

# **SUMMIT ON JOB LOSS IN THE MANUFACTURING SECTOR**

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## **OPENING PRESENTATION NOTES**

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Check Against Delivery

## **WELCOME**

I would like to welcome you all to this Jobs Summit.

## **BACKGROUND**

The labour movement has been fighting for a viable jobs strategy, for full employment policies and for sustainable economic development, for decades.

Yet, given the election of right wing governments like that of Mike Harris here in Ontario, the lack of substantive change under the McGuinty Government and the Harper government in Ottawa and all the various campaigns to stop privatization, to keep medicare public etc., it has been a while since we visited the issues of a job strategy.

Yet, today with massive job loss in the manufacturing sector it is essential that we go back and revisit some of our earlier ideas, reassess them, modify them, update them and then go out and fight for them.

Let me begin by talking about the actual state of job loss in the country and in Ontario in particular.

For many people, including many union members, Canada's economy seems healthy, yet the manufacturing sector is in a state of deepening crisis. Tens of thousands of jobs have already been lost and many more layoffs and plant closures are coming as company after company downsizes and restructures to meet what they term the "new competitive realities."

This crisis has very significant long-term implications for workers across Canada and particularly for workers in the more industrialized parts of the country such as in Quebec and Ontario.

## FIGURES

I want to give you a few figures this morning.

1. Manufacturing, even with the recent job losses, remains extremely important. As of May 2006 this sector accounted for 2.1 million jobs across Canada or 12.9% of all jobs.
2. As Andrew Jackson shows in his paper, these jobs paid an average of \$20.68 per hour as of May 2006. This is significantly above the average hourly wage of \$18.42 per hour.

In large part this is due to the fact that nearly one in three manufacturing jobs are unionized.

As well, these unionized jobs pay wages higher than non-union manufacturing jobs and generally provide a much richer package of benefits and pensions.

### 3. **LOST JOBS IN MANUFACTURING AUGUST 2002 - MAY 2006**

	<b>Total</b>	<b>% Job Loss</b>
Total Job Loss	258,000	-10.7%
Ontario	125,000	-10.9%
Quebec	103,000	-14.9%
Unionized Employees	121,000	-16.4%
Non-Union Employees	137,000	- 8.7%

Source: Statistics Canada. Labour Force Survey Data from CANSIM AND Cat. 71F0004XCB (Not Seasonably Adjusted.)

Job loss in manufacturing across Canada between August 2002 to May 2006 totals **258,000**. This totals more than **one in ten jobs** that have been lost to closures, layoffs or retirements.

Most of these job losses have been, as one would expect, in Ontario and Quebec.

Job loss in Ontario between August 2002 and May 2006 total **125,000**.

While these figures show a somewhat higher rate of job loss for women than men, even more dramatic is the that unionized workplaces have experience disproportionately more layoffs than non-union workplaces. The number of unionized workers fell by **16.4% compared to 8.7%** for non-union workers.

## **PURPOSE**

As I see it, the purpose of this conference is to both highlight the problem, which many workers in other sectors wouldn't know about and to consider what are the most appropriate policies for a manufacturing jobs strategy.

A job strategy that makes sense,

A job strategy that can make a difference,

A job strategy that we can lobby and fight for.

We have thousands of members out of work and we need government to implement employment generating policies starting now.

## **ANOTHER AGENDA**

While we are concerned with our own fate and that of our fellow workers, others have a different agenda.

On October 25 & 26, Premier Dalton McGuinty will convene the Ontario Economic Summit in Niagara-on-the-Lake.

Invited guests are a "limited group of two-hundred senior leaders from business, labour, academia and government" who "will unite in a groundbreaking initiative to jointly identify new ideas, opportunities and actions to advance Ontario's economic potential."

For a registration fee of \$3,900 each these 200 leaders are going to discuss: Developing Human Capital, Fostering Research, Innovation and Commercialization and a Competitive Ontario in the Global Marketplace.

Premier McGuinty's personal message to Ontario Economic Summit registrants asks them to identify barriers to Ontario's prosperity and find innovative solutions to further strengthen the province's economic advantage and ensure Ontario's continued growth and success.

Speakers include David Dodge, Governor, Bank of Canada speaking on the Global Economic Landscape and the Implications for Ontario.

The Ontario Economic Summit Partners and Sponsors include Bell, GM Canada, Province of Ontario, Charter Accountants of Ontario, Sunoco, Dofasco, CAW-TCA Canada, Royal Bank, Merck Frosst, Leger Marketing, Siemens, HP – Hewlitt Packard.

The difference should be clear from this short outline. It leads me to ask: Are we talking about the same Ontario?

I wish I could say that we live on different planets, but I can't. Believe it or not these types are the decision makers in Ontario. They are on the inside, while we are the recipients of their decisions.

To date, their decisions have meant massive job losses in manufacturing, hence the importance of this conference and developing and fighting for alternatives that will help create jobs rather than destroy them.

## **CONCLUSION**

Finally, I have talked to you about the purpose of this conference and the hard figures of thousands of jobs.

In the next session you will come face to face with the human tragedy behind the numbers.

Thank you.

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