

# **Organized Labour in Canada and the United States: Similarities and Differences**

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Labour movements in Canada and the United States have much in common and close historical ties. They are bound together by a common continental heritage, interdependent product and labour markets, and a similar labour relations framework in the two countries. International unions, with predominant membership and head offices in the United States, are an integral part of the Canadian labour movement. Unions in the two countries share common goals and beliefs, have similar functions and organizational structures, and have been fighting in recent years an uphill battle for legitimacy in face of a hostile and challenging economic, social, political, and technological environment.

The two labour movements however, differ markedly in the way they have performed during the past 20 years (see Table 1). Unions in the United States appear to be losing their economic and political influence. Their membership, both in absolute terms and as a percent of the non-agricultural employment, has declined to the extent that less than 20 percent of workers are now members of unions compared with over 30 percent a quarter of a century ago, threatening the viability of the labour movement as a major voice of working men and women.<sup>i</sup> Indeed the 1980's has become a "decade of trial" for the American labour movement.

In sharp contrast to the United States, the Canadian labour movement has been vibrant, showing remarkable resiliency in the face of a vastly altered economic and labour market environment of the 1980's. Its rank and file has grown steadily except for a brief period of slowdown and decline in 1982-1983. The union density, that is the union membership as a proportion of non-agricultural paid work force, has remained high at around 40 percent despite recessionary losses in membership of many large private sector unions. The labour movement in Canada has not only survived but in some ways has become more dynamic and strong. It is beginning to assume a leadership role in social and economic reforms through actively lobbying for improved legislation (on issues such as pay and employment equity for women, better occupational and health standards, national day care, better public pensions, more effective protection for part-time workers, etc.), through coordinated campaigns for full employment policies and against free trade privatization, deregulation and restrictive labour legislation initiatives, and by forging closer links with other community organizations (e.g. the church) on issues of mutual concern.<sup>ii</sup>

The divergence is clearly reflected in the proportion of unionization and percent of collective bargaining coverage in aggregate, by gender, age, occupation, industry and by full-time part-time employment (see Table 2). In almost all categories of employment union organization in Canada is almost twice the average reported for the United States. This is true even for such "harder to organize" groups as women, younger workers, part-time employees, professionals and other white collar workers, and in trade, finance and service industries.

What accounts for this divergence? The question is becoming a popular subject of academic research both sides of the border. Several explanations have been put forward.<sup>iii</sup> These cover differences in labour relations environment including differences in regional and industrial structures of employment; social and political context and value systems, in particular the greater emphasis on collectivism in Canada compared to more individualism in the United States; and in the public policy framework for union organization and collective bargaining. Recent research has also explored the role of employer policies and practices, and union organizing efforts and successes to explain the divergence. Based on the findings of research studies and the perceptions of leaders of large unions and federations I have interviewed

recently following appears to be the key factors accounting for the divergence in recent performance of labour movements in the two countries.<sup>iv</sup>

i) A key difference is the level of union organization of public and semipublic sector in the two countries. In Canada, almost all government employees - federal, provincial and local - and workers in education and health services, eligible to become union members, are unionized. Public sector employees account for almost one-half of the total union membership in Canada. In the United States, public sector union organization is significantly lower, less than one-half of the work force, except at the state and local government levels where it is much higher but still less than in Canada. Public sector employees constitute less than 30 percent of the total American union membership.

Major reasons for this differential are that (i) public sector employees in Canada enjoy more collective bargaining rights than in the United States; and (ii) the public sector unions in Canada, especially the Canadian Union of Public Employees (CUPE) and the National Union of Provincial Government Employees (NUPGE), the two largest and fastest growing national unions, are far more aggressive and pro-active than their counterparts in the United States. In the past five years, the two organizations have increased their membership by almost 20 percent.<sup>v</sup>

ii) Unions in Canada have been devoting more time and resources, and have enjoyed greater success than unions in the United States, in organizing the unorganized workers. The concerted new organizing activity in recent years, following a marked slowdown in 1982-83, is reflected in increased number of applications and new certifications in Ontario, Quebec and federal jurisdictions. For example, during the first half of the 1980's, 1980-85, there were close to 24,000 applications for new certifications in the eleven labour relations jurisdictions. About 75 percent resulted in certifications, adding nearly 400,000 workers to union rank and file, approximately 12 percent of the total union membership in 1980. Of course, new organizing varies greatly by region, reflecting disparities in labour market environment. Also, despite concerted organizing efforts unions have not made significant inroads in organizing workers in trade and finance - the two strongholds of nonunion employment.

