable paperback in 2017 – is extremely important in disseminating these ideas to a broader intellectual and activist milieu.

Recomposing the Casual Class in Precarious Times

*Brett Caraway*¹

The *New York Times Magazine* recently featured an article provocatively titled “The Creative Apocalypse That Wasn’t” (Johnson, 2015) in which the author surveyed statistical data from the U.S. Labor Department and the U.S. Economic Census to arrive at a somewhat upbeat assessment of the economic well-being of the creative economy. The article suggests that the recording industry’s recent shortfalls in album sales is negated in part by new revenue streams from live performance; Hollywood’s abandonment of mid-budget films in favor of formulaic blockbusters and endless parades of sequels is made more palatable by the release of more eclectic films by independent production companies; the emergence of blockbuster economics in e-book publishing is made more palatable by niche markets supported by indie bookstores. In other words, our collective anxieties about the economic impact of recent technological developments in the creative economy are unwarranted because “...there are now more ways to buy creative work, thanks to the proliferation of content-delivery platforms” (para. 28). Likewise, “...just as there are more avenues for consumers to pay for creative work, there are more ways to be compensated for making that work” (para. 29). The author concludes that the recent restructuring of production, distribution, and consumption has not significantly impacted the prospects of earning a livelihood within the creative industries. Simply put, consumers can now choose from a larger selection of creative works than ever before and that means more people are getting paid to do what they love.

In general terms the creative industry is analogous to the sector known as the Information and Cultural Industries as defined by the North American Industry Classification System (NAICS). Developed by the U.S. Office of Management and Budget (OMB), NAICS is a hierarchical classification system of industry sectors, subsectors, and groups. NAICS is also the departmental standard for Statistics Canada and Industry Canada. According to Industry Canada (n.d.), the

¹ Brett Caraway is an Assistant Professor at the University of Toronto in the Institute of Communication, Culture, Information, and Technology at UTM and in the Faculty of Information at St. George. His research focuses on the intersections between law, economics, and technological development.

Information and Cultural Industries (NAICS 51):

“...comprises establishments primarily engaged in producing and distributing...information and cultural products. Establishments providing the means to transmit or distribute these products or providing access to equipment and expertise for processing data are also included. The unique characteristics of information and cultural products, and of the processes involved in their production and distribution, distinguish this sector from the goods-producing and services-producing sectors. The value of these products lies in their information, educational, cultural or entertainment content, not in the format in which they are distributed (para. 1).”

The emphasis on the immateriality of cultural and informational artifacts in this definition minimalizes the materiality of a number of the subsectors that comprise this sector. Subsectors in the NAICS 51 category include the publishing industry, the motion picture and sound recording industry, broadcasting, telecommunications, data processing and hosting, and other information services (telephony, cable and satellite television, Internet service providers, telecommunications reselling).

The Information and Cultural Industries may themselves be considered as a subset of the Information and Communications Technologies (ICT) sector. In addition to Information and Cultural Industries (NAICS 51), Industry Canada also includes portions of manufacturing (NAICS 31-33), wholesale trade (NAICS 41), professional, scientific and technical services (NAICS 54), and other services excluding public administration (NAICS 81) in its definition of the ICT sector. According to Industry Canada (2014), revenues in the Canadian ICT sector grew from \$133.4 billion in 2007 to \$159.9 billion in 2013, an increase of 19.8%. The ICT sector accounted for 4.4% of Canadian GDP in 2013, or \$69.5 billion. Canadian ICT workers are also highly educated—47.2% have a university degree as compared with the national average of 27.4%. Employment in the ICT sector increased by 0.9% in 2013, amounting to 3% of national employment. The average income of ICT workers in 2013 was \$69,876 – 48% higher than the national average. Even the lowest paid workers in the ICT sector – workers in the electronics components industry – had annual incomes 9.8% higher than the national average.

The assessments offered by Industry Canada seem to align well with the sentiments expressed in the afore-mentioned NYT Magazine article. However, numbers like these can be misleading. Unless incomes are

symmetrically distributed among ICT workers, the mean values used by Industry Canada may not be representative of the true center. That is to say the average value may be significantly influenced by outlying values. Similarly, yearly industry revenues and contributions to GDP tell us very little about the financial status of ICT workers. Highly educated workers may be shouldered with high levels of debt that adversely affect discretionary income. And GDP as a measure of economic activity is not a true measure of living standards. Income distribution, product quality, composition of economic output, environmental degradation, and leisure time are all criteria for assessing standards of living that fall outside of ICT contributions to GDP.

The NYT Magazine's analysis of the economic well-being of workers in the creative industries was subjected to a biting critique by the Future of Music Coalition (2015), a U.S. based nonprofit organization working to ensure that artists are fairly compensated for their work. The article was faulted for not recognizing the limitations of the data used in the analysis. In response to the claim that there was a 15% rise between 1999 and 2014 in the number of people with music as their primary occupation (Music Directors and Composers), the Future of Music Coalition (2015) noted that the U.S. Department of Labor reclassified a significant number of primary and secondary music teachers into this category. When this reclassification is controlled for, there appears to be a drop of 11% in the number of people identifying music as their primary occupation. The NYT Magazine article also claimed that there was a 60% increase in the average income of Music Directors and Composers, but the Future of Music Coalition (2015) again noted that 55% of the individuals in this category are elementary and secondary school music teachers. The rebuttal goes on to critique the NYT Magazine for relying on gross revenue numbers in a manner similar to Industry Canada's summary of the ICT sector. Ultimately, neither the article nor Industry Canada's assessment speak to the economic well-being of workers in the ICT sector.

PRECARIOUS LABOR

For some time now there has been a global concern with the rise of so-called non-standard work. During the latter half of the 20th century, many workers in the industrialized West labored under a set of conditions known as the *standard employment relationship*. This designated full-time work, regularized work hours, employment at the employer's facilities, lifelong employment with a single firm, standards for workplace safety, and benefits like pensions and unemployment insurance (Fudge & Owens, 2006). In recent years there has been a rise in casual employment

in which employees have no reasonable expectation of steady employment. Today, full time public sector workers are the most likely to enjoy standard employment status. The general security of public sector employment stems from the fact that these jobs are typically found in larger institutions with greater transparency and standardization in employment practices. They also benefit from higher levels of unionization and the higher wages, pensions, and benefits that accrue to unionized workers – though public sector jobs are increasingly under attack. Conversely, a substantial number of contemporary private sector jobs offer less security, irregular scheduling, fewer benefits, less on-the-job safety, and less pay. Workers in these jobs often include those with high school educations, women, and migrant workers. Some of the industries with the highest levels of insecurity include food services, agriculture, building support services, and retail sales.

In the early 2000s activist groups in Italy began mobilizing against deregulated labor flexibility under the mantra of *precarious labor* (Mattoni, 2008). These mobilizations sought to push back against the capitalist rhetoric of flexible work by drawing attention to the damaging effects of precarious employment. In 2011 economist Guy Standing published his book *The Precariat: The New Dangerous Class* in which he argues that globalization has caused employers to replace permanent jobs with contract and temp work. Hence, increasing numbers of workers find themselves employed in jobs with higher rates of turnover, short contracts, and lower rates of unionization. Standing (2011) asserts that these workers, many of whom are educated young people and immigrants, constitute an emerging social class distinct from the working class.

Closer to home the United Way and McMaster University have partnered to study precarious labor in the area stretching from Hamilton to Toronto. The research partnership has produced two studies to date on the Greater Toronto-Hamilton Area (GTHA). According to a *Toronto Star* article (Mojtehedzadeh, 2015), the project “...expand[s] on Statistics Canada data, which only measures temporary employment and self-employment rather than other measures of precarious work such as uncertain work schedules and irregular earnings” (para. 27). The research defines precarious employment to “...[include] people in temp and contract work, along with those with uncertain work schedules, irregular earnings, inconsistent hours of work or jobs without benefits. It counts some self-employed people as precarious, only if they have irregular, unpredictable work” (Grant, 2015). The researchers (Lewchuk, et al., 2015) found that about 44% of workers aged 25 to 65 are working in jobs characterized by some degree of precarity. Furthermore, the researchers

determined that workers in the most precarious forms of work (temporary and contract work, and own-account self-employment) account for about 20% of the workforce – an increase of nearly 60% since 1989.

Authors like Standing (2011) and Hardt & Negri (2009) offer descriptions of trends in precarious employment that are premised in part on the belief that recent technological developments in the field of communications constitute a moment of discontinuity in the history of capitalist accumulation. This assumption has been challenged by Doogan (2009, 6) who argues that the emphasis on international trade and investment, and recent technological developments: "...privileges discontinuity and it 'over determines' the role of technological change. In stressing the significance of global flows of finance, and the integration of capital beyond the national economy, it greatly exaggerates the mobility propensity of non-finance capital and neglects the continuing significance of the role of the state in the workings of the market economy."

In fact, Doogan (2009, 4) utilizes worker survey data from North America and Europe to argue, "...that job stability has not declined and that long-term employment has increased in many sectors of the advanced economies." He continues (2006): "A left wing mindset that sees only temporariness and contingency in new employment patterns is blind to the basic proposition that capital needs labour. Despite all the rhetoric of foreign competition and threats to relocate and outsource, employers generally prioritize the recruitment and retention of labour. Otherwise it would be difficult to explain the international evidence of job stability and rising long-term employment."

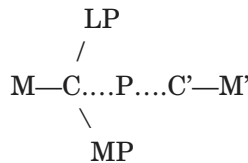
Doogan's work has been faulted for not providing a deeper analysis of some areas where there exists genuinely high levels of non-permanent contract employment (Kimber, 2009). Nevertheless, this debate begs the question: *how widespread is precarious employment in the ICT sector?* Recall that Industry Canada (2014) asserts that ICT workers enjoy an average income 48% higher than the average Canadian worker. And unlike workers in food services, agriculture, and retail sales, 47.2% of workers in Canada's ICT sector have university degrees—27.4% higher than the national average (Industry Canada, 2014). Yet a growing body of literature seems to indicate that ICT workers are not immune to the spread of precarious employment. Huws (2003) coined the term *cybertariat* over a decade ago in her seminal analysis of how ICTs were transforming the labor process. Huws demonstrated how ICTs were implicated in deepening the social divisions of labor along race and gender lines while considering what this meant for those individuals and collectivities working to resist such transformations. In effect, Huws's

(1999) work rejects the utopian rhetoric surrounding ICTs "...to try to make visible the material components of this virtual world..." (127). In a similar vein, Brophy and de Peuter (2014) take a materialist approach to the analysis of the global supply chain of mobile communication technologies. The authors describe a circuit of exploitation in the production, distribution, and consumption of mobile technologies consisting of six analytically discrete moments: 1) the extraction of raw materials; 2) the manufacture of mobile devices; 3) the design of mobile apps; 4) the use of mobile technologies for work; 5) call center and support services; and 6) disassembly in the disposal of throwaway mobile technologies. At each moment in the circuit of exploitation, whether by the barrel of a gun, irregular hours, or unsafe working conditions, the authors find that conditions of precarity prevail.

In a like manner, Dyer-Witthford (2015) provides a far-reaching analysis of the complex circuits of labor in the global supply chain of ICTs and the role that precarity plays within the circuits. Dyer-Witthford argues that the decomposition of the global working class has produced a stark division between upwardly mobile professionals on the one hand and precarious workers on the other. Moreover, the intensification in the division of labor facilitated by the widespread adoption of information technologies has resulted in substantial challenges for cooperation among the various sections of the cybertariat. *Cultural Workers Organize* (culturalworkersorganize.org) is a research project that explores precarious employment among contract workers, interns, the self-employed, free-lancers, and part-time workers in the Information and Cultural Industries. The project subjects the utopian rhetoric of the creative economy to critical analysis while contributing to the efforts of flexworkers to organize and adapt to the increasing prevalence of precarious employment. One of the project's researchers, Greig de Peuter (2011), acknowledges the linguistic and political functions of terms like *cybertariat* and *precarity* in stating, "Troubling the fantasy that the merger of free trade and ICTs is equalizing the planetary economic playing field, the cybertariat confronts ICTs as levers of precarization within a familiar but mutating global division of labor whose wage logic is racing downward" (420). As with Doogan's (2009) criticisms, there is a sense here that *there is nothing new under the sun*. It is with this sentiment in mind that I consider how precarious employment fits within the historical trajectory of capitalist accumulation and where we might go from here.

CIRCUITS OF STRUGGLE

Activists and scholars have gone to great pains to draw our attention to the emergence of precarious employment over the last several decades. The lack of security among precarious workers has contributed to rising income inequality and social unrest in many OECD countries (Law Commission of Ontario, 2012). The intensified effects of global competition in the networked information economy have led many firms to increasingly rely on flexible and on-demand workers. Apologists assert that many workers value this flexibility because it offers them greater personal autonomy. Yet the discursive space opened up by precarity has to a large degree displaced flexible employment in the popular lexicon. Accordingly, there has been a growing awareness of the plight of workers unwillingly forced into conditions of precarity. I would like to move the discourse one step further by suggesting that precarious employment itself persists in a state of instability owing to its inability to resolve the class antagonisms whence it came. A useful lens for understanding the rise of precarious employment is Marx's (1992) metaphor of circuits to describe the contingent reproduction of capitalist social relations on an expanded scale. Marx's (1904) basic premise was that these social relations were only possible through a unity of production and consumption, each occurring as a separate analytical moment in the circuit of capital. Or as Marx states "...every single sale or purchase stands as an independent isolated act, whose supplemental act may be separated from it in time and place" (117). Thus Marx (1978) explains that the reproduction of capitalist social relations is subject to repeated disturbances and interruptions. Marx (1992) represented this contingent process of accumulation in his *circuit of capital*:



In the above diagram, M is the money that capitalists spend to buy the commodities of labor power LP (ability and willingness to work) and means of production MP (tools and raw materials). These commodities are purchased from other capitalists before being combined in the process of production P to produce new commodities C' whose value and price are greater than the initial investment. If the circuit is completed successfully, the capitalist will sell the new commodities for M', at which point the

circuit begins again on an expanded scale. Therefore the object is not the simple realization of profit through the sale of commodities, but the expanded reproduction of the class relation. As Marx (1990) argued, capitalism did not invent surplus labor. Rather it invented the limitless imposition of work – so long as the circuit continues uninterrupted.

As we can see from the circuit above, waged workers sell their capacity and consent to work (LP) which capital then uses in the production (P) of commodities (C'). However, if workers are successful in their attempts to drive up wages, the amount of unwaged work in production decreases. Thus the dueling dynamics of market competition and working class struggle have produced a long history of class decomposition and recomposition as capital explores new ways of increasing unpaid work. As Harvey (2005, 168) comments:

“Employers have historically used differentiations within the labour pool to divide and rule. Segmented labour markets then arise and distinctions of race, ethnicity, gender, and religion are frequently used...in ways that redound to the employers’ advantage. Conversely, workers may use the social networks in which they are embedded to gain privileged access to certain lines of employment. They typically seek to monopolize skills and, through collective action and the creation of appropriate institutions, seek to regulate the labour market to protect their interests.”

In the wake of the Great Depression, Keynesian economic policy emerged to facilitate greater levels of employment, investment, and economic output in the hopes of allaying the most contentious sections of the working class. According to Cleaver (2005), Keynesian monetary policy was directed at “...the financing of accumulation through low interest rates, the achievement of full employment and the management of the price level” while Keynesian fiscal policy was meant to “...encourage accumulation through the expansion of federal government expenditures, the limitation of taxation and deficit financing when necessary” (6). These policies sought to bind the success of working class struggle for higher wages to higher rates of productivity. As Cleaver (2005) notes, “At the margin, monetary and fiscal policy in the aggregate could increase the flow of money to generate a little inflation to keep real wages in line with productivity growth, or reduce the flow to raise unemployment and slow the growth of nominal wages to the same purpose” (7). The subsequent collapse of the Keynesian program stemmed in part from working class recomposition and wage push inflation. In the latter half of the 20th

century both waged and unwaged workers leveraged the welfare state's social safety net to subvert the wage hierarchy by softening the impact of exclusion from the standard employment relationship. Workers secured higher wages and greater access to consumer credit. These developments, when coupled with declining rates of productivity, sent inflation through the roof as the Keynesian project could no longer control prices or effectively command labor via orderly accumulation. Thus the capitalist response to the crisis of the Keynesian state was to undermine real wages by removing income subsidies, lowering nominal wage growth, and raising unemployment and underemployment.

The dual edged sword of economic liberalization cleaved government spending and tax revenues while anointing deregulation, privatization and global trade to the highest rungs of the capitalist pantheon of ideas. It is in this context that precarious employment emerged as one of austerity's most useful accomplices. Nonetheless, another potential crisis looms as firms thus far have failed to redirect adequate investment back into sectors capable of generating the sustained and stable rates of accumulation seen during the Keynesian period. In effect, investment has followed the path of least resistance away from sites of working class struggle and toward speculative investments made possible by recent financial deregulation. Cleaver (2005) confirms the potential for crisis, "This re-emergence in the late 20th century of the very fetishistic pursuit of money to the neglect of the management of class relations has undoubtedly hindered the resolution of the crisis of those relations which capital has sought for the last twenty years" (16). Consequently we may understand precarious employment not only as the most recent moment in a long history of class struggle, but also as an obstacle or interruption in the capitalist quest for a stable program of accumulation.

ALTERNATIVES

It has long been argued that working class struggle does not inevitably lead to revolution or even revolutionary consciousness. Moreover, there is a sense that workers in the global ICT supply chain are simultaneously interdependent and isolated. Traditional labor organizations have largely failed to mitigate the spread precarious employment in any number of industries, including the ICT sector. It would appear that new forms of organization are required. As Ness argues (2014, 1):

"Existing labor unions have proved incapable of mobilizing rank-and-file militancy to resist the ongoing deterioration in workplace

conditions and the systematic erosion of workers' power. As capitalism pushes ever harder to reverse the labor gains established in the early to mid-twentieth century, workers are developing new forms of antibureaucratic and anticapitalist forms of syndicalist, council communist, and autonomist worker representation, rooted in the self-activity and democratic impulses of members and committed to developing egalitarian organizations in place of traditional union bureaucracies. In turn, these new forms of representation, which are gaining currency throughout the world, are expanding the democratic capacity of workers to advance their own economic, political, and social interests without external intermediaries."

In cities across North America workers in precarious employment have come together to form workers' centers to improve working conditions and forge alliances with social justice organizations. For example, in Toronto the Workers' Action Centre functions as both an advocacy and support group and as a resource center for precarious workers (Watson, 2014). Additionally, Cohen and de Peuter (2015, 305) from the aforementioned Cultural Workers Organize project, have researched workers' centers within the Information and Cultural Industries: "Across Europe and North America, cultural workers are responding to similarly strained conditions by experimenting with organizational forms and collective activities."

The authors go on to propose three conceptual lenses for further research on worker resistance in cultural labor. First, they point to the practice of *mutual aid*, or providing support and infrastructure to independent work. While acknowledging that it is structurally challenging to organize creative workers, the authors point to a number of organizations that have provided health benefits and insurance to creative workers outside of the standard employment relationship. Second, the authors assert that workers' centers have produced quality *policy proposals* aimed at mitigating the worst aspects of precarious employment. Again, they point to a number of workers' organizations that have circulated a variety of policy proposals including basic guaranteed minimum incomes for creative workers and legal recourse to collect unpaid wages. And third, the authors advise *counter-interpellation* as a means of "...building alternate vocabularies to define cultural labour that resist dominant ideological codes attached to visions of, for example, 'creatives' and 'free agents'" (306). Cohen and de Peuter state, "If interpellation designates the process through which ideology hails

individuals to inhabit a subject-position *simpatico* with the priorities of the dominant order, counter-interpellation encompasses practices through which workers and their associations challenge prevailing interpellative devices and adopt alternate identifications” (312). It is this last analytical lens that I find the most intriguing. As mentioned previously, the notion of precarity was introduced as a challenge to the capitalist rhetoric of flexible work by transforming shared grievances into a resource for raising awareness and mobilizing around the realities of precarious employment.

