

# The Structure and Growth of the Canadian National Unions

## Structure et croissance des syndicats nationaux au Canada

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Article abstract

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# The Structures and Growth of the Canadian National Unions

**Gary N. Chaison**  
**and**  
**Joseph B. Rose**

*The authors present an overview of union growth and highlight specific characteristics of national trade unions, review recent studies of union growth in Canada, examine their relevance to the rise of national unionism, develop an alternative model of union growth and test its applicability to national unions.*

The purpose of this paper is to analyze the growth of national trade unionism in Canada between the years 1920 and 1972. It is our contention that the rise of national unions, i.e., labour organizations which charter locals in Canada only, is not a recent phenomenon, but can be traced back more than fifty years. We also believe there is a need to determine the applicability of aggregate models of union growth to the national union component of the labour movement in Canada. In recent years, there have been several attempts to explain overall union growth in Canada. However, as Kochan has noted, the economic approach to industrial relations research "will need to explore more intensively why different sectors, industries, bargaining relationships, and even individuals respond differently to the same economic stimulus or treatment."<sup>1</sup> The same can be said for disaggregated analyses of union growth.

One of the more distinguishing features of the Canadian industrial relations system is the dominant position held by international unions headquartered in the United States. The U.S.-Canada labour link was forged more than a century ago and in the intervening years has grown in importance<sup>2</sup>. Recently, however, strains have developed in this relationship which

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1 KOCHAN, Thomas A., "Theory, Evaluation, and Methodology in Collective Bargaining Research", *Proceedings of the Twenty-Ninth Meeting of the Industrial Relations Research Association*, Madison, Wisconsin, IRRA, 1977, p. 245.

2 For a brief overview of the industrial relations system and the development of the labour movement, see Stuart JAMIESON, *Industrial Relations in Canada*, 2nd edition, Toronto, Macmillan, 1973, pp. 1-43.

have reduced the influence of international unionism. Adams identified several reasons for this, including the desire for greater autonomy among Canadian sections of international unions, the growth of Canadian nationalism generally and the larger role being assumed by public sector unions in the labour movement<sup>3</sup>.

The rapid emergence of public sector unionism over the past decade or so has rekindled interest in national trade unions. Notwithstanding the importance of national unionism in the development of the labour movement<sup>4</sup>, there remains a dearth of information available about individual unions<sup>5</sup>. To some extent this may be explained by the fact that many of the earliest unions were relatively small, ineffective, and had a short life span<sup>6</sup>. Similarly, the secular expansion of national unions has not been empirically studied. With the possible exception of Quebec, the study of national unionism has usually been examined in light of the overall pattern of union growth.

This paper examines four aspects of union growth. In the first two sections, we present an overview of union growth and highlight specific characteristics of national trade unions, e.g., average size of unions and geographic concentration. This is followed by a review of recent studies of union growth in Canada and an examination of their relevance to the rise of national unionism. Finally, we have developed an alternative model of union growth and tested its applicability to national unions.

## UNION GROWTH IN CANADA, 1920-1972

Over the course of the 20th century there has been a phenomenal increase in trade unionism. Between 1920 and 1972, aggregate union membership in Canada rose from 374,000 to 2,388,000 workers (or 638 percent). Correspondingly, the unionized component of the non-agricultural labour force more than doubled, rising to 33 percent<sup>7</sup>. Total union membership remained virtually unchanged in the pre-World War II period (1920-39), but the pace of unionization quickened for both international and national unions following 1940 (see Figure 1).

3 ADAMS, Roy J., "Canada-U.S. Labor Link", *Industrial Relations*, XV, October 1976, pp. 295-312.

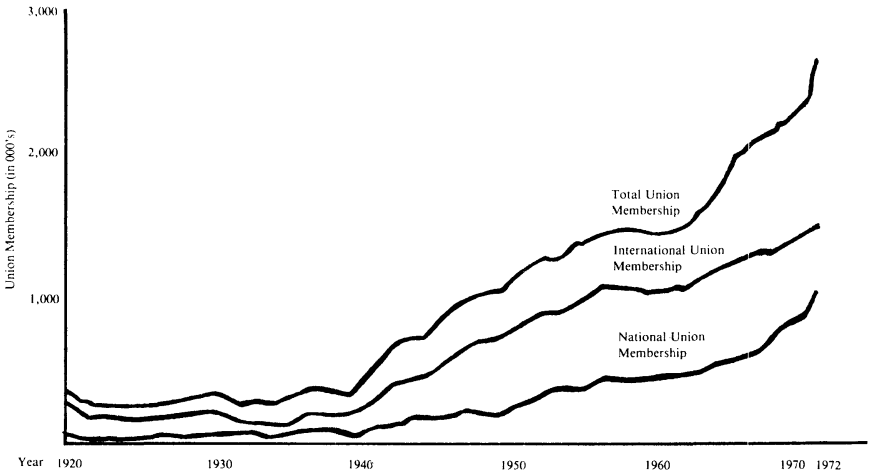
4 JAMIESON, *loc. cit.* See also, H.A. LOGAN, *Trade Unions in Canada*, Toronto, Macmillan, 1948, and Charles LIPTON, *The Trade Union Movement of Canada: 1827-1959*, 3rd edition, Toronto, NC Press, 1973.

5 Many of the smaller and presumably financially strapped unions did not produce a newspaper or a journal, nor were their activities widely reported in periodicals such as the *Canadian Unionist*. However, some national unions, because of their size and prominence, received a great deal of attention, e.g., the Canadian Brotherhood of Railway Employees.

6 ADAMS, *op. cit.*, p. 296. See also, Canada Department of Labour, *Labour Organizations in Canada*, Ottawa, Information Canada, 1920-73.

