

Retail and Wholesale Sector Profile

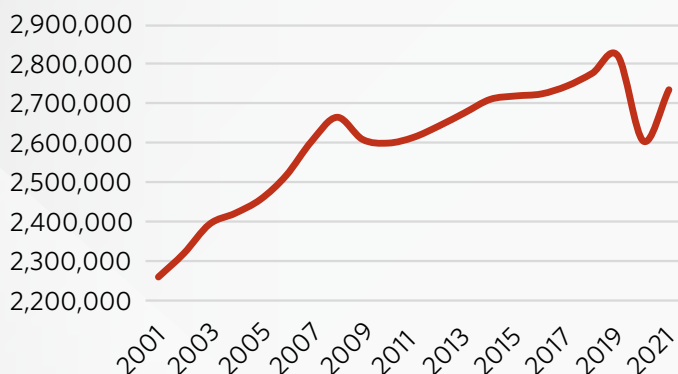
Sector Facts and Figures

Total GDP <i>Share of Canadian GDP</i>	\$208.5 billion 10.55%
Exports	\$9.3 billion
Imports	\$6.9 billion
Foreign Trade Balance <i>5-year change</i>	+\$2.4 billion +19.8%
Total Employment (2021) <i>Change since 2011</i>	2,735,800 +4.6%
Real wage growth (2011-2019)	+13.6%
Labour Productivity (2019)	\$31.8/hr
Average Work Hours/Week (2019)	32.9
Greenhouse Gas Emissions (2019) <i>Change since 2009</i> <i>Share of Canadian industry total</i>	11,017kt -33.1% 1.75%
Union Coverage Rate	13%
Unifor Members in the Industry	20,000
Share of Total Unifor Membership	6%
Number of Unifor Bargaining Units	126
Average Bargaining Unit Size	161

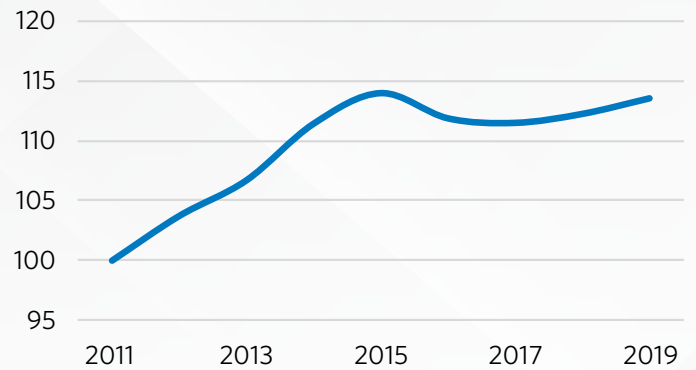
Current Conditions

COVID-19 has had a profound effect on Canada’s retail and wholesale sector. Firms deemed “essential”, including businesses selling food, pharmaceuticals and home repair goods, saw revenues (and profits) skyrocket. Others, especially small and micro-sized independent stores (which make up 97% of retail establishments in the country), relied heavily on government supports to stay afloat. For workers, the pandemic proved what most already knew: these jobs are vitally important to Canada’s economy. The sector remains Canada’s lead job creator, employing more than 2.7 million workers, and generates an astounding \$209 billion in GDP, or about 10 cents on every dollar of economic activity. All this despite the sector’s notoriety for substandard pay (part-time retail clerks earn 27% less than the national average), poor working conditions, high turnover and low unionization (approximately 13%).

Retail & wholesale employment, 2001 - 2021



Retail & wholesale: Real wages (2011=100)



For a fleeting moment, and in the early days of the pandemic, Canada’s largest retailers appeared willing to correct these structural deficiencies. Stronger safety protocols, paid leave and proactive steps to diffuse customer-driven harassment and abuse was long overdue. Most front-line workers also received special pay bumps, ostensibly in recognition of the dangers while working through a pandemic. Yet, as the pandemic worsened, so-called “hero pay” ended - leading many to conclude that pay hikes had less to do with fixing inequities, and more about ensuring a stable supply of labour. Unsurprisingly, COVID proved the catalyst for record-breaking profits for Canadian retailers as well as significant executive bonuses. Some are now redirecting those profits into job-displacing automation technologies, putting workers (again) at risk.

