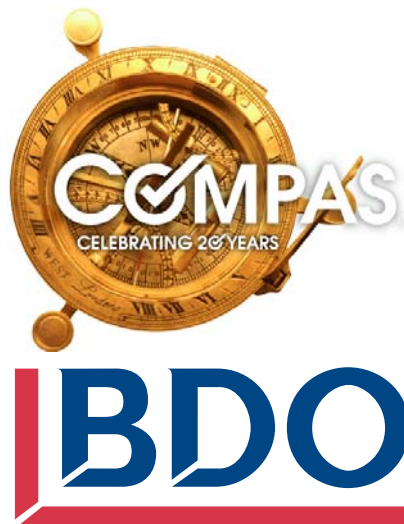


Unions:

**Constructive on Health and Safety in the Workplace, But Undermine
Economy, Taxpayers, and Democracy, Backing Lunatic Fringe
Groups in Canada and Abroad**

**Layton Top Union Advocate and Harper Top Advocate of Non-
Unionized Employees and Canada's International Competitiveness**

**BDO Dunwoody CEO/Business Leader Poll
by COMPAS in the Financial Post
for Publication September 4, 2007**



**COMPAS Inc.
Public Opinion and Customer Research
August 31, 2007**

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1.0 Introduction

On the anniversary celebrating the labour movement, CEOs and business leaders on the COMPAS business panel see unions as largely destructive influences on the economy. On the positive side, unions are seen as contributing to health and safety in the workplace. On the negative side, they are seen as undermining the economy, the taxpayer, and democracy, while supporting lunatic fringe elements in Canada and abroad.

Asked to score the performance of federal party leaders on various scales, panelists see Jack Layton as the top union advocate and Stephen Harper as the top advocate of the rights of non-unionized employees and employment standards that allow Canada to compete successfully in the international marketplace.

These are the key findings from the current web-survey of the panel of CEOs and business leaders undertaken for the *Financial Post* under sponsorship of BDO Dunwoody LLP.

2.0 Effects More Harmful than Constructive

Panelists do not see many positive effects of the union movement but many negative ones, as shown in tables 2a and b. Contributions to improved health and safety are the only area where panelists definitely acknowledge some positive effect—53% positive vs. 31% negative. They do not give organized labour much credit for protecting women or minorities in the workforce.

CEOs and business leaders see the effects of the union movement as negative, ranging from harming the economy and taxpayers to undermining democracy by installing virtual dictators at the head of unions to “weaken[ing] union credibility by supporting lunatic fringe elements” in public life.



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Table 2a: (Q1) As you may know, Canada has celebrated Labour Day for over one hundred years. Please score your agreement with the following positive statements about unions using a 7 point scale where 1 means disagree strongly and 7, agree strongly. To what extent do you agree that unions do a lot to...ROTATE

Improve health and safety in the workplace									
	Mean	7	6	5	4	3	2	1	DNK
Sept 2007	4.4	6	28	19	16	13	13	5	0
Sept 2006	4.3	5	19	27	20	11	10	7	2
Protect employees against vicious or unfair managers									
	Mean	7	6	5	4	3	2	1	DNK
Sept 2007	3.9	3	15	23	21	13	19	6	1
Sept 2006	4.0	3	15	30	15	13	12	10	2
Combat discrimination against women									
	Mean	7	6	5	4	3	2	1	DNK
Sept 2007	3.3	3	6	9	25	21	21	14	2
Sept 2006	3.2	2	5	14	18	20	22	15	3
Combat discrimination against ethno-racial minorities									
	Mean	7	6	5	4	3	2	1	DNK
Sept 2007	3.0	1	4	8	25	18	24	17	4
Sept 2006	2.8	1	5	10	15	19	25	22	4
Provide an independent voice on domestic issues in Canada									
	Mean	7	6	5	4	3	2	1	DNK
Sept 2007	3.0	4	12	6	12	19	24	24	0
Sept 2006	2.8	2	6	11	10	18	22	29	3



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Table 2b: (Q2) Please score your agreement with the following negative statements about unions using a 7 point scale where 1 means disagree strongly and 7, agree strongly. To what extent do you agree that unions ...ROTATE

Harm the economy by protecting unproductive workers									
	Mean	7	6	5	4	3	2	1	DNK
Sept 2007	6.1	49	29	12	3	3	3	1	0
Sept 2006	6.1	47	30	11	7	1	3	0	1
Plunder the taxpayer by extracting absurd contracts from public sector employers									
	Mean	7	6	5	4	3	2	1	DNK
Sept 2007	5.8	46	27	10	6	4	6	2	0
Sept 2006	5.9	44	28	12	9	3	3	0	2
Undermine democracy by making some union leaders virtual dictators in their organizations									
	Mean	7	6	5	4	3	2	1	DNK
Sept 2007	5.7	42	26	10	6	6	6	1	2
Sept 2006	5.8	39	28	17	4	2	6	2	2
Drive business overseas as a result of unreasonable wage demands and senseless rules in the workplace									
	Mean	7	6	5	4	3	2	1	DNK
Sept 2007	5.5	23	39	19	7	6	3	2	0
Sept 2006	5.7	36	24	21	7	6	2	2	2
Weaken union credibility by supporting lunatic fringe elements in Canadian politics and dictatorships abroad									
	Mean	7	6	5	4	3	2	1	DNK
Sept 2007	5.1	21	29	22	8	10	8	2	0
Sept 2006	5.3	32	21	16	14	5	6	5	2

The following are some verbatim comments from panelists:

A clear distinction needs to be made between irresponsible public sector unions and industrial unions. The latter, although at times strident in their demands, generally



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understand the economic reality of competing in a global economy, and arguably contribute (marginally) to a more competitive workplace.