7 Canada Department of Labour, *Labour Organizations in Canada 1972*, Ottawa, Information Canada 1973, pp. xxii-xxiii.

**FIGURE 1**  
**Union Membership in Canada, 1920-1972**



A comparison of aggregate and disaggregate data on union membership point up some important differences in growth patterns. Table 1 compares union growth rates by decade and for the periods 1920-45 and 1945-72. The data show that the average annual increase in national union membership out-stripped the rate for total and international union membership in virtually every time period. While union membership generally stagnated during the twenties and thirties due to employer hostility and the depression, national unions recorded average annual growth rates of 7.5

percent and 7.1 percent, respectively. These gains came from several sources. In 1921, the Canadian and Catholic Confederation of Labour (CCCL) was formed in Quebec. The CCCL, which was dominated by the Catholic Church, was staunchly nationalistic and succeeded in organizing French-Canadian workers who were disillusioned with the American-dominated Trades and Labour Congress (TLC)<sup>8</sup>. Another factor contributing to national union growth in the twenties was the emergence of public sector unions such as the Dominion Postal Clerks Association. Membership in public sector unions more than doubled between 1919 and 1923 (from 3,336 to 7,245 workers). In the late twenties and thirties, industrial workers were recruited by the Canadian Brotherhood of Railway Employees (CBRE) and two new labour federations — the All-Canadian Congress of Labour (ACCL) and the Workers' Unity League (WUL). These labour federations and their affiliates exploited the TLC's unwillingness to modify its philosophy of craft exclusiveness and mounted many successful organizing campaigns. By the mid-thirties membership in the CCCL, ACCL and WUL nearly equalled that of the TLC<sup>9</sup>.

Only during the forties did international unionism expand at a faster rate. This is largely explained by the rise of the CIO and industrial unionism in the U.S., a trend which commenced in the late thirties. Notwithstanding the strong anti-American sentiment which existed in the WUL and the ACCL, Canadian workers actively sought the assistance and protection of American unions<sup>10</sup>. Because many Canadian unions were small, geographically dispersed, financially weak and lacked organizational stability, they found it difficult to compete effectively with the internationals for new members. Consequently, a merger became inevitable and in 1940 the Canadian Congress of Labour (CCL) was formed. Co-existence between Canadian national unions and the CCL was made possible by the latter's willingness to grant autonomy to its affiliates and a strict adherence to the principle of industrial unionism<sup>11</sup>. The merger, coupled with the TLC's blossoming interest in organizing industrial workers, produced substantial gains in the manufacturing sector for international unions and re-established their dominant position within the Canadian labour movement.

<sup>8</sup> ABELLA, Irving Martin, *Nationalism, Communism and Canadian Labour*, Toronto, University of Toronto Press, 1973, p. 2. Outside of Quebec, purely Canadian unions often "failed because of diverse and often conflicting geographic, cultural, political and ideological interests." JAMIESON, *op. cit.*, p. 11.

<sup>9</sup> *Ibid.*, p. 3.

<sup>10</sup> For example, the WUL disbanded in late 1935 and urged its affiliates to join the TLC unions. LIPTON, *op. cit.*, p. 261.

<sup>11</sup> KRUGER, Arthur M., "The Direction of Unionism in Canada", in *Canadian Labour in Transition*, Richard U. Miller and Fraser Ibestor, eds., Scarborough, Ontario, Prentice-Hall of Canada, Ltd., 1971, p. 93.

TABLE 1

## Average Annual Rate of Membership Growth

<i>Period</i>	<i>Total Union Membership</i>	<i>International Unions</i>	<i>National Unions</i>
1920-1929	- 1.7%	- 1.9%	+ 7.5%
1930-1939	+ 1.2%	- .7%	+ 7.1%
1940-1949	+ 12.0%	+ 13.6%	+ 11.0%
1950-1959	+ 4.0%	+ 4.2%	+ 8.6%
1960-1969	+ 4.0%	+ 3.3%	+ 6.3%
1970-1972	+ 8.2%	+ 2.6%	+ 18.2%
<hr/>			
1920-1945	+ 2.6%	+ 2.3%	+ 8.5%
1945-1972	+ 4.9%	+ 4.6%	+ 6.9%

Sources: *Union Growth in Canada, 1921-1967*, Ottawa: Economics and Research Branch, Canada Department of Labour, 1970, p. 95; J.K. Eaton, *Union Growth in Canada in the Sixties*, Ottawa, Canada Department of Labour, 1976, p. 35; and *Labour Organizations in Canada*, Ottawa, Canada Department of Labour, 1920-1973.

Following World War II, there was a steady increase in national unionism. Between 1945 and 1972, the average annual rate of growth for national unions was 6.9 percent (compared to 4.6 percent for international unions). In both the fifties and sixties, national unions grew at about twice the rate of internationals. To some extent, this reflects the rise in Canadian nationalism and the increasing demand for autonomy from Canadian sections of international unions<sup>12</sup>. However, as Table 2 indicates, the major factor appears to be the upsurge in public sector unionism, a trend which coincided with the tremendous expansion of employment at all three levels of government<sup>13</sup>. In 1945, one out of every eight national union members belonged to a public sector union. With the addition of several government employee associations during the fifties, e.g., the National Union of Public Employees, this proportion rose steadily until, in 1963, public sector unions represented a majority of national union membership. The advent of legal-status collective bargaining in the public sector pushed this figure to nearly 75 percent by 1972. The extension of collective bargaining rights to provincial public servants has stimulated additional growth in the seventies.

<sup>12</sup> EATON, J.K., *Union Growth in Canada in the Sixties*, Ottawa, Economics and Research Branch, Canada Department of Labour, 1976, pp. 32-33.

