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Hospitality unionism and labour market adjustment: Toward Schumpeterian unionism?

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This paper proposes a conceptual model for understanding emerging changes in a North American labour union. UNITE-HERE, largely representing textile and hospitality workers, has been at the forefront of debates on union revitalization in the US and Canada. UNITE-HERE is often characterized as a successful example of North American union renewal, but I argue that this often oversimplifies many complex and contradictory labour strategies. Much of the labour union renewal literature remains prescriptive and is only beginning to escape false binaries such as business versus social unionism, the servicing versus organizing model, or ‘top-down’ versus ‘bottom-up’ administration. In this paper, I attempt to conceptualize the strategies adopted by the union as they exist in relation to the changing political economic landscape. I characterize the current labour practices as ‘Schumpeterian unionism’, a model which captures the shifting, contradictory, and multi-scalar relationships labour has with the broader community, capital and the state. The model is illustrated with a case study of UNITE-HERE Local 75’s response to the 2003 SARS outbreak through their establishment of a Hospitality Workers Resource Centre to service unemployed workers.

1. Introduction

For over two decades, economic restructuring in advanced capitalist economies has challenged organized labour and with the rare exception of a few northern European countries, labour union density in many advanced capitalist economies has been in a prolonged period of stagnation or decline (Moody, 1997; Fantasia and Voss, 2004; Visser, 2006). In Canada, the percentage of workers covered by unions is double that of the United States but has slowly declined to less than a third of the labour force (Akyeampong, 2004). The central question for many labour activists and researchers continues to be how labour can revitalize itself to maintain a capacity to shape economic landscapes. There has been no shortage of commentary on these questions as an entire literature on labour union renewal has been dedicated to the project for well over a decade (Bronfenbrenner, 2003; Fairbrother and Yates, 2003; Kumar and Schenck, 2006). Geographers have also weighed in on these debates, although the approach has focussed largely on the question of the how labour can (re)organize at scales compatible to that of contemporary capital (Herod, 1998, 2001; Castree et al., 2004; Tufts, 2007a).

For many, union revitalization involves a shift toward a social justice or ‘social movement unionism’ which organizes communities around a range of issues beyond the workplace as a means of challenging the operation of the market (see Fletcher and Gaspasin, 2008). This departure is antithetical to the narrow ‘bread and butter’ business unionism which typified much of the post-war compromise industrial relations in Anglo-American economies. Even the staunchest advocates of social movement unionism, however, recognize it remains an ideal rather than actual practice. Moody (2007, p. 237) argues that social movement unionism has lost much of its ‘unique meaning’ as it now refers to any effort where the union reaches out to the community in an issue based campaign. For this reason, Kumar and Murray (2006) speak of ‘social unionism’ as a midway point between business and social movement unionism to characterize unions who adopt some of the more innovative strategies, but remain very much integrated into capitalist production.

In this paper, I too propose an understanding of union renewal which is located between the binaries of business and social movement unionism, but I theoretically embed such union strategy in larger processes of economic and political transformation. I argue that many of the labour renewal strategies currently observed can be interpreted as not only a reaction to, but also constitutive of neoliberalism and the re-scaling of capital and the state (see Jessop, 2002; Brenner, 2004). As an entry point into this discussion, the paper proposes a model of ‘Schumpeterian unionism’ juxtaposing the ideal-types of ‘defensive Atlantic unionism’ and ‘ideal renewed social movement unionism’. I compare four areas of union activity: intra-institutional organizing; extra-institutional organizing; and community organizing.
zation; labour–management relations; and labour–state relations. Here, Schumpeterian unionism is defined as a model of labour organization that preserves working-class agency by adapting to successive rounds of economic ‘creative destruction’ (see Peck and Jones, 1994). In keeping with traditional Marxist interpretations of trade unionism, these practices are neither transformative nor revolutionary, but they may sustain labour as a viable economic agent within harsher variants of neoliberalism.

Aside from the labour union renewal literature itself, the conceptual framework is developed from two sources. Its first theoretical inspiration is largely drawn from Jessop’s (2002) political economy of evolving capital–state relations. In a groundbreaking article, Jessop (1993) forwarded the Schumpeterian workfare state (SWS) as a model of state–capital relations displacing the Keynesian Welfare State established in post-War Atlantic Fordist economies. At its core, the SWS model characterized a number of national policies aimed at implementing the neoliberal project (e.g., labour market flexibility, innovation). The SWS model is inspired by Schumpeter’s (1942, p. 83) treatise on economic evolution that centred the process of ‘creative destruction’ as ‘the essential fact about capitalism’ that must be understood in order to understand overall economic development. Over a decade, Jessop (2002) refined his initial model to where he speaks of Schumpeterian Workfare Post-national Regimes (SWPR) as the successor to the Keynesian state. The SWPR’s focus is on: economic policies which increase competitiveness in global markets; downward pressure on social wages with limited welfare; the rise of networks of public–private governance; and re-scaled state policy above and below the nation. From a geographical viewpoint, the most significant evolution of Jessop’s model is the integration of how capitalist states re-scale economic policy to global (e.g., policies allowing capital to flow to low wage regions) and sub-national levels (e.g., policies enhancing regional metropolitan competitiveness rather than national economic development). Indeed, it was the initial aspatiality of Jessop’s model that inspired a number of geographers to explore how restructuring of the welfare state was being played out across space at different scales (see Peck, 1996, 2001).

Brenner (2004) has built upon Jessop’s work to define how the re-territorialization of state policies from the national-global and national-local has created a number of contradictory new state spaces. In particular, national policy supporting cities and the decentralization of power has shifted the governance and reconfigured state–capital formations toward the urban. It is the re-territorialization of the state to a number of scales which have proliferated the variations of neoliberalisms on the ground and requires researchers to now look at neoliberal policies as they ‘actually exist’ (Brenner and Theodore, 2002).

The SWPR model and the work it has inspired have contributed significantly to our understanding of the evolution of the capitalist state and the complex ways local, regional and national governments have recast their relationships with capital and citizens in order to restore conditions of profitability in the midst of crisis. For labour unions, the implications of these policies must not be understated as they shape the quantity and quality of jobs delivered by capital and in some cases, challenge the rights of workers to organize effectively (Panitch and Swartz, 2003; Fantasia and Voss, 2004). While in most cases organized labour has been the target of SWPRs, it is problematic to conceptualize labour as outside processes shaping variations of capitalist states. Another approach is to explore how organized labour is changing in response to shifting policies of SWPR and how these responses are in many cases enabling neoliberal state projects operating at multiple scales. While many emergent labour union renewal strategies can still be discussed as a reaction to neoliberal restructuring and the regulatory environment imposed by SWPRs, other emerging union structures and practices can also be viewed as an integral part of contemporary capitalist economies. In other words, it is consistent to consider how unions are implicated in various formations of neoliberal regimes since Schumpeterian economies will inevitably require the consent of Schumpeterian labour. It is within this theoretical framework, that the following discussion of labour union renewal is situated.

