



# The Brief

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## Irving media unsurprisingly blames CUPE workers for strike

By NB MEDIA CO-OP EDITORIAL BOARD



**CUPE members on the picket line denounced Premier Blaine Higgs for refusing to accept living wages and decent pensions for front-line workers.** Photo from the CUPE NB Facebook page.

In case it’s not clear, the NB Media Co-op supports the nearly 22,000 CUPE front-line workers without a contract, many of whom were recently striking for decent wages. The Irving media does not.

Should we expect the newspapers owned by J.D. Irving Ltd. to support striking workers? The simple answer is no.

Since CUPE NB began its 100-day campaign for fair wages in May, the editorial board of the *Telegraph-Journal* has been bombarding readers with anti-CUPE rants in a brazen attempt to sway public opinion against school bus drivers, educational support staff, custodians, mechanics, healthcare workers, transportation and infrastructure workers, and community college workers.

In late October, after 10 different CUPE NB locals voted overwhelmingly (83-98 per cent) in favour of strike action, the *Telegraph-Journal* titled its editorial: “CUPE strike must not go ahead,” claiming a strike would be “irresponsible and out of touch.”

A generous reading of the news coverage and editorials by the *Telegraph-Journal*, *Times & Transcript* and *The Daily Gleaner* would say that their editorial boards have a broken thermometer, unable to take an accurate temperature of workers’ situations and sympathies. However, Irving’s Brunswick News corporation has always had a vested interest in breaking our collective thermometer to prevent us from seeing what is actually happening.

The former Brunswick News editor and current pundit Norbert Cunningham told us in his *Telegraph-Journal* column on October 29 that students and parents are suffering the most from CUPE’s strike. He claimed CUPE is unlikely to get any public sympathy. He was wrong.

Across the province that Friday before Halloween, many parents woke up surprised that school was cancelled. They had to arrange child care like they would on any snow day, but most of the public chatter on the street and on social media did not blame CUPE for their inconveniences. Rather it expressed understanding, often followed by questions such as “where’s the nearest picket line?” and “is there a strike fund? I’d like to donate.”

No matter how many times they try to peddle their anti-CUPE message, no editor or pundit for the Irving press can convince New Brunswickers that the person driving our kids to school, cleaning our public places or providing care in our hospitals is undeserving of a wage increase to pay their bills.

The government of New Brunswick prefers to keep workers’ wages the lowest in the country in favour of spending public money on corporate handouts. The government also spent money on a full page ad in Irving newspapers and *L’Acadie Nouvelle* telling us that CUPE workers do not deserve what they are asking.

A popular tweet by Aditya Rao pointed out that Premier Higgs is saying there is not enough money to pay workers while it gives away \$100 million in subsidies to six pulp and paper mills, including J.D. Irving’s mill in Saint John, lets J.D. Irving and other forestry companies off the hook for \$200 million in timber royalties that should have been paid to the province, gives a half a million property tax discount to Irving’s headquarters in Saint John, and spends \$250,000 on a yacht club.

New Brunswick is home to not one but two billionaire Irvings, two men made super rich off the backs of workers and by not paying their fair share of taxes.

New Brunswick’s Premier Blaine Higgs made a career out of making Irving Oil rich. He was an executive for the company during a long strike at the Irving Oil Refinery from 1994 to 1996.

Today, Premier Higgs clearly forgets who he is working for, as he celebrates surpluses and rejects federal funding to supplement health care wages and transportation infrastructure during a pandemic.

When New Brunswick runs a surplus of \$408.5 million in the middle of a pandemic, we should question the government’s priorities.

And when an Irving-owned media outlet tells us to not support striking workers, we should remember that Irving fired 11 writers and editors with *The Daily Gleaner* without notice in 1977. The workers believed they were fired when

## We know whose land it is, and so does government

By LUKE BEIRNE

On October 14, a memo was sent to all Government of New Brunswick employees by Ted Flemming, New Brunswick’s Attorney General and Minister of Justice and Public Safety, ordering employees not to “make or issue territorial or title land acknowledgements.”

Wolastoqewi Kci-Sakom spasaqsit possesom (Ron Tremblay, the Wolastoq Grand Chief morningstar burning) issued a strong response, identifying the memo as a continuation of genocide, reiterating that “we Wolastoqewiyik have never surrendered one speck of Earth, one drop of Water or one breath of Air.”

