

The Prospects for Union Renewal in Canada

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Abstract

Since 1985 union membership in Canada has increased by 22 percent, but the density rate has fallen. While recognizing there are various paths to union renewal, this paper examines the importance of organizing. The study finds that important changes in the economic, political, and social environments have made it increasingly difficult for unions to achieve appreciable organizing gains, particularly in those sectors of the economy experiencing significant employment growth. The results suggest that barring a paradigm shift created by an economic or other crisis, it is unlikely union density will rebound in the foreseeable future.

Union renewal is seen as a means for reversing union decline. This paper examines the prospects for union renewal in Canada. It begins with an overview of the state of Canadian unions and identifies the environmental forces influencing the union decline/renewal debate. This is followed by a discussion of what unions need to do to achieve renewal and the obstacles they face. The focus is on the organizing challenge.

The State of Canadian Unions and the Need for Renewal

In relative terms, Canadian unions have fared reasonably well compared to many labor movements in the industrialized world (Visser 2006). This is especially so in relation to the United States; the Canadian union density rate is more than two times higher than that in the United States. Measured in absolute terms the picture is less rosy. Although union membership rose from 3.67 million members in 1985 to 4.48 million members in 2007 (a 22 percent increase) union density declined from 36.4 percent to 30.3 percent (Rose and Chaison 2001; Workplace Information Directorate 2008).

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If unions are to increase their bargaining strength and political influence, renewal efforts will have to focus on achieving significant and lasting gains in membership and density (Rose and Chaison 2001). This is because higher densities allow unions to mobilize greater resources to achieve their organizing, collective bargaining, and political goals; equally important, higher effectiveness in these spheres contributes to greater density (Rose and Chaison 1996). In relative terms, Canadian unions performed reasonably well throughout most of the 1980s and the 1990s in terms of organizing and collective bargaining outcomes. In contrast to their American counterparts, organizing remained a high priority and produced membership gains, and there was staunch resistance to concession bargaining. Close ties between organized labor and the New Democratic Party (NDP), a social democratic party, led to enhanced political influence and produced laws supportive of collective bargaining. That said, the labor relations landscape underwent significant changes beginning in the 1990s.

In a general sense, the factors that have contributed to union decline, or stagnation in the case of Canada, also represent barriers to union renewal. Several environmental forces have shaped the union decline/renewal debate. First, economic forces, including capital mobility, corporate and government restructuring (amalgamation, downsizing, and outsourcing), industrial and occupational shifts in employment, and the rise of contingent employment have figured prominently. Second, political changes such as shifts to the right of the political spectrum have reduced the influence of the NDP in many parts of Canada and contributed to the deregulation of labor standards and the adoption of more restrictive labor laws. Third, social factors have also played a role, for example, rising employer opposition to unions. Combined with deficiencies in union organization and structure (for example, complacency, leadership, and inter-union rivalry), “the forces of globalization, new technology and related dramatic shifts in the labour market, have promoted an environment of insecurity and vulnerability leading to increasing employer hostility, state antipathy, and worker ambivalence towards unionization” (Kumar and Schenk 2006, 44).

The Organizing Challenge

Although there are many aspects of union renewal, organizing is the cornerstone. Despite considerable organizing success enjoyed by Canadian unions in the period 1970–2000, the more recent failure of membership gains to keep pace with employment gains, and the resulting decline in density, represent clear evidence of a profound organizing challenge. For unions to grow and prosper they must make significant gains in the “harder-to-organize” sectors of the economy, such as the private service sector, smaller firms, and expanding segments of the labor force (for example, knowledge workers in the private sector and contingent workers) (Rose and Chaison 2001).

A comparison of 1998 and 2007 data for selected labor force characteristics reveals there has been no appreciable increase in union penetration and union coverage in small enterprises and among key employee groups (see Table 1). The figures for smaller workplaces, part-time employees, and service industries recorded very modest gains, whereas the rates for occupations declined marginally. Taken as a whole, these figures demonstrate that union density and union coverage are significantly below the national average and are largely unchanged over the past decade (Akyeampong 1999; Statistics Canada 2007).

The organizing challenge has been made more difficult by changes in the political climate as well as collective bargaining laws. The rise of neo-liberal governments and their penchant for deregulation of labor markets contributed to a political and social climate less hospitable to unions. This has been reflected in legal changes, most notably the shift from card-based certification to mandatory votes. Since 1995 the percentage of the Canadian labor force covered by mandatory certification votes increased from 18 to 57 percent (Johnson 2004). Research indicates that union success rates are substantially lower under mandatory vote schemes (Riddell 2004). Additionally, if all Canadian jurisdictions had used mandatory votes between 1980 and 1998,

TABLE 1
Union Density and Union Coverage by Selected Characteristics, 1998 and 2007*

	Union Density		Union Coverage	
	1998	2007	1998	2007
Public Sector	71.1	71.7	75.3	75.2
Private Sector	19.1	17.0	21.1	18.8
Workplace Size				
Under 20 Employees	12.4	13.1	14.0	14.7
Work Status Part-time	21.9	22.9	23.6	24.6
Age 15 to 24	11.5	13.3	13.3	15.0
Industry				
Trade	12.5	12.9	14.2	14.5
Finance, Insurance, and Real Estate	7.5	9.7	9.5	11.2
Professional Scientific, and Technical	4.5	4.3	6.4	5.5
Accommodation and Food	8.0	7.4	8.6	8.3
Occupation				
Management	10.6	8.3	13.8	10.9
Wholesale	6.1	5.4	8.7	6.5
Retail	12.9	12.3	13.7	13.6
Food and Beverage	9.3	7.8	9.7	8.6

Source: Akyeampong 1999 and Statistics Canada 2007.