Second, the model has been conceptualized through its grounding in a larger empirical project on hospitality sector unionism in Toronto, specifically the experience of UNITE-HERE Local 75 (see Tufts, 2003, 2004, 2006, 2007a, 2007b). While a number of campaigns and initiatives of Local 75 may be characterized as Schumpeterian unionism, here I present an examination of the unions’ response to the 2003 outbreak of Severe Acute Respiratory Syndrome (SARS) in Toronto which adversely affected the city’s hospitality sector. The specific case study is the Hospitality Workers Resource Centre (HWRC), a service developed as a response to workers displaced from work by the crisis. The case study demonstrates how the choices unions make can contribute to neoliberal agendas while simultaneously reproducing labour as viable institutions. Further, it demonstrates how ‘Schumpeterian’ unions are re-scaling their strategies in the midst of global challenges. Grounded theoretical approaches are a huge strength of contemporary economic geography (see Yeung, 1997) and any new theoretical work must remain grounded in real political circumstances of workers’ lives. Abstracting organized labour’s practices too far from the realities of everyday political struggles leads to analyses which are far removed from unionism as it ‘actually exists’, following an elaboration and definition of Schumpeterian unionism, I present Local 75’s response to the SARS outbreak to exemplify the model. I conclude with some broader implications for the model with respect to union renewal and the broader labour geography project.

2. Schumpeterian unionism

For some time researchers have recognized the need to transcend false binaries characterizing discussions of union renewal such as servicing versus organizing models or business versus social movement unionism. For example, Fletcher and Hurd (1998) recognized the limits of juxtaposing servicing versus organizing in discussions of union renewal almost from the initial conception. Many studies of labour union renewal also remain largely prescriptive and often ‘idealize’ labour transformation as an antithesis to the stagnant and defensive actions of retrenched business unionism. As a result, labour union renewal as it ‘actually exists’ remains hidden as the emphasis is on capacities to achieve an ideal form, such as a renewed social movement unionism. Labour union renewal, however, contains both complex and contradictory processes with uneven outcomes. In some instances, so-called ‘renewed’ unionism actually aids the neoliberal project while actions deemed ‘business as usual’ unionism may forestall its advancement. I address these contradictions by introducing the concept of ‘Schumpeterian unionism’ as one way of characterizing the current transformation of segments of Anglo-American labour movements.

A further aim of the model is to integrate labour union renewal into explanations of local variations of capitalism as labour union renewal itself is largely a geographical phenomenon. It is now widely accepted that local labour markets influence successive rounds of accumulation and reproduction. But labour union renewal is much more than a function of previous ‘layers’ of labour mobilization as the ability to make unions vibrant is largely dependent on the multi-scalar organization of workers and the ability of unions to ‘re-scale’ their activities in ways which are compatible with contemporary capital and capitalist states (Tufts, 2007a, 2007b;
Savage, 2006). Schumpeterian unionism therefore addresses the ‘geographical dilemma’ (see Castree et al., 2004) facing workers who are forced to compete for international investment and jobs by establishing both permanent and temporary networks and coalitions.

Similar to the approach taken by Jessop (2002) to discuss changes in the capitalist states, I present the model of Schumpeterian unionism as an ‘ideal-type’, by juxtaposing the model against two other antithetical ideal-types: defensive Atlantic unionism, associated with the rise and decline of Atlantic Fordism; and renewed social movement unionism, currently discussed in the literature. For each ideal-type I compare four elements of union activity: intra-institutional organizing; extra-institutional organizing; labour–management relations; and labour–state relations (summarized in Table 1).

2.1. Intra-institutional organizing

At the core of any discussion of labour union transformation is the ability of unions to organize new members in traditionally non-union sectors (e.g., consumer services) as they experience declines in their core membership (e.g., manufacturing workers). Defensive unionism attempts to maintain its power largely through servicing collective agreements and protecting the jobs of existing members. When new organizing does take place it is often in the form of blitzing worksites (i.e., signing the minimal cards required for a certification vote as quickly as possible) in the union’s core sector and does not guarantee a successful union drive or prepare workers for the difficult task of obtaining the first collective agreement.

Throughout the 1990s, particular attention was paid to models shifting union resources to ‘organizing’ new members rather than ‘servicing’ existing members (Metzgar, 1991; Bronfenbrenner et al., 1998). A simple shift of union resources to the recruitment of new members did not always constitute a significant shift from the defensive unionism. A renewed social movement unionism calls for more intensive organizing strategies (e.g., house calls to new members) that built solidarity for long-term struggle against capital (see Bronfenbrenner, 2003). Further, an ideal renewed unionism is not an abandonment of servicing members. Instead, such renewed unionism calls for new approaches to servicing that allow workers to self-organize against an employer through mutual-aid (see Bacharach et al., 2001) and shift any surplus resources created by greater membership participation to organizing new members within and beyond traditional industrial relations frameworks into a broader labour movement (e.g., representing workers by pressuring employers prior to any formal certification).

Schumpeterian unionism, however, is much more grounded in traditional approaches to representing and organizing workers. First, Schumpeterian unions do not adopt a broad-based framework as advocated by commentators arguing that low-wage service workers require new frameworks for bargaining entire occupations and communities rather than the industrial model based on the large single factory worksite (see Clawson, 2003; Wial, 1993; Fudge and Tucker, 2004). Instead, organizing campaigns are strategic and specific targets are identified. Servicing by paid staff is not abandoned, but collective bargaining efficiencies are developed and linked to organizing. For example, collective bargaining is used to exert demands for greater employer recognition of unions and to facilitate organizing (e.g., neutrality agreements with employers). Most important, campaigns and bargaining are increasingly multi-scalar as local initiatives are linked to global struggles in complex ways. Geographers have contributed their own theoretical and empirically assertions as debates are largely focussed on the appropriate scale to organize workers (see Tufts, 2007a, 2007b; Sadler and Fagan, 2004). As Savage (2006, p. 650) succinctly notes, however, the mechanisms creating multiple scales of organizing are rarely painless transitions:

“These successes, however, have raised important questions concerning matters of union structure—for instance, should the power to devise strategies rest at the local level so that organizers can develop locally sensitive campaigns, or does it need to be coordinated at a national level so as to be able to match the organizational structure of employers who are increasingly national and/or international in scope, and what kinds of intra-union tensions do such questions spawn?”