<sup>13</sup> The term public sector is broadly defined to include employees at the federal, provincial and municipal levels and employees of quasi-public institutions, e.g., hospitals. Between 1946 and 1966, federal government employment doubled; at the provincial and municipal levels, employment increased fivefold and fourfold, respectively. H.W. ARTHURS, *Collective Bargaining by Public Employees in Canada: Five Models*, Ann Arbor, Institute of Labor and Industrial Relations, The University of Michigan-Wayne State University, 1971, p. 7.

TABLE 2

Year	Public Sector and National Union Membership		
	Public Sector Membership	National Union Membership	Public Sector as a Percentage of National Union Membership
1945	22,527	178,237	12.6%
1950	49,547	206,004	24.1%
1955	161,806	403,132	40.0%
1960	212,002	436,486	48.5%
1965	325,477	559,013	58.2%
1972	803,625	1,080,813	74.4%

Source: *Labour Organizations in Canada*, Ottawa, Canada Department of Labour, 1945-1973.

This trend has significantly altered the composition of the Canadian labour movement, particularly the balance of power between international and national unions. During this period (1945-1972), 86 percent of national union growth and 41 percent of the total increase in union membership has been accounted for by public sector unions. Since 1960, the figures are even more impressive, being 93 percent and 51 percent, respectively. Indeed, recently published statistics indicate that membership in national unions surpassed that of international unions in 1978<sup>14</sup>.

### NATIONAL UNIONISM: A PROFILE

There are several characteristics of national unionism which can be distinguished from trade unionism generally in Canada. Here we shall examine four factors: union size, type of union, geographic location and dispersion, and age.

#### Union Size

A unique aspect of national unions is their relatively small size. Table 3 presents data on the size of national and international unions for selected years. In the pre-World War II period, the vast majority of national unions had 2,500 members or less and only one union, the CBRE, had over 10,000 members. In contrast, there were substantially more medium and large sized international unions and they averaged about 1,000 more members than national unions until the early thirties. By 1940, the average size of national and international unions was comparable, due mainly to the successful organization of industrial workers by national unions.

<sup>14</sup> Membership in international and national unions stood at 1,553,477 members and 1,637,626 members, respectively. Canada Department of Labour, *Labour Organizations in Canada, 1978*, Ottawa, Canada Department of Labour, 1978.

**TABLE 3**  
**Membership in National and International Unions by Size Categories**

Year	Number of Unions	Percentage Among Size Categories				Average Size
		Under 2,500	2,500-4,999	5,000-9,999	10,000 and Over	
<i>1920</i>						
National Unions	15	94.3	0.0%	0.0%	6.7%	1,628
International Unions	101	72.3	10.9	6.9	9.9	2,646
<i>1940</i>						
National Unions	36	72.9	16.2	2.7	8.1	2,415
International Unions	95	63.2	15.8	10.5	10.5	2,389
<i>1952</i>						
National Unions	63	39.7	30.2	17.5	12.7	5,568
International Unions	109	45.9	13.8	15.6	24.8	7,803
<i>1962</i>						
National Unions	53	41.5	13.2	22.5	22.6	8,810
International Unions	110	41.8	9.1	18.2	30.9	9,379
<i>1972</i>						
National Unions	87	35.6	14.9	21.8	27.6	12,282
International Unions	96	37.5	9.4	11.5	41.7	15,034

Source: Canada Department of Labour, *Labour Organizations in Canada*, Ottawa, Canada Department of Labour, 1920-1973.

Since 1940, the average size of national unions has increased nearly fivefold (from 2,415 to 12,282 members) and international unions have recorded a sixfold increase. During this period, the proportion of small national unions declined to about one-third of the total and approximately one-half of the Canadian unions surpassed 5,000 members. Indeed, by 1972 the distribution of membership by size categories was similar for national and international unions.

These changes reflect the tremendous expansion of public sector unionism and the relative slowdown of union growth in the private sector. An examination of the ten largest unions in Canada illustrates this point. In 1952, only the Canadian Brotherhood of Railway, Transport and General Workers (CBRT; formerly the CBRE) was ranked among the ten largest unions in Canada, in 1962, the figure reached two and by 1972 it included four national unions — the Canadian Union of Public Employees, the Public Service Alliance of Canada, the Quebec Teachers' Corporation and the Social Affairs Federation. The combined membership of these four unions represented over forty percent of the total membership in national unions.



### **Union Type**

Unions were divided into four groups: craft, industrial white-collar and/or professional and a miscellaneous category comprised of general unions. We fully recognize that many unions are not homogeneous organizations, but represent workers in a variety of occupations and industries. Accordingly, our classification scheme only denotes the predominant characteristic of a union's membership, e.g., the UAW is an industrial union and CUPE is a white-collar union. Therefore, the proportion of union membership represented by each type of union is subject to methodological limitations and should only be viewed as a "guesstimate"<sup>15</sup>.

As might be expected, craft unions were the dominant form of labour organization until the mid-thirties, representing nearly half of all national unions (see Table 4). However, owing to their small size and their rivalry with large international craft unions, they comprised less than twenty percent of national union membership. With the rise of industrial unionism in the late twenties and thirties, and the increase in white-collar unions after World War II (largely in the public sector), membership in craft unions declined steadily, falling to less than one percent in 1972. Industrial unions, which have traditionally represented the majority of national union members, surrendered their position to white-collar unions by the mid-fifties. The growth of Canada's two largest public service unions — the Canadian Union of Public Employees (CUPE) and the Public Service Alliance (PSAC) — has pushed the white-collar union component of total membership to nearly 75 percent by 1972.

### **Geographic Dispersion**

Membership dispersion can be measured by determining whether a union's jurisdiction is limited to a single province, includes more than one province but is regional in scope (two to six provinces), or is national or approximately national in character (seven or more provinces). This classification scheme can help to distinguish between truly national unions and those which are not as broadly constituted.