Tokumitsu’s (2014) incisive critique of the *do what you love, love what you do* mantra is an example of an effective counter-interpellation of precarity. When viewed through the lens of precarious employment, it becomes clear how business interests use the seemingly innocuous refrain to leverage creative workers’ passions against their own self-interest. In my own work (Caraway, 2015) on networked social movements, I have documented how members of workers’ associations use social media platforms to share their personal experiences, creating a sense of group identity and collective understanding of shared social injustices. As Bennett and Segerberg (2012, 742) argue, these *personalized action frames* can serve as the basis for mobilization:

“In this network mode, political demands and grievances are often shared in very personalized accounts that travel over social networking platforms, email lists, and online coordinating platforms. For example, the easily personalized action frame ‘we are the 99 per cent’ that emerged from the US occupy protests in 2011 quickly traveled the world via personal stories and images shared on social networks such as Tumblr, Twitter, and Facebook.”

Of course some have been dismissive of the relative significance of online social practices in class struggle and social movements. There is a genuine feeling that these practices are no substitute for the tried and true approach of boots on the ground. Indeed, many scholars doing research at the intersection of communication technology and social movements assess the significance of ICTs based solely on the movement’s success in realizing particular goals. However, if we consider the use of ICTs for purposes of counter-interpellation, recruitment, and mobilization, might there be something significant going on? After all, how does one measure the shifting landscape of institutional discourse and social interaction? Would we not do well to remember Marx and Engels’s (1976) exhortation, “Now and then the workers are victorious, but

only for a time. The real fruit of their battle lies, not in the immediate result, but in the ever-expanding union of the workers” (493). Inasmuch as ICTs are implicated in their own circuits of exploitation – like some high tech ouroboros – they are also part and parcel of the efforts to resist exploitation and precarity.

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Digital Labour and the Internet Prosumer Commodity: In Conversation with Christian Fuchs

Matthew Flisfeder¹ (MF): In the “Introduction” to *Digital Labour and Karl Marx* (2014a), you write that with the global crisis of capitalism that began in 2007-2008 we have entered “new Marxian times.” What is particularly new here? Does the context of the crisis add something new to Marxism and Marx’s critique of capitalism, or has the crisis brought about a renewal of interest in Marx and Marxism?

Christian Fuchs² (CF): Since some time in the 1980s, Marxist and socialist thought, politics and practice faced a backlash and repression because of the rise of neoliberalism, the colonisation of social democracy by neoliberalism, the rise of culturalism and postmodernism, the structural self-destruction of the Soviet Union, etc. Being a socialist or Marxist in politics or academia or everyday life meant that people were frowning on you and that you often had to face outright repression. The new collected interview volume *Key Thinkers in Communication Scholarship* (Lent and Amazeen, 2015) tells the stories of how Marxist communication scholars faced and confronted different forms of anti-socialist repression such as physical violence, hiring discrimination, salary discrimination, publication denial, denial of tenure, ideological scapegoating, racism, denial of important institutional positions, isolation, legal silencing by threat of legal proceedings or actual law-suits, or massive amounts of work-time. Marxism and socialism were repressed although at the same time capitalist inequality was rising. In scholarship, the economy was often simply ignored and its relevance downplayed. All of this has changed a bit with the new crisis of global capitalism that started in 2008.

Now there is more interest in Marxist theory and socialist politics. Just look at the popularity of Jeremy Corbyn here in the United Kingdom.

1 Matthew Flisfeder is Assistant Professor in the Department of Politics and Public Administration at Ryerson University. He is the author of *The Symbolic, The Sublime, and Slavoj Žižek’s Theory of Film*, and co-editor of *Žižek and Media Studies: A Reader*. His current research focuses on the ideology of social media, and social media and entrepreneurship.

2 Christian Fuchs is the author of *Digital Labour and Karl Marx, OccupyMedia!: The Occupy Movement and Social Media in Crisis Capitalism, Culture and Economy in the Age of Social Media*, and several other books and articles on social media and critical media studies. He is a Professor at the University of Westminster, where he is Director of the Communication and Media Research Institute (CAMRI), and editor of the journal *tripleC: Communication, Capitalism & Critique*.

This shows us that some changes are happening and that the Left has new potentials for a renewal. We should think of the old and the new of Marxism and socialist politics precisely in Marxian-dialectical logical and dialectical-historical terms: Capitalism changes dynamically in order to remain the same system of exploitation. Marxist theory therefore needs to be based on a dialectic of continuity and change in order to understand the changes capitalist society and communications in it have been undergoing. So society, communications, and theory are neither completely new nor completely unchanged. It is one of the tasks of my own work to show the relevance of such a historical dialectic.

MF: In the context of communications and media studies, Dallas Smythe's (1977) essay *Communications: A Blindspot of Western Marxism*, and his concept of the "audience commodity," is often taken up in critical political economic analyses of the media. His work also figures quite prominently in your analysis of social media and social media labour. Could you explain the significance of Smythe's concept and how it translates over into the critical analysis of social media labour?

CF: I have written in detail on these issues in the books *Digital Labour and Karl Marx* (2014) and *Culture and Economy in the Age of Social Media* (2015a), so I would like to refer the reader to these works. I have just completed a companion to Marx's *Capital Volume 1* from a media and communication studies perspective (Fuchs, 2016). Marx starts this key work with the statement: "The wealth of societies in which the capitalist mode of production prevails appears as an 'immense collection of commodities'; the individual commodity appears as its elementary form" (Marx, 1990, 125). This means that the critique of political economy always has to start with the questions: What is the commodity form we are confronted with? Who produces it? Let's think of advertising-funded media. What is their commodity? The attention produced by audiences. This relates to Smythe's notions of audience labour and the audience commodity. Now think of Facebook, a targeted-advertising based social media corporation that is besides Google the world's largest advertising agency.

What is the commodity form? The personal, social, and meta-data that users' digital labour creates. So here the notion of the social media data commodity that is produced by users' digital labour is important. The data commodity shares qualities with the audience commodity, but also has new qualities, such as constant real-time surveillance, the production of not just meaning, but also social use-values, the corporations' total knowledge of user activities (in the case of the broadcast and newspaper audience commodity, one has in contrast to conduct audience studies in

order to learn about the consumers' preferences), there is prosumption³ (productive consumption), advertisements can be targeted and personalised, there are algorithmic auctions that set the price of ad space, etc (see Fuchs 2015a, chapter 5). This is again an example of the Marxian dialectic of continuity and change: there is a continuity of the commodity form and the audience commodity as well as the emergence of new qualities that help to reproduce the commodity form.

MF: If communications, then, was a blindspot for Western Marxism in the late 1970s, when Smythe's article was published, you now say that Marxism has in fact become a blindspot for communications, and the whole of the social sciences more generally? Why do you think that this is the case?

CF: Media and communication studies is overall a rather politically conservative field. Its mainstream is focused on administrative research. There have been the traditions of critical political economy of the media/communications, critical cultural studies, critical media/communications studies, etc. But they are marginal in comparison to the mainstream. Just look at the major journals in our field. The *Journal of Communication* has, for example, not published a Marxist article in ages. This was a bit different in the 1980s when George Gerbner was the editor and critical scholars could get their articles published in this journal. Today, such journals that represent the mainstream simply ignore, reject and indirectly repress critical scholarship. At the same time, there is a growing number of critical scholars, especially in the younger generation and among Ph.D. students, who also self-organise against the mainstream. We have a profound intellectual struggle between critical and administrative research going on in the field. A journal such as *tripleC: Communication, Capitalism & Critique* (www.triple-c.at) is explicitly a project that wants to be a home for critical communications scholarships that challenges the mainstream. We have to create more institutions and structures that foster critical scholarship. Part of the problem is that critical scholars are often isolated in their departments and universities. Therefore, it is important that they network with each other and act together.

MF: *Digital Labour and Karl Marx* provides a detailed introduction to Marx's critique of political economy, with a particular focus on the exploitation and alienation of labour. Early on, you distinguish between

³ The term "prosumption," first introduced by Alvin Toffler (1980), refers to the confluence of production and consumption. Internet and social media users are often in critical media studies thought of as "prosumers" since they are both producers and consumers of content.

“labour” and “work.” What is the difference between the two? How does each relate to digital labour (or work)?

CF: I do not want to repeat this explanation in detail here because the interested reader can simply look at chapter 2 and especially figure 2.2 in *Culture and Economy in the Age of Social Media* (Fuchs, 2015a). Linguistically, terms such as *work* (English), *Werk**tätigkeit* (German), and *ouvrer* (French), on the one hand, and *labour*, *Arbeit*, and *travailler*, on the other hand, have different societal roots. The first group has to do with anthropological features of human beings, the capacity to be creative and the fact that this creativity results in works that satisfy human needs. The second group of linguistic terms has emerged with the rise of class societies and often means things such as slavery, toil, pain, and hardship, etc.

MF: I'd like to return to the question of work and labour in a moment, but first let's talk some more about the role of Marxism in communication and cultural studies. The third chapter of your *Digital Labour and Karl Marx* focuses on cultural studies' "troubled" relationship with Marx. How do you respond to the charge made by some prominent cultural studies thinkers in the 1990s that Marxism is a form of economic reductionism, which privileges class above other markers of identity, such as gender, race, and sexuality? Is a distinction between cultural studies and critical political economy justified, or does the debate obfuscate something central to both? In other words, what do these approaches share in common and how are they useful for studying digital culture? Or, more to the point of your book, why might the exploitation of digital labour be a concern for cultural studies?

CF: I personally do not care if someone is a political economist and/or a cultural studies scholar as long as she or he is a socialist and is inspired in his or her research by socialist goals. This also means that we have to see that the economic and the non-economic are in capitalism necessarily related to each other, but not reducible to each other. So when we talk about a non-economic topic, we have to talk about class, and when we talk about the economy, we also need to see its connections to racism, patriarchy, etc. There is both celebratory cultural studies as well as non-Marxist political economy of communication. I am critical of both approaches. Shortly before Stuart Hall died, he gave an interview to Sut Jhally, in which he said that cultural studies should return to its Marxist roots. Otherwise it would be pointless. I think he made an important point there. If you remember the debate between Garnham and Grossberg, then the situation was quite polarised (see Garnham, 1995a; 1995b; Grossberg, 1995). The separation was probably very artificial and overstated. From

today's perspective, the interesting thing is, however, that Garnham, who in this debate took the position of a quite orthodox Marxist, today opposes Marxist political economy. You can read more about it in a debate between him and me in a forthcoming issue of *Media, Culture & Society* as well as in a discussion published in *tripleC* (see Garnham and Fuchs, 2014).

Personally I think that the gap between cultural studies and political economy can easily be bridged if we analyse how production, circulation, and consumption belong together. That was Marx's point in the Introduction to the *Grundrisse*. Stuart Hall took up the Introduction in the Centre for Contemporary Cultural Studies' stencilled occasional papers #1 in 1973. This was Marxist cultural studies at its best. We have to again in a different context ask questions about capitalism, the relation of the economic and the non-economic, production/circulation/consumption, the commodity, labour, the relationship of exploitation and domination, class struggles, socialism, alternatives, etc. I also think engaging with Raymond Williams' cultural materialism helps us in a lot of respects today. Overall, we should overcome defining ourselves as either cultural studies thinkers or political economists. The point is if you are a Marxist/socialist cultural studies thinker, a Marxist/socialist political economist, a Marxist/socialist critical theorist, a Marxist/socialist feminist, a Marxist/socialist critic of ideology and discourse, etc. The unity in diversity is to think of ourselves as socialist and Marxist media and communications scholars and to explore the history of Marxist and critical theories in a dialectical manner.

MF: Going back to questions about labour, there are now many contemporary critical theorists writing about digital media and culture, such as Tiziana Terranova, and Michael Hardt and Antonio Negri, who draw upon the tradition of Autonomist Marxism, and the concept of "immaterial labour" in particular. Do you find anything useful in the notion of "immaterial labour"? How does your own concept of the "Internet Prosumer Commodity" relate to or differ from the concept of "immaterial labour"?

CF: I have argued multiple times that the very term "immaterial" is idealist and religious because it philosophically implies that there are two substances: matter and spirit, which contradicts the philosophical law of ground. I have co-authored a book called *Practical Civil Virtues in Cyberspace: Towards the Utopian Identity of Civitas and Multitudo* (Fuchs and Zimmermann, 2009) that is a detailed engagement with Hardt and Negri. Although I do not want to use the term "immaterial" and think all communication and all thought is material in a materialist philosophy, ontology, and epistemology, I find the notions of the social factory and the

social worker helpful because they allow us to overcome orthodox and Stalinist versions of the labour theory of value that only see wage-labour as creating surplus-value.

Also housework, unpaid labour in the free economy, the 30 million slaves in the world, etc. create parts of global capitalism's surplus-value. In *Reading Marx in the Information Age: A Media and Communication Studies Perspective on Capital Volume 1* (Fuchs, 2016), I repeatedly point out the connection of the notion of the social worker and Marx's concept of the collective worker that he introduces in Capital Volume 1's chapter 16. Value-production, and therefore class and exploitation are quite complex and global today; they form a differentiated unity in diversity organised as a global division of labour.

MF: As with Smythe's argument that audiences work when they are watching TV programs, there are probably many who might disagree with the idea that Facebook or Twitter users, for example, are in fact exploited labourers. After all, aren't users receiving a payment in kind from the service provided by the platform itself? Isn't there value in the modalities of connectivity made possible through social media? How do you respond to this argument? How can users' participation on social media be conceived as a form of exploited labour?

CF: I think my recent books give the answers to this question, so there is no point that I repeat the argument here in detail. The wage is the price of labour-power. And price is the monetary expression of a commodity's labour-power. In capitalism, price is measured in monetary terms. Money is a universal commodity, a universal equivalent of exchange. You can buy food by money, but not by Facebook access. Facebook access is not a universal equivalent of exchange, it is no payment and no wage. Most people who argue Facebook users are not exploited actually think that everything is alright with Facebook and Google and nothing needs to be changed. But in fact these are large monopoly-capitalist corporations whose power has negative impacts in many respects.

MF: But where does the money come from? Since exploited labourers only produce surplus value and not profit itself, which has to be realized in the market through the sale of goods, how in fact is the Internet Prosumer Commodity realized as profit? Who is purchasing this commodity?

CF: There is a production and a realisation process. The users create the data commodity's value. The actual realisation and sales process that generates Google and Facebook's profits is either a user's click on an advertisement (Pay-per-Click) or the presentation of an ad on a profile

(Pay-per-View). Google and Facebook's advertising clients purchase the data commodity and only pay if a user clicks on an ad or views an ad. Of course this advertising economy is connected to the circulation process of other commodities that the advertisers want to sell. There are however a lot of uncertainties about the question of how efficient and effective targeted advertising is, and as a result of these uncertainties the social media economy is also a financialized, crisis-prone bubble economy.

MF: Could you please elaborate a bit more on the production and realization process. Where, in fact, is surplus value produced and how does the users' labour relate to socially necessary abstract labour time?

CF: This question has resulted in a quite substantial debate about what Marxian concepts we should use for understanding advertising and digital labour on social media. I can best refer the readers to chapter 5 in *Culture and Economy in the Age of Social Media* (Fuchs, 2015a) that gives an overview of the state of this debate and to the forthcoming volume *Reconsidering Value and Labour in the Digital Age* (Fisher and Fuchs, 2015) that documents the contributions of a workshop that Eran Fisher and I organised in 2014 at the Open University of Israel. The workshop focused on exactly this question. The basic difference is between those that use the concept of rent and those who use the concept of productive labour. I belong to the second group of thinkers. The scholars in the first group argue that advertising in general and targeted advertising on social media in particular is an unproductive attribute of monopoly capital and that the whole advertising sector does not produce, but consume surplus-value created in other industries. It is seen as a "parasitic" sector of the economy, one, in which there is no productive labour, but in which rent is created that comes out of a transfer of the surplus-value exploited in other economic sectors.

The second approach argues that there is productive labour and therefore exploitation, wherever labour produces commodities that are sold in order to accumulate capital. Advertising is not just part of the sales and production process of other commodities, but is also a capitalist industry in itself that produces a distinct service that is sold as commodity. The fact that we have social media prosumption as form of user-labour that transcends the boundaries between production, circulation, and consumption shows that drawing a division between productive industry and unproductive advertising is monolithic. Such an assumption is a form of orthodox Marxism that has an old-fashioned understanding of the working class that goes back to the time when advertising and consumer culture did not play an important role in capitalism.

There is a third approach, namely those Autonomist Marxists, who speak of the becoming-rent-of-profit. In my view, we do not need the term rent for understanding the political economy of advertising-based social media. But at a level of abstraction, these authors share theoretically and politically more characteristics with the second group than with the first. In the book that Eran and I edited, these three positions become quite evident.

There is a reason why an Apple iPhone 6 costs around £450-£550 and an Acer Liquid Jade smartphone only around £100-£200: the iPhone is a more well-known brand. You pay more for the brand ideology. But ideologies are not free-floating structures; they need to be produced by someone. The commodity's ideology that is expressed in advertising is produced by concrete and abstract labour so that additional value, i.e. labour-time, beyond the basic value is objectified in the products that are advertised. Apple invests much more into marketing, branding and advertising than Acer. And such investments mean actual labour conducted by workers in advertising, marketing and PR departments, and labour conducted by user-workers and consumer-workers.

Marx thought of transport labour as a special form of labour. If you think of a commodity, then it is not just physically transported from the producer to the consumer or in the case of a digital information commodity not just sent over the Internet. There is something more: the commodity ideology expressed in advertisements needs to be produced (by advertisement workers) and transported (i.e. targeted) to consumers and users. The use of targeted advertising-based social media and the consumption of advertisements in general is ideological transport labour, it helps "transporting" the commodity ideologies created by advertising workers to potential consumers. I make this argument in detail in *Culture and Economy in the Age of Social Media* (Fuchs, 2015a). The point is that there are many forms of labour that do not immediately appear to us as labour because they are unwaged. Audience labour and digital labour on social media are just two of them. Housework is another one. A specific orthodoxy only considers wage-labour as productive, which downplays the importance of the exploitation of housework and other forms of unpaid labour in capitalism. It is a quite patriarchal argument that fetishizes the wage, a form of wage-labour fetishism. Earning a wage is not a necessary criterion for being a productive and therefore exploited worker and thereby part of the working class. Advertising as ideological commodity aesthetic has become an integral part of contemporary capitalism. Substantial amounts of time are invested into the production and consumption of ads. The labour theory of value is a theory of time in

capitalism (see Fuchs, 2015a, chapter 4). Advertising as ideology is organized in space and time and needs to be produced and reproduced.

The fact that producing and transporting advertisements creates commodity ideologies also points towards the important interconnection of the economy and culture, labour and ideology, in capitalism. We have to stop separating the economy on the one hand and ideology on the other hand (O'Brien, 2015). One should in a cultural-materialist manner in the analysis of labour not just analyze the work-process, but also ideology (the ideology of labour, how ideologies are part of management, how they play a role at the everyday workplace, can be challenged by unions and activists, etc.); and we should, when we analyze ideology, not just analyze texts, but also the labour context (the labour that creates and transports ideology). Labour and ideology are in a dialectical manner identical and non-identical at the same time. Ideologies are created by labour, but also have emergent properties, by which they go beyond the economy and as distorted meanings take effect all over society.

MF: Speaking of which, I'm quite interested in the way that you deal with the relationship between exploited labour on social media and the problem of ideology. You attend to, in parts of your book, the cultural studies critique of "false consciousness" as a way of explaining the problem of ideology. In dealing with the question of ideology, you note (similarly to others, like Jodi Dean) that social media and the Internet are often championed as platforms for democracy and participatory culture. If users are in fact merely contributing to the mechanisms of their own exploitation as parts of the Internet Prosumer Commodity, are claims about democracy on the Internet not simply new forms of "false consciousness"? What about the use of social media for purposes of resistance, such as the so-called "Arab Spring" movement, Occupy Wall Street, and the "Maple Spring" and the Idle No More movements in Canada?