In other words, Schumpeterian unionism’s ‘creative destruction’ of the geographical scale of defensive unionism through shifts of strategic and other organizing resources to new sectors (e.g., office cleaning, hospitality) is just as painful as the processes of ‘creative destruction’ in neoliberal economies which have restructured through technological innovation and regional and global outsourcing. The re-scaling of union practices is not only a response to the

Table 1

| Schumpeterian unionism. | Defensive Atlantic unionism | Ideal-renewed social movement unionism | Schumpeterian unionism |
|-------------------------|-----------------------------|--------------------------------------|-----------------------|
| **Union activity**      |                             |                                      |                       |
| **Intra-institutional organizing** | 1. Recruitment | Blitzing worksites | Intensive and broad-based bargaining | Strategic campaigns, selective targets |
|                         | 2. Servicing and collective bargaining | Staff servicing, concessionary bargaining | Membership involvement, mutual-aid, participatory bargaining | Servicing efficiencies, bargaining innovation |
|                         | 3. Coalition building | Union paternalism | Social movement unionism | Strategic alliances |
| **Extra-institutional organizing** | 4. International solidarity | Symbolic | Global unions | Situated Networks |
|                         | 5. Mergers | Survival, raiding | General unionism | Strategic capacities |
|                         | 6. Central labour bodies | Irrelevant | Formative | Re-imagined, multi-scalar |
|                         | 7. Labour-management cooperation | Concessionary | Workplace militancy | ‘tactical cooperation’, minimal trust |
| **Labour–management relations** | 8. Training | Employee responsibility, minimizing skills requirements | New training opportunities, life-long learning, class-based education | Vocational competitive training, administrative union education |
|                         | 9. Economic development | Coercive, flexibility | Social democratic partnership | Ephemereral, multi-scalar, uneven tri-partism |
|                         | 10. Labour market regulation | Exclusive | Broad-based, centred at the margins | Sectoral, management of dissent |
re-scaling of economic practices but also constitutive of these strategies.

2.2. Extra-institutional organizing

In terms of organizing beyond the union itself, defensive Atlantic unions largely retreat to insular strategies where coalitions are rare and strictly managed, international solidarity is symbolic at best (or at worst a means of disciplining communist unions in other countries), mergers and raids are carried out for survival, and national and regional central labour bodies are largely irrelevant. In contrast, the success of recruiting and building power over employers is often directly linked to union engagement with other labour and non-labour organizations in order to build a broad ‘social movement unionism’ around diverse communities. Again, such broad-based multi-issue coalitions are rarely achieved. And while ‘Global Unions’ are deemed crucial for organizing large scale neo-liberal transnational employers such as Wal-Mart (see Bronfrenbrenner, 2007; Gordon and Turner, 2000), transferring resources to institutions which can negotiate and enforce effective global agreements with employers remains a challenge (Stevis and Boswell, 2007). The power of national and sub-national central labour bodies to marshal resources from several unions is uneven as national labour movements differ in history and structure. In the case of the US, there are now two national central labour bodies following the split of the Change to Win coalition from the AFL-CIO in 2005, creating greater, if temporary, solidarity among some unions and divisions among others.\(^1\)

Schumpeterian unions’ approach to extra-local organizing is much more flexible and contingent on specific challenges. First, all unions exercise caution when entering coalitions. It is better to characterize many of these relationships as ephemeral coalitions rather than a sustainable community unionism (see Tufts, 1998; Wills and Simms, 2004). These alliances are often campaign specific and labour’s superior financial and political power is not easily surrendered to create equal coalitions (see Tattersall, 2005).

Similarly, while an ideal social movement unionism works toward establishing powerful global unions rather than symbolic bureaucratic lobbying bodies a healthy scepticism must be levied at the new labour internationalism (see also Waterman and Wills, 2001; Muncik, 2002). Recent efforts to build new global unions are embryonic and there is little evidence to suggest that they will escape the ‘geographical dilemmas’ that historically plague unions (see Castree et al., 2004) as the local aspirations of workers in real communities often collide. Nevertheless, labour is forming a range of new relationships that transcend national borders. It is often more accurate, however, to describe the emerging formations as situated networks where actors exchange information that can be put into action at a number of different scales rather than formal institutions able to leverage power against transnational capital (see Wills, 2002).

While a defensive unionism views central labour bodies (e.g., local labour councils, national federations) as irrelevant, many commentators calling for a renewed social movement unionism would lend a formative role to such organizations. In terms of national central labour bodies, a renewed social movement unionism has called for more active roles of central institutions in organizing, but relative power of central labour bodies varies greatly from nation to nation and region to region. Schumpeterian unions only re-imagine the role of such institutions in terms of what they can offer to multi-scalar campaigns and practices. Cooperative organizing campaigns, the mediation of jurisdictional disputes, and the economies of scale gained through joint lobbying and educational efforts are part of this re-imagined but still limited role for central labour bodies. Schumpeterian unions may surrender power and resources if it is in the strategic interests of a cooperative campaign, they do not surrender resources to the point where centralized bodies become formative and threaten overall union sovereignty.

In fragmented labour movements with many small unions, mergers are viewed as a means of rationalizing necessary resources. While a defensive unionism enters mergers for ‘growth’ and survival (see Chaison, 1996), a renewed social movement views mergers as a fundamental reorientation toward a general unionism reminiscent of One Big Union. A more balanced approach to the question of mergers explains these developments in terms of unions seeking to increase their strategic capacity to organize in new sectors (see Yates and Ewer, 1997). In the case of UNITE-HERE’s 2004 troubled merger, the financial resources of one union in a declining sector (i.e., UNITE) combined with a poor union established in a growing sector (i.e., HERE) to increase the capacity to organize workers in immigrant communities. In sum, for Schumpeterian unions, extra-local organizing is crucial, but such alliances are most often ephemeral and driven by the practical requirements and the specific scale of its struggle with employers.

2.3. Labour–management relations

Clearly, unions in a defensive position with capital and the state have engaged in concessionary relationships with employers. Lower wages and increased labour flexibility in terms of job security and the production process are the central pillars of capitalism’s challenge to the regulated labour market (Vosko and Stanford, 2004). In order to secure institutional survival and the jobs of members, unions have actively participated in the workplace restructuring. In many cases, concession bargaining has been the norm as workers struggle to maintain jobs in industries facing significant competitive pressures. Such concessions are counter to social movement unionism’s commitment to a significant reassertion of workplace democracy where workers have a significant control in the implementation of new technologies and work practices, the distribution of work, the management of working time, and the development of life-long learning and class-based education for all workers (see Livingstone and Sawchuk, 2003).

For unions, cooperation remains controversial and uneven as the degree to which labour cooperates with employers in securing state support of the implementation of new technologies is quite varied from full acquiescence to militant resistance (see Bacon and Blyton, 2004). Schumpeterian unions, however, do continue to cooperate with employers on a daily basis, but the relationship is better characterized as one of ‘limited trust’ where cooperation is often ephemeral and lent for competitive support under specific conditions. Recent research in the Canadian auto sector has found that unions play a role in facilitating information flows among competing firms within ‘clusters’ suggesting that restructuring through outsourcing to non-union firms can impede such knowledge transfer (Rutherford and Holmes, 2007). Some unions have adopted strategies which engage new labour–management partnerships as new trade-offs are made between increasing productivity and maintaining job security. ‘Social partnerships’ are argued to strengthen labour’s position by ‘trapping’ capital investment in local markets through ‘high road’ strategies that emphasize training and increased productivity in the workplace (Kelly, 2004). It is the ‘high road’ model of labour market investment which is advocated by Schumpeterian unions which are less con-
cerned with class-based education. Here, human capital investment through vocational training is advocated for as a means of increasing local competitiveness and preparing workers for future rounds of creative destruction. Increasingly, labour cooperates with capital in lobbying for state subsidies to support economic development initiatives (e.g., auto assembly plants, training) that have been devolved from national to local strategies placing cities and regions in direct competition.