As the data in Table 4 indicate, throughout this century the scope of most national unions has been confined to individual provinces. In 1920, nearly half of all national unions had provincial jurisdictions. Although in subsequent years the proportion of provincial organizations has fluctuated widely, presently two out of every three unions fall into this category (repre-

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<sup>15</sup> Given the large number of national unions which have operated in Canada since 1920, it was impossible to ascertain the composition of each union's membership on an annual basis.

**TABLE 4**  
**Union Type and Geographic Dispersion**

<i>Union Characteristic</i>	<i>Proportion of Unions</i>					<i>Proportion of Union Membership</i>				
	<i>1920</i>	<i>1940</i>	<i>1952</i>	<i>1962</i>	<i>1972</i>	<i>1920</i>	<i>1940</i>	<i>1952</i>	<i>1962</i>	<i>1972</i>
Union Type:										
Craft	40.0%	27.8%	15.9%	11.3%	3.4%	15.3%	22.2%	8.7%	5.5%	0.6%
Industrial	20.0	52.8	52.4	49.1	38.6	57.9	63.8	50.1	36.7	24.6
White-Collar, Professional	33.3	16.7	27.0	35.8	51.4	25.3	13.1	35.0	55.1	73.1
General	6.7	2.8	4.8	3.8	6.8	1.5	0.8	6.2	2.6	1.7
Geographic Dispersion:										
Provincial	46.7	61.8	71.0	52.9	67.0	9.6	57.5	63.8	37.8	50.7
Regional	32.6	17.6	19.3	31.4	19.3	69.7	9.2	15.7	12.2	11.6
National	20.7	20.6	9.7	15.7	13.7	20.7	33.3	20.5	50.0	37.7
Geographic Location:										
Atlantic	6.7	5.9	14.5	8.0	12.6	1.5	1.9	10.9	1.6	4.5
Quebec	6.7	35.3	29.0	28.0	21.8	3.6	45.8	32.4	28.0	24.6
Ontario	20.0	11.8	4.8	6.0	10.3	1.3	3.8	1.2	0.5	10.0
Prairies	13.3	2.9	6.5	4.0	9.2	3.3	2.3	8.2	2.4	7.0
British Columbia	0.0	5.9	17.7	12.0	14.9	0.0	3.6	12.1	6.7	5.9
Other Regional and National	53.3	38.2	27.4	42.0	31.2	90.3	42.6	35.2	60.8	48.0

Source: Canada Department of Labour, *Labour Organizations in Canada*, Ottawa, Canada Department of Labour 1920-1973.

senting fifty percent of total union membership). From a membership standpoint, a somewhat different pattern emerges. Approximately ninety percent of all union members in 1920 belonged to regional or national organizations. It should be noted, however, that one union (CBRE) accounted for half of the national union members. By 1940, 57.5 percent of the union members were represented by provincial bodies and another one-third by national organizations. The distribution of union membership was about the same in 1972, although some variations in this pattern occurred in the fifties and sixties.

Another way of presenting this data is to compare union membership patterns in three provinces (Quebec, Ontario and British Columbia), two regions (Atlantic and Prairie provinces), and a catch-all category consisting of other regional groupings and national unions<sup>16</sup>. The primary factor accounting for the increased concentration of membership in provincial organizations between 1920 and 1940 was the formation of the CCCL in Quebec. In 1940, 35 percent of the national unions (representing 46 percent of total membership) were situated exclusively in that province. In subsequent years, the concentration of national unionism in Quebec has remained strong, although not quite as dominant. The expansion of industrial and public sector unionism has produced increases in exclusively provincial and regional unions. Because Canadian unions could not compete effectively with international unions either at the national level or in Canada's major industries, their jurisdictions were generally narrow in geographic scope and industrial breadth. Even the development of large national public sector unions such as CUPE and the PSAC, has not significantly altered the provincial character of Canadian national unionism.

### Union Age

Although age data were not collected for international unions, an attempt was made to examine the longevity of national unions (see Table 5). Three observations merit comment. First, the average life span of national unions between 1920 and 1940 was relatively short as only 54 percent of them survived five years or longer. By comparison, seventy percent of the unions established between 1945 and 1964 survived a minimum of five years. Second, the proportion of unions surviving ten years or longer has increased from 31 percent in the twenties to fifty percent in the fifties. Third, national unions are relatively youthful; 55 of the 213 unions (26 percent) created since 1920 were established in the period 1960-1972.

<sup>16</sup> Membership data for individual unions is not published by province, but *Labour Organizations in Canada* does contain information about the geographic dispersion of local unions. Thus, where all the locals of a national union are located in a single province, membership is known; otherwise, union membership by province cannot be determined.

**TABLE 5**  
**Life Span of Canadian National Unions**  
*Years Life Span (Number of Unions)*

<i>Years First Listed</i>	<i>1-4</i>	<i>5-9</i>	<i>10-14</i>	<i>15-19</i>	<i>20-24</i>	<i>25-29</i>	<i>30-34</i>	<i>35-39</i>	<i>40-44</i>	<i>45-49</i>	<i>50-54</i>	<i>55-59</i>	<i>Total</i>
1920-24	6	2	1					1	3		1	—	14
1925-29	6	8		1	1					2	—	—	18
1930-34	12	1				1	1			—	—	—	15
1935-39	12	1	1	5	3	2	1	4	—	—	—	—	29
1940-44	10		2		2	4		—	—	—	—	—	18
1945-49	12	5	2			6	—	—	—	—	—	—	25
1950-54	7	10		2	9	—	—	—	—	—	—	—	28
1955-59	2	1	3	5	—	—	—	—	—	—	—	—	11
1960-64	1	1	7	—	—	—	—	—	—	—	—	—	9
1965-69	9	14	—	—	—	—	—	—	—	—	—	—	23
1970-72	23	—	—	—	—	—	—	—	—	—	—	—	23
Total	100	43	16	13	15	13	2	5	3	2	1	0	213

Source: Canada Department of Labour, *Labour Organizations in Canada*, Ottawa, Canada Department of Labour 1920-1973.