As the cost-of-living continues to rise, and despite technological trends, retail and wholesale workers continue to demand better - including higher wages, greater access to employer-provided benefits, and more opportunities for full-time work. As pandemic-period strikes by Unifor members at Loblaws (NL) and Metro (ON) prove, workers are willing to fight to make change.

Unifor in the Retail and Wholesale Industry

Select Unifor Employers	Approx. # Members
Metro	7,000
Loblaws	5,300
Sobeys	1,000
Hudson's Bay	850
McKesson	350

Approximately 6% of Unifor members work in the retail and wholesale sector (and relevant warehousing sectors), or about 20,000. The union's retail and wholesale membership spread across more than 100 bargaining units and 8 Canadian provinces, although nearly 80% live and work in Ontario and a further 13% in Atlantic Canada.

This sector of the economy has below-average levels of unionization, with roughly one-in-eight workers currently covered by a collective agreement – far below the national average. Although this presents challenges for workers, it does present an enormous organizing opportunity, with nearly 2 million retail workers currently unorganized.

The five largest employers in this sector employ 85% of Unifor members, namely Metro (including Food Basics), Loblaws (including Dominion Stores, ValuMart, Y.I.G., Real Canadian Wholesale Club, No Frills and Shoppers Drug Mart), Sobeys (including FreshCo), McKesson (including Rexall Pharma Plus) and Hudson's Bay. The remaining 15% work in a wide array of retail, wholesale and warehousing establishments.

Moving Forward: Developing the Retail and Wholesale Industry

Despite its significant role in the Canadian economy, the retail and wholesale sector struggles to turn out the good jobs that workers deserve. Decades of competition-driven, industrial restructuring has turned what were once high-wage, career-oriented jobs (including in grocery retail, pharmacies and department stores) into precarious ones. Rather than building a business

model rooted in high value customer service, problem solving and product knowledge, most retailers rely on temporary, just-in-time staffing, limited training and accept high turnover as a cost of doing business. Unlike in other countries, like Sweden, where retail work is highly valued (and highly paid), retail jobs in Canada are mostly stopgap and temporary.

Unions and governments must tackle this problem. In the face of new automation technologies dominating the retail space, everything from staff-less stores to

warehouse-to-home online shopping, a value-less in-store shopping experience is destined for extinction. Unions must agitate for business strategies that focus on 'workers-as-value', instead of 'workers-as-cost' - treating workers as strategic assets (through upskilling, training, job permanency) and not disposable commodities. At the same time, workers employed in the rising field of e-commerce - including order pickers and delivery drivers - must also enjoy the benefits of unionization.

Building good jobs in retail requires unions to advocate for stronger employment standards, tackle deep-rooted age and gender-pay disparities, and negotiate wage and benefit enhancing provisions (like Minimum Wage Plus pay scales and minimum work hours) at the bargaining table. Unions must also find strategies to leverage bargaining power in what is a mostly unorganized sector, including greater efforts to coordinate bargaining (both across units and among unions), as well as through more ambitious broad-based bargaining initiatives that can influence common sector standards and bring collective bargaining coverage to more workers.

Major Sector Development Issues

- Consider sector-based bargaining strategies within the retail sector, to strengthen bargaining power among workers and elevate industry work standards.
- Campaign for stronger, fairer minimum wages, eliminate substandard "student" wages and negotiate wage-enhancement provisions, including those that guard workers' wages against the rising cost of living.
- Negotiate equal treatment provisions for full-time and part-time workers, including on hourly pay rates and access to benefits.
- Protect and grow the number of full-time jobs in retail, and stabilize work hours and benefit access for those who choose to work part-time.
- Identify inequities in pay, benefits and job opportunities, based on gender and race, and develop strategies to break down barriers to workplace equity.