CF: I say a lot about this issue in my book *OccupyMedia!: The Occupy Movement and Social Media in Crisis Capitalism* (2014b). The problem of social movement media studies is that they tend to neglect political economy. Scholars conducting such studies sympathise with the movements they study. This often blinds them from asking critical questions. It does not help social movements if scholars in a techno-determinist manner celebrate them. It is however also wrong to argue that the Internet and social media have no influence at all on political change. They are neither unimportant nor determinant, there is a dialectic of online/offline, media/society, face-to-face/mediated communication, etc. There is a lack of political economy and a lack of

profound empirical studies that address the actual role of social media in protests. For finding out the actual role, theory alone is not enough, we need empirical studies. *OccupyMedia!* is a quite unique approach in this respect. I also recommend that people interested in social media politics read Todd Wolfson's book *Digital Rebellion: The Birth of the Cyber Left* (2014; see also Fuchs, 2015c). Reading *OccupyMedia!* and Todd's book together opens up a dialectical political economy perspective on digital media and social movements.

MF: If, then, the Internet, digital culture, and social media are mechanism of exploitation, today, how might they figure in an emancipated society? You mentioned, for instance, the unpaid free labour of housework earlier. Do campaigns like "Wages for Facebook" (modeled after the "Wages for Housework" campaigns of the 1970s) hold any traction? What possibilities are there for the development of a non-exploitative Internet? To put it more bluntly: what would the Internet look like in a "communist" society? Can you propose a way forward towards this possibility?

CF: The question is if as the Left we should demand "wages for Facebook" or public funding for alternative social media and alternative non-commercial non-capitalist media in general. I find the idea of wages for Facebook interesting, but I disagree with it. Only arguing for wages and higher wages is purely immanent and reformist, it cannot go beyond Facebook and capitalism. It makes Facebook less exploitative, but does not question exploitation as such. Therefore, I think we need to foster initiatives that channel resources towards non-capitalist media projects. One idea for this is taxing advertising and capital in general to a higher degree and using participatory budgeting for channelling such income to non-commercial media. I call this policy perspective the "participatory social media fee" (see Fuchs, 2015b). It combines state action and civil society action, the public, and the commons. We need a renewed Left, which means in the end a renewed social democracy in the sense that Rosa Luxemburg understood social democracy, and as part of it we need left-wing media politics. Socialism is not an idea of the past, but a democratic idea for the future.

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Art, Labour and Precarity in the Age of Veneer Politics

Rebecca Garrett¹ and Liza Kim Jackson²

PRECARIA

We are aware of recent contributions to an ongoing conversation about the politics of precarity that arise from the intensifying devaluation of the labour of cultural workers: Aruna D'Souza's *Dying of Exposure*, Yasmin Nair's *Scabs: Academics and Others who Write for Free*, and Barbara Ehrenreich's *In America, only the rich can afford to write about poverty*. Each of these authors comment on the increasing lack of job security and pay for their work as writers, and point out that only people with other income sources can *really afford* to write for free. A similar situation exists for other cultural workers, including artists such as ourselves.

Our involvement in this discussion took a turn with an invitation to participate in Mayworks³ Windsor in 2012, where we presented a performative relational video screening workshop called *Homunculus: Occupy y/our life*. We continued the conversation in 2013 with a subsequent work: *Abundant Future: Interactive Performative Art Philosophy Embodied Value Debate Exchange*. Both projects ran up against and tangled with labour, value, art, embodiment, academic politics, and our precarity as artists within a neoliberal economy.

Artists have always lived in the land of Precaria. However, in the 1970's a generation of Canadian artists fought for and won respect for artist's work and recognition for the necessity to remunerate artist's labour. While this did not impact all of the art world, gains were achieved

1 Rebecca Garrett is a Toronto based artist whose community based video projects and experimental videos and installations have been exhibited and/or screened at numerous venues in Canada and abroad. Garrett's use of media is situation specific and she has worked collaboratively and/or collectively with a number of groups and individuals in Canada, USA, Zimbabwe and Kenya.

2 Liza Kim Jackson is a community artist and PhD candidate at York University in Environmental studies. She researches social praxis art as a method to resist and survive gentrification and broader issues of poverty, homelessness and violence under capitalist colonialism.

3 Mayworks Festival of Working People and the Arts is a multi-disciplinary arts festival that celebrates working class culture. "Founded in 1986 by the Labour Arts Media Committee of the Toronto and York Region Labour Council, Mayworks is Canada's largest and oldest labour arts festival." (Mayworks, n.d.).

in key sectors of government and labour.⁴ Canada was the first country to instigate artists' exhibition fees and to make the fair payment of artists' labour a funding requirement. Has neoliberalism threatened these gains? Our experience with Mayworks would suggest that it has.

Mayworks, as a labour arts festival, "was built on the premise that workers and artists share a common struggle for decent wages, healthy working conditions and a living culture... Mayworks Festival is fully committed to paying artists' fees." (Mayworks, n.d.). And so we just assumed that we would receive artists' fees. However, the response to our eleventh hour query regarding payment tells a now familiar story about the erosion of these kinds of gains: "Sorry, I meant to discuss this with you but in the excitement it slipped my mind. Mayworks here runs strictly on volunteer labour. What little money the committee raises goes to advertising. But I meant to tell you to list your expenses (the car, materials, cake and whatnot) and I'll reimburse you, and I'll extract the \$ from the committee at a later date. Hope that's ok."⁵ These are the strange economics that occur in the context of relations of respect, solidarity, mutual support, and the desire to collaborate and share knowledge between the Mayworks representative and us, the artists. Suddenly these relations shift into something that at the same time leads us dangerously close to a charitable volunteerism we had not agreed to. This situation brings up a pile of uncomfortable questions that need to remain unasked in order for this cultural economy to sustain itself.

ART

Garrett and Jackson share settler ancestry, and within a wider social and national context, the advantages and privileges of material accumulation at the expense of the indigenous peoples and their resources locally and globally, and the cultural legacy of the 1950's postwar economy. We have also shared experiences of precarity/scarcity from an early age. We both received art educations that were structured through European power, and aspects of both of our work have been formed in reaction to that history. Working within and outside the art world/institutions/economies, we recognize the importance of a broader creative sociality and output than what is generally termed the contemporary art

4 In 1976, due to Canadian Artists' Representation/Le Front des artistes Canadiens (CARFAC) activism, Canada became the first country to pay exhibition fees to artists, adopting it as a funding requirement for public galleries by the Canada Council. In 1988, CARFAC's lobbying resulted in the federal Copyright Act Amendment. The Act recognized artists as the primary producers of culture, and gives artists legal entitlement to exhibition and other fees (CARFAC, n.d.).

5 Correspondence between Jeff Noonan and Rebecca Garrett, 2012.

world and the valorized forms that art takes within the capitalist paradigm. We feel that our position as both privileged and at the same time experiencing class (and other) oppressions complicates our relationship to the question of precarity.

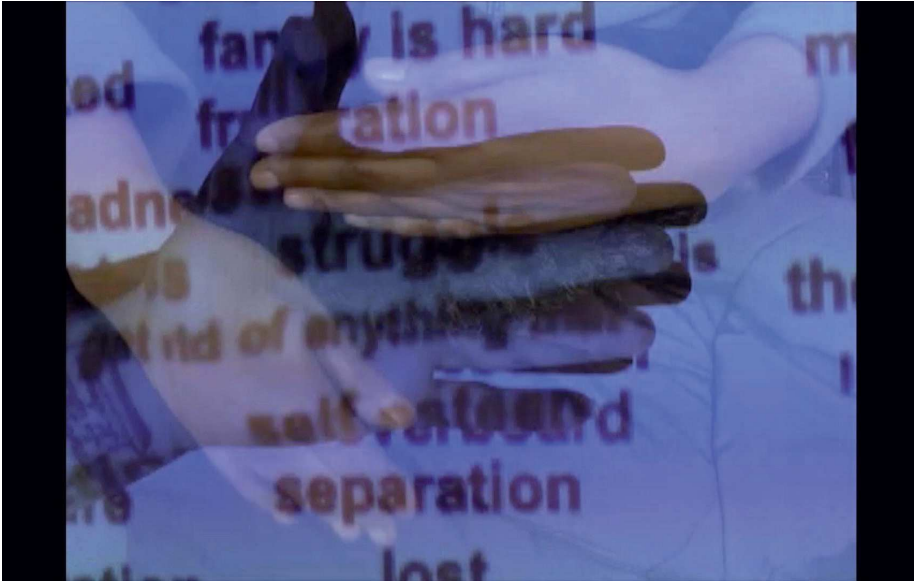
Art is completely and thoroughly contentious. Art is embodied, phenomenological and intersubjective. It registers across the senses and can include the subjective and the particular, the historically specific, in relation to the world. Despite the assertion that the meaning of a work of art resides autonomously in the art object, art, like everything else, is always relational in its production, its operations and its value within the world/context in which it is accorded meaning. Art is embedded in cultural, class, geographical, material and embodied networks. In the contextual specificities of life, art has the potential to reveal, expose, challenge and engage y represent, and at the same time, can hold contradiction without forcing or demanding a resolution.

We are artists and women who perform work. We perform in urban social settings. We perform again in the Toronto academic and/or art worlds. We each have our own individual practices as well as our collaborative work together and with other diverse communities. In our practices we generally do not take public space without those with whom we work present. In this text, we are speaking to our experiences as individual artists engaged in a multiplicity of practices on the specific issue of artists and precarious labour. Every day we grapple with the problem of how our bodies, labour and creative desires are understood, involved and impacted on living within neoliberal capitalism. Our work is about realizing forms of “community”: not utopic community, but necessary community – communities as recognition of interdependent embodiments. These are communities of endurance and resistance to poverty, colonialism, prison, homelessness, gentrification and police violence.

Like many others in Precaria, we inhabit and work between many different worlds, doing what we need to do to get by, following parallel and interweaving paths, patching together sustenance and budgets. We work from locations that are frequently outside dominant economies, institutions and art streams, continually negotiating the terms of engagement, knowledge, and value. In a neoliberal climate of devalorized labour, our labour power and our bodies are taken for granted and exploited, often in gendered ways that we object to. We very often work for free as artists in communities because some things that are necessary for our survival, and that we care about, are not considered value producing within capitalism.

DARK LIGHT

Under austerity, we document increases in police and security guard violence – the policing of property and rhetoric of ‘safety’ in increasingly corporatized and bourgeoisified public spaces experienced by our colleagues on a daily basis.



Source: *Dark Light* video still, 2013. Mashed Economies and Monday Art Group, featuring Hazel Bell Koski.

Mbembe (2003) articulates necropolitics as a zone of death, or living death, created by economic and political dispossession and social abandonment. Necropolitics is defined by McIntyre and Nast (2011, 1472) as: “racialized hyper-exploitation determined via a calculus of death.” Not all bodies are treated the same. While normative bourgeois bodies (who perform whiteness and extend themselves through space transnationally via gentrification, accumulation by dispossession and war) are supported and their lives extended, poor, marginalized and othered bodies (most often a complex of racialized, gendered, disabled, indigenous, trans, queer) are seen as a threat, as well as resource, to bourgeois cultural, economic and political dominance. In a situation where the social safety net is continually cut back, austerity provides a weapon against the peoples’ communities on the ground. As Elizabeth Povinelli (2011, 22) says: “new

semi-public and secret ways of making die have their counterpart in market disciplines. Any form of life that is not organized on the basis of market values is characterized as a potential security risk."

In the context of economic and state attacks we are forced to rely more and more on each other in order to survive, and so the problem of equitable relations becomes integral to our art making practice. We work with video in urban communities where people are largely excluded from the labour market and where informal economic exchanges and social reproduction comprise much of the labour performed. The emphasis of these projects is on embodied, local and lived experience: knowledge that is produced by and within communities. The conditions of work are the contingent situations of communities trying to enact democratic participation and self-representation with scant resources and while under attack. Our practices aim to reflect the knowledge of community members back to the community in a way that produces agency and ownership of the modes of representation. This is especially important in these spaces because marginalized folks are subject to forms of symbolic violence in the way they are represented (or discounted) by media, academics and artists, who either ignore the multiple structural reasons for poverty and oppression or fetishize and romanticize the victim and their circumstances. In either case, a distance from messy engagements is maintained.

We do this work politically to cultivate just and equitable exchange relations, a redistributive ethos within fluxing privilege/oppression positionalities, an alternate symbolic economy that extends into highly significant material concerns.

VENEER

"Historically the suffering of artists is as interesting as their work. Apparently, the public likes its artists to be poor. History bears this out. There is even a thirst for the suffering artist as a kind of product in and of itself. The musical *Rent* springs to mind but there have always been media glamorizations of the artist in the garret. The sufferings of artists whether physical or mental, have always been marketable" (Miller, 2006, 125-6).

Artists are the least paid of the so-called professions and generally live under the poverty line. Artists dangle between self-employment, casual contract work, artists' grants, and the very remote possibility of success on the art market (a star system that promotes exceptionalism). The fact is that artists must work for free in order to pay their dues, never

knowing if they will ever be able to make a living. This is the norm and what most in the art world believe will produce the most excellence in the field. In this way the art world works in sync with the structures of neoliberal late capitalist power and under a condition of extreme surplus value extraction.

Artists don't just exist within neoliberal economics. In the European tradition, a certain mythology of the artist is put to work propping up the iconic bourgeois hero who today morphs into the ideal neoliberal subject: the autonomous individual whose independence, desire for liberty, flexible life of self-expression and consumption, personal success and lack of accountability, cannot be tamed by a trade union. In short, the ultimate self-exploiting individual whose personal fulfillment takes priority over social responsibility. Actual living artists are increasingly joined by working people whose labour value has been restructured and devalued by neoliberal economics: sessionals, contract and part time workers in all sectors, as well as fully employed people who are forced to work unpaid overtime. And now everyone is expected to bring their creativity to work for minimum insecure wages. Art mirrors, or expresses in a concentrated form, the unfair conditions of capitalism in the neoliberal era.

Even when artists make it into that elite class of those who do manage to sell their work, problems of market exploitation arise. Unlike with the commodity form where labour is consigned to the hidden abode, with art, both the art object and the artist are fetishized on the market. The artist's brand name continues to add surplus value to the art, while the artist does not receive any percentage of future sales or exhibits of their work. As Goldberg (2014, n.p.) notes: "The seemingly unstoppable U.S. [art] market grew at a rate of 10% year-on-year to a total of \$21.1 billion in sales. This is mostly thanks to its business-friendly regulatory environment, reasonable tax rates for buyers, tax advantages for sellers, favourable trade regulations, and first-sale doctrine – meaning artists cannot control or profit from subsequent sales."

The mythical persona of the art star and their signature is the integral structuring component of the art economy. We observe the art market operating when well known American artist Richard Prince recently appropriated another (female) artist's Instagram photos, and created prints which he put his name on and sold for \$90,000. Instead of suing Prince, the artists' response was to sell her original prints of the same work online for \$90 each in order to devalue the status or value of "his" works on the market.

Art works are bundled into portfolios and traded as futures. As Max Haiven (2011) notes, fictitious capital has an investment in maintaining

relations and systems of value and controlling the future in order to protect investments. Collectors pay large sums for Prince's work with the expectation that it will increase in value. In order to protect the value of their investment, they must also defend the value system out of which the art object was created, namely, that of the bourgeois male subject who feels entitled to appropriate young women's cultural production. The use value of the art object, the socially relevant meaning in its form, is a *veneer* over its fetish form. The art object doubles as an investment receipt, a form of private property purchased by an investor, a bond that is backed by the symbolic and cultural value system of hierarchized capitalist relations. When art enters the marketplace its transformative potential is extinguished.

Artists are imbricated in other markets too: in the gentrification of neighbourhoods that they are then priced out of to make room for condo lofts for the service workers to the global city elites. Globalizing/gentrifying cities such as Toronto work with corporations to host spectacularized festivals that take advantage of artists who are desperate for exposure in order to entertain the city's cosmopolites and boost the city's symbolic capital as a centre for culture. Heather McLean (2010, 7) writes:

“Before we race out to pound the pavement to save festivals promising ‘world class’ artists, red carpet openings, and overall ‘revitalization’ with culture, we need to stop and think about the causalities of corporate friendly arts policies that are being framed as the ‘progressive’ and only option. The ‘restructured’ AGO workers and underfunded grassroots arts spaces are solemn reminders that ‘creative cities’ policies have been a vehicle for accumulation by cultural entrepreneurs and for advertising by major corporations, but no answer for a democratic and inclusive arts policy..They promote neoliberal artistic competition and economic development at the expense of under-funded, often unpaid workers and artists as well as residents displaced by the steady advance of gentrification promoted by the ‘creative cities’ policy agenda.”

There's nothing like “slumming” it with some weekend drunks and starving artists, many from really oppressed communities, to make one feel culturally in touch – or maybe you're doing research for your next ad campaign. There's a neoliberal aesthetic of the art spectacle that has big funding, government and corporate, that supports jet setting large-scale art projects that can also be read as both anti-social and un-ecological. In

practice, these capital motivated cultural tours are often sites of macro-violence performed against individual women's bodies, as is the case in other problematic spaces such as sports, extractive industries and war zones. Unless we understand and critique art as imbricated in the totality of cultural/economic relations we cannot understand its potential as a radical form.

CAGES

On October 4-5, 2014 a group of people set out to intersect the mass spectacle of *Nuit Blanche* in various locations in downtown Toronto with a guerrilla mobile projection. *test#1:cages* was a project by media activists, and individuals who were arrested during the G20 in 2010. *test#1:cages* linked the policing of the G20 to ongoing everyday violence perpetrated against vulnerable communities by the state security apparatus. Footage taken by the police of the inside of the temporary cells or cages was acquired using a two year freedom of information process during the making of the film *What World Do You Live In?* which documented the illegal incarceration of Gabriel Jacobs, one of the many innocent citizens



Source: *test#1: cages*: The site of the arrest of Gabriel Jacobs, the *test#collective*, October 4, 2014.

arrested. *test#1:cages* moved across multiple locations where violations occurred, jogging public memory of events that have been erased or forgotten, giving witness to violent police tactics and a concerted effort to violate the civil rights of dissenting citizens. The video projections incorporated images and testimony of the assault, mass arrest and brutal incarceration of citizens during the largest mass arrests in Canadian history.

LABOUR

“We offer an experiment in systems of art-exchange that do not emphasize financial capital, but rather celebrate abundance and connection. We believe that art is not a commodity for speculation but rather a fundamental part of the commons, inherited and shared by all.” (Occupy Museums, 2012, n.p.)

The necessity to sell y/our labour to survive is taken for granted. The violent histories of colonization and the privatization of land that created these conditions are remembered only vaguely. We are given money in exchange for our alienation. And what of money? This form of measurement that abstracts and forces equivalences, values and devalues our exchange relations with increasing arbitrariness. Are wages ever an adequate measures of our life energies and labour investments? The bottom line is that being forced to sell ones’ labour to survive, whether it is art labour or flipping burgers, is a violence period.

We agree that the concept of labour needs to be extended well beyond the paid employment that someone might offer us (Ferguson, 2008; Gibson-Graham, 2008; Kuokkanen, 2011) (which might also be something quite different than what our communities actually need, or what we are inspired to do or contribute), to everything we do in life to sustain communities. A de-alienated labour relates to desire and the things that people have to offer, and what they want to do in the world. As Max Haiven (2011) points out, culture and economics are both also spheres of imagination, belief, values and ethics. We want to see labour as the essential creative moment: economy as in weaving a social fabric, an interdependent drive to create, share and exist. We can’t live on a reductive view of economics as capitalist exchange, it does not satisfy, it does not feed or give enough. At the edge of capitalism, in its cracks and crevices, at home after work, among friends and community members, unpaid labour is performed. Alongside historical forms of gendered social reproduction labour, housework and childrearing, is everything else that we need to live, or the most important things, or the things that actually

give us pleasure that we love to do. The incredible output of artists fits in with this understanding of social reproduction labour as an unpaid form that both supports capitalism and is a basis for resistance, of imagined new worlds. This is where we are now.