## MODELS OF UNION GROWTH IN CANADA

Union growth models generally attempt to explain fluctuations in union membership through regression analyses of economic, institutional and/or public policy variables. Recently, two studies examined union growth in Canada. In the first, Swidinsky developed a model which tested the relationship between union growth and the following independent variables: (1) the rate of change of employment in unionized firms; (2) the rate of change of prices lagged one year; (3) the rate of change in the number of strikes; (4) the unemployment rate; (5) union membership as a percentage of non-agricultural paid workers lagged one year; and (6) the rate of change of American union membership<sup>17</sup>. The model was tested for the period 1911-1970 and the sub-periods 1911-1939 and 1946-1970. Swidinsky found that between 1911 and 1970 changes in union membership were explained by economic fluctuations, strike activity and union growth in the United States. Although no statistically significant result were obtained for the sub-period 1911-1939, union growth in the post-war period was attributed to "employment growth in the unionized sector, the rate of unemployment and the prevailing degree of unionization"<sup>18</sup>. Somewhat surprisingly, no significant relationship existed between union growth and changes in price levels, a finding which prompted Swidinsky to discount the theory that workers join unions during inflationary periods as a defensive measure to protect real income.

This model was subsequently challenged by Bain and Elsheikh on "theoretical, statistical and methodological grounds"<sup>19</sup>. For example, they questioned the appropriateness of including the strike measure in the equation because previous studies indicated that this factor is closely linked with price levels. Consequently, union growth and strike activity "probably have no significant connection with each other except through their separate relationships to (changes in prices)."<sup>20</sup> They also stressed problems with some of the data sources used, the basic measures of union growth and the effect of multicollinearity on the model, particularly in the sub-periods<sup>21</sup>.

Bain and Elsheikh then proceeded to construct a simplified model using a subset of the variables employed by Swidinsky. Their equation in-

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17 SWIDINSKY, R., "Trade Union Growth in Canada: 1911-1970", *Relations Industrielles*, XIX, 1974, pp. 435-451.

18 *Ibid.*, p. 445.

19 BAIN, G.S. and F. ELSHEIKH, "Trade Union Growth in Canada: A Comment", *Relations Industrielles*, XXXI, 1976, p. 484.

20 *Ibid.*, p. 485.

21 *Ibid.*, pp. 484-487.

cluded the following independent variables: the current rate of change of American union membership, the current rate of change of prices and the unemployment rate. The model was tested for the years 1921-69 and for the sub-periods 1921-45 and 1946-69 and it was found to be satisfactory in terms of overall goodness of fit and the significance of the regression coefficients<sup>22</sup>. It also proved to be structurally stable and had a satisfactory predictive ability. The results indicated that changes in both American union membership and price levels were significantly and positively related to changes in Canadian union growth. The unemployment rate had a significant and negative relationship with the dependent variable.

These findings tend to conform with expectations. Because of the close economic ties and institutional linkages between the U.S. and Canada, we would expect the overall patterns of union growth to be similar in the two countries. The positive relationship between union growth and price levels substantiates the view that unions are perceived as defensive organizations capable of protecting workers' earnings during inflationary periods. Finally, the inverse relationship between union growth and unemployment probably reflects the influence of economic conditions on workers' assessments of the relative costs and benefits of unionization and the ability of unions to mount new organizing drives.

In earlier sections of this paper, it was emphasized that international unionism has obscured the growth and development of Canadian national unions. It might also be noted that contemporary models of union growth are based largely on theory and results derived from characteristics of the British and U.S. labour movements<sup>23</sup>. While the Bain-Elsheikh model is useful in explaining aggregate union growth in Canada, it remains to be seen whether the model can satisfactorily explain the growth of Canadian national unions.

We applied the Bain-Elsheikh model to changes in the membership of Canadian national unions for the 1921-69 period and the two sub-periods. Our results indicate a clear inability for the model to explain growth trends for Canadian national unions. The multiple regression equations and the regression coefficients for the independent variables were not statistically significant and the  $r^2$ 's for the three periods were .02, .03 and .18, respectively. While the Bain-Elsheikh model is a clear improvement over Swidinsky's in explaining aggregate union growth in Canada, it fails to explain which factors contributed to the variance in growth rates among national unions.

<sup>22</sup> The  $R^2$ 's were as follows: .6074 (1921-69), .6183 (1921-45) and .5995 (1945-69).

<sup>23</sup> For a discussion of the development of union growth models, see: G.S. BAIN and F. ELSHEIKH, *Union Growth and the Business Cycle: An Econometric Analysis*, Oxford, Basil Blackwell, 1976, pp. 5-57.

## AN ALTERNATIVE MODEL

We attempted to develop an alternative model which would consider both economic and institutional variables and improve the explanatory power of the Bain-Elsheikh model. Our dependent variable was the change in national union membership. The following independent variables were included in the model.

(1)  $\Delta P_{T-1}$  (changes in price levels lagged one year). It is hypothesized that there will be a positive relationship between price changes and changes in Canadian national union membership. Earlier studies of union growth in the United States and the United Kingdom revealed significant and positive relationships. Briefly, it is suggested that as workers view a rise in inflation as a threat to their standard of living, they would more likely become union members. Furthermore, in times of rising prices, employers may be more willing to concede to workers' demands for union recognition and higher wages because they want to avoid interruptions to their profitable production and find it easier to pass increases in labour costs on to the consumer<sup>24</sup>. The lagged form of this variable is used because we are describing a reaction to an immediately prior event (the data source for this and other variables is found in Appendix A).

