

# Essay on appearance of trade unions

## Free Markets and the Decline of Unions and Good Jobs

### Question 2

#### **Development of the welfare state in Canada**

Canada was a welfare state since it was considered to be an industrial capitalist society in which the power possessed by the state was mainly used in order to make favorable changes to the policy of the then market forces.

In Canada, the welfare state is seen to pass several stages up to the present time. These activities of the state started in the early period of between 1840 and 1890. During this period, there was poverty as well as diseases spread throughout the country. This forced the government into action in a way to counter these upcoming problems. The activities were largely used to regulate these problems. There were several measures taken so as to ensure the state of the welfare of the people of Canada changed. They recognized families to be the main source of good economy. They passed rules and regulations so as to limit divorces and enforce matrimonial rules. They also introduced education which was compulsory. Regulations were also introduced on public health as well. Unemployment was prevalent here.

#### **Difference between Canada and The United States in the welfare state**

The difference between Canada and the United States of America is that the latter was involved mainly in warfare while Canada was involved in welfare. The United States had a low number of unemployed people through the period.

This was because mostly the Americans were recruited as soldiers and they helped ease the pressure of unemployment.

The Canadian government, however, decided to reduce arms spending and in such diverted these funds into health care services and education and social services too. This little commitment to militarism enabled Canada to channel its funds to the federal budget upon which these funds were used to create a more developed and modern welfare state.

However, the U.S. had a central government policy which had the government biased towards maintaining a warfare state. This heaped pressure on its citizens and was not possible for a welfare state like Canada. The Canadian government needed to create a developed state and they needed these funds in these processes of creating a stable and developed government. The U.S. on the other hand needed power on the international basis and sought to give a deaf ear to the rising economic issues. However, with its vast possibilities, the U. S. economy was able to pick up and have positive economic growth reported.

## Democracy in the country

However, with time, there was the emergence of democratic rights being exercised all over the country. There was the emergence of trade unions which wanted to have a say on the rights of its people. The emergence of these trade unions forced the government to change its stand on the situation that it wanted to control all the government activities.

Business began to chase for new public policies which would ensure that the businesses attained profits and also provided new forums for investments. This was done so as to weaken the labor movement and in turn to lower labor costs.

The democracy was also evident when the country's governing parties decided to push for free trade as well as financial liberalization. This was done as they sought for opportunities to expand new investment opportunities in the country for companies as well as introduction of new foreign investment. They were also determined to create environments where the companies could make productive gains by the shedding of the high-wage labor. This ensured that the control of the economy was reverted to the market system and not solely defined by the government.