Flemming’s memo states that his order is in relation to “a number of legal actions which have been initiated by certain First Nations against the province, including a claim to ownership and title to over 60% of the province.” It also states that “while territorial and title acknowledgements may not be issued by GNB, there may be some few situations where it is desirable to issue an ancestral land acknowledgement.” In these rare cases, employees are ordered not to deviate from an approved acknowledgement attached to the memo, which emphasizes the absence of “terms such as ‘unceded’ or ‘unsurrendered’.”

Land acknowledgements have already been criticized as hypocritical when they are not accompanied by meaningful steps to recognize Indigenous sovereignty. With this memo, the Government of New Brunswick removes even the symbolic significance of these statements. It, instead, uses the acknowledgement to reinforce the state’s seizure of Indigenous land.

The GNB’s approved acknowledgement states that “We respectfully acknowledge the territory in which we gather as the ancestral homelands of the Wolastoqey, Mi’gmau, and Peskotomuhkati peoples.” This is carefully worded to ensure that the speaker does not signify that territories referred to are still Indigenous lands. Restricting recognition to the existence of “ancestral homelands” presents Indigenous sovereignty as something that no longer exists.

The legal action referred to is likely a lawsuit filed by the Wolastoqey Nation in New Brunswick seeking recognition of title rights. The six chiefs of the Wolastoqey Nation in New Brunswick issued a response to Flemming’s memo, which notes that “We were forced to file a title claim because our rights continue to be ignored by GNB. Now, in response to this, the province seeks to further trample our rights and erase us from the history of this province.”

The lands claimed by the Government of New Brunswick were not ceded. Section 25(a) of the Canadian Charter of Rights and Freedoms guarantees rights recognized by the Royal Proclamation of October 7, 1763, which guarantees that all land is considered Aboriginal land until ceded by a treaty. This is engrained in Canada’s constitution and serves as one of the fundamental pillars of its claim to legitimacy.

Flemming’s memo accelerates dispossession by attempting to prevent even rhetorical recognition of the legitimacy of Indigenous sovereignty on these lands. The fact that this was sparked by a legal case brought forth by the Wolastoqey Nation is evidence of the fact even playing by the government’s rules and participating in its legal system is not enough to afford recognition and respect.

In their response, the six chiefs state that “The Wolastoqey Nation is not seeking the return of all of the land in its traditional territory through the title claim. We made it very clear when giving the crown notice of our claim in October 2020 that we were not looking to displace homeowners in



**Left to right: Wolastoqewi Kci-Sakom spasaqsit possesom (Ron Tremblay, the Wolastoq Grand Chief morningstar burning) and New Brunswick’s Minister of Justice and Public Safety Ted Flemming.**



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management learned of their plans to unionize.

The Irving empire with tentacles in not only media but also energy, forestry, manufacturing, shipbuilding and transportation is in need of serious public scrutiny and investigative journalism, especially during times of labour unrest. Without that needed oversight, Brunswick News instead gives us simplistic accounts of government employers as heroes and front-line workers as villains. In all their CUPE NB strike stories, the “why” in the 5 Ws of journalism is missing.

So, why are CUPE workers striking? The union originally requested a 20 per cent raise over four years: the price of a bag of apples. The Higgs government counter-offered an 8.5 per cent wage increase over five years. With inflation at about 4.4 per cent, the Higgs government is actually offering a wage cut for one of the country’s lowest paid public sector workforces.

A last-minute return to the bargaining table saw CUPE reduce its ask by 8 per cent and the government increase its offer by only 2.25 per cent. CUPE NB President Steve Drost called the last government offer “absurd” and we agree.

As the strike goes on, we can expect more editorials from the Irving newspapers telling us that workers should not be greedy during a pandemic when they should feel lucky to have a job. They will tell us that now is not the time to strike. But, if not now, then when?

Many front-line workers have been waiting more than five years for a wage increase. The price of housing, food, medicine and other necessities has increased much more than their wages.

Since when did our expectations fall so low that we accept that any worker, unionized or not, must have more than one job to make ends meet? Or that they should leave the province for better wages elsewhere?