(2)  $U_{T-1}$  (level of unemployment lagged one year). It is predicted that there will be a negative (though somewhat weak) relationship between the level of unemployment and union growth. This hypothesis is based on the premise that employees are more concerned about job security than wages during economic downturns and unions are less able to finance and employers are better able to resist organizing activities. However, it should be noted that the direction of the relationship has varied in several studies using union growth data from different countries<sup>25</sup>. The lagged form is used again because this variable considers employer and employee reactions to an immediately prior level of unemployment.

(3)  $D_{T-1}$  (union density). This variable measures union membership in Canada (for all types of unions) as a percent of the civilian non-agricultural workforce. It is hypothesized that union growth will be negatively related to union density because of a saturation effect, i.e., "the greater difficulty of further increasing union membership as union density rises, partly because

<sup>24</sup> A description of the use of price change variables in union growth models is found in G.S. BAIN and F. ELSHEIKH, *Union Growth and the Business Cycle, op. cit., passim*. BAIN and ELSHEIKH found a significant positive relationship between U.S. union growth and change in prices lagged one year. However, a significant relationship was not found for this price variable when used in the union growth models for the United Kingdom, Australia and Sweden. *Ibid.*, p. 107.

<sup>25</sup> For example, see *ibid.*, pp. 65-67.

there are fewer workers left to recruit and partly because those who are left have less propensity and/or ability to unionize.”<sup>26</sup> It is interesting to note that Bain and Elsheikh found union density to be related to union growth for the U.K., Australia and Sweden, but not for the U.S., and that Swidinsky found no significant relationship between this variable and changes in aggregate union membership in Canada<sup>27</sup>.

(4)  $\Delta$ MUS (change in U.S. union membership). It is predicted, on a rather tentative basis, that there will be a positive relationship between union growth in the U.S. and the growth of Canadian national unions. This relationship was found in the Bain-Elsheikh and the Swidinsky models<sup>28</sup>. However, it was not apparent in the replication of the Bain-Elsheikh model with Canadian national union data. Perhaps when other variables are included in the regression equation to control for the changing institutional characteristics of the Canadian national unions (see below), the  $\Delta$ MUS variable will become statistically significant. The hypothesized relationship is based on the belief that the major shifts in the U.S. and Canadian labour movements during the twentieth century were the emergence of industrial unionism in the thirties and public sector unionism in the sixties.

(5) PMN (the proportion of national union membership in organizations which were truly national in scope). We expect to find a negative relationship between PMN and the rate of growth of Canadian national unions. This is based on the premise that union growth was greatest when it occurred primarily through province-wide or regional unions, e.g., provincial public service employees' unions or Quebec-based private sector unions. Conversely, slower rates of growth would be expected when it occurs through “purely” national unions, i.e., organizations which are geographically dispersed and in direct competition with international unions. However, this relationship may not have existed in the later years when rapid growth occurred in large, national public sector unions, such as the Canadian Union of Public Employees and the Public Service Alliance of Canada.

(6) PAFF (the proportion of national union membership in unions affiliated with labour federations). It is expected that this variable will be negatively related to the growth of Canadian national unions. Similar to the reasoning for the variable PMN, the periods of the most rapid Canadian national union growth might be marked by unaffiliated unions, free from the

<sup>26</sup> *Ibid.*, p. 67.

<sup>27</sup> *Ibid.*, p. 107. For a discussion of the validity and implications of Swidinsky's findings, see G.S. BAIN and F. ELSHEIKH, “Trade Union Growth in Canada: A Comment”, *op. cit.*, pp. 484-487.

<sup>28</sup> In general, Swidinsky believes major organizing drives in Canada may react strongly to events and trends in the U.S., particularly in regard to labour legislation.



organizing and jurisdictional restrictions imposed by federation membership. This variable will be used as a proxy for union structure, with a more orderly and stable labour movement marked by a large proportion of union members in affiliated national unions.

(7) PP (public policy). This is a dummy variable used to indicate the possible effect of favourable labour legislation on union growth. The variable is set equal to 0 for years prior to 1944 and set to 1 for subsequent years. The introduction of Privy Council Order 1003 in 1943 provided private sector workers with the legally protected right to organize. Accordingly, government policy would encourage unionization, and certification would protect national unions from raids by rival international unions.

### REGRESSION RESULTS

The regression model was tested for the period 1922-72. Annual growth rates for the earlier years were not used because reliable unemployment data could not be found prior to 1921. The 1921 growth rate was excluded from the analysis because of the one year lag in the unemployment variable. Our regression equation is presented below.

$$\begin{aligned} \Delta\text{CNM} = & 54.6582 - .6596\Delta\text{P}_{T-1} - .7235 \text{U}_{T-1} - 2649 \text{D}_{T-1} - 2730\Delta\text{MUS} \\ & \quad \quad \quad (-1.065) \quad \quad \quad (-1.457) \quad \quad \quad (-.375) \quad \quad \quad (-.749) \\ & -.4945 \text{PMN} - .2065 \text{PAFF} - 2.1225 \text{PP} \\ & \quad \quad \quad (-2.696) \quad \quad \quad (-1.461) \quad \quad \quad (-.186) \\ R^2 = & .2063 \\ \text{Adjusted } R^2 = & .0980 \\ \text{SEE} = & 12.1727 \\ F = & 1.597 \end{aligned}$$

The regression model was not statistically significant and could account for only about twenty percent of the variance in the change in Canadian national union membership. When the  $r^2$  was adjusted for the number of independent variables in the equation and the number of cases, the proportion of variance explained was reduced to less than ten percent. PMN was significant at the .01 level while the remaining independent variables proved to be insignificant.