2.4. Labour–state relations

Cooperation with the state was a hallmark of competitive defensive Atlantic unionism. Economic development strategies often found labour and the state in a tight tri-partite relationship with local capital to attract international investment through civic boosterism (Harvey, 1989; Hudson and Sadler, 1986). Union leadership was also implicated in the coercive management of dissent against neoliberal states’ restructuring of social contracts as they (paternalistically) defended against capital flight. At the same time, labour surrendered labour market regulation exclusively to the state, failing to organize workers outside of industrial relations regimes which were increasingly hostile to union expansion (Panitch and Swartz, 2003). An ideal renewed social movement unionism emphasized greater social democratic control over investment decisions which will better manage industrial (over) capacity and the creative destruction process. Further, social movement unionism defines union membership in broad terms which are centred on the needs of workers in the margins rather than exclusive formal membership. For example, the Living-Wage Campaigns which emerged in the 1990s in the de-industrialized US, pressured the state and employers to improve working standards for all workers in specified low-wage sectors, not only unionized workers (Luce, 2004).

Schumpeterian unionism is more than willing to enter uneven tri-partite relationships with the state and capital. There are however, two main differences between its approach to economic development and more defensive unionism. First, there is recognition of the unevenness of the partnerships and for this reason they are often temporary initiatives based on specific issues rather than a long-term cooperative framework. Second, Schumpeterian unions are engaged in a process of seeking out and exploiting new state spaces created by the re-territorialization of states in an increasingly global economy (Brenner, 2004). Such unions re-territorialize their relationship with the state, increasingly to the local level as they look to identify the new points of leverage created by re-scaled state accumulation strategies. For example, Schumpeterian unions are perhaps less concerned with national electoral politics and more concerned with finding new ways to exploit the slippages created when states download responsibilities to scales such as the urban. For unions such as UNITE-HERE, participation in Left political parties at the national and sub-national scale is not abandoned, but there is encouragement to build relationships with municipal politicians (Left and Right) to influence processes such as urban development.

Similarly, in terms of labour market regulation, Schumpeterian unions explore new ways of regulating the labour market below the national and regional scale. For example, Schumpeterian unionism will engage with the state in terms of securing human capital investment to enhance local competitiveness. In most cases, this is focused on one or a small number of economic sectors. In this respect, unions situate themselves inside the process of ‘creative destruction’ rather than profound economic transformation. Schumpeterian unions do not, however, launch campaigns for broad policy reform beyond their sector. Instead, benefits are secured for workers in specific sectors, which can manage the negative effects of restructuring and suppress dissent from marginalized workers who are fortunate enough to belong to unions who can elicit support from the state (e.g., subsidies for training, tax subsidies for employers).

While what is presently occurring in unions is not transformative at the level of the economic system, unions are adapting to, and in some cases shaping, economic sectors with innovative and rediscovered strategies under extremely difficult conditions. In part, the above conceptualization is derived from practices of significant segments of contemporary organized labour. As a specific case study, I look at how UNITE-HERE Local 75, responded to the 2003 outbreak of SARS and the rapid decline of tourism activity in the city through the rise and fall of the Hospitality Workers Resource Centre established to aid unemployed workers. Data on the use of the HWRC was supplied from the centre’s client registration database and a series of interviews with clients, peer counsellors and HWRC board members, those community leaders who participated in the founding, administration, and eventual closure of the HWRC.

3. SARS and Toronto’s hospitality workers

On February 23, 2003 a woman returned to Canada from a Hong Kong wedding where she was infected by another guest (a doctor from southern China). On March 7, the first case of SARS was identified at Scarborough Grace hospital in North York. Six days later, the 44-year old son of the woman who attended the wedding died in hospital. The disease spread through the hospital and a travel advisory for Toronto was issued by the World Health Organization (WHO) on April 22, 2003. The first travel advisory was lifted April 30, 2003 and by May 14, 2003 Toronto was removed from the list of areas with a recent local transmission. But a patient exposed at Scarborough Grace infected North York General on May 20 and two days later Canada informed the WHO of new clusters. The breakouts were commonly referred to as SARS I and SARS II (Table 2). Toronto was not removed from list of regions with a recent local transmission until July 2. By that time, over 40 deaths and 450 cases were documented in Toronto. Healthcare workers were perhaps the most greatly affected as they accounted for over 40% of the infections, including Nelia Laroza, the first healthcare worker who died on June 29, 2003 (see Tufts, 2003).

The outbreak and the travel advisory devastated the local tourism industry. While the numbers of the total economic impact varied, short to medium term economic losses have been estimated at between $1.5 and $2 billion (all figures CDN, Table 3). In April 2003, Statistics Canada reported that Ontario lost 12,100 jobs in foodservices alone. For hotels, occupancy rates declined to unprecedented seasonal levels. The epicentre of the outbreak, Toronto and Niagara Falls, were hit particularly hard as seasonal occupancy rates fell by as much as 25% from the same period a year earlier and revenue per available room (REVPAR, a indicator combining occupancy and daily room rates) fell significantly and did not recover until 2005 (HVS International, 2003–2006). In terms of accommodation services employment, for the entire province of Ontario (for which data is more readily available), quarterly accommodation services employment, for the entire province of Ontario (for which data is more readily available), quarterly employment compared to the same previous annual period fell by 10% in 2003 and did not begin to show same quarter growth until two years later (Fig. 1).

It is, however, crucial to recognize the context of the outbreak which increased the impact on workers. In 2003, trips into Canada by non-residents from the US declined by 13%, but this trend had only been exacerbated as travel peaked in the pre-9/11 period. 

The 30 interviews with clients were conducted by peer counsellors following an interview training seminar with the primary researchers. (The training of peer counsellors in qualitative research techniques was part of HWRC’s mandate.) The interviews were confidential and participant anonymity was guaranteed.
The impact of 9/11 itself on tourism along with the Iraq-US War, the rapid appreciation of the Canadian dollar, a breakout of BSE (i.e., ‘mad-cow’ disease) and the August 2003 blackout in northeastern North America together created what was repeatedly referred to as a ‘perfect storm’ decimating the local tourism industry. Most important, however, was the timing of the SARS breakout. It occurred during the early spring, a time of year when seasonal tourism-related industry workers are heading back to work after exhausting employment insurance (EI) benefits received over the winter months. In the case of hotel workers who were quickly running to the end of their benefits, there was simply no job to return to. While most of the large hotels in Toronto are unionized, the sector is still regarded as a low-wage sector which employs large numbers of women and recent immigrants located in the margins of the labour market.