iii) To bolster new organization and to make unionism more attractive to unorganized workers, largely women, part-time workers and professionals, unions in Canada have been very active and aggressive in pursuing women's issues, lobbying actively for pay and employment equity, universal national day care, better protection for part-time workers, improved public pensions, etc. Unions have also taken steps to increase the number of women on their executive boards in an attempt to diffuse the complaint that unions are primarily male dominated.

iv) There is increasing orientation towards "social unionism" in Canada in the tradition of CIO activities of the 1930's and 1940's. There is a long tradition of greater union involvement in political affairs in Canada. Canadian unions, unlike their U.S. counterparts, do not espouse political neutrality, actively support the New Democratic Party, and have always seen their role as going beyond "bread and butter" activities. Unions in recent years have assumed a leadership role in social and economic reforms through lobbying for improved legislation on more effective employment protection and better working conditions, through coordinated campaigns for full employment policies, more equitable distribution of income and wealth, and against free trade, deregulation and privatization initiatives, and by forging closer links with community organizations (e.g. the church) and special interest groups. These links have

provided many tangible and intangible benefits to the labour movement in its organizing efforts, high profile first agreement negotiations, and in improving its public image. Organized labour in Canada appears to have realized that in order to survive and to withstand the erosion of its organizational and bargaining strength, it has to become more active, aggressive and innovative social institution rather than being reactive, defensive and passive.

v) Although labour movement in Canada is diverse, and sometimes appears divisive with many central federations and frequent inter-union conflicts, there is greater labour solidarity in Canada. Coalitions and common fronts on major social and economic issues, changes in public policy with a potential for adversely affecting labour, and on high profile strikes and lockouts are not uncommon. The union solidarity has been most evident recently on free trade discussions, on restrictive labour legislation in British Columbia, on the need for full employment policies, and to fight the growing use of the Charter of Rights and Freedoms in the new Constitution to challenge union security, strike and picketing rights, and the political rights and freedoms of workers.

vi) Unions in Canada are "forward-looking" in their strategies and approaches to meet new challenges. For example, public sector unions, faced with near saturation of public sector organization and conscious of impending decline in public sector employment as a result of high budget deficits, have begun to organize workers in the private sector. Similarly unions in construction and in durable manufacturing (e.g. steel and auto) have broadened their organization jurisdiction through mergers and new organizing outside their traditional jurisdiction. Large unions in Canada have also been changing their organization structures to serve the rank and file more effectively.

vii) Collective bargaining approaches of unions in the two countries have also differed significantly in recent years. Unions in Canada have taken a strong public stand against "concession bargaining" and have refused to give in on long term employment and compensation flexibility demands of management without strong job and union security guarantees. They have successfully resisted introduction of profit sharing and other contingent compensation systems as an alternative to standard wage increases. Unions have been similarly steadfast in their opposition to participatory decision-making initiatives such as QWL, QC, team concepts and related employee involvement programs. They have taken the position that such programs are rarely genuine attempts to enhance quality of worklife and tend to undermine the representative role of the union at the work place. Unions in Canada favour on-going collective bargaining in the form of joint labour-management and related problem-solving committees as the most effective mechanisms for bringing workers into the decision-making process.

The differences in collective bargaining approaches of unions in the two countries are one of the key reasons for the declining relative numerical importance of international unions in Canada. These differences were highlighted recently by the splits in the United Auto Workers and the International Woodworkers.

viii) Finally, as pointed out in many studies, public policy is slightly more favourable to labour in Canada, reflecting the greater sense of collectivism considered necessary in a sparsely populated, highly dispersed country with a harsh climate, significant regional disparities in income and employment and a work force with a multitude of ethnic and linguistic backgrounds. However, the public policy in many parts of Canada is becoming more conservative and unfavourable to unions. The Charter of Rights and

Freedoms with its orientation to individual rights, is also posing a serious threat to union legitimacy. Recent court decisions have questioned the use of union dues for non-collective bargaining purposes, and excluded the right to strike from constitutional protection of the freedom of association.