In Bain and Elsheikh's comment on Swidinsky's model, it was noted that the model was seriously affected by multicollinearity, the high intercorrelation of independent variables. They emphasized that "the existence of multicollinearity does not bias the estimates, but it does make them impre-

cise, and this imprecision means that no firm conclusions can be drawn about their size or significance.”<sup>29</sup> Swidinsky’s sub-period analysis is believed to be particularly unreliable because the problems of multicollinearity are intensified with smaller sample sizes. The alternative regression model proposed in this paper also suffers from a high degree of multicollinearity. The correlation matrix for the independent variables was examined and high intercorrelations between variables were found. Of the 21 correlation coefficients in this matrix, eight were from + or - .40 to .49, one was -.57 ( $\Delta$ MUS and PMN), one was .68 (PAFF and  $D_{T-1}$ ) and one reached .94 (PP and  $D_{T-1}$ ). Therefore, the accuracy of the regression coefficients is seriously affected and any sub-period analyses would be misleading because coefficients would fluctuate widely from sample to sample.

An attempt was made to determine if any of the independent variables would be related to  $\Delta$ CNM when considered alone and free of the confounding effects of multicollinearity. Simple regression equations were computed for each independent variable. PAFF was found to be significant at a moderate level ( $P = .093$ ) and its regression equation could only account for about six percent of the variance in  $\Delta$ CNM. The simple regression equations for the remaining independent variables were not statistically significant.

The variables in the proposed model, whether considered individually or in combination, do not appear to be determinants of Canadian national union growth. Yet these variables, in their specified forms, have been shown in other studies to be important economic and institutional factors behind union growth in several countries. Furthermore, while the Bain-Elsheikh model was free of the problems of multicollinearity and was successful in explaining the variance in aggregate union growth in Canada, it could not be applied to the growth figures for the national unions. The question remains why variables, some of which have formed the foundation of traditional union growth theories, have little explanatory power in relation to the membership changes in the Canadian national unions.

Price changes and unemployment levels are key components of business cycle theories of union growth. It was assumed that the price change variable affected the propensity to unionize because of the threat of an eroded standard of living for employees coupled with an employer tendency to grant wage demands and recognize unions. It could be that professional white collar and public sector employees, major groups represented by national unions, could not readily move toward unionization in reaction to

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<sup>29</sup> BAIN, G.S. and F. ELSHEIKH, “Trade Union Growth in Canada: A Comment”, *op. cit.*, p. 486.

higher prices because of the early absence of protective legislation. The employers of such workers might not share with their private sector or manufacturing counterparts the concern over interruptions in profitable production or the ability to pass labour costs on to consumers. The basis for the inclusion of the unemployment measure was the belief that in periods of higher unemployment employees are more concerned about job security than wages, and unions are less able to launch and employers better able to resist organizing campaigns. The aggregate measure of unemployment, used in this and other analyses, may not reflect the situation faced by employees in those sectors organized by national unions. Employment growth in the post-war period has been found largely in sectors of the economy which are less sensitive to fluctuations in the business cycle, e.g., white collar and non-manufacturing jobs. The concentration of national union membership in these sectors (particularly the public sector) may help to account for the absence of significant relationships with measures of the business cycle. In short, the logic behind the price and unemployment variables is not faulty when applied to aggregate union growth, but may become strained when attempts are made to relate it to the expansion of national unions among white collar, professional and public sector employees.

The employment growth in the white collar and non-manufacturing jobs may also help to explain the absence of a saturation effect as indicated by the lack of a significant relationship between union density and the growth of Canadian national unions. As organizing activity shifts from the heavily unionized occupations and industries to the new frontier, the potential for future growth among the national unions continued to increase.

The regression results fail to indicate any significant relationship between Canadian national union membership and U.S. union membership, although this was found in the Bain and Elsheikh and Swidinsky models. Apparently, the link between union growth in the two countries relates to aggregate membership changes. While the rapid spread of public sector unionism may have caused simultaneous increases in both the membership of Canadian national and U.S. unions, the major period of this activity was probably the last ten or fifteen years in the time series. Such a relationship may have been obscured by the earlier differences in the two growth series. In particular, the increases in industrial unionism in the 1930s, or the stagnation of the 1920s in the U.S. may not have been matched in degree by the Canadian national unions.

It had been hypothesized that periods of slower national union growth would be marked by the predominance of truly national unions, i.e., those which have organized on a nationwide basis. Apparently, the proportion of members in these organizations is not a determinant of national union growth. The variable PMN was significant in the multiple regression model

but this was most likely a side-effect of multicollinearity (there was a high negative correlation between PMN and  $\Delta P_{T-1}$ ,  $D_{T-1}$  and  $\Delta MUS$ ). The simple regression of PMN on national union growth failed to be significant. The other measure of union structure, the proportion of union membership in affiliated unions, was only moderately significant in the simple regression and accounted for a very small proportion of the variance in national union growth. It is possible that the predicted relationships were not uncovered because PMN and PAFF were only gross measures of structural characteristics of Canadian national unions. At times the proportions in both series might have been dominated by the large memberships of such nationwide and affiliated unions as the CBRT, CUPE and PSAC (and the predecessors of the latter two unions). In such cases, a large number of unions may actually have been unaffiliated and/or regional and may have been expanding (or declining) rapidly in membership. This would not be reflected in the analysis with the variables PAFF and PMN which assume implicitly that the membership growth or decline is distributed equally among the unions in a given year. A more direct and precise way to explore the suggested relationships between structure and changes in national union membership would be to identify exactly where the growth or decline is occurring. For example, membership change rates could be computed for each union in the time series and it could be determined if affiliation or nationwide organization enables us to discriminate between growing or declining unions. Such an analysis falls outside the scope of the present study.