The impact of SARS on hospitality workers is not reducible to only levels of employment. In interviews with 30 hotel workers facing prolonged periods of underemployment in 2003 and 2004 major themes were identified in their experiences. First, there were a number of hangover effects of underemployment. The most noted of these were: financial difficulties ranging from the accumulation of debt to eviction; stress associated with re-entry into the job market and changing companies and/or occupations (e.g., interview anxiety); and increased work in other jobs (e.g., two or more part-time low wage jobs as a substitute for lost hospitality employment). Second, when workers did return to hotels (often on a part-time basis) there was significant restructuring of work which included: intensified workloads as employers were hesitant to restore employment levels to pre-SARS levels; new flexible work arrangements including multi-tasking and the performance of front-line work by administrative staff; and extended period of reduced work hours. These findings are supported by a survey of 300 workers serviced by the HWRC in August and September 2004. Only 68 of the 300 clients surveyed (22.7%) reported working 40 hours a week (22.7%).

4. Hotel worker response and the path to ‘high road’ partnerships

At best, the state’s response to the needs of hospitality workers was uneven. Immediately, Local 75 called for direct assistance for workers through special extensions to EI benefits for workers in the sector. The federal government failed to respond with adjustments to the EI program beyond some limited ‘work share’ arrangements which allow workers to receive partial benefits if they share their employment with others (i.e., only work part-time). The employment insurance system in Canada was significantly restructured in the 1990s decreasing overall eligibility for workers resulting in significant surpluses which were used to addresses the federal public fiscal deficit. Reversing the neoliberal reforms to the program for a post-industrial sector, which is supposed to absorb rather than displace unemployed workers, was a precedent the Canadian government did not wish to set. Hospitality workers, many of whom are immigrant women interpreted this policy failure as another example of social exclusion by the state (see Tufts, 2003).

For the most part the Canadian federal government limited its response to the tourism crisis to a series of sponsored events and marketing initiatives aimed to boost the industry (Table 4). Very little was provided in terms of direct relief, but funding was eventually secured for a drop-in centre to assist struggling hospitality workers, largely through co-funding sources from municipal, provincial and federal sources. As the outbreak unfolded in March

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**Table 2**
Time-line of SARS crisis from perspective of Toronto’s tourism sector.

| Date       | Development                                                                 |
|------------|------------------------------------------------------------------------------|
| February 23, 2003 | A woman returns to Canada from a Hong Kong wedding where she was infected by another guest (a doctor from southern China) |
| March 7, 2003     | First case of SARS identified at Scarborough Grace hospital in North York    |
| March 13, 2003    | Forty-four year old son of woman who attended the wedding in Hong Kong dies in hospital |
| April 22, 2003    | Travel Advisory for Toronto issue by the WHO                                |
| April 30, 2003    | Travel Advisory lifted by the WHO                                            |
| May 14, 2003      | Toronto is removed from the list of areas with recent local transmission    |
| May 20, 2003      | Patient exposed at Scarborough Grace infects others at North York General   |
| May 22, 2003      | Canada informs WHO of new clusters at North York General                    |
| May 26, 2003      | Toronto put back on WHO list of countries with recent local transmission    |
| July 2, 2003      | Toronto removed from list of regions with recent local transmission         |

**Table 3**
Impact of SARS on 2003 tourism expenditure in six Canadian markets.

| City          | Decline in revenue ($ CDN millions) | Percentage decline from 2002 (%) |
|---------------|------------------------------------|---------------------------------|
| Toronto       | 503                                | 28                              |
| Niagara Falls | 142                                | 28                              |
| Montreal      | 135                                | 12                              |
| Ottawa        | 18                                 | 4                               |
| Calgary       | 44                                 | 9                               |
| Vancouver     | 159                                | 13                              |

Source: KPMG study reported by Canadian Press, October 15, 2003.

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Fig. 1. Accommodation services (NAIC 721) employment in Ontario, unadjusted for seasonal variation, computed quarterly averages and annual quarterly change.
months of operation prior to its abrupt closure on October 31, 2004, HWRC was in full operation (a full 9 months after the registered by government, employers and the union. In November were held and a Labour Market Adjustment Program (LMAP) con-

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Private–public partnerships, some cultural events received support through other programs linked to the ‘Toronto You Belong Here!’ campaign. For example, the city’s Summer Career Placement Program funded by Human Resources Development Canada placed 290 students in jobs with parks and recreation, large arts presenters and festivals (e.g., Caribana), and smaller street festivals in local neighbourhoods identified as Business improvement areas.

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need to find assistance for hospitality workers, specifically those in the accommodation sector. It was realized that the structure of the Employment Insurance program would simply not allow many casual and seasonal workers to weather the crisis given that benefits collected in the slow winter months would soon expire. Other forms of assistance would be needed. In order to lobby effectively for government support joint labour–management efforts would be necessary. In the words of one board member, “We pretty much came to a meeting of the minds that the industry and the union had to work together here to assist employees.”

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4.1. HWRC services

HWRC’s mandate included a range of peer support services, job search assistance and vocational training (Table 6). Of all the services, peer support was rated by clients as the most useful given the effects of unemployment. As part of the contract, HWRC had to provide job search assistance, but many workers had difficulty parting with the sector given their experience and the ‘lifestyle’ nature of the employment (i.e., social networks, working with people etc.). The centre also provided lists to workers from employers hiring in the sector, but there was no formal agreement to hire unemployed hospitality workers between the hotels and HWRC.

For the most part the HWRC provided upgrading of ‘soft’ skills. In interviews with HWRC ‘clients’, vocational training was the most sought after but weakest service delivered. For some the services delivered were too ‘soft’ (e.g., English as a second language instruction, computer literacy) or offered at inopportune times. Participants stated that first aid training, food handling safety or computer literacy) or offered at inopportune times. Participants stated that first aid training, food handling safety or

| Table 4 |
|---|
| Summary of SARS tourism recovery initiatives. |
| | 
| • A City of Toronto public relations campaign to mediate the misinformation in the community and abroad and inform key markets about the low risks of infection in the community. | 
| • The formation of a private–public partnership, Toronto03, to design and implement a recovery strategy. Toronto03, (receiving $10 million from the federal government) emerged from the Toronto City Summit Alliance formed earlier in 2003. | 
| • The launch of a campaign to re-establish Toronto as a destination featuring the sponsorship of a rock concert in Downsview Park featuring the Rolling Stones. | 
| • The promotion of packages (e.g., hotel room and theatre tickets) to attract domestic visitors within Canada with pricing strategies that focused on adding value (e.g., extra nights, admission to venues) rather than deep discounting. | 
| • Part of the provincial government’s Tourism Recovery Strategy involved several programs with relevance to the cultural sector such as: the: Tourism Tax Relief Program (waived the provincial sales tax for specific attractions); Destination Marketing Partnership Fund; Event Marketing and Development Fund; Community Development Fund; and most specific to the sector, the Cultural Tourism Marketing Fund. Some of these programmes were modelled after existing programs such as the Tourism Event Marketing Partnership Program (TEMP) | 
| • While the City of Toronto initially contributed funds to seed the public–private partnerships, some cultural events received support through other programs linked to the ‘Toronto You Belong Here!’ campaign. For example, the city’s Summer Career Placement Program funded by Human Resources Development Canada placed 290 students in jobs with parks and recreation, large arts presenters and festivals (e.g., Caribana), and smaller street festivals in local neighbourhoods identified as Business improvement areas. | 