As for other explanations, it is doubtful that employers are very different or workers are more disposed to unions in Canada than in the United States. It appears that the divergence in the relative performance of labour movements in the two countries has to be found largely in the nature of unionism and in the organizational and bargaining strategies and approaches of unions, and not in the perceived differences in the social, political, economic, and public policy environment. The adversities of the environment, the hostility of employers, the weaknesses of the labour legislation, and the indifference of the public and the state can be overcome if the workers viewed unions as a useful vehicle for improving their economic and social status, and for expressing their needs and aspirations.

**Table 1 - Union Membership and Density in Canada and the United States, 1920-1986**

Year	Total Membership ('000)		As a % of Non-Agricultural Workers	
	Canada	U.S.	Canada	U.S.
1920	374	4,823	16.0	17.6
1925	271	3,685	14.4	12.8
1930	322	3,750	13.9	12.7
1935	281	3,650	14.5	13.5
1940	362	7,279	16.3	22.5
1945	711	12,254	24.2	30.4
1951	1,029	15,139	28.4	31.7
1955	1,268	16,127	33.7	31.8
1960	1,459	15,516	32.3'	28.6
1965	1,589	18,269	29.7	30.1
1970	2,173	20,990	33.6	29.6
1972	2,388	21,206	34.6	28.8
1974	2,732	22,165	35.8	28.3
1975	2,884	22,207	36.9	28.9
1976	3,042	22,153	37.3	27.9
1977	3,149	21,632	38.2	26.2
1978	3,278	21,757	39.0	25.1
1979	n/a	22,025	n/a	24.5
1980	3,397	20,968	37.6	23.2
1981	3,487	20,647	37.4	22.6
1982	3,617	19,571	39.0	21.9
1983	3,563	18,634	40.0	20.7
1984	3,651	18,306	39.6	19.4
1983	3,563	17,717	40.0	20.4
1984	3,651	17,340	39.6	19.1
1985	3,666	16,996	39.0	18.3
1986	3,730	16,975	37.7	17.8

Sources: Canadian Data: Labour Canada, Directory of Labour Organizations in Canada (annual). In 1950 the reference date of Labour Canada's survey was changed from December 31 to January 1; therefore, no figure is reported for 1950. In 1979 the survey was not conducted. U.S. Data: from 1920-1984 Leo Troy and Neil Sheflin, Union Sourcebook: Membership, Finances, Structure, Directory (West Orange, N.J.: Industrial Relations Data and Information Services, 1985); from 1983-1986 (second set of data), U.S. Bureau of Labor Statistics, Employment and Earnings.

Reproduced from: The Current Industrial Relations Scene in Canada, 1987, (Kingston: Industrial Relations Centre, Queen's University) p. 362

**Table 2 - Union Membership and Collective Agreement Coverage of Employed Paid Workers by Age, Sex, Employment Status, Occupation and Industry in Canada and the United States, 1984**

	Unionized		Covered by Collective Agreement	
	Canada	U.S.	Canada	U.S.
Both Sexes	37.2	18.8	41.8	21.6
16-24*	18.6	7.9	23.0	9.5
25-34	39.7	18.2	44.4	21.3
35-44	46.1	23.9	50.6	27.4
45-54	44.4	25.5	49.2	28.8
55-64	44.7	25.0	49.4	27.8
65 and over	14.1	9.8	20.4	11.3
Males	41.5	23.0	46.0	25.7
16-24*	21.8	9.9	25.6	11.6
25-34	42.2	21.8	46.8	24.5
35-44	50.7	29.3	55.3	32.5
45-54	50.5	31.1	55.4	34.3
55-64	49.5	30.2	54.7	32.7
65 and over	14.4	11.0	19.6	12.6
Females	31.9	13.8	36.6	16.8
16-24*	15.3	5.8	20.3	7.3
25-34	36.6	13.7	41.5	17.2
35-44	40.3	17.5	44.8	21.3
45-54	36.2	18.5	40.8	22.0
55-64	36.9	18.6	40.9	21.7
65 and over	13.5	8.6	21.7	9.9
Full-Time Employment	40.9	21.5	45.5	24.5
Part-Time Employment	18.8	7.3	23.4	9.0
By Occupation				
Managerial, Professional, Technical	40.9	15.2	47.0	19.6
Clerical	30.2	14.0	35.3	17.4
Sales	9.0	6.3	12.1	7.4
Service	28.5	15.1	32.1	17.2
Primary, except Mining	22.8	5.5	24.6	6.4
Processing, Machining, Labourers	51.6	32.3	54.2	34.6
Transportation and Moving	45.3	34.7	49.4	37.0
Materials Handling	49.0	27.4	52.0	29.4
By Industry				
Agriculture	2.3	2.6	2.8	3.3
Mining	32.8	17.7	36.5	19.8
Construction	38.8	23.5	42.3	24.8
Manufacturing	45.0	26.0	49.0	28.4
Durable	48.7	27.5	52.2	30.0
Non-Durable	41.4	23.8	45.9	25.8
Transportation	54.9	37.3	58.4	39.4
Communications & Public Utilities	66.6	40.3	71.5	45.4
Wholesale Trade	12.7	8.6	16.2	9.5
Retail Trade	12.4	7.8	15.9	8.7
Finance, Insurance & Real Estate	9.2	2.7	12.9	4.0
Services	38.1	7.3	43.4	8.8
Government	66.6	35.8	74.7	43.9