I would be more worried about governments putting in place [more] stupid laws and restrictive workplace rules than the Unions. WSIB is a big problem.

Public unions function on the backs of every private sector wage earner. The private sector burden continues to grow through the vast variety of taxation required to feed agreements that are outside of reasonable.

Public, and to a lesser extent, private sector unions promote mediocrity in the work force and for that reason, combined with a strong healthy economy and a shortage of skilled and semi-skilled labour, are becoming redundant.

The question is not whether the government of the day is promoting the rights of unionized workers but just exactly what are those rights? The right to be coerced by thugs during certification, the right to not have a secret ballot like every other democratic organization, the right to have your money used in political activities of which you do not approve. Why would any self respecting government promote those rights? The question that should be asked is whether the government of the day is promoting and protecting the democratic rights of workers in a union and ensuring that the union bosses respect those rights.

Unions are a tough issue. Without them we would all be working for a dollar a day. On the other hand, their demands drive you crazy.

Unions are too strong and promote poor productivity. Until we get strong political will to stop their erosion of economic values, Canada cannot assume its rightful position in being the best in every aspect of life.



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Unions can put manufacturing companies that are potentially strong into bankruptcy due to petty grievances that result in poor work ethic.

Unions have for the most part outlived their usefulness in that we have very good labour legislation in each province that protects workers from unfair management practices. Unions have become big business and their mandate is more about protecting the union business than protecting workers.

Unions used to serve an important purpose in the Canadian economy; but, for the most part, with some notable exceptions, they are tied to an obsolete business model that no longer remains valid or sustainable. They are now holding us back unless and until they reinvent themselves. At the moment, they are counter productive to the real long term best interests of the workers that they claim to represent. They have to get involved in the real world, and stop reacting as if they were still involved in 19th century class warfare. "Solidarity forever" just doesn't cut it anymore.

3.0. Layton as Top Union Advocate vs. Harper as Strongest Advocate of International Competitiveness in Employment Standards

Panelists were asked to score each of the four national party leaders in respect of their performance promoting unions, the rights of non-unionized workers, and international competitiveness from the perspective of labour standards. The key findings are the emergence of

- NDP leader Jack Layton as the strongest advocate of unions in panelists' eyes, followed by the Bloc and Liberal leaders in the distance, as shown in table 3a;



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- ❑ Conservative Prime Minister Stephen Harper as the strongest advocate of the rights of non-unionized workers, followed in the distance by Liberal leader Stéphane Dion and Bloc leader Gilles Duceppe, as shown in table 3b; and
- ❑ Stephen Harper the strongest advocate of employment standards contributing to Canada’s international competitiveness, followed at a great distance by Dion, shown in table 3c.

Table 3a: (Q3) Using a 100-point school report-type scale, please score each of the following on promoting the rights of unionized workers RANDOMIZE

	Mean
The NDP Led by Jack Layton	69
The Bloc Quebecois led by Gilles Duceppe	56
The Liberals led by Stéphane Dion	54
The Conservatives led by Stephen Harper	45

Table 3b: (Q4) Using the same 100-point scale, please score each of the following on promoting the rights of non-unionized workers RANDOMIZE

	Mean
The Conservatives led by Stephen Harper	57
The Liberals led by Stéphane Dion	47
The Bloc Quebecois led by Gilles Duceppe	42
The NDP Led by Jack Layton	37



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Table 3c: (Q5) Using the same 100-point scale, please score each of the following on promoting employment standards that allow business to compete internationally RANDOMIZE

	Mean
The Conservatives led by Stephen Harper	63
The Liberals led by Stéphane Dion	44
The Bloc Quebecois led by Gilles Duceppe	33
The NDP Led by Jack Layton	25

A comment from one CEO:

I gave opposition parties extremely low scores because they have supported a bill banning replacement workers in case of a strike. The Bloc have tried 9 times to introduce this private members bill which would essentially make it impossible for a sector like rail to use its own management staff to replace workers in a strike. The Liberals have been just as bad on this issue. Talk about shooting our economy in the head and making Canada non-competitive.

4.0. Methodology

The COMPAS web-survey of CEOs and leaders of small, medium, and large corporations was conducted August 29 – 31, 2007. Respondents constitute an essentially hand-picked panel with a higher numerical representation of small and medium-sized firms.

Because of the small population of CEOs and business leaders from which the sample was drawn, the study can be considered more accurate than comparably sized general public studies. In studies of the general public, surveys of 127 are deemed accurate to within approximately 8.7 percentage



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points 19 times out of 20. The principal and co-investigator on this study are
Conrad Winn, Ph.D. and Tamara Gottlieb.