Not only do we often do this work for free, in many instances we actually pay to do this work. Yup, that's what we said. We redistribute the dollars that come into our possession towards community resistance. In the film *Beauty and Truth*, Alice Walker states: "Activism is the rent I pay for living on the planet." This is a different kind of exchange that's more important to us than the possibility of our individual monetary advancement into the middle class. Escaping into privilege might always be an option for some of us, but it also feels true that the more we participate in community cultural economics of informal exchange the farther we move from this possibility.

We conceptualize "just relations" as a critique of systemic privilege within capitalist colonialism. There is no correct position: it's a practice, a concept, a tradition of engagement; it's an ethic. Just relations are not defined in a normative, legalistic sense: resistance to hierarchization of embodiments takes place both in response to powerful economic and political structures and as they manifest within our struggles. We place ourselves within a history of liberation thought and practice. Our own genealogies include working out of traditions of participatory engaged direct cinema, community arts, and our long time involvement in overlapping liberation movements and decolonizing struggles, including: Afrikan decolonizing struggles, Palestinian resistance, Indigenous rights, prison abolition, punk anarchist feminism, disability activism, liberation theology, anti-imperialist, anti-apartheid, anti-poverty, housing, and squatting movements. As people with working class experience we have occasionally engaged in the union movement; however, we mostly identify and draw from our association with more informal sectors. Many of these movements include groups that have been on the forefront of organizing with women, queer, working class, poor and disabled folks within larger community identifications.

We primarily draw inspiration from those in low income communities with whom we work. In our experience, there is an ethic and culture of sharing that we step into and take direction from – it's not a big deal – it's just getting by. During a community meeting in a social housing complex a neighbour pokes her head in the door to check that everyone has enough to eat since it is a week before cheque day and she is concerned that people don't have enough money to buy food. This is also a critique that models on a local and interpersonal scale what needs to

happen on a global economic scale. We regard this redistributive aspect of our work to have political import, as prefigurative of alternative economies. In contrast to the neoliberal belief in the central competitiveness of humans, it is our belief that human society has always been inherently cooperative in order to survive and thrive (Alfred, 2005; Anzaldúa, 1987; Kuokkanen, 2011; La Duke, 2005; Lappé, 2011; Mann, 2005; Marx, 1988; Mohanty, 2010; Roy, 2011; Shiva, 1992; Simpson, 2004).

EXCHANGE

The performative workshop *Abundant Future* (2013) was held at *Cool Hand of A Girl* in Toronto. *Abundant Future* was an effort to engage questions and extend a conversation concerning artists' labour and value that arose at the Mayworks Windsor 2012 performance, *Homunculus: Occupy y/our body*.



Source: *Abundant Future: Interactive Performative Art Philosophy Embodied Value Debate Exchange*. Mashed Economies.

An excerpt from the performance script reads:

We have chosen a selection of organs to represent our will or volition or passion or investment of caring deeply. We are trying to understand our embodiment within capitalism and to questions about relations between theory, embodiment and social practice. This is deeply personal and at the same time inherently social. These organs function as symbolic metaphors at the same time as they are filtering out toxins, pumping our blood, letting us breathe. Our organs can be seen as media membranes of exchange with the environment.

List: heart, brain, lungs, adrenal glands, kidneys, liver, phallus, ovaries...

These organ presented here as cakes represent for us the conflicted conditions in which our bodies exist in trying to nourish ourselves in a society with heavily industrialized food production. We recognize the material implications of words. We recognize the material. There are aspects of the body that cannot be spoken. We make material forms to be able to voice things that we can't say with words.

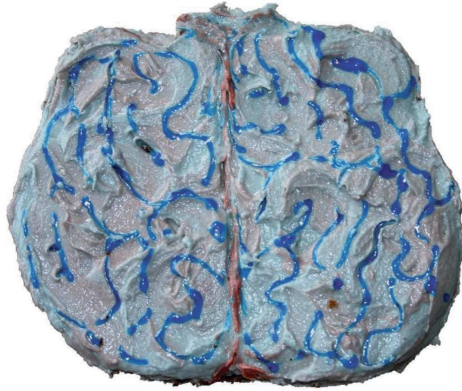
Once we began investing in the stories of our own organs, they quickly led us to stories that we encountered through the news media. We relate to all these stories, our own and those of others, as metaphor or dilemma. We respond to these stories from another location in a landscape of uneven development by which our bodies are differentially supported/disciplined and yet our organs are connected across space through economy.

The body asserts itself in living. Does the body speak through living?

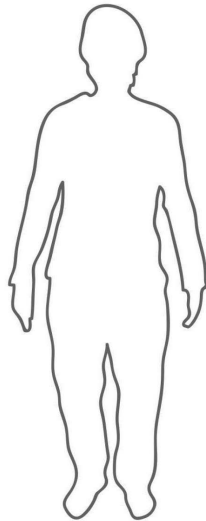
We are now going to create an opportunity for exchange by auctioning off the organ cakes.

These cakes took approximately 10 hours each of our labour power, and about \$60 in raw materials.

The audience can bid with any kind of currency. It can be money, labour power, an in kind exchange, an object, art work...whatever is considered fair or affordable.



Exchanged for



labour Power for our next
performance work

Source: Abundant Future: Interactive Performative Art Philosophy
Embodied Value Debate Exchange: Vegan, Gluten Free Brain Cake
Exchanged for Labour Power.

WHAT WORLD?

“Bourgeois subjects, the new citizens of the nation-state, knew themselves as respectable and civilized largely through a spatial separation from those deemed to be degenerate and uncivilized. Degenerate spaces (slums, colonies) and the bodies of prostitutes were known as zones of disorder, filth and immorality. The inhabitants of such zones were invariably racialized, evacuated from the category human, and denied the equality so fundamental to liberal states.” (Razack, 2000, 116-117).

We are always thinking about the spaces that we come from, spaces that are down a gravel road or the side of a field, alleyways that people don't see, the corners of parks and abandoned industry. If you walked through the city and then talked about your trip, you wouldn't include any of these spaces. Spaces beyond the law and beyond regulation where women always get fucked over. Spaces of police violence, of informality, of homelessness and rough living which are also spaces of refuge, wild urban nature, community and queerness. Interconnected social and geographic spaces that mirror society's indifference and are regarded as waste, as potential, as “terra nullius” – as prior to and in need of bourgeois development.



Source: *What World Do You Live In?* Community video by Rebecca Garrett and the Sanctuary Community, 90 min, 2014.

The work we do in these social spaces (and more interconnected public spaces such as shelters, drop-ins and city parks) has difficulty registering in the larger world for a number of reasons. There is a persistent tendency to see the work we do in such spaces as volunteer or charitable labour. That definition just doesn't fit, and the moral ladenness of the category offends. In fact, it is a term that covers over and keeps at a safe distance the reality and the challenge of the possibility of working radically across difference. What is the value of art made by, with and for communities of endurance and resistance?

The collective output of the communities in which we work produces its own aesthetic, language and knowledge form that speaks to the conditions of social abandonment under which we create. We re-create the community in every instance, through the very complex labour we perform. Ideas, activities, material engagements and exchanges, connections with others, daily life chatter, knowledge, gesture, nurturing – all these things are taking place as praxis. Reducing this complex to a reading of the discrete art object is not adequate.

The reproduction and cultural labour of mending and tending the social fabric under conditions of necropolitics is devalored in the art, activist and academic worlds. People don't want to have to actually encounter and engage oppression up close on the daily life street level. Because the art world (and academia) is dominated by conceptual aesthetics, the embodied and experiential knowledge and creativity of the rest are negated. The farther one travels away from the contemporary art/academic/activist discourse (towards those abandoned, neglected social spaces) the more illegible the work becomes, and the more illegible you become to those who are distributing the money, the more vulnerable you become to neoliberalism.

The segregation of activism, art and academia from community is unforgivable. We need a radical redistributive cultural economics to support ALL the labour that people do, artists and non-arts identified folks alike. A redistribution that doesn't depend on over work, overproduction and overconsumption. A redistribution that is ecological and considers embodied difference. Such redistribution must occur through public mechanisms that recognize the inherent sociality of the economy, and not through private or corporate avenues that maintain those hierarchies by which capitalists have gained their monetary and political power. We don't know if the state can be transformed, but we do know that change necessarily happens from the community up.



Source: *What World Do You Live In?* Community video by Rebecca Garrett and the Sanctuary Community, 90 min, 2014.

DISCLAIMER

We believe that it is important to talk about the economics under which we work including that we are writing this piece for free. We are assuming that you, dear reader, may in some way also be implicated in and benefitting from the vast institutional economy of which this journal is surely a part. We would like you to consider the value of this writing within an institutional economy and look at it upside the economies of art we have presented. As D'Aruna asks: is your ability to write and publish for free based on your privilege as a paid academic? Can this writing be transformative within the contradictory context in which we work?

“If you can't see unpaid writing as part of the neoliberal machinery of affective exploitation, you should stop writing about its evils. Nothing, nothing that you ever write for free, about the problems of our time, including relentless war, the exploitation of workers, queer or trans politics, the banking system, or the prison industrial complex will ever be valid, until you confront your own role as a

neoliberal. Until then, you're just another hypocrite...and just another scab." (Nair, 2014)

Nair offers a critique of people who can afford to write or make art for free. Ehrenreich points out that those who could be writing about poverty and social justice issues because they know them first hand, can't afford to write because they are busting their asses at low wage jobs. And so we appear to have a situation where the whole epistemological layer of lived experience is being evacuated from the discourse, before it properly arrives; and where activist writing (and the same can be said for art) slides into neoliberal muck. Nair and D'Aruna talk about their oppression in relation to privilege and Ehrenreich discusses her position as privileged in relation to those with more dire class oppression. This discussion reflects a competitive and comparative regard of privileges as a logic of neoliberalism that obscures the issue of just relations that requires us to work according to a redistributive ethic in a larger economic context.

We are proposing a different future. Nair is right that under capitalism, complicity with veneer politics is our condition. However, working and making art is also part of our resistance struggle, part of our survival, and thus we can't go on strike or stage a refusal. Where do we sit as artists, and here as authors, in this complex of relationality to precarious labour, paid and not? This is the contradiction.



Source: *Abundant Future: Interactive Performative Art Philosophy Embodied Value Debate Exchange*. Mashed Economies, 2012.

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Detroit: Realities of Destructive Accumulation

*Dianne Feeley*¹

The media are full of good news stories about the “rebirth of Detroit.” The reality – viewed from the ground of struggle against foreclosures, evictions and water shutoffs – is the story in which life remains precarious for the majority of its citizens, 82 percent of whom are African American. As the 2008 crisis gathered storm, an economic tornado tore through Black Detroit. That year the number of employed Detroiters fell by 26 percent and, in a city with a high proportion of African-American homeowners, foreclosures mounted. Seven years later one out of three homes lies abandoned. Still, 10,000 occupied homes were slated for sale in the fall 2015 tax foreclosure auctions. Like the bankruptcy Detroit was forced to undergo, the foreclosure process is the result of decisions made by financial and governmental institutions.

The city’s debt mounted with the one-two punch of the economic crisis and high fees and interest rates on loans that Wall Street sold to city officials. Financial advisors worked with Mayor Kwame Kilpatrick (2002-08) to “save” the city millions by using variable interest swaps instead of fixed rates. Claiming the transaction could prevent layoffs and keep the city pensions nearly 100 percent funded, the Mayor badgered the City Council into supporting a complex \$1.44 billion deal. Wall Street feted the Mayor – since convicted on federal corruption and fraud charges – and presented him with the Bond Buyer’s Midwest Deal of the Year Award in 2005. Three years later the stock market collapsed and Detroit’s credit rating was downgraded. To avoid a \$400 million penalty, the city pledged casino tax revenue as collateral. With principal, interest and insurance payments, the original loan was projected to double over the next two decades.

The response of city officials was to lower operating expenses by almost 40 percent, reducing wages and healthcare benefits and laying off 2,350 workers. While city revenue declined 20 percent, annual debt service payments rose. By 2009 annual debt repayment stood at \$330 million, and a year later would rise to \$597 million. As the city ran out of cash, Mayor Dave Bing (2009-13) was forced to turn to the Michigan State

¹ Dianne Feeley is a retired autoworker active in Autoworker Caravan, a rank-and-file organization, and Detroit Eviction Defense. She lives in Southwest Detroit, where residents battle against high levels of air pollution, and is an editor of *Against the Current*.

Finance Authority, which arranged a \$129.5 million bond underwritten by Bank of America. The fee was \$1.6 million – the best available offer. By 2012 residents were told that the city’s \$11-12 billion debt was unsustainable, but after Michigan Governor Rick Snyder’s Financial Review Board investigated, the figure cited was \$18 billion.

Snyder appointed bankruptcy lawyer Kevyn Orr (from the Jones-Day firm) Emergency Manager in 2013 and gave him full power over city finances. Within weeks Orr started bankruptcy proceedings. Despite the fact that the Michigan Constitution states that for government workers pension benefits “shall not be diminished or impaired,” that guarantee was negated in federal bankruptcy court. City workers and retirees were savaged by the bankruptcy. Forced to vote for a reduction of their pensions and health care or promised an even worse “deal,” a majority of the 32,000 retirees and workers agreed. Since police and firefighters do not receive social security benefits, their pensions took less of a hit than the majority, who accepted a 4.5 percent cut and lost cost-of-living increases.

Instead of health care benefits, retirees receive somewhere between a \$125-400 check each month. Amru Meah, retired director of the Building Safety and Engineering Department and a cancer patient in remission, remarked to the *Michigan Citizen*, “God forbid I should have another operation – I’ve already had two.” His monthly healthcare cost rose from \$280 a month to \$1200, with a \$2800 yearly deductible for him and his wife. Reduction in health care coverage alone wiped out \$4 billion of the city’s debt. An investigative reporter for the ACLU, Curt Guyette calculated that of the \$7 billion trimmed through bankruptcy, 80 percent came from the city workers and retirees.

AUSTERITY PREPARES THE GROUND FOR GENTRIFICATION

Gentrification is touted as the way urban centers whose industrial base has collapsed can reinvent themselves. Yet in a city that covers 140 square miles, new investment continues to be concentrated downtown, sweeping away African-American-owned businesses and displacing low-income senior citizens. Since 2006, \$6 billion has been invested in real estate development in greater downtown; between 2010 and 2012 more than \$2 billion was invested in 130 downtown projects. Detroit, however, is a city of neighborhoods, so gentrification has been accomplished by starving communities where the vast majority of Detroiters live. Most people don’t live in a city for its downtown sports arenas, but rather for good schools, strong, safe neighborhoods and access to jobs. From that vantage point, Detroit is a disaster. Block after block is littered with

foreclosed homes and vacant stores; more than 100 schools have been closed. In a city where once many walked to factories in their area, or took a trolley across town, those plants are now shuttered.

Meanwhile downtown has Comerica Park, where the Tigers play; Ford Stadium, home of the Lions; and an expanded (though no longer city-owned) Cobo Hall, where the International Auto Show kicks off at the beginning of each year. The planned Hockeytown, brain child of Mike Ilitch, will be not only the new home for his Red Wings team, but a residential and entertainment complex. While the city donated some of the land, the state arranged a \$650 million 30-year bond that will be paid through a private-public partnership. The Ilitch organization's share is estimated to be \$367 million; the city will receive little in taxes or even parking fees. Mayor Mike Duggan – Detroit's first white mayor in 30 years – subsequently announced that Brush Park, an 8.4 acre parcel of land just across from the Hockeytown site, has been turned over to Dan Gilbert of Quicken Loans. Never mind that of the more than 1,000 Detroit mortgages Quicken Loans wrote between 2005 and 2014, the majority ended in foreclosure. In fact the U.S. Justice Department is currently suing the company for falsifying the worth of its FHA-insured loans. Yet it is Gilbert's construction company that will be building over 330 townhouses and apartments in historic Brush Park.

Formerly derelict downtown buildings have been transformed into elegant hotels, apartments, offices and restaurants. Previously some had been abandoned while others had become housing where low-income seniors paid with a federally funded voucher providing 75 percent of the rent (Section 8 Housing). This was the story of The Griswold, designed by Detroit's most famous architect Albert Kahn, built in 1929. The new owners gave the 100+ residents, several with disabilities, a year's notice to vacate. Initially the company said they would preserve 10-20 units of low-income housing, but when federal and state agencies declined to negotiate a higher voucher rate, all were given notice. The building received an \$8 million upgrade. Today the renamed building, The Albert, has 127 luxury apartments with such amenities as an exercise room, dog walking services and a 24-hour concierge.

Perhaps to lure middle-class residents and new businesses, city officials have prioritized building a 3.3 mile track for the M-1, a fast train running up Woodward, the only area of the city already adequately serviced by buses. Each mile of construction will cost \$42 million. The M-1 Rail is a public-private partnership and Dan Gilbert, touted as Detroit's savior, has purchased the naming rights. Such partnerships bundle business and foundation monies to attract federal, state and local

subsidies and grants to drive their projects. Presenting themselves as the city's business and philanthropic leaders, these partnerships soak up public money for projects residents have not prioritized, and marketize what would once have been considered a public good. Detroit uses public-private partnerships to establish amenities for the new downtown. These are an essential element to gentrification because city services, according to the Mayor, are limited to police, fire, street lights and garbage pickup.

The Detroit Police Department represents a lingering sore. In 2003 it signed two consent agreements with the Justice Department, agreeing to independent monitoring for use of excessive force, illegal arrests and unconstitutional conditions of imprisonment. Originally the agreement was to last for five years, but failure to meet goals extended that monitoring system until 2016. Police misconduct, however, has not been eradicated. Between 2008-14 more than 300 people were awarded a total of \$27 million in damages.

HOW DETROIT BECAME POOR AND BLACK

While African Americans had been part of Detroit since before the Civil War – and in fact had built a strong Black Abolitionist Movement – beginning in 1910 the population increased as Blacks streamed out of the Jim Crow South in search of opportunities in northern cities. In Detroit they also found the Ku Klux Klan and Black Legion: a Klan sympathizer served briefly as mayor in the late 1920s and the police force was riddled with Klan members.

Housing and steady work were hard to come by, but Henry Ford viewed Black men as hard workers. The company used the Black church as a hiring hall and as a means of securing loyalty to Ford. At one point 25 percent of all African-American men living in Detroit worked at Ford's Rouge plant. When a workman fell asleep on the trolley going home, people identified him as a "Ford" man. While Black organizers played a crucial role in organizing the union at Ford, the racial divide in housing, employment and social life continued. Hate strikes by white workers broke out in a number of plants during World War II as more Black workers – including Black women – were hired or promoted. A 1943 race riot lasted three days and left 34 dead, mostly African Americans. Although the UAW leadership opposed the violence and used its authority to end the hate strikes, it was timid in defending Black workers' advancement on the job and failed to promote Black leadership.

As capital expanded in the postwar period, the racial divide widened. Auto companies built 33 new plants in Metro Detroit between 1945 and 1960 – but not one in the city. The biggest of the city's plants, including

Dodge Main and the Clark Street Cadillac plant, shut down just as African Americans had gained a strong foothold in the industry.

New highways, constructed with federal money under President Dwight Eisenhower’s administration – combined with federal housing policies that red-lined neighborhoods and enforced segregation – lured the better-off sector of the working class to nearby suburbs. Over six decades total Detroit property values shrank from \$37 billion to \$9.4 billion (in 2012 dollars.) This history is the background to understanding today’s Detroit. In 1950 there were almost 300,000 manufacturing jobs in the city; now there are 25,000. As industry began to leave and much of the white working class (and some African Americans) followed, unemployment and poverty grew.