The Higgs government walked away from the last bargaining round, leaving the workers with no other choice but to strike. Then on October 31, Higgs locked out 3,000 workers, including school bus drivers, custodians, library assistants and educational assistants. Today, the premier made moves to more quickly pass anti-worker back-to-work legislation by cancelling the throne speech. He has also suggested using a cabinet order under the COVID state of emergency to end the strike.

As expected, Higgs is blaming striking workers for jeopardizing our healthcare system, and Minister of Education and Early Childhood Development Dominic Cardy is telling us that CUPE has ruined Halloween for our children. And, also as expected, the *Telegraph Journal* and other Irving-owned newspapers are parroting the same tune.

Today’s coverage in the Irving newspapers includes headlines like “Premier urges CUPE to accept offer and end strike” and “Strike means longer wait times: health networks.” Again, CUPE is painted as the villain harming our access to health care when it is Premier Higgs that has the power to end this strike by offering a wage increase that is acceptable to our front-line workers.

Contrary to what the Irving media tells us, we should not be demanding less for our front-line workers who are working even harder through a pandemic, we all should be demanding more.

*The NB Media Co-op will continue to support CUPE’s fight for social and economic justice and publish stories from the perspectives of the workers fighting for a fair wage.*

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# Rent control now: Bigger landlords are controlling the housing market and tenants need protections

By MATTHEW HAYES



**Saint John tenants raised concerns over a real estate transaction in uptown Saint John in October 2020. Hazen Property Investments sold 20 of its buildings to Historica Developments, a company that has renovated older buildings and turned them into more expensive luxury units that previous tenants cannot afford.**  
Photo by Tracy Glynn.

November’s announcement by the Progressive Conservative Higgs government of a new bill to address the province’s rental situation says a lot about how bad New Brunswick’s rental laws are.

Imagine a government bragging that it was going to prevent landlords from raising rents within the first year of a lease.

Missing is any kind of rent control, like the measure brought in by the Nova Scotia government in October.

If you try talking to public officials about this, as I have in recent months, one of the lines you often butt up against runs something like this: “I am not sure if rent control is the right mechanism,” or “rent control could make the situation worse.”

Rent control—widely used in other provinces to regulate the rental sector—is decidedly out of favour with New Brunswick’s gentry classes.

Many of their arguments, however, are premised on neoclassical assumptions about perfectly competitive housing markets. According to them, rent control doesn’t work because it disincentivizes investment in new rental housing construction, reduces supply (the problem is all about lack of supply!), and therefore leads to scarcity and higher rents.

But is the housing market competitive, and are builders going to build more affordable rental housing if we impose fewer restrictions on the market?

In Fredericton, the Canada Mortgage and Housing Corporation (CMHC) counts approximately 8,500 apartments on the primary rental market. Of those, about 1 in 6 (1,529) are owned by one company: Killam REIT, a real estate investment trust based in Halifax.

An additional 2,000 units are owned by Colpitts, the city’s largest corporate landlord, a family-run company based in Fredericton. That means two firms own 3,500 units of the rental market, or over 40 per cent of it. There are other large rental companies in the city, some locally owned like Cedar Valley Apartments, others large corporate landlords like CAPREIT. It is safe to say that in Fredericton, the market is “closely held,” meaning few owners own a lot of it. The situation is not that different in other New Brunswick cities.

For most institutional and neo-Keynesian economists (the opponents of the dominant neoclassical economics), that type of market concentration is not competitive.

But neoclassical economists—which dominate economics textbooks and business schools—assume that they are, even if their arguments often lack empirical rigour. They are the arguments that are most favourable to private property owners, who dislike interventions designed to serve the public good—interventions like rent control.

Rent control, we are told, “dampens the market signal to increase the housing supply.” From this perspective, the market is the tenant’s best protection, and any limitations to supply (including tax policy, regulations or zoning) are anti-tenant. From the neoclassical perspective, let prices signal that builders have to build more and increase supply that way.

The problem in New Brunswick right now is not a lack of new apartment buildings. There is a lot of building going on, so much so, it is entirely possible that the labour force and the construction industry lacks resources to be able to keep up.