| Table 5 |
|---|
| Time-line of HWRC’s development. |
| | 
| Date | Development |
| --- | --- |
| March–April 2003 | SARS Outbreak in Toronto, Immediate discussions among union, employers and Tourism Toronto |
| May 2003 | Union involves MLEC in proposal process for a resource centre |
| June–July 2003 | Negotiations with different levels of government |
| September–October 2003 | HWRC sings contract with HRDC |
| October 2003 | Procurement of space, recruitment of staff, set-up phase |
| November 2003 | HWRC opens its doors for full operations |
| January 2004–August 2004 | Operation of HWRC, the centre receives approximately 4500 visits in 8 months of operation |
| October 31, 2004 | HWRC closes |

| Table 6 |
|---|
| HWRC services. |
| | 
| Job search assistance | Support services | Vocational training |
| Internet access | Rent bank | English language training |
| Listings | Food vouchers | Literacy training |
| Resume writing services | Peer counselling | Basic computer skills |
| Job search workshops | Stress relief sessions | Smart serve certification |
| Peer counselling | Benefits assistance | Health and safety training |
| Job fairs | Referral services | OTEC programming |

Aside from the lack of ‘real’ training offered by HWRC, workers interviewed also wanted the centre to advocate more aggressively for employers to hire unemployed hospitality workers, but this was not supported by the employers’ board members. The HWRC did, however, deliver a wide variety of workshops, seminars, and training opportunities. The vision of the centre was to offer a comprehensive range of services for temporarily unemployed and under-employed workers. This differed significantly from many labour market adjustment programs aimed at retraining permanently displaced workers for new careers. As stated by a founding board member, “There’s everything. The mental health, the wellness, the financial, the personal, the vocational, the training piece—it’s all there and that’s the way an adjustment process should be run.”
Members experiencing the pressures of unemployment also appreciated the more holistic approach. When asked which services were most beneficial, clients most often referred to the support services. The availability of emotional support was considered just as important referral services to food and rent banks. For those who stated job search services were most important, the ability to receive assistance with resume writing in English and internet access were particularly valued. Interview participants who ranked vocational training as the most important did find English language training and computer classes useful. In analysing the interview transcripts the inability of respondents to list just one service as the ‘most beneficial’ reveals an important aspect of HWRC’s integrative servicing model. It is the ability to receive a range of services in one location provided by peers who understand the sector and the impact of the SARS crisis was deeply valued.

“It’s [HWRC] a wonderful service. And what most people don’t understand is that, when you are in hospitality, when the customer is sitting and he asks for a cup of coffee, he expects to get a cup of coffee right away. But I think some of the offices that try and help you find a job or whatever they do, they don’t think anything is urgent, they don’t know deadlines because nothing will happen to [them]. You see, if you don’t serve a cup of coffee within a minute or two minutes, you will not have a job because the customer won’t show up. So the urgency is not understood by most of the centres....And it’s not only that, you [HWRC] understand everything that has to come together so one can get a job. And you have all of this for me” (HWRC client)

According to HWRC records, between January and August 2004, 1022 clients visited the centre 4490 times. In a telephone survey of 300 clients taken in August and September 2004, support services were ranked as the most important services offered by HWRC by 42.1% of respondents followed by job search services (37.1%) and vocational training (20.7%).

During its less than one year of operation, HWRC managed to service over a thousand clients. Registration information tracking 658 clients from January through mid-June 2004 allowed a basic profile of clients. The majority of the clients (606) reported residential addresses within Toronto. There were, however, a small number of clients from Mississauga, Brampton and other Greater Toronto Area municipalities. Of those clients reporting their age, over half (55.9%) were under the age of 40. Given seniority rules in the accommodation sector, it is not surprising that younger workers were the first to become unemployed. At the same time, the presence of a large number of older workers seeking assistance (18.9% were over 50), reveals the extent of the crisis. The client profile does indicate that HWRC did manage to reach the most marginal segments of the hospitality labour market. For example, room attendants (almost entirely immigrant women) were the largest group of clients seeking assistance from HWRC. The centre’s focus on younger workers and women occupying the lowest paying jobs in the sector must be considered an important part of the centre’s rationale and success.

There were also secondary benefits to HWRC for workers. First, the use of peer counsellors resulted in substantial capacity building in the approximately one dozen people who were employed by the centre. These workers, unemployed themselves, were trained in a number of different skills during the HWRC’s operation ranging from computer training to providing emotional support that will benefit them in their workplace and union activities. Second, the centre raised the profile of hospitality workers and the importance of their sector to Toronto’s economy.

On October 31, 2004, the Hospitality Workers Resource Centre closed its doors. The government had initially sought to close down the project in August (one year following the signing of the initial contract), but extended the operation by two months given that the initial funding was not received until the end of October 2003. The decision to close the centre was supported by the employers and contested by the union. The employers supported the state’s claim that the SARS crisis was over and that other agencies could deliver the same services as HWRC. It is important, however, to consider the different viewpoints regarding the centre’s continued operation and the sector’s long-term labour market development.

During the summer of 2004, it became clear that the employers and government officials had a different vision of the future of HWRC than did its union partners. While the union and HWRC staff felt strongly that there was an overwhelming demand for services, the position of employers and government funding agencies was that the industry was in recovery and that the centre had surpassed its mandate. Although, the contract with HRDC was for one year, some stakeholders were perplexed by the government’s sense of urgency to close the centre given that there was still money in the budget. HWRC staff aggressively advocated for an extension to HWRC. Efforts to extend the life of the centre did manage to get an initial extension (beyond August 2004) but were ultimately unsuccessful.

In interviews with HWRC staff and board members, divergent views on any long-term possibilities for the centre were evident. The divergent views reflected significant ideological differences between the two groups of stakeholders concerning the role of state supported training. Employers (and increasingly governments) tend to see a limited part for third party training that occurs beyond the college system and industry controlled associations. Union stakeholders and labour educators, however, feel that it is important to invest in human capital on an ongoing basis from a variety of development tools.

There was, however, perhaps an even more unarticulated motivation behind the different positions on the future of HWRC. There is a sense of underlying mistrust between unions and employers in Toronto’s hospitality sector that limits cooperative projects seeking government funding. It is possible that employers fear any inroads unions may gain in sectoral training initiatives. Employers may have anxiety toward any integration of union education (e.g., workers’ rights, shop steward training) into hospitality service training programs. Employers have resisted union attempts to gain control over training in other sectors for similar reasons. In the case of the hospitality sector, any union control over job placement services, such as the establishment of a ‘clearing-house’ for unemployed workers seeking to be matched with industry postings may appear to employers as efforts to establish a local ‘hiring-hall’ giving unions control over labour supply.