As early as 1963 there weren’t enough white students in the Detroit public schools to desegregate them. In the early 1970s a federal judge ordered busing across city boundaries but the Michigan Supreme Court struck the busing plan down, concluding that since the suburbs didn’t *cause* the city’s problems, they didn’t have *to be part of the solution*. This court decision articulated the reasoning that easily dismissed the racial and economic divide as it continued to deepen. In 1999 the state took over the city schools. Programs to “restructure” education – allowing charter schools, constructing a state-run system for the supposedly “worst” schools and appointing an Emergency Manager over the public schools – have resulted in the loss of 100,000 students to the Detroit public schools, cuts to teacher salaries and benefits, and the closure of more than 100 schools. By 2016 the school debt will balloon to \$515 million. Deep inequality and poverty produces alarming statistics. Detroit’s maternal death rate stands at 58.7 per 100,000 babies, higher than in Libya, Uruguay or Vietnam. While the murder rate has declined, Detroit, with a population of 680,000, has as many murders as New York City.

No other U.S. city has such concentrated poverty. Sixty percent of Detroit’s children live in poverty – an increase of 34 percent since 2004 – and children die at a higher rate than any other U.S. city, victimized by poverty, lack of access to health care and violence. While one-third suffers from asthma, at least 35 percent of the total student population has lead poisoning. In a city where there is almost one murder a day, most young people have friends they have seen buried.

FEDERAL AND STATE GOVERNMENTS

This entire history was buried under the rug as the city approached bankruptcy. Kevyn Orr infamously explained his perspective in a Wall Street Journal interview: “For a long time the city was dumb, lazy, happy

and rich.” It was that wealth that made people believe “if you had an eighth-grade education, you’ll get 30 years of a good job and a pension and great health care, but you don’t have to worry about what’s going to come.” (Battaglia, 2013). What Orr did not say was that Michigan had actually been reducing Detroit’s portion of state revenue sharing since 2003. Although state sales tax collection went from \$6.6 billion a year to \$7.72 billion over the decade, revenue sharing to cities and towns declined from an annual \$900 million to \$250 million. Over that decade Detroit was cheated out of \$732 million. (Minghine, 2014)

Was the bankruptcy necessary? Not according to Wallace C. Turbeville’s (2013) report. Rather than the assertion that the city had a crushing debt, he concluded that Detroit suffered from a \$198 million annual cash flow deficit. The Demos Senior Fellow pinpointed three immediate sources that could cut that in half: \$43 million from state revenue sharing, \$30-45 million in uncollected taxes from reverse commuters, and saving \$20 million by not providing tax incentives to corporations. Two of those could have been solved by the state, and one by city officials. (Turbeville, 2013)

THE WATER SHUTOFFS

As part of the bankruptcy proceedings, the Emergency Manager demanded that the Detroit Water and Sewerage Department (DWSD) shut off service to delinquent accounts. In the spring of 2014 the department targeted more than 15,000 homes with bills exceeding \$150. Many did not receive notice or a chance to dispute the bill. (In this writer’s own four-unit building, water has been shut off more than once due to administrative billing mixups.) Nearly 10 years ago Michigan Welfare Rights Organization spearheaded a water affordability plan (designed by Roger Colton) for income-eligible residents. This plan was in line with both Environmental Protection Agency recommendations that households pay 2-3 percent of their income for water/sewerage service *and* UN documents that recognize “the right to safe and clean drinking water and sanitation as a human right that is essential for the full enjoyment of life and all human rights.”

The City Council passed the plan but the DWSD never implemented it. Over time the federal government has reduced its share of funding infrastructural improvements so water department officials responded by borrowing more money *and* raising residential rates – by 120 percent over the last decade. Having made a series of disastrous interest rate swaps, DWSD officials then borrowed more than \$530 million to buy their way out of the deals. By the time of the bankruptcy, DWSD was making

annual debt payments of \$420 million, which amounted to more than it spent on its operating costs (\$380.6 million). As a result, residents were receiving water bills for as much as 20 percent of their income.

In response to the shutoffs the People's Water Board, a coalition of two dozen organizations, set up water stations in community centers and churches. Delegations from indigenous communities, from Canada and from the rural South caravanned to the city, bringing containers of water. Groups blockaded trucks to be dispatched for water shutoffs and were arrested. The Emergency Manager hastily turned the problem over to the Mayor, who briefly suspended the shutoffs in order to set up a payment plan option for the poorest. He got various businesses and foundations to contribute funding, but by the summer of 2015 it run dry.

As news of the shutoffs went viral, the People's Water Board asked the United Nations to intervene. Two UN Special Rapporteurs visited the city in October 2014, holding an informational meeting attended by several hundred, toured the city and met with water department and city officials. The report they wrote contained recommendations that were promptly ignored by the Mayor, who proclaimed that there is no such thing as "free" water. (ACLU, 2015). Working with block clubs that cover 20 percent of the city, Detroit Eviction Defense and the organizations that make up the People's Water Board canvassed neighborhoods and confronted the Mayor at public meetings. Officials have been forced to adjust their policies, but foreclosures and water shutoffs continue.

WHO CAN ACCESS JOBS?

In 2015 Detroit's official unemployment rate stood at 10 percent, twice the state's average, but more importantly about 175,000 working-age Detroiters no longer look for work, or never started. A map of Metro Detroit pinpointing where the jobs are starkly reveals the problems Detroiters face. Seventy-seven percent of Metro Detroit jobs are at least 10 miles from the city's central business district. Given that one quarter of Detroiters lack cars, the inadequate bus service adds hours to the daily commute. Witness the human interest story about James Robertson. Robertson rode buses and walked 23 miles each way to get to his \$10.55 an hour job as an injection molder. Many opened their hearts and wallets so that this African-American man in his 50s now has a car and secure housing. Yet there are at least 10,000 other Detroiters in the same circumstances.

The reality is that only 28 percent of city residents are employed within the city; of those working in the suburbs, 42 percent earn less than \$15,000 annually. The "Fight for 15" campaign is one attempt to overcome

the individual problems low-wage and usually non-unionized Detroiters face. Spearheaded by SEIU and supported by Southeast Michigan Jobs for Justice and the Interfaith Committee for Worker Justice, the Detroit campaign has targeted 50 Metro Detroit companies whose 50,000 workers earn \$7.40 an hour. Doubling their wages would definitely increase the quality of their lives and dramatically impact other low-wage workers.

While the Metro area remains an auto manufacturing center, three-quarters of the jobs are in the lower-paying and generally non-union auto parts sector. Even at the Big Three assembly plants, workers hired after 2007 make \$10 an hour less than what the company calls “traditional” workers. They also have an inferior health care plan and no pension benefits. This two-tier system breaks the lines of solidarity between workers. The newly negotiated Big Three/UAW contracts do manage to bring the second-tier workers’ wages up to the standard, although only over an eight-year period. However, the contracts also carved out exceptions and extended the use of temporaries, who are locked into a permanently lower wage, few benefits and little job security. Multitier wages and benefits are the new normal, locking in inequality.

FORECLOSURES CONTINUE, BLIGHT SPREADS

Probably 10,000 occupied homes – around 25,000 people – faced tax foreclosure in 2015. Their homes were auctioned off in September and October, just before winter hit. You might wonder why the city and county pursue foreclosure when 42 percent of Detroit residents are poor; many living in homes inherited from relatives, or bought in better days. Detroiters actually have the highest residential property taxes in the country, and if we fail to pay, an annual 18 percent interest is tacked on. Until recently unpaid water bills – now averaging \$75 a month – were added on. As a result, property taxes on a foreclosed home are often more than its market value. In 2014 the online tax auction recovered \$107 million of the \$691 million that was supposedly owned. In short, for a 15 percent recovery rate the city suffered another round of abandoned homes that are quickly stripped by scalpers and often burnt, *creating more blight*.

Detroit Eviction Defense and many other organizations demand a stop to tax foreclosures. Even Mayor Mike Duggan admitted current tax assessments are not linked to the market value of homes, but announced it would take several years before reassessments are completed. Meanwhile he claims his hands are tied. Somehow it’s okay to move quickly through bankruptcy, but be slow as molasses in responding to continuing foreclosures. This is the policy whereby African-American

working-class homeowners are being displaced. But this “irrationality” in the face of a disaster *does* have the effect of clearing out large sections of the city. Developers will have a unique opportunity to redesign a major U.S. city. Foundations have already mapped out what “Detroit Future City” might look like, with trees and ponds where African-American homes once sheltered generations.

“Blight removal,” reminiscent of the “urban removal” schemes that destroyed the Black communities of Paradise Valley and Black Bottom in the 1940s and ‘50s, is reducing African-American homeownership. Given that homes represent 53 percent of the African-American families’ total wealth, that drop in ownership will only increase the already widening wealth gap between Black and white families. David Harvey has summarized this process by noting: “Capitalism has periodically to break out of the constraints imposed by the world it has constructed. It is in mortal danger of becoming sclerotic. The building of a geographical landscape favourable to capital accumulation in one era becomes...a fetter upon accumulation in the next. Capital has, therefore, to devalue much of the fixed capital in the existing geographical landscape in order to build a wholly new landscape in a different image. This sparks intense and destructive localised crises. The most obvious contemporary example of such devaluation in the USA is Detroit.” (Harvey, 2014, 155).

POSSIBILITIES, HOPE AND STRUGGLE

A city is an exciting place to live because of the history and culture residents have created. Detroit has been a center of not only industry, but of distinct neighborhoods. It has forged a wide-ranging cultural production from the symphony to the blues, jazz, Motown, gospel, hip hop, and techno music to poetry, dance, painting and sculpture. We are home to Diego Rivera’s industrial murals, the Cass Corridor art of the 1960s and ‘70s, and the found art installations of Tyree Guyton’s Heidelberg Project and street murals. As an activist involved in fighting aspects of gentrification and environmental injustice over the years, and as an active member of Detroit Eviction Defense, I am both proud of our victories and aware of how far we are from what we need.

Like a number of organizations and coalitions, Detroit Eviction Defense focuses on a particular issue. In our case it is stopping foreclosures. In listening to people’s stories, we encourage them to stay in their homes and advise them of what few resources there are. We accompany them to court – and the presence of a dozen or so people standing up when the case is called puts the judge and attorneys on notice that we have this person’s back. A number of phone calls and of emails,

marches through the neighborhood and strategic demonstrations can make a difference.

Although it is intensive to carry out a 10-hour day, five-days a week watch over a foreclosed home, through the help of neighbors and our committee's alert system we have stopped eviction orders from being carried out long enough to enable a settlement to be forged. We are fortunate in having several UAW locals work with us, but while they contribute important resources and sometimes their physical presence, most union members are not involved in our ongoing organizational work. A more organic unity would strengthen the work, although brutal Alternative Work Schedules and mandatory overtime make that difficult.

Certainly if we compare the 1930s factory sit-downs and how they spread like wildfire, or compare ourselves to the mass UAW marches that filled Cadillac Square during the 1950s and '60s, our organizations are a shadow of that working class. Clearly the forces that impacted Detroit were shaped by business decisions and governmental policies, but organized labor's willingness to accept deep concessions especially from the early 1980s is also a factor.

Concessions were sold to the membership on the promise to regain what we lost as the economy picked up. The UAW leadership, having consolidated its power, was threatened by the idea of discussing the economic downturn with its membership. So as the auto industry restructured, that narrow vision undermined the solidaristic culture key to the industrial organizing that made Detroit a union town. Breaking those bonds reinforced the capitalist culture of "taking care of one's own" and its embedded racism. It's musical chairs writ large.

Today, of every two African-American families living in the city, one is living in poverty. Given both the history of racism and the failure of UAW, the city's main working-class institution, to chart a solidaristic response, politicians demonize Detroit. Detroiters feel very much alone – and the anger that blames Detroiters for the mounting city debt seems very similar to how European powers speak of the Greeks and their debt. The key to Detroit's revival is not the gentrification mania and fist of austerity, but meeting the needs of the working class. While that could be more easily possible by pooling the resources of the Metro area, given the reality of racism that isn't an available solution now. Yet Detroit is alive with organizations and projects that honeycomb the city. At the base, block clubs depend on the initiative of residents to come together, decide priorities, take action and reach out to other residents.

In those few areas of the city where a large project is projected, the demand for community benefits is being raised. If such an ordinance were

adopted by the Detroit City Council, projects of more than \$3 million would need to set aside a certain number of jobs, apprenticeships and training for local residents as well as having provisions for environmental protection, sustainable practices, minimal displacement and first preference to local business for service and supplier contracts. But even this modest demand for jobs and other community benefits is under attack. The Detroit Economic Growth Corporation claims such an ordinance would undermine economic progress. For its part the state legislature is attempting to cut off the discussion, with the House having fast tracked a bill that forbids ordinances that would dare to require higher than minimum wages or apprenticeships.

In reality, the problems of Detroit are similar to those faced by other cities like Cleveland, Buffalo or East St. Louis. Without successfully challenging austerity budgets, the growth of low-wage and temporary work, funneling resources to corporations, continued environmental pollution and increased military spending, the will to end poverty and develop sustainable jobs can't take root. A multi-dimensional organization with a grassroots, democratic culture, some institutional framework with resources and an alternative perspective doesn't exist. What does exist is a wealth of organizations and larger NGOs that carry out small projects and job training that indicate what *could be done* if resources were available.

Two models that suggest themselves at the city level, although clearly those by themselves can only provide *an outline* of an alternative. While not explicitly anti-capitalist, these models attempt to unite grassroots democratic decision-making to an institutional structure. The first was developed in Puerto Alegre, Brazil when a radical section of the Workers Party won the majority of the city council. A committee of several thousand residents reviewed and recommended which programs were to be prioritized and funded. Known as the "participatory budget" process, it was handicapped by an inadequate budget. Nonetheless resources were funneled to lower-income communities, resulting in improving community education and health services and reducing corruption. This democratic and transparent process goes far beyond a community benefit ordinance – as important a step as that would be for Detroit. Another aspect to such a budget would be considering projects to take the place of the auto industry, such as building trains and busses for much needed national and local mass transit systems.

The second example is that of Richmond, California, a formerly industrial city of little more than 100,000 and home of Chevron's most productive refinery. Over the last decade, the Richmond Progressive

Alliance has emerged as an organization whose candidates have been elected to the city council on a platform to reduce environmental pollution, stop police violence and develop a transparent and accountable city government. Currently of Richmond's seven councilors, three are members of RPA. Allied to community organizations willing to challenge Chevron's attempts to make Richmond a company town, the councilors have been able to champion legislation that meets the needs of its diverse population – 40 percent Latino, 30 percent Black, 14 percent Asian and fewer than 20 percent white.

In both of these actual models, structures have been created to carry out the needs of the majority, not the corporate elite. Working only on the local level, clearly there are limits to what can be accomplished at that scale. Nonetheless, if Detroit residents, through a commission structure similar to Puerto Alegre, had been able to audit Detroit's finances year after year, chances are that Wall Street would not have suckered the city into swaps. Further, a broad group of residents would understand how the city budget is put together rather than the opaque view that exists today. That would give us a fighting chance to develop an alternative budget – for example, to help the community urban garden movement flourish rather than encourage big box stores and large-scale, for-profit agricultural projects. We need a better, community-driven model, and one that brings union strength into the center of community organizing.

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Destructive Creation

Mireille Coral¹, Jeff Noonan², and Paul Chislett³

Joseph Schumpeter famously explained the ability of the capitalist system to survive and recover from its structural crises by a process of “creative destruction.” Schumpeter agreed with Marx that the productive dynamics of capitalism generate crises, but he did not regard these crises as proof of the irrationality of capitalism and the necessity of its ultimate collapse under the weight of its own contradictions. On the contrary, he saw crises as essential to the open-ended survival of capitalism. In crises new means of production, new technologies, new labour practices, and new commodities displace those that were dominant in a previous moment of capitalist evolution. While for those who were dependent on the old structures (capitalists and workers, but mostly workers), periods of crisis can be catastrophic. Judged from the abstract perspective of the system and the future, crises are the conditions for intense social and technological creativity unmatched, and unmatchable, by any competing system. Schumpeter argues that capitalist history is therefore a history of “industrial mutations...that incessantly revolutionizes the economic structure *from within*, incessantly destroying the old one, incessantly creating a new one. This process of Creative Destruction is the essential fact about capitalism. It is what capitalism consists in and what every capitalist concern has got to live with.”(Schumpeter, 1942, 83). It is also what every worker has to live with, and from the perspective of those whose lives are constantly overturned, the process is more destructive than creative. We aim to allow some of those voices to speak, that everyone might better understand the on-the-ground reality of capitalist “creativity.” Before turning to the voices of the victims, let us first try to understand more clearly the general outlines of the process.

Marx too argued that capitalism constantly revolutionized the means of production, and Schumpeter acknowledges as much (Schumpeter, 1942, 82). Whereas Marx believed that these crises would become cumulatively more severe and provoke increasingly global working class action, ultimately ending in the overthrow of the ruling class, Schumpeter argued that because there is no specifiable limit to what

1 Mireille Coral is a PhD candidate in the Faculty of Education at the University of Windsor, and an adult educator at St. Michael's Adult Secondary School in Windsor, Ontario

2 Jeff Noonan is Professor of Philosophy at the University of Windsor.

3 Paul Chislett is President of the Windsor Workers' Education Centre (WWEC).

capitalists may invent in the future to counteract tendencies towards falling rates of profit, capitalism is potentially endlessly dynamic and not vulnerable to undermining itself from within. Since the eighteenth century, capitalism has revolutionized itself through the application of heavy machinery to production, through faster modes of transportation, through the shift towards the mass production of consumer goods as a major source of profitable investment, the application of real time communication technologies to production, and the globalization of financial products and services those same communication technologies have permitted. Thus far, it has proven Schumpeter and not Marx correct. There has as of yet been no successful global revolution (although there have been waves of global struggle, most recently the Arab Spring-Occupy wave beginning in 2010) and no definitive proof that capitalism cannot invent yet another structural revolution to absorb the surplus capital awaiting opportunities for profitable investment (\$680 billion in Canada alone) (Press Progress, 2015). There are worries, even from critical mainstream economists like Thomas Piketty, that capitalism may have reached the limits of profitable growth in the production of real commodities (Piketty, 2014, 93-5). Should that prognosis be true, and only financial speculation remains to absorb surplus capital – a result that would mean no growth in employment and wages outside the upper reaches of the financial industry – then a political crisis, exacerbated by rejection of the politics of surveillance and control dangerous for the future of capitalism in North America, Europe and the BRIC (Brazil, Russia, India, China) countries far more dangerous for capitalism may erupt. Chris Hedges (2015), notably, believes that such a global uprising is inevitable.

Predications about the inevitability of revolution, especially successful revolution, are always questionable. What seems unquestionable is the fact that capitalism faces material limits to its growth that Schumpeter could not see in 1942. The global crisis in life-support systems that a century of fossil fuel burning, resource extraction, habitat depletion, and pollution have collectively caused is incompatible with the long-term future existence of any highly organized industrial-technological economy. A threat to the general environment is a threat to human life itself. At the same time, as movements towards “green capitalism” attest, capitalists as well as environmentalists can recognize long-term ecological dangers, and adjust their practices accordingly. While capitalist production up to this point in history has been materially irrational in its environmental destruction, no one can say for certain that a sustainable capitalism is impossible. Environmental crisis could prove

to play the same revolutionising role as economic crisis – a spur towards creative destruction of old production methods. David Harvey avoids the doomsday talk that dominates much discussion on the left and says, correctly, that “if there are serious problems in the capital-nature relation, then this is an internal contradiction within and not external to capital. We cannot maintain that capital has the power to destroy its own ecosystem while arbitrarily denying that it has a like power to cleanse itself and resolve or at least properly balance its internal contradictions” (Harvey, 2014, 259). That which has the power to destroy (being a power over the object destroyed) also has the power to preserve. Capitalism could cause global ecological collapse, but since it is essentially a dynamic and self-revolutionising system, that outcome is neither a logical entailment of its principles of organization nor a material necessity of its actual operations, precisely because capitalism lives by changing its actual operations.