Source: Statistics Canada, unpublished data from the Survey of Union Membership, a supplement to the Labour Force Survey, U.S. Bureau of Labor Statistics, Employment and Earnings.

\* 15-24 years of age in Canada.

Reproduced from: The Current Industrial Relations Scene in Canada, 1987. (Kingston: Industrial Relations Centre, Queen's University) pp.390-391.



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<sup>i</sup> For an account of declining role of unions in the United States see Thomas Kochan, Harry Katz and Robert McKersie. The Transformation of American Industrial Relations (New York: Basic Books, 1987); Seymour Martin Lipset (editor). Unions In Transition: Entering the Second Century (San Francisco, California; ICS Press, 1986); Richard Edwards, Paola Garonna and Franz Todtling, Unions In Crisis and Beyond: Perspectives from Six Countries (Dover, Mass: Auburn House, 1986); Henry Farbar, The Decline of Unionization In the United States: What Can be Learned From the Recent Experience (Cambridge, Mass: NBER Working Paper No. 2267); and Dickens, William and Jonnathan Leonard, "Accounting for the Decline in Union Membership, 1950-1980", Industrial and Labor Relations Review Vol. 38 (1985).

<sup>ii</sup> The recent union developments in Canada are summarised in Kumar, Pradeep and Megan Slobodin. Changing Unionism in Canada (mimeographed) Kingston, Ontario: Industrial Relations Centre, Queen's University, and in Kumar, Pradeep et al. The Current Industrial Relations Scene In Canada 1986 (Kingston, Ontario: Queen's University Industrial Relations Centre).

<sup>iii</sup> See Lipset opcit Chapters 4 and 17; Meltz Noah M., "Labour Movements in Canada and the United States" in Thomas Kochan (editor). Challenges and Choices Facing American Unions (Cambridge, Mass; MIT Press, 1985); Rose Joseph and Gary Chaison, "The State of the Unions: United States and Canada. Journal of Labor Research Vol. VI (Winter 1985), and "The State of the Unions Revisited: The United States and Canada", Proceedings of the Canadian Industrial Relations Association Annual Meeting, McMaster University, Hamilton, June 1987; and Weiler, Paul, "Promises to Keep: Securing Workers' Rights to Self Organization Under the NLRA", Harvard Law Review, Vol. 96 (June 1983).

<sup>iv</sup> Interviews were conducted during the months of March-June 1987 and covered a wide range of topics relating to union responses and strategies in the 1980s. Those interviewed included the President, Canadian Labour Congress; President, Confederation of National Trade Unions; President, Canadian Federation of Labour; President, Quebec Federation of Labour; and heads of the Canadian Auto Workers, United Steelworkers, Food and Commercial Workers, Canadian Paperworkers, Communications and Electric Workers, Public Service Alliance, Canadian Union of Public Employees, and the National Union of Provincial Government Employees.

<sup>v</sup> The two unions are also the most aggressive in terms of new organizing. Both unions have expanded their jurisdictions recently to organize workers in the private sector.



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