

So much for Aliant's community commitment

By JOHN JACOBS

AT FIRST glance, I find it hard to make sense of the Aliant strike. A very profitable company, that claims it is "deeply committed to the communities in which its employees live and work," forces its 4,300 workers to walk the picket lines for more than three months.

For the past two and a half years, Aliant workers have been operating under expired agreements. They are still looking for their first contract since the merger of the four Atlantic telephone companies in 1999. The unions are seeking an agreement that brings together the four previous contracts, while Aliant wants a contract that would result in concessions to some of the expired collective agreements.

Most of the provisions that the workers are asking for are already in place in one or more of the expired provincial contracts. For example, the provisions limiting contracting out already exist in the collective agreement that the Newfoundland and Labrador workers had.

Aliant appears intent on undermining its workforce and jeopardizing its reputation in the region, but to what end?

It is difficult for Aliant to plead poverty. Aliant proudly proclaims itself to be Atlantic Canada's largest publicly traded company and "Canada's third largest full-service telecommunications business." According to the Report on Business's most recent ranking by profit of the top 1,000 Canadian corporations, Aliant moved up from 57th place in 2002 to 44th in 2003. In 2003, Aliant had profits of \$306 million, a 72 per cent increase over 2002.

Aliant makes much of its connections to Atlantic Canada, but its ownership structure suggests a different story. Fifty-three per cent of Aliant is owned by Central Canada-based BCE Inc. and Bell Canada (Bell Canada is 100 per cent owned by BCE Inc). And what about profitability of the parent companies? Bell had the fourth highest profits in Canada at \$2.3 billion for 2002, and BCE Inc. was eighth with a profit of \$1.8 billion.

According to its promotional material, Aliant is "deeply committed to giving back to our region." But it appears unwilling to share the profits made in the region in the most tangible and direct way - providing stable, well-paying jobs that, in turn, support the local economy.

Bell Canada is a key player in these negotiations and is concerned about more than Aliant's bottom line. Bell is currently in contract negotiations with its employees in Ontario and Quebec. The get-tough approach with Aliant employees sends a message to Bell's employees as they ponder their options.

Aliant and Bell Canada do face some future challenges. Cable companies are beginning to provide some competition with their cable-based telephone connections. There is also some possibility in the future of Internet-based telephone service.

But change in the telecommunications industry is regulated, and Bell and Aliant are better off than most in their ability to deal with and benefit from technological change. Part of the role of the telecommunication industry watchdog, the CRTC, is to ensure stability, Canadian ownership and broad access to telephone service. The CRTC would not allow the sudden collapse of major, very profitable, Canadian telecommunications providers.

Let's also not forget that Bell Canada has already started to diversify. It owns CTV, the Globe and Mail and satellite TV provider Bell Expressvu. Aliant is also active in wireless communication, provision of Internet services and other areas of information technology. In other words, Aliant and Bell will manage just fine. They have access to the funds to innovate and to fend off competition.

I'm still left with the question as to why a very profitable company is unnecessarily demanding concessions from its workers. Part of the reason appears to be a desire to soften up the unions as Aliant develops a new corporate strategy. Rather than develop a stable, well-trained and well-paid workforce whose skills will be flexible enough to adjust and cope with technological changes, Aliant is pushing for the ability to allow for more contracting out.

Vincent Mosco, Canada Research Chair for Communication and Society at Queens University, sees another troubling motivation behind the labour dispute. According to Mosco, telephone companies are "aggressively trying to break their unions" as they compete with cable companies which are, for the most part, not unionized and do not pay their employees as well. The telephone companies are attempting to limit unions to the slow-growth areas of communication, and contract out the work in the newer technologies to non-union subsidiaries. Aliant's non-union subsidiary X-Wave is an example.

Mosco also sees the labour unrest as a sign of the growing number and power of "communication workers," demanding better terms and conditions and more respect.

This strike could go on for some time yet. It appears that communication workers in other parts of Canada are watching this strike closely and have recently contributed \$3 million to support the strikers. Unions in Atlantic Canada are also raising funds to support the Aliant workers.

Aliant's actions draw into question its commitment to Atlantic Canada. A contract settlement that leaves workers more vulnerable through weak pension provisions and more contracting out will have a detrimental effect on the communities that Aliant claims to be so "deeply committed to." The company's failure to negotiate a fair agreement in a timely manner is already damaging to our communities.

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