The future remains open – and that is a good thing for socialists, who can help change that future by effectively organizing to transform capitalism into a democratic socialist life-economy in which natural wealth and human labour are marshalled to produce life capital. Life capital is according to McMurty (2015):

“the life wealth that produces more life wealth without loss and with cumulative gain. We defend it by life goods to ensure our life capacities are not reduced but grow through time. Most are unpriced – the sun and air, the learning, the home environment, the delight in nature, the play, the love, the raising of children, the fellow arts, and so on. On the social level, the same holds and any well-governed society provides for them in many ways. All may recognise the principle of life capital in their own lives as self-evident, and that all which lasts through time that is worthwhile is life capital.”

While political struggle must be future-oriented, it must be anchored in the present, in where we stand now, and not on the non-foundation of abstract principles and dogmatic beliefs. Where people stand in the present is determined by where people find themselves in the system of production. As Michael Lebowitz argues in his must read *Beyond Capital: The Political Economy of the Working Class*, because needs can only be satisfied through the purchase of proceed commodities in capitalism, the natural object of struggle for working people is not socialism straightaway, but higher wages and better working conditions. “Rather than pointing beyond capital, the inability to satisfy their needs in itself leads workers

not beyond capital, but to class struggle within capitalism”(Lebowtiz, 1992, 131). This fact has two implications: first, the struggle to satisfy needs can only ever be completed in a socialist society, but second, workers can make their lives better through successful struggles within capitalism for higher wages, for better working conditions, for shorter working hours, and for pensions that ultimately free workers from the need to keep working for wages. It is in light of this second implication that precarity is best understood.

What is called precarious labour, short term, non-unionized, insecure work with few, if any, benefits, is a consequence of class struggle – the class struggle of capitalists against the gains that working class people had made over two centuries of struggle. Precarious workers are the victims of capitalist success in undermining historical gains. When we look at precarity from this perspective, Schumpeter’s creative destruction looks more like destructive creation. The past gains of working class struggle and the improved lives these gains have enabled are being destroyed by the creation of new forms of precarious labour. While politicians and system-servants will try to draw our thoughts away from the victims through their usual formula of “necessary sacrifices,” human fellow-feeling and critical attention to the real implications for displaced workers’ lives and livelihoods must hold attention fixed on the destructive moment: for those expelled from any sort of secure employment, in a context where a democratic socialist life-economy alternative is not immanent, precarious employment makes life a de-humanizing struggle just to survive.

It is in this light that we want to consider precarity by sharing a few of the voices of its victims. Although the alienating and oppressive conditions in which they work is de-humanizing, their capacity to endure and to resist lets their dignity as human beings – the foundation of the struggles of all oppressed people – shine through. Precarity, from our perspective is first of all a matter of the conscious destruction of the achieved level of life-security won by the organized working class. Only in a secondary sense is it a matter of precise sociological analysis (has not work under capitalist conditions always been precarious, which raises the question to what extent the term ‘precariat’ is sociologically meaningful?). These questions are important, but their value lies in *the extent to which they help orient struggles to improve life and life’s conditions*. As Henri Lefebvre argued in the first volume of his masterpiece, *The Critique of Everyday Life*: “Once the philosopher is committed to life, he will watch over its meaning and its development from within...At the very heart of the everyday, he will discover what is hindering...the march forward.”

(Lefebvre, 2014, 120). In order to guide practice, theory must listen to the everyday voices of working people struggling against the destructive creations of new and worse conditions of work.

The city of Windsor, Ontario has lost 14,000 manufacturing jobs in the last decade – unionized work with pensions and benefits that provided real protection against the life-blind cruelties of the capitalist market (Pearson, 2015). These jobs have not all been replaced, but to the extent that they have, it has been with precarious labour, often in the service industry, call centres and temporary agencies. The Windsor Workers' Action Centre sat down with some workers struggling with precarious work conditions. In what follows we share their thoughts on workplace precarity, its social and political implications, and how it has affected their personal and familial lives.⁴

STORIES FROM THE MARGINS: THE PRECARIAT SPEAKS

Our conversations with workers revealed a number of disturbing themes, many which extended precarity beyond the workplace and into the very fabric of their lives. This minimum wage work often included high-stress and fast-paced work environments with ever more demands for multi-tasking, parking lot rendezvous with shadowy contractors, and workplaces that pitted employees against each other in a fear-driven struggle to protect their own jobs. Precarity is accompanied by a general atmosphere of fear: fear of supervisors, fear for personal safety, and, overriding everything, the fear of being fired. What became clear in these stories is that, in a climate of 'no-work', people felt compelled to take any work. This included jobs that they understood to be unsafe both physically and mentally, and which also undermined their dignity as human beings: work shifts, for example, so demanding that there was no time to go to the washroom, having to eat lunch at the same counter where they worked, and working conditions so crowded that workers rubbed against each other while performing their duties.

In an effort to better understand our role as worker advocates in a time and place marked by the displacement of manufacturing jobs

⁴ These interviews were conducted over a two hour period on August 5, 2015 at the Windsor Workers Education Centre by Paul Chislett and Mireille Coral. Four workers took part in the discussion on their respective workplaces: retail, construction, street organizing, and vegetable packaging plants. Each has agreed to the inclusion of the selections of their stories we have chosen. Their names have been changed to protect their identities.

through deindustrialization, and in keeping with the principles of a liberatory critical pedagogy which encourages dialogue rooted in the lives of people (Freire, 2005; Freire & Horton, 1990; Horton, 1998, 2003, Kane, 2001), the Windsor Workers' Action Centre invited workers who had left precarious workplaces to tell their stories. An ancient and powerful practice, storytelling has been a means for conveying knowledge throughout human history (White, 1980; Wilson, 2008). We saw the telling of stories as an opportunity for workers working in marginalized situations to be heard, but also as an opportunity for us to learn from them. In keeping with the model of critical pedagogical practice wherein power relationships are supplanted and inverted (Freire, 1995; Horton, 1998), as worker advocates we became "students" and the workers became our teachers. By listening to their stories, we gained a more exact understanding of the kinds of problems workers face in Windsor, problems which, we are sure, can be generalized across the capitalist world. The following descriptions of workplaces and work experiences come from the workers themselves.

PACKING PRODUCE: CONTRACTORS AND CLIQUES

Two of the workers who shared their stories, Norma and Cheri, worked in Leamington packing produce in greenhouse packaging plants. Their stories are immediately characterized by intrigue, as they describe meeting men in minivans in parking lots outside fast food restaurants early in the morning. Norma and Cheri never learned the full names of the men who picked them up, drove them to work, and paid them on pay day. As Norma explained, the job of her contractor was to "find people to work at the farm for another guy that's affiliated with that farm. He talks to people to find people who want to work. He goes to McDonalds [in Windsor] standing outside and gets people to work that way." Cheri described being paid on payday out of "buckets of cash," which was handed to the workers out the window of the contractor's minivan: "With my contractor, his wife would hand it out through the car window out of a laundry basket, like the kind you would put in your sink, and there would be little envelopes in line, with your name on it, and they had their little 2 year old son in the back seat." On her pay envelope were written the deductions from her pay – "I had to pay \$60 for my ride, \$20 for the privilege of having a time card, \$5.50 for the privilege of having a coat because they have to clean it, so for 46 hours I cleared \$328.50" – but no mention of EI or CPP deductions required by law. "Who are these men with no last names and who do not pay EI or CPP?" Cheri was puzzled: "They're off the map. They're taking \$2 per hour off your pay and putting

it in their pocket, and how they get away with it I don't know. If they have 200 workers they're making \$400 per hour. The companies say they are paying so and so, and so it's off our hands, but they know what's going on." Furthermore, the cash workers are all paid on the same day and in the same way, adding to the mystery of the identity of the contractors: Cheri observed, "Obviously people felt pretty comfortable with \$5000 cash in their vehicle".

Inside, the packing plants are chaotic stressful places: "They had a 25 minute lunch and you have a gown, gloves, and a hat. You can't eat your lunch dressed, so you have to dispose of your stuff and you have to get rid of your smock. Well there's 200 people working there; you have 25 minutes to get undressed, go eat, and come back, and they would blow a siren and you're supposed to be at work within 3 minutes and if you weren't in line in time, they were suspending you for a period of time. So basically you are trying to figure out where your coat is...If you want to put your smock in your locker, it's going to take you 5 minutes to get there, 5 minutes to get to lunch, 5 minutes to put your smock back on, so people were throwing them all over the place and then trying to get them on before the bell went off." Once back at their work places, workers were crowded together: "We're really packed in together. Doing your job, your bum rubs against the person behind you." Workers packing tomatoes and peppers are required to step up on a grate in order to avoid slipping on a floor that, as the shift progresses, becomes increasingly strewn with vegetable matter. When asked about safety training, Norma said, "They talked a little bit about it [in orientation] but not much. They said to make sure that you stood on the grid."

Norma described her experience at the plant as "worked to the bone and that's what we expect of you." She also speaks of groups or cliques that form among workers in the plant, "and if you don't get into a clique then you just eat by yourself. I didn't talk to many people." The formation of cliques also proved to be a source of stress and fear, as Norma discovered on her last day at work. After being warned of a zero tolerance policy regarding drugs in the workplace, Norma approached her supervisor to tell him that she needed to take medication for her bipolar disorder. On her break, she was asked by other workers about "being bipolar because they overheard the conversation with the boss and I was honest with them and thinking it's my time, it's my break, and I didn't think there'd be any consequences, so I finished off the work for that night and the next day the driver wouldn't pick me up and the driver wouldn't answer...I got a hold of him 2 days later and he told me I was fired for saying I was bipolar and I was on medication." Norma suspects that one of

the few people she spoke to at work told the contractor about her condition: “I think he was the one talking about me being bi-polar and on my meds and stuff, and I think that’s how they found out. It was actually through a friend of mine.”

STREET LABOURERS: A UNION OF MUTUAL AID

While precarious labour makes organizing even more dangerous, it is also a spur to creative resistance on the part of precarious workers. In Windsor, panhandlers and buskers have recently come together to form a union. Street Labourers of Windsor (SLOW) is an organization that provides direction and assistance for anyone who finds him or herself on the street. Ryan the organizer who grew the membership from three to twelve, describes his motivation as coming from a place of understanding: “What took me to organizing is because, well, I’ve seen it all. I’ve done it all. I know what these people go through. I know their needs; I know that they need to be talked to. I know that people don’t know where to go, what to do, and I’m trying to find a connection somewhere where they can reach out.” Making sure that people on the street receive guidance and assistance in finding food and shelter is one of the main priorities of the union. Why a person is on the street is less important to SLOW than how; for Ryan, “the key is to try to work with people.”

SLOW recognizes the work of panhandling and busking as work, as “just a way of seeking money so that you know you can survive.” As with any work, working conditions are a concern for the union. Panhandlers and buskers are very often working with mental illnesses, addictions, or both. In a number of cases, street labourers are people who were injured at work and now find themselves on the street living with chronic pain. Communicating needs under these conditions is difficult, and, as R explains, “trying to work with everybody in this to make it one is a very great challenge.” Equally challenging is the attitude of the public. Anti-panhandling sentiments expressed in *The Windsor Star* (Vander Doelen, 2014) in the spring, as outdoor patios began to open, fuelled an angry discourse in the city in which panhandlers were characterized as pests. Ryan speaks passionately of remarks from passersby that panhandlers must endure: “I’ve watched and seen how people have said, ‘You shouldn’t be on the street.’ Well, that’s not yours to say. You don’t even know the reason *why* I’m here, what I’m doing here. Are you in the same predicament that I’m in? Do you even know who I am? I don’t know who you are. And one day you could be doing the same thing.”

This concern for the wellbeing of street labourers is not limited to providing material assistance. During the weeks of anti-panhandling

arguments, SLOW represented its membership by undertaking political action. As the anti-panhandling rhetoric increased, the Downtown Business Improvement Association proposed the installation of so-called care meters in the downtown core. Putting money in the meters would ostensibly be a way for concerned people to help the poor – the money would be distributed among agencies – without contributing to panhandling and its related problems of drug addiction, alcoholism and so forth. For Ryan, this was an important political cause. He saw care meters as taking money out of the hands of poor people and giving it to bureaucracies: “We fought against that - I was spearheading that, and then it actually went out the window; the motion did not get passed, and then the care meters were never installed, which was a victory for us.”

WORKING AT THE GAS STATION: SECRET SHOPPERS AND CHOCOLATE BARS

Joan worked the night shift at a gas station that is located near the last automotive plant in the city still running three shifts. Joan earned an undergraduate degree at the University of Windsor in the 80s; she argues that she stands as proof that, propaganda about the causal connection between higher education and secure, well-paying work notwithstanding, earning a degree is not a guarantee against precarious work. This was not her first time working as a gas station attendant. “I want to tell you what it’s like, what is expected of minimum wage workers today,” she begins. When she worked as a gas station attendant in 1986, “there were four pumps, and we got to sit at a desk, inside, with a few bags of chips and maybe five different kinds of chocolate bars on the counter to sell. And you sat at this desk and you could read, you could do crossword puzzles or watch T.V.” In 2009, “I had two pages of things to do between customers.” The new gas station had 12 gas pumps, “every chocolate bar made in North America; the whole front counter, bottom of the counter is nothing but chocolate bars. I’ve counted them: there were over 2000 individual chocolate bars, gum packages, Tums, you name it, and we also sold lottery tickets. There was a lottery machine, cell phone minutes, as well as seven refrigerated cases where we sold sandwiches, pop, cold drinks. We also sold newspapers, magazines, and car products, like oil and windshield wiper fluid. We were a gas station, convenience store, and there was a Tim Hortons.” Some of the tasks she was required to perform during her shift included watching the pumps, watching the store, selling goods, removing expired food from the refrigeration units, cleaning the inside of the units, cleaning the toilet, and wiping dust and grime off every chocolate bar and package of gum and candy at the front of the store by the cash register.

“Employers find more things for workers to do, ridiculous things to do, to merit any raise in minimum wage.”

No chairs were provided; workers improvised by sitting on stacked milk crates and cushions. There were no scheduled breaks and no one to take over if the worker had to use the washroom. Workers were expected to eat lunch at the counter while waiting on customers. The only option for a worker who became sick or had to use the washroom was to ask the Tim Hortons employee to watch the store. “You went to the washroom as fast as you possibly could and then ran back. Nine times out of ten somebody would be standing there waiting to pay for something. You’re never really off the job, ever.” Gas station attendants were also financially responsible for customers who drove away without paying for gas even though this policy endangered workers’ lives. A gas station attendant in Calgary was killed earlier in the summer trying to prevent such theft. Once again, the phenomenon of third party contractors – in this case, private franchise owners – plays a role in this dangerous practice. “The corporation can claim to the media that it does not have a policy of making attendants pay for stolen gas,” Joan explains, “but you don’t get a paycheque from the corporation. Your paycheque comes from the guy who runs the gas station on behalf of the corporation.”

In her most recent job as a gas station attendant, Joan was assessed in a variety of ways, most notably the “secret shopper” test. She scored 93% on this assessment, but was told that she had failed. “The supervisor approached me like I had done something terrible. I thought, ‘I got 93, that’s an A,’ but the supervisor told me that, in fact, I had failed the secret shopper and the boss is really mad.” The “secret shopper” was actually a corporate spy sent to the store to see if the worker did her job according to corporate standards. Anyone coming to the counter might actually be a secret shopper; the worker would find out the next day. Of particular concern to the secret shopper was the matter of up-selling: Joan was supposed to ask anyone who purchased anything at the store if they wanted one other product: if the customer purchased gas, for example, Joan was supposed to ask if the customer wanted washer fluid as well; if the customer bought cigarettes, did he or she want a lighter? Joan found it hard to remember to upsell, especially during peak hours. In the wake of her 93% “failure”, she began to use sarcasm as a form of resistance, asking customers who bought only a newspaper if they wanted washer fluid, too. Would they like a lighter with their chocolate bar? When the supervisor suggested that Joan didn’t need to upsell to everyone who came to the counter because the secret shopper would be a customer who purchased gas, Joan pointed out that the next person in line could very well be the

secret shopper, listening. To this, the supervisor could make no reply and walked away in frustration. “So I had my little ways of protesting the ridiculousness,” Joan said.

CONCLUSION

The workers’ stories vindicate Lefebvre’s argument that the struggle for socialism must be grounded in concrete understanding of workers’ everyday lives. How can workers be mobilised effectively in ever changing conditions of destructive creation of new and worse conditions of employment unless everyone hears the human experience of what it means to be a precarious worker? Grounding political practice in everyday life means starting from and accepting the contradictions of everyday life for workers, especially precarious workers, under capitalism. One of the main frustrations of the precarious workers we spoke with was the problem of not being able to organize effectively against the corporation they nominally worked for, because of the role of third party contractors or private franchise owners. These contractors did not provide even the most basic health and safety training; furthermore the use of these contractors or private franchise owners allowed major corporations to not be responsible for policies that could endanger workers’ safety. Drawing from a pool of the desperate unemployed, contractors are middle men who stand between multinational corporations and the people who seem to be working for those corporations. Workers must always fight on two fronts: first, against the immediate indignities and deprivations of precarious work, and second, against the deeper structural problems of capitalist society itself.

Norma and Cheri, for example, went to work at a major greenhouse operation but were not clearly paid by the greenhouse operators; Joan worked at a major gas station chain, but was not employed by that corporation, but by a franchise owner who, because he or she must pay up the chain, is difficult to organize against. In an effort to employ the cheapest most flexible workforce possible, multinational corporations help create the conditions for low-wage flexible work. This demand for ever more low paying and insecure work is the foundation upon which precarious work is created. Large employers become less and less responsible for the working conditions of the human beings working in their plants and shops, as administrative costs are minimized, as well as costs associated with health and safety training. This fractured flexible workforce faces an additional challenge of trying to organize to improve their conditions, as workers have done in the past.

Still, as SLOW shows, political resistance is also creative. While it is easy to dismiss twelve street workers in a small Southern Ontario city as

a woefully inadequate response to global economic problems, one must also keep in mind that global circuits of capital must still pass through human beings, human labour, to reproduce themselves and grow. To the destructive creation that capital imposes on workers' lives, the self-organization of workers can still be a force of real creative destruction: supersession of the private control of universally required life-resources and their redistribution according to the principles of a democratic life-economy: production and distribution for life need satisfaction, and life-need satisfaction for the sake of enjoyed and meaningful contribution to the on-going project of human life-development.

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Book Reviews

RECODING GENDER: WOMEN'S CHANGING PARTICIPATION IN COMPUTING

by Janet Abbate. Massachusetts: MIT Press, 2012. \$34.00 US, Hardcover. ISBN: 978-0-262-01806-7. Pages: 1-247.

Reviewed by Jennifer Mackin¹

The call for women's increased representation in computer science has been resonating in the halls of government, industry, and academia for nearly thirty years. As Abbate (2012) demonstrates in her earlier work, unlike most science and technology fields, computer science did not start out as a male dominated domain. The first "computers" were women. These technological pioneers played prominent roles in shaping the industry and its technologies over the last 60 years. Much like women's lack of representation in other contexts, however, women's contributions have often been minimized or absent from the retelling of the history of computer science. This book seeks to set the record straight. In *Recoding Gender: Women's Changing Participation in Computing*, Janet Abbate recovers this rich history by retelling the narratives of women's participation in computer science from the Second World War (WWII) to the late twentieth century. She focuses specifically on the computing cultures in the United States and Britain, and on the personal triumphs of the women who have successfully navigated these cultures.

The book begins by describing two of the earliest computer devices invented. The Electronic Numerical Integrator and Computer (ENIAC) was operated by civilians in America and the Colossus was operated by the military in Britain. As Abbate argues, women were pulled into computer work as a result of the war effort. This new science provided novel opportunities and a means of escaping 'women's work' and dead-end 'computing' jobs. Abbate also explores the constraints women faced: lower status positions, the fight for recognition, and the closing of opportunities with the end of the war.

