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# THE IMPORTANCE OF UNIONS IN REDUCING RACIAL WAGE INEQUALITY:

## New Data and Best Practices

BY WINNIE NG, SALMAAN KHAN, AND JIM STANFORD

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DRAFT RESULTS, NOT FOR CITATION PLEASE

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 **@JimboStanford @cntrfuturework**

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# Outline

1. Salmaan: Summary of previous research on Canada's colour-coded labour market and the experiences of racialized workers in the union movement.
2. Jim: New Statistics Canada data on employment, unionization, and wages of racialized workers.
3. Winnie: Key informant interviews and best practices in building stronger trade unions for racialized workers.
4. Winnie: Conclusion and recommendations.
5. Questions and discussion.

# Previous Research (I)

## Canada's Colour-Coded Labour Market

- Racialized capitalism has powerful, complex, intersectional impacts on the life chances of racialized workers.
- Abundant evidence confirms racialized workers experience lower incomes and higher unemployment.
- This inequality is magnified for racialized women workers.
- Differences exist according to immigration experience, racialized categories, gender, age, ability.
- Unions lift wages for racialized workers.
- But the effect of unions on wages depends on sector, employment status, and other variables that also have differential racialized impacts.

# Previous Research (II)

## Confronting Systemic Racism Within Unions

- Unions have advanced initiatives to address racial injustice within their own ranks, as well as in broader society.
- Examples reviewed: T&YRLC, OPSEU, CUPE, UFCW, PSAC, CLC, Unifor.
- Are these initiatives enough? No!
- Fundamental challenge to unions: Demographic transition means racialized workers will constitute growing share of the working class.
- Advancing union awareness, credibility, and power among racialized workers is essential to the whole movement's viability.

# New LFS Data on Racialized Workers

- Since 2021, Statistics Canada is now collecting data on several surveys regarding outcomes for racialized Canadians.
  - Part of federal *Employment Equity Act*.
- We use the Labour Force Survey: most detailed regular report on participation, employment, wages, unionization.
- Our paper analyzes unpublished LFS data on employment, average wages, and union status for 8 categories of racialized workers (and non-racialized).
- **IMPORTANT CAVEAT:** Indigenous Canadians not included in this data.
  - They are considered a “population group,” not a “visible minority.”
  - Therefore, separate research is needed to describe wage & union outcomes for Indigenous workers.

# Unpublished LFS Data

- Employees only (not self-employed).
- 8 categories of racialized workers: South Asian, Chinese, Black, Filipino, Arab, Latin American, Southeast Asian, and “Other”.
  - “Other” includes 3 smaller explicit categories (Japanese, Korean, West Asian), write-in categories, and those listing multiple identities.
  - Sample size prevents a more detailed breakdown.
- Male and female.
- 17 broad industrial sectors.
- Union coverage (slightly higher than union membership; more relevant for wage impacts).
- Average hourly wage (incl. normal effective hourly wage for salaried workers).

# Key Findings: Racialized Wage Gaps

<b>Table 2</b>		
<b>The Racial Wage Gap</b>		
	<b>Average Hourly Wage (\$/hr)</b>	<b>Racial Wage Gap<sup>1</sup></b>
Filipino	\$25.02	-23.8%
Black	\$27.36	-16.7%
Latin American	\$28.97	-11.8%
Southeast Asian	\$29.39	-10.5%
Arab	\$30.29	-7.8%
South Asian	\$30.37	-7.5%
Other racialized categories	\$30.57	-6.9%
Chinese	\$33.72	2.7%
<b>All racialized workers</b>	<b>\$29.64</b>	<b>-9.8%</b>
Non-racialized	\$32.85	
Total population	\$31.95	



# Key Findings: Union Representation

<b>Table 4</b>			
<b>Union Coverage by Racialized Category</b>			
	<b>Union Covered Workers (million)</b>	<b>Total Employment (million)</b>	<b>Union Coverage Rate</b>
Black	242.1	719.5	33.6%
Filipino	187.3	629.1	29.8%
Arab	75.6	287.3	26.3%
Latin American	87.0	343.5	25.3%
Other racialized categories	102.9	462.4	22.3%
Southeast Asian	56.3	262.7	21.4%
Chinese	172.4	808.0	21.3%
South Asian	244.4	1261.8	19.4%
<b>All racialized workers</b>	<b>1168.0</b>	<b>4774.3</b>	<b>24.5%</b>
Not racialized	3994.6	12248.5	32.6%
Total population	5162.6	17022.8	30.3%

