



CENTRE FOR SOCIAL JUSTICE

Pension Funds, Unions, and Working Class Strategies

A Centre for Social Justice Workshop Series (Fall 2013)

We are pleased to invite participation in an open workshop series focused on the role of Canadian workers' pension funds in the larger national and global economy.

One of the key features of the continuing deep economic crisis facing Canadian workers is the attack on long established pension and retirement benefits, which are now dismissed as a costly frill that only benefits a shrinking minority of the workforce. The defence of these benefits by trade unions is becoming more difficult and divisive – it risks appearing self-serving in a context where the older notion that private, employer-based plans might serve as a positive step toward a universal system of full coverage for all workers is no longer credible.

Ironically, one of the key players in this attack on workers' pensions is the financial sector itself – which today includes the very large and medium sized pension funds charged with generating returns to finance pension payments. This problematic role for pension funds highlights significant but under-examined contradictions between labour's goals of challenging the “anti-worker” aggression of neoliberal capitalism and winning and protecting pension benefits through privately invested workplace pensions plans.

Some of these contradictions became visible in a bitter six-month strike at Porter Airlines. Porter is a small regional airline established as a competitor with unionized Air Canada. Its second largest ownership partner – on a private equity/direct ownership basis – is the large municipal and school board worker pension fund known as OMERS. This is just one example of the growing presence of pension funds in investment projects which run directly against the grain of established trade union policies and perspectives. Providing finance for privatization via large P3 infrastructure projects has become an increasing focus for large pension funds, as has placing funds in real estate, hedge funds, and obscure derivative investments. These fund involvements appear to be no less common (or damaging) when taken up by “jointly governed” plans as with traditional employer-controlled plans, and trade union appointed trustees are challenged by the contradictory pressures they face to both earn strong (or “maximum”) rates of return but also ensure that investments respect traditional principles of the labour movement. In practice, the former priority appears to consistently take precedence, and some argue that it must by law.

These dynamics raise challenging strategic questions for organized labour and workers movements, especially in a context of accelerating attacks on all workers. What is the current labour (or progressive) agenda for the crisis-riddled financial system, and in particular for the pension funds that are supposed to secure promised retirement benefits? Where trade unions have the right, or have gained some authority, to name trustees and other representatives to governing bodies overseeing pension investment decisions and policies, what is their expectation for these trustees? How are they trained and prepared to play these roles, and what are their ultimate goals? Do the great financial crisis and the intensifying austerity programs that have come in their wake make any difference? What role is wanted for the state?

This workshop will examine these and related questions through a series of six workshop sessions, each of which will feature a different set of speakers and participants from a range of backgrounds – academic, trade union, and pension industry practitioners.

Workshop Coordinators:

- Convenor: Kevin Skerrett (Canadian Union of Public Employees), kevin.skerrett@gmail.com
- Greg Albo (Centre for Social Justice), albo@yorku.ca

Proposed Series Schedule and Details:

Each of the six workshops will be held on Friday afternoons from 3:30pm – 6:00pm, every other week. (We will skip November 8th, and use November 15th in its place)

We ask that those interested in attending please register and RSVP their interest to Kevin Skerrett, at kevin.skerrett@gmail.com.

There will be no charge for attending any of the sessions, but donations to the CSJ are encouraged. The planned sequence of dates and respective topics are as follows:

- **September 27:** From Pension Fund Socialism to Pension Fund Capitalism?
- **October 11:** Trade union and ‘progressive’ strategies: The Responsible Investment, Capital Stewardship, and ‘pension fund activism’ movements
- **October 25:** Fiduciary Duty – A legal shield for corporate capitalism?
- **November 15:** Pension funds and privatization: P3s and pension-financed privatization
- **December 6:** The Rise of Finance – What role for trade unions & pension funds?
- **December 13:** Trade unions, pensions, corporations, and the state

There will be 2-3 speakers at each session, and the speakers list now planned includes:

- Greg Albo (Socialist Project)
- Aidan Conway (York University)
- Catherine Coumans (MiningWatch)
- Sam Gindin (Socialist Project)
- Murray Gold, Susan Philpott (Koskie Minsky)
- Jo-Ann Hannah (CAW)
- Leo Panitch (York University)
- Michael Rafferty (University of Sydney)
- Chris Roberts (Canadian Labour Congress)
- Susanne Soederberg (Queen’s University)
- Johanna Westar (University of Western Ontario)
- and others...

Location and Time: Sessions will be held on Fridays from 3:30-6:00 in the ING Room, ground level, at the Centre for Social Innovation, 720 Bathurst St. (one block south of Bloor).

Sponsors: This workshop is co-sponsored by the Centre for Social Justice, Global Labour Research Centre (York University), Canada Research Chair in Political Economy (York University) and Socialist Project.