The book then investigates the social construction of expertise, including questions related to the way expertise has been defined in distinct roles (programmer, coder, engineer); how it has been measured

¹ Jennifer Mackin is completing her Master's degree in the Department of Sociology and Anthropology at Carleton University, after which she is set to begin a PhD at Cambridge University. Her main research interests are narratives surrounding academic journeys, cultural barriers to educational pursuits for underrepresented groups, including girls' interest in science, science policy and cultural influences in scientific knowledge production.

(aptitude tests and degrees); and how these phenomena have been filtered through a gender lens. Based upon 52 interviews with female computer scientists from America and Britain, as well as archival evidence, Abbate focuses on women's ingenuity in overcoming obstacles related to their lower status and the stereotypes they have had to confront. Stories from women's experiences are peppered throughout the book, though chapter four recounts in detail the personal journeys of Elsie Shutt (first women entrepreneur in the US) and Stephanie Shirley (second female entrepreneur in the UK). Here Abbate details the way these women navigated the prevailing view that motherhood and professionalism were not compatible. In starting their own businesses, they created the uncommon opportunity to work part-time, allowing them to maintain their professional and traditional roles. This also opened up employment opportunities for other mothers who had been ushered out of the business and created a unique avenue for women to maintain a presence in the field despite social opposition.

The book concludes with an examination of the trend of women's increased participation into the 1980's followed by a steep decline. At the undergraduate level, this decline was so drastic that the current enrolment of women was found to be equivalent to those at the start of the industry. It then highlights the ways women have come together over the years to share their experiences and overcome barriers. She identifies hurdles such as hiring bias, social alienation and the penalization of non-traditional routes into academia. She then shares some stories on how women made computer science their own. This includes sharing stories in woman's bathrooms at male dominated spaces, and organizing feminine spaces including forums and all-female computing conferences. This provided an appropriate conclusion for two running themes in the book, which were the use of a positive perspective to view the problem of women in computer science, and the coming together of women to tackle such hurdles. This book provides a fresh look at computing history from a gendered perspective and will be of interest to scholars interested in women's history.

COLONIZED CLASSROOMS: RACISM, TRAUMA AND RESISTANCE IN POST-SECONDARY EDUCATION

by Sheila Cote-Meek. Halifax & Winnipeg: Fernwood Publishing, 2014. \$24.94 Canada, paper, ISBN: 9781552666531. Pages: 1-198.

Reviewed by Jiyoung Lee-An¹

In *Colonized Classrooms: Racism, Trauma and Resistance in Post-Secondary Education*, Sheila Cote-Meek raises a fundamental question: How do/can Aboriginal students and professors contend with ongoing colonization taking place in Canadian university classrooms? To answer the question, the author first examines challenges and dilemmas that Aboriginal groups who are constructed as 'inferior and unintelligent' racialized subjects face in Canadian university classrooms. Not only does the author reflect on some of the dilemmas and challenges faced by racialized subjects, but she also pays attention to the struggles and resistances including thought-out personal strategies in response to racism and violence in university classrooms. The author goes further in her analysis by providing practical advice for teaching and learning about colonization as 'difficult knowledge' in mixed classrooms.

Difficult knowledge in university classrooms includes not only the history of colonial violence against Aboriginal people and social trauma, but also individual encounters with such violence and trauma in their lives. To convey difficult knowledge without re-traumatizing the colonizer/colonized relationship, the author suggests transformative pedagogies such as 'communities of memory' as a space where remembrance is valued with community support, 'a holistic model of education' that pays attention to the mind, body, emotion and spirit of a person who experiences violence, and 'red pedagogy' which focuses on the quest for sovereignty, and indigenous knowledge and praxis.

One of the significant contributions of Cote-Meek's book is that she constructs a non-linear understanding of history by placing the post-secondary classroom as a space where past, present and future are concurrently alive. In other words, the author emphasizes that history is not a fossilized form of knowledge; rather, it still affects the ways in which the lives of Aboriginal groups are understood and taught in university classrooms. The author emphasizes that colonial violence is not a past product, rather it is still imposed on Aboriginal students' lives in the

1 Jiyoung Lee-An is a graduate student in the Department of Sociology and Anthropology at Carleton University.

classroom as a form of discrimination, silencing and denial. What is taught and learned in classrooms are thus struggles for history and memory in order to rectify both a colonial past and present colonialism. For Aboriginal groups, education is an element of the ongoing violent colonial regime, which undermines Aboriginal peoples' self-determination and ways of knowing (163).

Cote-Meek suggests traditional Aboriginal cultural practices should be negotiated outside of the classroom, rather than simply creating a setting in the classroom where culture is consumed by non-Aboriginal students (145). The author describes in detail the classroom dilemma in which both Aboriginal educators and students are expected to practice Aboriginal culture. While both Aboriginal students and professors have challenged the racialized constructions of themselves as cultural/spiritual beings, these students and professors have at the same time put significant efforts into revitalizing Aboriginal cultural strategies and recovering forgotten histories. The author warns that emphasizing Aboriginal culture as a source of empowerment may contribute to perpetuating existing constructions of Aboriginal people as the 'cultural Native,' in contrast to what these cultural practices intend to contribute.

In Chapters 3 and 4, Cote-Meek provides detailed narratives of dilemmas, limitations, frustrations and constraints that Aboriginal professors and students have experienced in the classroom such as the denial of racism, being silenced, degradation of Native Studies, and demeaning the intelligence of Native students (100-112). The author interprets these narratives as negotiating practices. However, the author does not clearly define what these negotiations actually mean and these interpretations aim to achieve. Also, she does not explain how these negotiating practices specifically differentiate from other aspects of individual practices such as opinionating, adapting, complying, and resisting.

Not only would this book benefit Aboriginal students and professors, but also non-Aboriginal students and professors who participate in native studies. In particular, this book does provide insight into non-Aboriginal professors who either advertently or inadvertently, fall into a trap of reproducing colonized practices. Cote-Meek criticizes these professors with examples such as asking an Aboriginal student to provide a cultural ritual for the class that was predominantly non-Aboriginal (143). She emphasizes the responsibilities of professors to provide anti-racist and anti-oppressive pedagogies in four main ways. First, that professors acknowledge that Aboriginal students come to the classroom carrying a huge burden of racialized construction and ongoing colonial violence.

Second, that professors engage in holistic pedagogical approaches which focus both on the emotive aspects of students and critical understanding of colonialism. Third, a proactive prevention of racism by engaging with any forms of racism and violence. And fourth, the necessity of creating safe and supportive spaces solely for Aboriginal students.

Throughout her book, Cote-Meek borrows many ideas from anti-racist and feminist scholars such as bell hooks, Patricia Hill Collins, and Minh-ha Trinh, who have provided critical insights of other racialized groups and, in particular, struggles of women of color in North America. Cote-Meek's research focus on Aboriginal groups is meaningful given the lack of academic attention the topic has received. However, where Cote-Meek does not succeed is in presenting how experiences of Aboriginal groups are different from those of other racialized groups. Many racialized experiences and their resisting strategies overlapped and are interchangeable with the experiences of many other racialized groups. While she does briefly mention the connection (130), she does not develop this point further. Touching upon the complicated relationships of other marginalized and racialized groups in the classroom beyond the binary construction of Aboriginal and non-Aboriginal would have taken her analysis a step forward.

THE HEALING JOURNEY: INTIMATE PARTNER ABUSE AND ITS IMPLICATIONS IN THE LABOUR MARKET

by Linda DeRiviere. Winnipeg: Fernwood Publishing, co-published by RESOLVE, 2014. \$18.95 CAN., paper. ISBN: 978-1-55266-654-8. Pages: 1-199.

*Reviewed by Julie Poon*¹

The Healing Journey: Intimate Partner Abuse and Its Implications in the Labour Market seeks to provide insight into the challenges that women confront when leaving an abusive partner within the labour market as well as their everyday lives. Linda DeRiviere argues that examining women's paths to employment, income, and employment training outcomes are crucial to understanding women's experiences with intimate partner abuse. The book draws upon two theoretical perspectives: 1) *human capital theory* emphasizing education, employment training, and work experience as needed for an individual to progress in the workforce; and 2) *segmented labour market theory* focusing on workplace characteristics consisting of 'good' secure, high paying occupations with advancement opportunities versus 'bad' undervalued, intermittent work with limited new skills. Considering the highly competitive market and the financial and time commitment needed to gain skills and experience, women may face obstacles in competing to earn a living wage upon leaving the abuse. For DeRiviere, labour market and welfare policies do little for women who have difficulties maintaining employment in terms of getting them out of the secondary labour market. This places women in 'bad' jobs and exacerbates their continued dependence and chance of re-victimization.

Data for this study were part of a tri-provincial (Manitoba, Saskatchewan, and Alberta) longitudinal, labour market study with 414 women interviewed in seven-wave, six-month intervals from 2006 to 2010. Chapters 2, 3 and 4 provide empirical evidence to determine the importance of abused women taking part in any employment, education and training throughout their healing journey. Results indicated participants were economically disadvantaged irrespective of their level of education and employment. Trauma from abuse including childhood

¹ Julie Poon is a PhD candidate in the Department of Sociology and Anthropology at the University of Guelph, Ontario, Canada. Her research examines violence against women with a focus on criminal justice policy responses toward women who are victims and offenders of intimate partner violence. She can be reached at jpoon@uoguelph.ca

victimization may have hindered participants' educational and career performance early on creating a lasting barrier to participating in labour market opportunities. Many women had irregular employment histories which may have hindered their attempts to secure a connection to the labour market; 44.7% of the women reported that they had taken a leave of absence, quit, or been fired due to abuse (42). Additional education and/or training did not necessarily result in a corresponding growth in earnings for these women. Women who increased their income did so by working more hours within low paying, peripheral employment. Upon leaving the abuse, women often became the primary provider, however, their earnings within the secondary labour market fell short of securing a family wage. Finally, stalking or harassment occurred frequently while attending school or work and this was exacerbated for those who were obliged to maintain child custody agreements with their abuser. Taken together, these findings provide strong support for DeRiviere's argument that the impact of abuse places women at a disadvantage in the labour market extending beyond the duration of the intimate relationship itself.

Chapter 5 discusses health-related causal factors to explain why abused women experience difficulties participating in or progressing within the labour market. The findings suggest that some low-income women suffered from chronic physical and mental health concerns including depression, anxiety and post-traumatic stress, which resulted in extended absences in the workforce. The author advocates for gradual training and workforce entry for abused women, while recognizing the need for welfare policies that promote extended assistance for those who may never be able to participate. However, the author points out that further inquiry is needed with respect to the impact of health conditions on employed immigrant women.

In chapter 6, the readers are presented with the effects of the abuse by comparing the women's prior aspirations and the actual outcomes after separation. Upon separating from their abuser, nearly half of the women re-evaluated or abandoned their aspirations citing the need to be pragmatic about their employment and training goals. Narrative analysis provides a glimpse into the lived realities of mothers who share testimonials relating to their abuser's efforts to thwart their familial aspirations by alienating them from their children. Chapter 7 provides an estimate of the costs of intimate partner abuse. By drawing upon each participant's job classification, average hourly wages and weekly hours on the job, and number of years until retirement at 65, DeRiviere calculates that "the net present value of lifetime earnings losses totalled \$37.2 million (2012 dollars) for participants who experienced health issues that

were attributed to abuse” and that this shortfall “translated into earnings-related productivity losses in the economy” (152). This figure did *not* account for any additional lifetime reliance on social welfare and social housing, or any loss in revenue that the government would have generated from taxable incomes.

The final chapter discusses labour market policies in terms the similarities and differences among the three provinces. DeRiviere argues that current and supposedly “gender-neutral” policy strategies that center upon assisting individuals and families in becoming financially self-sufficient are, in actuality, examples of workfare that do not adequately address women’s realities. While a thorough list of the strategies is presented to assist abused women in successfully participating in paid work, it would have been beneficial highlight where priority should be given considering the scale of this undertaking.

The Healing Journey is unique in its contribution as the first labour market study to analyze their labour market outcomes of Canadian women who have experienced intimate partner post separation. One key criticism of this study is the limited use of narrative analysis; increased use of narratives could have provide greater insight into the complex realities that hindered the women’s ability to pursue their goals and this would have been a valuable addition throughout the rest of the book. Also, while the book makes an effort to explain statistical significance and correlations between variables to the novice reader, it lacked a thorough discussion regarding the methodology, interview guides, and data analysis. Furthermore, the analysis requires greater recognition of the experiences of visible minorities and immigrant women.

Overall, this book provides valuable insight to academics, activists and policy makers advocating against violence against women in Canada. The findings highlight the need for policy responses that begin from the ground up in order to provide meaningful assistance to women whose everyday lives are faced with poverty and violence. The book provides a degree of insight into the labour market and everyday challenges faced by women leaving abuse and the quantitative analysis is valuable in highlighting patterns of earnings and occupational outcomes as well as economic costs associated with intimate partner abuse.

THE OBAMA SYNDROME: SURRENDER AT HOME, WAR ABROAD

by Tariq Ali. New York, NY: Verso, 2010. \$16.95 U.S., hardcover. ISBN: 978-1-84467-449-7. Pages: 1-156.

*Reviewed by Dax D'Orazio*¹

With another American election looming, the effort to define Barack Obama's presidential legacy will officially commence. After two consecutive terms and a series of major legislative initiatives ranging from health care reform to the Iranian nuclear deal, there will be no shortage of political accounting attempting to reconcile Obama's campaign words and his elected deeds. Political author and analyst Tariq Ali's *The Obama Syndrome* is what he calls 'a 'preliminary report on the first 1,000 days of the Obama presidency' (ix). Although certainly limited temporally, it is a worthwhile refresher for those looking to review what will soon become the Obama legacy. Further, it provides some particularly insightful commentary in the context of Hilary Clinton becoming the Democratic presidential candidate, an establishment politician with far less convincing progressive credentials than Obama (especially concerning foreign policy). Voters looking for more potent progressive reforms will again confront the dilemma of whether the 'lesser of two evils' approach to a two party system can ever meaningfully deliver. For those who have followed American politics closely – including critical commentary on issues such as foreign policy, Wall Street and health care – Ali's preliminary appraisal may not be a revelation. Nonetheless, for those seeking a relatively accessible post-mortem of 'Obamania' and the accompanying disillusionment of the left following the rollback of campaign promises, *The Obama Syndrome* is concise and incisive.

One key point overshadows much of Ali's book: the policies pursued by the Obama administration are not solely idealism constrained by the realities of American politics and an intransigent Republican Party. In many cases, Obama's policies reflect an ingratiation of status quo structures and institutions. Ali convincingly diagnoses an acute defeatist element to the administration's consensus driven approach in which the compromises and appeasements came one after another. He aptly

¹ Dax D'Orazio is a PhD student in the Department of Political Science at the University of Alberta. His primary research interest is academic freedom in the context of the Israel-Palestine conflict. He can be reached at dorazio@ualberta.ca

describes Obama as “prone to use mass indifference as an excuse for his own opportunism” (88). In other words, Obama willingly truncated his momentum and political capital in favour of a more cautionary and consensual approach. Nowhere is this more conspicuously exhibited than the capitulation on health care policy, due largely to a failure to confront the oligopoly of private insurers that have resulted in exceedingly high per capita health care costs (94-96).

The first chapter is a retrospective of the election process itself and delves into some of the mischaracterized details of Obama’s past. Pointing to specific examples of Obama on the campaign trail – including the distancing of Reverend Jeremiah Wright as well as Obama’s sloganeering, lavish corporate donations, and admiring references to Ronald Reagan – Ali argues that progressive observers should have been more cautious. Yet, the massive mobilization of youth (across race and class) who genuinely believed that Obama could retreat the American empire and take head on ‘Democracy Inc.’ cannot be faulted. As Ali puts it, “Their enthusiasm was infectious” (6). Ali seems to believe that Obama was electable precisely because he did not constitute an existential threat to established order and, therefore, his presidential prerequisites included assuaging power blocs that ‘hope’ and ‘change’ would eventually meet reality. For proof one need look no further than the lion’s share of total campaign donations Obama garnered from the country’s largest corporations (32).

Perhaps the most poignant analysis inhabits the second chapter, an assessment of the foreign policy record of the Obama administration. Considering the history of American intervention in the Middle East, the author dedicates a significant portion of this section dissecting American policy in the region. According to Ali, “[t]here was no fundamental break in foreign policy” from his predecessors (38). In Iran, Iraq, Afghanistan, and Palestine, Obama failed to drastically alter a longstanding American predilection towards intervention and its attendant regional instability. Ali closes by refocusing his scope domestically and taking aim at some of the missed opportunities including health care reform and the economic crisis of 2008. Ali contends that the latter’s fallout was entrusted to a cadre of predictable advisers (even respected Keynesians were shunned with a wink to Wall Street) who set out to ‘re-regulate’ a financial system that simply required some occasional tailoring. Although beyond the immediate scope of Ali’s assessments, his book also evokes much wider political questions, including political strategy, electoral politics and the paradox of progressive incrementalism. For example, is it ethical to support liberal political projects that can, in some cases, deliver upon

their incrementalist credentials? Or, is it incumbent upon those seeking radical change to insist that American Democrats, for example, vigorously mobilize and educate for reforms like health care and immigration? More importantly, how can social movements translate grassroots support into political capital without compromising their vision and integrity?

Ali's argument does somewhat falter, but not due to a lack of evidence. The main setback is its polemical nature that fails to consider how American policy might be different with Obama's rivals in the White House, Democrat or Republican. Yet, there is still a redeeming quality to Ali's writing in that he mainly attempts to reconcile the public pre-election euphoria with Obama's actual policy record while in office. Although it is fair to say that many of the left exhibited cautious optimism, the brilliant marketing of Obama's campaign trail in tandem with his courtship of the American press solidified a genuine feeling that 'change' need not necessarily be a vacuous or rhetorical ploy. Obama's progressive credentials (either real or imagined) allowed him to uniquely garner unqualified support from wide swaths of the left, even amid policy that could easily be mistaken for Bush era bellicosity. Nonetheless, as time has passed, Obama appears more as an adept politician always striving for coveted consensus, eschewing confrontation and constantly offering apologetics for American exceptionalism. Ali captures this well. While reading this book you get the distinct sense that the original sin of Obama's presidency is that it offered this misguided optimism, at least partially obscured by the elation of genuine progressives.

THE SCIENCE AND HUMANISM OF STEPHEN JAY GOULD

by Richard York and Brett Clark. New York, New York: Monthly Review Press, 2011. \$16.95 U.S., paperback. ISBN: 978-1-58367-216-7. Pages: 1-223.

Reviewed by Jon Careless¹

Gould saw “the transformation of society by scientific progress” as “the greatest dialectic in human history.” It involves a world filled with constraints and possibilities. It creates contingent historical moments that force the confrontation between the power to change and the limits set by external structures (184). The above passage is illustrative of the late Stephen Jay Gould’s commitment to producing an evolutionary theory predicated not on deterministic principles, but on a dialectical and humanist understanding of evolutionary dynamics. Establishing this point is the central thrust of this informative, well-written account of Gould’s career as a preeminent “paleontologist, evolutionary theorist, historian of science, and prolific writer.”

Gould’s most prominent challenge to orthodox ideas is his critique of the Modern Synthesis, “the neo-Darwinian theory based on the merger of Darwinian natural selection and Mendelian genetics,” which gained paradigmatic status in the 1950s (18). Gould, the authors note, greatly admired Darwin and did not dispute the validity of selection as an evolutionary factor. Rather, Gould contested the deterministic assumptions underlying the Modern Synthesis. This included the idea that evolutionary processes occur strictly through changing gene frequencies in populations regulated by selection (as is argued by Gould’s peer Richard Dawkins). The theory neglects organismal structure and processes taking place at levels other than selection among genes or individuals, along with any events occurring on timescales other than day-to-day interaction between organisms in ecological time.