Unfortunately, the minimal trust between employers and unions limit initiatives seeking government support, but this is exactly what Local 75 is seeking. The SARS outbreak was a painful path for Local 75 toward its ‘high road partnership’ vision for the sector. Given the success of HWRC during its short period of operation and the need for a long-term development strategy for Toronto’s hospitality workforce, new models based on the HWRC were and continue to be developed. In the 2006 round of collective bargaining, the union advocated for a ‘high road partnership’ model with employers to improve the quality of jobs and service delivery in the industry. Local 75 struck a task force (in which the author participated) under the leadership of Janet Dassinger, the labour activist seconded from Metro Labour Education Centre to administer the HWRC who continues to work Local 75. A report was released in late 2006 titled An Industry at the Crossroads: A High Road Economic Vision for Toronto Hotels. In the report, a call is made to develop a ‘high road’ labour-management partnership and long-term labour force development strategy for Toronto’s hospitality
sector. Again specific reference was made to the models used in US cities such as the Culinary Training Academy in Las Vegas. The high road partnership model is largely inspired by a 2003 report by Working for America Institutes on the hotel sector.

The ‘high road’ partnerships practiced and advocated by UNITE-HERE and some US employers are aimed at creating and sustaining secure, high-paying jobs and competitive sectors through cooperative and innovative joint labour-management strategies with public and private funding. The goals of such partnerships are to: strengthen internal labour markets by developing well defined career ladders; upgrade the skills of all workers; provide training for entry level workers; develop the Toronto tourism industry; and address the short and long-term labour requirements of the sector. The recommendations in the Industry at the Crossroads document are indicative of a Schumpeterian union’s approach to labour market development. There are calls for higher wages and benefits, greater union representation and training and equal opportunity in the workplace. However, the report does go beyond these issues to advocate for social programs which hotel workers require such as daycare, affordable housing and improve public transit.

An analysis of the short life of the HWRC and the union’s attempts to build on the experience illustrates the contradictions facing unions as they adjust to neoliberal agendas. Klein (2007) has recently argued that corporations increasingly practice a ‘disaster capitalism’ where profits are derived through destruction and neoliberalism is deeply entrenched in the aftermath as local economies rebuild. Workers inevitably bear the brunt of disasters as their unequal relationship with capital and state makes them particularly vulnerable when communities are destroyed (as witnessed in post hurricane Katrina New Orleans). Labour unions, as agents within capitalism, can also manage negative events in a way than may assist them in reshaping their institutions and organizing future workers.

As an intra-institutional exercise, the HWRC was developed by the union to service all hospitality workers in the community, not just Local 75 members (who remained the largest group of clients). In this respect, the HWRC was a servicing innovation which addressed the needs of unemployed workers beyond the immediate workplace (i.e., coping with unemployment and financial uncertainty). The centre demonstrated what unions can do for working people and provided a contact point for non-union workers with the union. Through the training of peer counsellors, Local 75 also developed its leadership capacity by developing activists with skills (e.g., workshop facilitation) which are applicable to union life. The project was also a multi-scaler initiative that required a local union to negotiate with levels of government beyond the national (which was very late in its delivery of funding). Still, HWRC was a highly targeted resource which only addressed SARS related unemployment in one-sector and was not accessible to other dislocated workers. In this respect, the union did not reach out beyond hospitality services and remained largely concerned with creative development of its own sector.

As for extra-institutional organizing, Local 75 and the HWRC were able to raise the profile of low-wage hospitality workers that often remain invisible in the landscape. Important alliances were forged with local labour friendly community institutions such as MLEC. These alliances were needed to pressure the state and negotiate for resources. The Toronto and York Region Labour Council also supported displaced workers. The experience of low-wage workers became central to the labour council’s ‘A Million Reasons’ campaign calling for an overall increase in the minimum wage. The council later initiated ‘A Million Reasons to Support Hotel Workers’ campaign as it supported UNITE-HERE in its 2006 round of bargaining which attempted to establish North American agreements with specific companies (see Tufts, 2007a). Local 75, networked with other locals through its international union, used these networks as it formulated what such a centre might look like over the longer-term (i.e., a Las Vegas style union culinary training institute). There were, however, some limits to extra-institutional organizing efforts. Other unions, historically competitive with UNITE-HERE, representing smaller numbers of workers in the sector did not lead or participate in the HWRC project. Further, there was some tension at the national scale as a committee of the Canadian Labour Congress (CLC) examining Employment Insurance reform was wary of UNITE-HERE’s call for special extensions for hospitality workers as this contradicted the CLC’s position of broad reforms which would restore accessibility and higher benefits to all workers, a goal more typical of social movement unionism.

As for labour–management relations, the response of the union to SARS was hardly a social democratic partnership. Instead a short-term cooperative relationship was struck in order to lobby the state for HWRC financial support. While labour and management did cooperate in a joint effort to manage the destruction the tourism industry and employment, trust remained minimal and the employers ceased the centre’s operation at its earliest convenience. Who provides training for hospitality workers remains a contentious issue and workers are demanding industry specific vocational skills. Exerting control over local industry training, however, remains a long-term project of Local 75. Administration over human capital investment will give the union some power in competitive creative destruction processes which characterize the hospitality sector. While the union would undoubtedly include union education in the training curriculum, life-long learning or broad class-based education deemed crucial to social movement unionism is not envisioned.

The changing relationship between the state and UNITE-HERE became evident through the HWRC. For the first time, hospitality workers made their demands known to the state which is much more experienced in responding to demands for intervention by industrial unions. For example, during HWRC’s operation, the Canadian and Ontario government announced a joint 20% subsidy of Ford’s $818 million flexible re-tooling of its Windsor assembly plant (Lyne, 2004). Such subsidies (which have only grown in the wake of the collapse of the North American auto sector) are largely facilitated through the joint lobbying efforts of powerful multinational corporations and industrial unions (e.g., the Canadian Auto Workers). Such large scale, long-term support for hospitality workers was not secured and the tri-partite HWRC was largely a temporary measure. However, Local 75 did manage to exploit the new state spaces created as nation states re-territorialize their accumulation strategies at the urban scale. As states centre economic development strategies around ‘creative cities’ with well-developed consumer service economies (Florida, 2002), they must address crises which threaten related sectors. The investment made by the Canadian state in terms of stimulating tourism activity and the (relatively limited) support given to hospitality workers is evidence of re-scaled policy. Re-territorialization presents urban service workers, who have been largely ignored, with new spaces to secure state subsidies. In return for this state support, the union will play a role in regulating the labour market by managing dissent by providing material gains and sectoral based training for marginalized workers who are increasingly central to urban accumulation strategies.