Note: Percentages based on averages for January through June for years 1998 and 2007.

a conservative estimate is union density would have been 3 to 5 percent lower in 1998 (Johnson 2004).

Future Prospects for Organizing

A key question of the union renewal debate that is not often discussed in the literature is the following: Is there a numerical goal or outcome of union renewal? Union density in Canada peaked at 40 percent in 1983. Barring a paradigm shift created by an economic or some other crisis, it is highly unlikely that figure will be achieved in the foreseeable future. In the absence of centralized labor markets and a strong social democratic party that is capable of championing progressive labor laws to promote union organizing, it is difficult to be optimistic about achieving a surge in union membership growth and a significantly higher union density rate (Western 1997). Even assuming a rebound in union density, it is unlikely to exceed about one third of the nonagricultural labor force. While even that goal would appear ambitious, it is not outside the realm of possibility. While space limitations preclude an exhaustive treatment of the organizing-renewal nexus, I wish to highlight three factors that may contribute to organizing gains.

The Demand for Unionization Among Non-union Workers

Survey evidence indicates that nearly one third of non-union workers in Canada would vote for a union given the opportunity (Lipset and Meltz 1998). Unfortunately, many non-union workers are reluctant to join unions out of fear of employer reprisals. Nevertheless, the apparent latent demand for unionization, which is even higher for young workers, visible minorities, and women (over 50 percent), suggests that “many workers are aware of the union advantage and could be persuaded to join unions” (Jackson 2006, 66). If union renewal is to become a reality, unions will have to penetrate these largely untapped constituencies.

Organizing Priorities and Strategies

While most unions recognize the importance of new organizing to union renewal, they also recognize there are trade-offs between organizing and other priorities. Survey evidence reveals that organizing is a lower priority than servicing present members, many unions are reluctant to organize outside their traditional jurisdictions, and unions have not committed sufficient resources to organizing (Kumar and Murray 2006; Yates 2006).

The development of alternative organizing strategies is critical to union renewal. A recent and notable example is the agreement between the Canadian Autoworkers Union (CAW) and Magna, Canada’s largest auto parts maker. In October 2007 the parties reached an agreement that would allow workers at

all plants to simultaneously vote on union representation and a CAW-Magna national collective agreement. The “Framework of Fairness” agreement combines features of conventional collective agreements and Magna’s “fair enterprise corporate culture,” for example, employee concerns will be handled by “employee advocates” rather than union stewards. The union also gave up the right to strike and agreed to a system of final-offer arbitration (Van Alphen 2007).

The agreement has the potential to add 18,000 members to CAW and boost union revenues by millions of dollars. It is uncertain whether this approach will have broad appeal or simply reflects circumstances peculiar to Magna or the troubled auto sector more generally. To some extent, there may be support for pursuing labor-management partnerships based on innovative collective agreements and labor peace. On the other hand, several CAW locals as well as other unions have criticized the agreement, particularly the abandonment of the right to strike (Van Alphen 2007). The impact of the agreement on union membership will bear watching in the future.

Legal Changes

Two recent decisions of the Supreme Court of Canada have the potential to alter the organizing landscape. Both reflect a greater recognition of international standards in interpreting the freedom of association provisions in the Charter of Rights and Freedoms enshrined in the Canadian constitution (Barrett 2003). In a 2001 decision (*Dunmore v. Ontario (Attorney General)* 2001), the Court held that the exclusion of agricultural workers from coverage under the Ontario Labour Relations Act contravened the constitutional guarantee of freedom of association. The decision recognized that without legislative protection to organize, agricultural workers would not be capable of exercising their constitutional right to freedom of association. The significance of this decision is that it potentially opens the door for unions to organize employees (or assist employee associations) heretofore excluded under collective bargaining statutes.

Even more dramatic was a 2007 decision in which the Court reversed twenty years of jurisprudence and recognized that the guarantee of freedom of association contained in the Charter extends to the right of Canadian workers to bargain collectively (*Health Services and Support v. British Columbia* 2007). In this case British Columbia passed a law pertaining to the health care sector that overrode collective agreement provisions covering contracting out and layoff and bumping rights. The Court found that by invalidating significantly important provisions in collective agreements without engaging in good faith bargaining and consultation, the government had substantially interfered with freedom of association (Lancaster House 2007).

It would be ironic if these decisions, and more generally if the courts, became the stimulus to organizing in the fertile fields of the unorganized sectors. Nevertheless, these decisions have two potential implications for future union organizing. The first is that previous occupation-based exclusions may be brought within the ambit of existing collective bargaining laws, thereby affording excluded groups full legal protection for exercising their right to join a union. It is noteworthy that Ontario recently announced it intends to introduce legislation to amend the Colleges Collective Bargaining Act and thereby extend collective bargaining rights to 17,000 part-time community college employees. Ontario is presently the only province that excludes part-time college staff from a collective bargaining statute (Government of Ontario 2007). The second implication is it might change the way labor relations boards define appropriate bargaining units and conceivably alter the majority-support model of certification (Nelligan O'Brien Payne 2007). While the full impact of these decisions will not likely be known for years to come and skeptics might argue the implications are narrower, it must be observed that not many pundits believed the Court would reverse direction and attach such significance to international standards.

Conclusion

It is difficult to be optimistic about the prospects for union renewal in Canada. Changes in the economic, political, and social environments have contributed to a decline in union organizing activity, bargaining power, and political influence. Despite the emergence of new and innovative organizing strategies, many unions, out of necessity, have responded defensively by attaching a higher priority to servicing current members. If union density is to rebound, it will require higher levels of organizing activity and success. To that end, it will also require a resurgent NDP and the adoption of progressive labor laws. Whether this results from evolutionary change or a major crisis, it is difficult to imagine meaningful union renewal without a shift in the political, legal, and social climates.

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