Accordingly, proponents of Modern Synthesis assume organismal structural changes take the form of gradual adaptations generated in response to changing selection pressures. In response to the deterministic assumptions underlying ‘gradualist’ theories, Gould and his colleagues developed a dialectical explanation for evolution which they called

¹ Jon Careless is a PhD student in the Department of Political Science at York University, with an interest in theories of the state. He can be reached at careless@yorku.ca

punctuated equilibrium. According to this theory, most species undergo long periods of relative stasis, during which there are only minor, non-directional changes in organismal structure. These changes are non-directional in that their occurrence doesn't necessarily build upon or progress from the changes that preceded it. Indeed, the structural form of development can limit the types of forms organisms can take. These periods of stasis, furthermore, are punctuated by brief periods of rapid evolution. During such moments, new species emerge through separation and speciation by way of geological change, which occurs over millions of years between events of mass extinction. Gould thus placed great emphasis on historical contingency as impacting evolutionary pathways. Unpredictable events may cause mass extinctions, like the asteroid of the Cretaceous Era, which ended the evolutionary path of some species (dinosaurs) and opened a path for others (small mammals).

The authors allege that the orthodoxy afforded to gradualist evolutionary theories likely stems in part "from the ideology of the social elite, for slow, predictable change against the notion" that historical change can occur in brief revolutionary moments (40). Though the authors neglect to explore this elite conservatism in detail, they do include Gould's critiques of biological determinist theories which, the authors purport, legitimize social hierarchies. Such theories, like that put forth in *The Bell Curve* by Herrnstein and Murray (1994), argued that intelligence is determined by race, and that "the poor occupy their social position due to their inherently inferior intellects" (123). Gould reasoned that such theories fail due to the "proclivity of scholars to interpret ambiguous evidence in a manner that confirms their prior convictions" (119). Such logic flows from Gould's alignment with the Marxian scientific tradition through which he worked to unmask those cultural biases that were used for the ranking and ordering of humanity.

A principal strength of this book is its capacity to communicate Gould's ideas in a way that is not overly technical, but still establishes how Gould's theories contributed to a humanist understanding of evolutionary science. This is due, in large part, to the author's chosen methodology, which involved an in-depth analysis of Gould's work. The book provides an account of the wide range of philosophical ideas that influenced Gould's work, such as Mark Twain's satirical critique of the view of evolution as having determinately prepared the world "for the eventual rise of human beings" (7). Through their commitment to excavating Gould's worldview, the authors are better able to illustrate his "insights into a wide range of fields" (8). Given their efforts to produce a work that establishes the multi-disciplinary usefulness of Gould's ideas, it

is clear that this book is intended for audiences across a wide range of disciplines in the social sciences, humanities, and natural sciences. This feat is made more impressive given that York and Clark are not evolutionary scientists, but in fact are practicing sociologists possessed with a keen interest in Gould's work.

One of the book's weaknesses is that it does not include arguments from contemporaries of Gould who have challenged his theories. While notable modern theorists like Daniel Dennett and Richard Dawkins come under heavy criticism, Gould's own positions are left largely unchallenged. This oversight is likely due, as the author's note in the introduction, to their desire to focus "on the broader intellectual insights that underlie Gould's work, rather than debating any single particular claim about natural history" (12). In this sense, it is reasonable to suggest that if the authors were to delve heavily into the debates concerning theory, it might detract from the central purpose of the text. That said, the absence of such debates encourages the reader to accept the validity of Gould's criticisms against his peers without having to first consider counterpoints made against him, and thereby decide on what is credible themselves. Ultimately, though, this is a minor point of concern in what is an otherwise fantastic and highly readable text that gives due credit to an important thinker.

THE BLACK BOOK OF CANADIAN FOREIGN POLICY

by Yves Engler. Co-published by: Fernwood Publishing and RED publishing, 2009. \$24.95 paper. ISBN: 978-1-55266-314-1. Pages: 1-285.

Reviewed by Kara Brisson-Boivin¹

Regarding Canada's role and reputation in the field of international relations the widespread public belief is that Canada is a tolerant and peaceful nation maintaining a safe distance from conflict and acting as a force for good in the world. Yves Engler challenges this taken-for-granted assumption asking readers 'whether or not we should be so proud of Canada's foreign affairs?' (4). Engler's aim is to expose readers to a side of international relations that remains hidden from public knowledge and to generate public debate as to Canada's actions abroad. In this way, he intends for the book to be an antidote to what he sees as ignorance regarding the actions of the Canadian government in support of multi-national corporations, military coups and authoritarian governments abroad.

Engler's book is not organized into clearly identifiable chapters, rather case studies divide the book into sections, including the Caribbean, the Middle East, Mexico, Central and South America, East Asia, Central and South Asia, and Africa. Within each section, Engler outlines Canada's self-serving, anti-democratic, colonial, and environmentally destructive foreign policy initiatives (34). In doing so, Engler attempts to cover a variety of contentious topics including colonialism, Canada's unique bind to the United States, the fight against communism and terrorism, war, aid and exploitation, and how these measures are very lucrative profit making opportunities. The author employs a 'journalistic approach' to the case studies, whereby he reports facts, news bulletins, policy briefings, and headline stories regarding Canada's role in a particular region. While the case study method can provide a rich connection between empirical observations, as well as the concepts and theories utilized to explain these observations (see Blatter and Haverland, 2012, 20), this book would benefit from an overarching theoretical framework and conceptual terminology informed by theories and approaches to colonialism and imperialism.

¹ Kara Brisson-Boivin is a PhD candidate in the Department of Sociology and Anthropology at Carleton University in Ottawa. Her research examines international governmentality studies, penal standardization, and international penal reconstruction efforts.

Engler is clear that he is not writing for an academic audience, rather his objective is to engage a wider public debate about Canada's actions abroad and its multi-relational implications. However, the absence of a theoretical approach and its lack of engagement with other works in the field of colonialism and imperialism are a major shortcoming of Engler's book. While he is interested in a contemporary discussion of Canadian foreign policies, this discussion could be better situated in, for example, post-colonial critiques which highlight the ways modern international relations are simply 'old formulas of colonialism' reworked under the guise of liberal democracy and modernization (Duffield, 2001). Engler's case studies could be read as illustrations of a wide range of important theoretical subjects such as global governance, the rule of law and global political economy. However, with little to no engagement with these bodies of literature the reader is left to make these connections on their own. Further, with an emphasis on contemporary international relations, the book would benefit from a more in-depth discussion of controversies and debates about "globalization" at the outset in order to contextualize the various cases provided. A strength of Engler's book is the inclusion of discussion questions, which does help readers to reflect on commonly held assumptions about Canadian international relations as well as the lessons learned in each case. This book would be well suited as a course reader for intermediate level political science, global studies or political sociology courses, however it should be read alongside theory in order to provide students with the tools necessary for analysis.

Following the case study portion of the book, Engler provides a section on international alliances that details Canada's relationship with several prominent international organizations such as the United Nations, the World Bank, and the North Atlantic Treaty Organization (NATO). Had this section been integrated within the case studies, Engler could have provided specific examples of Canada's international alliances at work in the various global regimes he presents. As it is, this section reads as a disjointed extension of the case studies. Further, Engler problematically reifies the dichotomy between 'strong Western states' such as Canada which under the guise of aid, and often in conjunction with international alliances, intervene in the affairs of predominantly 'weak states' in the Global South. Yet Noam Chomsky (2006), David Chandler (2010), and Mark Duffield (2001) argue against this dichotomy of 'strong' and 'weak' states pointing out that Canada and the United States also possess characteristics found in so-called 'weak states,' including poverty and unequal access to social services such as healthcare and the colonial objectification and alienation of Indigenous peoples.

Following the work of Barbara Heron (2007) on the Desire for Development, Engler's book fails to capture the ways in which the third world is present in the first world and the first world is present in the third world.

In the final section entitled "Why our foreign policy is the way it is and how to change it," Engler provides the reader with tangible advice for fixing the problem of Canadian foreign relations. The author does not shy away from the difficult task of equipping Canadians with tools for demanding democratic, respectful, benevolent, and caring foreign relations. Some of his suggestions are bold (such as the suggestion that Canada pull out of NATO immediately), but by far the strongest section of the book rests on a call to invoke the "golden rule" in foreign policy, versions of which he claims exist in every culture, country, and religion (243). In conclusion, this book has much to contribute to the field of Canadian international relations. Although the case study approach is underutilized due to the lack of a theoretical framework, Engler does successfully challenge the assumption that Canada is a peaceful nation acting as a force for good in the world.

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AGRICULTURE AND FOOD IN CRISIS: CONFLICT, RESISTANCE, AND RENEWAL

by Fred Magdoff and Brian Tokar. New York, New York: Monthly Review Press, 2010. \$18.95 U.S., paper. ISBN: 978-1-58367-226-6. Pages: 1-298.

Reviewed by Katie M. MacDonald¹

The economic and political failings of a dated and self-interested system based on capital accumulation have generated a new battle cry for the modern era: Our food system is in crisis! This system, centred upon tightly consolidated, large-scale, transnational corporations, is also responsible for squeezing all stages of food production – scarring the land, air, and people that are each an integral part of this same system.

Taking the 2008 global food (and financial) crisis as the point of departure, Magdoff and Tokar paint a damning picture of the truly global scope of our failing food system. Unearthing the true stranglehold that political and economic power has had on many facets of the food supply, Magdoff and Tokar outline a number of contemporary issues. The use of biotechnology in the age of peak oil and soil, food sovereignty and land reform, and the perennial question of how we are to feed the nine billion eaters that this planet will carry by 2050. Each of these concerns have erupted from age-old issues of colonialism, degradation of indigenous knowledge systems, and the erroneous belief in free trade as a solution to food provision. This is a rendition of the usual suspects (e.g. International Monetary Fund, World Bank, World Trade Organization, governments), up to their usual tricks (faith in export-oriented markets and the illusory benefit of comparative advantage), except in this version of the story – the masses are beginning to resist.

The book is set in two parts: first, pieces by Philip McMichael and Walden Bello contextualize the latest iteration of the food crisis through the historical and politico-economic underpinnings of capitalized production of agrofuels, livestock feed, and international land grabbing. In order for institutional, long-lasting change to occur, the workings of the industry must first be laid bare. In the next section, the book offers case studies of resistance to this dominant food system. While the call for food

¹ Katie M. MacDonald is a PhD candidate in the Department of Sociology and Anthropology at the University of Guelph. Her primary research surrounds the political economy of food systems, value chains, and the Ontario pork industry. Katie can be reached at kmacdo08@uoguelph.ca

policy based on food sovereignty, agro-ecology, and small-scale landholding – particularly from a Global South perspective – provide a hopeful and improved form of agricultural productivism, rhetoric of export-oriented production is one of the most truly devastating and thus lasting influences that capitalist agribusiness firms have had in this crisis. The inefficient global marketplace is one where food is treated and traded like any other commodity, essential skills are destroyed, and those we depend on for its production, while dwindling in number, have become disenfranchised “labourers for agribusiness” (Magdoff and Tokar, 2010,14). Each of these facets signals the lasting degradation of poor and ineffectual agricultural policies mirrored as food policies. When food’s status as a nourishing life-essential is degraded to speculative futures trading deals, we all risk marginalizing the health of our bodies and of our communities.

The message of the book is clear: If you eat, and if you care about your ability to eat in the near future, you should care about the issues considered in this book. The range of disciplines represented by the contributing authors is among the book’s strengths. Contributions include work by a sociologist (McMichael), an economic geographer (Fahy Bryceson), food activists and advocacy groups (Kirschenmann; Schiavoni & Camcaro; GRAIN), agroecologists (Altieri; Holtz-Giménez), economists and policy analysts (Patniak; Murphy), alongside some contributors who fall across a number of different categories. This transdisciplinarity adds depth to the treatment of such a complex set of problems, which are intertwined with an array of agricultural, ecological, social, and policy questions. The information offered here provides evidence of the truly global linkages that exist between flawed production and consumption patterns.

A central theme in this collection concerns the glaring inefficiencies of industrialized agriculture, which have become normalized as unavoidable costs of production. The contribution from GRAIN outlines the land-grabbing that results from finance capitalists seeking to diversify their portfolio stocks (GRAIN, 2010,143), while the Tokar piece describes the implications for land-use of expanding ethanol agrofuel production (Tokarm, 2010, 127). Contributions by Howard, Patnaik, and Fahy Bryceson detail the gross inefficiencies of our current food system, as land is diverted to use for mono-cropped soy for livestock feed (Howard, 2010,176), which later results in a grossly insufficient consumptive calorie conversion (Patnaik, 2010, 87), and risk to biodiversity (Fahy Bryceson, 2010, 81).

Once the reader is sufficiently angered by the bleakness of the current food crisis, and the powerful institutions and the governments that have played a role in its development, the latter half of the text provides cases of resistance. There are accounts of peasants enacting change through “occupation and reclamation – “reform from below...” (Rosset, 2010, 195) when higher levels of reform were ineffective, along with the subsequent potential for poverty alleviation through more labour-intensive, small-scale holdings. There is also a wonderfully positive spin to the projected spike of oil prices that will serve to make the cost of industrial agriculture prohibitive (Kirschenmann, 2010, 232), and essentially force a better designed and managed food system.

Our food system is indeed in crisis. The 2008 food crisis that swept across much of the globe was one of those times when the sheer magnitude of the impacts became glaringly obvious. The issues are not new, but are rather the intensification of productivist policies based on greed and appropriation. We must each state our claim and our position in this crisis, and insight into the historical development and complex path ahead, is the first step for us all to fight for a fairer food system.

MR. BIG: EXPOSING UNDERCOVER INVESTIGATIONS IN CANADA

by Kouri T. Keenan and Joan Brockman. Winnipeg, Manitoba: Fernwood Publishing, 2010. \$19.95, CAN., paper. ISBN: 978-1-5526-6376-9. Pages 1-133.

Reviewed by Allison Wallis¹

This book presents a critical evaluation of the “Mr. Big” investigative technique, a tool used by the Royal Canadian Mounted Police (RCMP) for obtaining incriminating evidence from key suspects in murder investigations. Easily located in legal, sociological, and criminological research on the topic of wrongful conviction, the book would be most useful to those with an academic background or interest in the social sciences, particularly in the disciplines of criminology and criminal justice, law and legal studies, and sociology. Although the book is written plainly enough for engagement and understanding by a reader of any discipline, some of the legal and other specialized jargon might limit the reach of this critical evaluation of investigative practices in the Canadian criminal justice system.

Keenan and Brockman do three things: 1) they present the reader with a thorough account of the Mr. Big investigative technique, its prominence, and its general script; 2) they relate the tactics employed during Mr. Big operations to the rate and risk of erroneous convictions; and 3) they draw on a number of procedural, legal, ethical, and moral issues that arise through its use. The study draws on 81 documented Canadian Mr. Big operations and relevant journalistic reports as their supplements, analyzing transcripts, court documents, and journalistic reports through coding and content analysis.

The authors begin by providing an effective illustration of the Mr. Big investigative technique by detailing three notorious operations, with varying outcomes, in order to provide the reader with an understanding of this increasingly common police tactic. The Mr. Big investigative technique is a tool employed by the RCMP to elicit incriminating information from targets – suspects in criminal investigations. Generally, the technique follows a standard script, staged by undercover officers who

1 Allison Wallis is a Master’s candidate in the Department of Sociology and Anthropology at Carleton University. Her current research focuses on the embodiment and performativity of animal rights by self-described animal rights activists within her community. She can be reached at allison_wallis@carleton.ca

purport to be figureheads in a criminal organization. The target is groomed by undercover operatives and is encouraged to become involved in the criminal organization. Once the target has become involved in the fabricated criminal organization, undercover operatives, posing as crime bosses, suggest that criminal charges or suspicions of guilt can be disappeared under the condition that she or he fully discloses to Mr. Big the details of her or his involvement in the crime.

Providing verbatim transcriptions of interactions between Mr. Big operatives and their targets, Keenan and Brockman identify important moral and ethical questions arising from the Mr. Big method of investigation, noting particularly the role played by deception to elicit incriminating information from a target. The Mr. Big investigative technique comes with a high risk of wrongful conviction, the authors argue: the targets of investigation are not only subject to threats of violence, intimidation, and manipulation, but also face incentives such as opportunities for financial gain, recognition and status distinction within an esteemed criminal organization, which may significantly increase the likelihood of obtaining a false confession. The Mr. Big tactic also opens up moral and ethical questions about Canada's criminal justice system when, for example, public funds are used to enable the elaborate schemes and lavish lifestyles of these fabricated criminal syndicates. The use of "derogatory statements about women and children" and the psychological impact of such investigative tactics are further cited by the authors as evidence of the "moral decay" of our criminal justice system (94).

Keenan and Brockman present a number of legal issues that arise through reliance on the Mr. Big investigative technique. First, there is the question of whether the technique infringes upon the Section 7 *Charter* rights of an individual to remain silent in the presence of an authority. Here, it is unclear whether the definition of "person in authority" is applicable to the Mr. Big undercover operatives who pose as criminal figureheads, and whether ignorance of an individual's authoritative status negates a target's *Charter* right to silence (65). Second, Canadian common law requires that in order to be considered admissible as evidence in court, out-of-court admissions of guilt to a person in authority must be voluntary, and therefore not induced. Again, definitions of "person in authority" become blurred when one is presenting him- or herself otherwise (68). Finally, the authors establish that in Canada hearsay – a statement made out-of-court – is bound by the requirement to establish necessity and reliability prior to its admission as evidence in court. In the context of self-incriminating information provided to Mr. Big, it is unclear whether such information should be governed according to

the hearsay rule when being admitted as evidence in court. This results in inconsistency in the use of evidence obtained through this investigative technique (75). As the authors note, “no legal safeguards or mechanisms are in place to regularly challenge the reliability of a suspect’s out-of-court statement in a Mr. Big operation” (76).

Setting aside questions of ethics and morality in relation to the use of deception and manipulation in obtaining an admission of guilt, we have an investigative technique – sometimes successful in obtaining rightful convictions, but likely to induce false confessions – and a legal system that is not equipped to safeguard against the risks it presents. Keenan and Brockman conclude that the procedural, legal, moral, and ethical issues that arise, as well as the undue risk of false confession presented as a result of the theatrics and dupery key to the Mr. Big investigative technique, require that its use be significantly curtailed or discontinued entirely (115). The authors present and analyze several recommendations to reform the laws applicable to the Mr. Big technique, which they suggest might mitigate its negative effects. They recommend that: 1) the RCMP should be required to obtain judicial authorization prior to commencing a Mr. Big operation; 2) self-incriminating statements made to Mr. Big operatives be considered ‘hearsay’ and subject to tests for necessity and reliability prior to admission as evidence in court; 3) self-incriminating evidence should be supported by evidence; 4) jurors should be informed of the potential for false admissions of guilt; 5) expert testimony or evidence should “assist the trier of fact”; 6) the *Charter* right to silence should be applicable to the Mr. Big technique; and 7) Mr. Big operatives should be considered “persons in authority,” which would require tests for the voluntariness of admissions of guilt (98). Taken together, these recommendations for legal reform might curtail the risk of wrongful conviction. However, as Keenan and Brockman acknowledge, constraining the Mr. Big investigative technique through legal reform, while curtailing the risk of erroneous convictions, might also restrict the Mr. Big investigative technique to the point of ineffectuality.

Keenan and Brockman offer a thorough critical analysis of the Mr. Big investigative technique, its relation to wrongful convictions, and the procedural, legal, moral, and ethical issues that arise from its use. Keenan and Brockman provide a number of constructive and potentially useable suggestions for ameliorating methods of interrogation used in the Canadian criminal justice system. Their call for change will further contribute to the continuing conversation about the accountability of Canadian law enforcement. While the authors have established the undue risk of wrongful conviction presented by this investigative technique and

have acknowledged its utility in securing rightful convictions *sometimes*, and given Keenan and Brockman's call for legal reform or an ultimate discontinuation of the investigative technique, the book might benefit from entertaining the question "If not Mr. Big, then what?"