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1 The Culinary Training Academy in Las Vegas is a labour–management partnership which trains adults for the Las Vegas hospitality industry. It is funded through government grants, fee for service training programs and a special contribution fund negotiated among Las Vegas hotel properties and the members of Culinary Union Local 226 and Bartenders Local 165 (UNITE-HERE affiliated locals). The academy provides training for new entry level workers and incumbent workers through skills upgrading. Facilities include ‘mock’ hotel suites and an onsite restaurant.
5. Conclusion

The above discussion details a model of unionism which is derived from both engagement with theory on capital–state formations and grounding in an empirical case study. As a concept, Schumpeterian unionism is not designed to be an all encompassing model. Given that the model is partially grounded in the examination of UNITE-HERE’s response to the SARS crisis, it is only expected that the case study illuminates the model (as it was designed). Like all models, grounded or not in specific empirical cases, there are limits to general application. But the framework is an entry point to greater understanding of labour’s relationship with neoliberal capital and states. It is itself, an ideal-type which is meant to better capture some broad changes in organized labour which remain far removed from other idealized-types of unionism. With other cases, there will be other ‘ideal-types’ of Schumpeterian unionism that vary over space and time. It is, however, a framework for the investigation of other labour union responses which respond to, and in many cases enable, economic and political change that is theoretically and empirically located between other reductive and normative models.

There are, however, political and theoretical implications of emergent Schumpeterian unionism(s). Politically, in the case of UNITE-HERE, there are limits to its Schumpeterian unionism as practiced. While UNITE-HERE in general, and Local 75 specifically, have been viewed as successful examples of union renewal (see Schenk, 2005), it is inaccurate to characterize these efforts in any significant movement toward social movement unionism. Instead, union strategies reflect a re-territorialized neoliberal economy and state as they actually exist on the ground. The experience with HWRC did create a space for Local 75 to engage with the state and begin to consider new spaces in which it can shape the development of the accommodation sector in Toronto. The union is, however, participating in the creative destruction process as it advocates turning crises into a skills upgrading opportunity. While this is common, the local and sector specific nature of the union’s demands in this case limit broader social reforms and even the possibility of a shift toward a movement based unionism. UNITE-HERE’s proposal of limited reforms to address the crisis is in keeping with the neoliberal state’s transition away from universal welfare provisions. In the end, these demands for relatively small reforms were not even met and the limited funding for the HWRC was a small investment for the state. Establishing a program that fosters flexibility and shifts the responsibility to adapt to crises to workers is simply a variant of neoliberal labour market policy. While the HWRC had some success, it was largely localized resistance. Instead of arguing for broad changes or ‘why can’t Canada be more like Sweden?’, the union settled for ‘why can’t Toronto be more like Las Vegas?’ Such a Schumpeterian approach by UNITE-HERE is expected given that the strategic potential to (re)regulate the local labour market through such a centre and the new spaces for engagement created by the re-scaling of state economic development strategies. Such strategies are, however, unlikely to inspire a mass social movement needed for economic transformation (or even much needed national employment insurance reform). At best, unions can engage new state spaces and the contradictions of urban accumulation and even improve the lives of working people in specific sectors and places, but the dominant economic system is inevitably reproduced.

Theoretically, Schumpeterian unionism raises many questions and there are some implications with respect to the production of scale, the agency of labour in capital-state relations, and the broader labour geography project. First, a key aspect of Schumpeterian unionism emphasized here is the multi-scalarity of union renewal efforts. Schumpeterian unions do not recognize the primacy of any one particular scale, but instead focus on how different scales of worker mobilization or state control can be engaged with to the advantage of workers. In their analysis of the SARS outbreak, Keil and Ali (2007) argue that the same global connectivity which allowed the disease to spread so quickly also allowed international health care professionals to share information and transcended the limits of national based health care systems. Similarly, as the epidemic displaced hospitality workers from Toronto’s migrant and racialized communities, the union similarly marshalled action beyond and below the nation state, soliciting local support to federal officials and integrating ‘high road partnerships’ practiced in other countries. As Ward (2007, p. 273) reminds us “…the importance of acting at certain scales is always relative and contingent. It does not necessarily become more or less important in the move from the local to the global or from the global to the local.” As a concept, Schumpeterian unionism captures this fluidity and emphasizes how different scales of worker action and engagement conflict with and strengthen each other.

Admittedly, the above conceptualization may be uncomfortable for some researchers as it abandons the ‘national’ as the penultimate scale for understanding the relative success and failure of labour movements (see Rutherford 2009). Such an interpretation, however, would conflates the theorization of how workers are producing scale with theorization of the relative importance of particular scales. Schumpeterian unions are engaging with the city as a means of leveraging local power, but this does not mean that the nation state or national scale remain unimportant in analyses. In the case of Local 75, the HWRC was a local initiative that engaged the federal government as a key funder and highlighted the inadequacies of the current national employment insurance program. Indeed, further research is required to examine what happens when local Schumpeterian unionism conflicts with other scales of organized labour (e.g., international head offices, central labour bodies) which are more reflective of defensive or social movement unionism.

Questions of scale have preoccupied much of labour geography, but perhaps it is now time to expand discussions to highlight the role labour might play in broader processes of capital–state formation. An underdeveloped theme in the literature influenced by Jessop’s SWPR framework is the role organized labour plays in not only challenging but facilitating neoliberal transitions. The HWRC case and the consequent campaign for ‘high road’ partnerships regulating the local labour market are not incompatible with national economic development strategies which foster urban competitiveness. Over the longer-term, Local 75’s Schumpeterian unionism may increase the power of the union and even increase standards for workers while enhancing the overall competitiveness of Toronto (and Canada’s) tourism and hospitality industry. Labour geography is capable of producing more in-depth models which embed labour union transformation in broader processes of capital–state re-territorialization.

Lastly, there is a broader theoretical implication of the above approach to understanding labour union renewal for the broader labour geography project. Indeed, Schumpeterian unionism does integrate significant agency for labour as it addresses broader questions of political-economy. In a recent keynote conference presentation, Wills (2009) differentiated labour geography, a project which emphasizes the agency of workers and their institutions in producing economic landscapes (see also Castree, 2007; Lier, 2007), from other research on changing labour markets and relations which focus on oppressive capitalist structures which she defines as the political economy of work. The above conceptualization of Schumpeterian unionism may be taken as an example of how labour geography might contribute to broader discussions of labour union renewal and the political economy of work. Further, it is an example of how capital–state theory might
inform labour geography. If labour geography is to flourish as a viable sub-discipline it will inevitably have to engage with a variety of literatures and approaches to labour studies. Exacvating labour agency will remain central to the project, but rigidly applying an agency (an elusive and chaotic concept) litmus test to define the discipline may prematurely isolate labour geography from other research on work. As labour geographers interested in the emancipatory potential of our research and the power of labour, we must take every opportunity to understand the changing political and economic conditions confronting workers.

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