But this new supply is not for affordable apartments. Rents in new buildings often start close to or above \$2,000 a month. That is affordable for some people (according to Canada Mortgage and Housing Corporation methodologies for calculating affordability, that rent would be affordable for households with greater than \$6,600 a month of income). But alas, in a deeply unequal province like our own, where fully 45 per cent of single mothers (fully 13,230 households) and one in six children live in poverty, that is too rich for most.

In fact, the private market is building housing that is affordable for only the top 15 per cent of the province’s

income earners, or about 110,000 people according to the 2016 Census earning above \$70,000 per year.

Close to no housing is being built for anyone else, and when it is built, it is built by cooperatives, non-profits, and often with government subsidies.

Neoclassical economists say that building for higher income tenants now will lower the cost for everyone because older buildings will have to open units to lower-income renters as higher-income ones move on to newbuilds.

As Moncton Mayor Dawn Arnold pointed out last winter, the housing shortage “is going to balance itself out. I believe the market will adapt.” It is like trickle down economics, but with houses.

These fundamentalist beliefs inform public policy all over the province.

All over the province they fail tenants. Oligopolistic builders have no interest in building so much supply that it deflates their assets. They are going to build houses at \$2,000 rents because there is a healthy market for it.

And it is not just the supply of housing units that is oligopolistic, or non-competitive. It is the whole supply-chain around the rental housing sector: home materials, construction companies, insurance companies, evaluators—almost all current “markets” are dominated by a few large players who increase the entry costs of their competitors.

These large players are also gaming the market, purposely using their market power to increase the price of apartment buildings, diminish the vacancy rates, and push up rents.

By increasing rents, corporate landlords can show higher “net operating income” (NOI) from properties, which is a measure commonly used in the industry to assess the net asset value of multi-family residential properties. By increasing the NOI, corporate landlords can refinance their loans to higher valuations, a strategy referred to as “forced appreciation.”

Pushing rental property prices up has been made possible thanks to the high demand in the finance industry for real estate-related incomes to replace government bonds. Low interest rates throughout the 2010s spawned new uses for mortgage debt and rental incomes that used to be illegal in Canada between the 1930s and 1985.

New Brunswick is a territory where there is still lots of room for more forced appreciation. But the higher rents will also no doubt lead to a growing housing crisis that municipalities across the region will have to manage.

Right now, there is no faster way to make money in Canada than to buy an apartment building in New Brunswick.

There are two solutions to the housing crisis in New Brunswick, one short, and one long. The short term fix is to protect the existing affordable housing stock by making it harder for speculative, corporate landlords to come in and buy it up. The fastest way to do that is to put some form of rent control tied to the units themselves, and not merely the tenants (as in Nova Scotia) because real estate companies make money on tenant turnover. One of the things that attracts corporate speculators to New Brunswick is that tenants have no tenure rights, making the turnover easy.

The second solution is longer term, and requires more investment in essential infrastructure like affordable housing. The obsession in Canada with balancing budgets since the 1990s has produced huge service and infrastructure deficits for which we are now paying. The homelessness crisis, for instance, in addition to being a human tragedy, costs the public more to manage than does investing in affordable housing.

*Matthew Hayes is a spokesperson for the New Brunswick Coalition for Tenants Rights and the Canada Research Chair in Global and Transnational Studies at St. Thomas University.*

# We know whose land it is

New Brunswick.” The lawsuit filed does not challenge people simply living on unceded land or request a full return of all territory. It requests that the government adheres to its own commitments.

Indigenous peoples are entitled to far more. This land is Indigenous. Regardless of treaty obligations, settlers must recognize the actual circumstances which led to the domination of Indigenous lands by European settlers. The government’s land acknowledgements may represent little more than symbolic gestures intended to placate people and quell resistance; however, Flemming’s memo represents the government’s active efforts to further dispossess Indigenous peoples and erase their histories. It is an attempt to double down on the colonial myth of legitimate authority.

The Canadian state, including the Government of New Brunswick, so strongly resists recognition of historical facts because the legitimacy of its existence depends entirely upon the distortion of these facts. Once the history of settler colonialism is actually recognized, the legal justifications for the continued possession of these lands can no longer be seen as legitimate.

*Luke Beirne is a freelance writer who lives in Saint John, on unsundered and unceded Wolastoqey land.*