# Key Findings: Union Wage Effects

<b>Table 6</b>	
<b>Union Coverage and Average Wages for Racialized Workers</b>	
<b>Racialized Men</b>	
Non-Union Covered	\$31.90
Union Covered	\$32.51
Union Advantage	1.9%
<b>Racialized Women</b>	
Non-Union Covered	\$26.28
Union Covered	\$30.01
Union Advantage	14.2%
<b>All Racialized Workers</b>	
Non-Union Covered	\$29.14
Union Covered	\$31.16
Union Advantage	6.9%

# Complex Interactions

- Racialized workers are less likely to belong to unions.
- The effect of union coverage on wages is significant but smaller.
- Unions reduce the gender gap for racialized workers from 18% to 8%.
- Lower impact of unions on wages for racialized workers reflects a combination of:
  1. Lower employment share in more unionized sectors.
  2. Lower union coverage rates in given sectors (most important).
  3. Lower union wage effect for unionized workers (least important).
- More detailed decomposition of occupation, firm size, and sub-sector would help to better describe and explain these impacts.
  - Example: Racialized workers in smaller, more privatized health & public services.
- Bottom line: Unions do a lot for racialized workers, but need to do more.

## **Table 9**

### **The Union Advantage for Racialized Workers**

<b>Racialized Union Members</b>	1.2 million
<b>As Share Racialized Employment</b>	24.5%
<b>Average Union Wage</b>	\$31.16
<b>Hourly Wage Advantage</b>	+\$2.02
<b>Average per Year per Worker<sup>1</sup></b>	\$3,270
<b>For all Union Members</b>	\$3.8 billion

# Qualitative Data

## 1. Key informant interviews.

- Twelve long-time racialized union activists (identities confidential).
- Semi-structured interviews.
- Reflecting on their personal experience in unions (opportunities & barriers), and their views of what unions must do better.

## 2. Catalogue of best practices.

- From these interviews, other research, and other contacts, assembled a list of promising best practices implemented by unions to strengthen their organizing and representation of racialized workers.

# Advantages & Disadvantages of Union Activity

- Advantages:
  - Venue for justice work.
  - Connect with activist mentors / role models
  - Space for leadership development
  - Engage future generations
- Disadvantages:
  - Working 2x or 3x harder, still not being seen
  - Not qualified, deserving, or 'white' enough?
  - Divide and rule; internalized racism
  - Running out of patience with entrenched system racism within the movement
  - "Allyship is not a gym membership."

# Making a Difference

- Despite the challenges, our key informant interviews identified racialized union activists and leaders have made a clear difference in several key areas:
  - Building Authentic and Deeper Labour Community Relations
  - Internal Organizing and Constitutional Change
  - Collective Bargaining
  - New Organizing Fronts
  - Leadership Development and Mentoring

# Best Practices

- Through key informant interviews and other sources / networks, we identify 12 concrete innovations & initiatives that are strengthening unions' capacity to organize & mobilize racialized workers.
- These best practices share common themes and dimensions:
  1. Shared common goal of shifting unions' institutional culture and practices.
  2. Initiatives driven by racialized leadership who will not settle for 'crumbs,' and will use their relative position and power to push for bold actions.
  3. Building trust and support from courageous allies who share the same dream of transforming the union.
  4. Growing presence of Black, Indigenous and racialized membership within union ranks; aim to achieve a critical mass.



# Conclusion: Urgent Next Steps



- This report has shown that strengthening unionization among racialized workers is not only vital to improving their life chances and reducing racialized inequality...
- ...It is also vital to the future viability of Canada's union movement.
- Broad priorities arising from our findings include:
  - *Embrace organizing racialized workers as a core, overarching priority*
  - *Support that organizing with intersectional anti-racist union education*
  - *Need an intensive and massive intersectional union organizing strategy*
    - *E.g. CLC / Provincial Feds hold intersectional organizing conferences?*
  - *Urgent support needed for elected racialized leaders*
  - *Importance of employment equity in target sectors (construction, education).*

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