Finally, the public policy variable did not yield significant results. This suggests that the impact of legislation establishing the right to organize and bargain collectively did not *specifically* influence the growth of Canadian national unions (although it undoubtedly stimulated aggregate growth). There may be a plausible explanation for this finding. To begin with, legal protection may not have been as critical to national unions as originally thought. In the earlier period (1921-45) employer hostility appears to have been more often vented against the stronger international unions than national unions. This was certainly apparent in Quebec in the twenties and thirties. In addition, our measure of public policy may be too general in that it simply distinguishes a period when labour legislation supported collective bargaining from a period when it did not. Accordingly, it fails to account for differences in the comprehensiveness of provincial labour laws and does not consider the timing of policy changes which may be relevant to national unions, e.g., how long public sector bargaining laws have been in effect.

## CONCLUSIONS

The regression results strongly suggest that those factors related to aggregate union growth in Canada and to some degree that of other countries, cannot account for the changes in the membership of Canadian national unions. Price changes and unemployment levels, the foundation of the business cycle theories of union growth, were not significant in the replication of the Bain and Elsheikh model and the proposed alternative model. The link between U.S. union membership changes and those in Canada did not prove to be significant when national union growth was used in place of aggregate union growth. The saturation hypothesis, as examined through the use of the density variable, was not supported. Attempts to relate broad measures of union structure and public policy to changes in national union membership also proved to be unsuccessful.

Traditional views of union growth have been developed principally from analyses of the U.S. and British labour movements. While it is true that growth in these movements can be disaggregated along such potentially important lines as industry or public/private sectors, they do lack the unique international characteristic of the Canadian labour movement. If we look exclusively at the Canadian national union sector, we have to consider the importance of the public sector union, the Quebec-based union, the small provincial or regionally-based industrial union, and the nation-wide union in transportation and communications. A more satisfactory model of Canadian national union growth would require an examination of its component union types and the development of new and more relevant forms of economic and institutional variables. In addition, future researchers may wish to consider the extent to which union growth occurs automatically through union-security clauses or as a result of new organizing. In this manner, we may be able to develop a unified theory of the growth of Canadian national unions.

## APPENDIX A

### Data sources

*Canadian National Union Membership.* The membership time series was developed from individual union membership figures found in *Labour Organizations in Canada*, Ottawa, Information Canada, 1911-1973 Annual: 1974-1977 Biannual. In this publication, data on union membership for all years up to and including 1949 are as of December 31. This reference date was moved ahead in 1950 by one day to January 1, 1951 and this practice was continued for subsequent years. In order to provide consistency in the series for the present analysis, the annual figures for 1951 and on were moved back one year.

*Prices.* For the years 1921 to 1960, the source is: M.C. URQUHART and K.A.H. BUCKLEY, *Historical Statistics of Canada*, Toronto, Cambridge University Press, 1954, p. 304. For 1960-72, see: Statistics Canada, *Price and Price Indexes*, Cat. 62-002, Table 4, p. 68. (1961 = 100).

*Unemployment.* For 1921 to 1960, see M.C. URQUHART and K.A.H. BUCKLEY, *Historical Statistics of Canada*, *op. cit.*, p. 61. For 1961 to 1972 the source is Statistics Canada, *The Labour Force*, Cat. 71-001, December 1975, Table 31, p. 57.

*Union Density.* This variable measures union membership as a proportion of potential union membership. Potential union membership consists of non-agricultural paid workers. The source for the density time series is Canada Department of Labour, *Union Organization in Canada, 1973*, Ottawa, Information Canada, 1974, pp. xxiv-xxv.

*Union Membership in the United States.* The principle source used was that developed in G.S. BAIN and F. ELSHEIKH, Oxford, Basil Blackwell, 1976, pp. 137-138. The series was extended to 1972.

*Membership of Nationwide Canadian National Unions.* The source for this variable is the individual union membership figures and the corresponding geographic breakdown on union membership as found in Canada Department of Labour, *Labour Organization in Canada*, Ottawa, Information Canada, 1911-73.

*Membership of Affiliated Canadian National Unions.* The source is the individual union membership figures and the notations of union affiliation as found in Canada Department of Labour, *Labour Organizations in Canada*, Ottawa, Information Canada, 1911-73.

## Structure et croissance des syndicats nationaux au Canada

Le présent article étudie le développement du syndicalisme national au Canada entre 1920 et 1972. Il s'agit d'un survol de la croissance du syndicalisme et d'une discussion des caractéristiques des syndicats nationaux. On y a révisé les études portant sur le développement du syndicalisme au Canada en regard de la croissance du syndicalisme proprement canadien. L'article s'efforce de mettre au point un modèle de développement des syndicats qui puisse expliquer les changements dans les effectifs des syndicats nationaux canadiens.

*La croissance du syndicalisme au Canada, 1920-1972:* l'augmentation moyenne annuelle des effectifs des syndicats nationaux a dépassé le taux de développement du syndicalisme international dans son ensemble tant pendant la période antérieure que postérieure à 1945 de même que durant les sous-périodes. Ce n'est que pendant la décennie 1940 que le syndicalisme international s'est développé à un taux plus rapide que les syndicats nationaux. Dans les décennies 1950 et 1960, le taux de croissance des syndicats nationaux a doublé celui des syndicats internationaux. Le principal facteur de cette augmentation fut l'explosion du syndicalisme dans le secteur public.

*Profil du syndicat national:* les syndicats nationaux ont tendance à demeurer relativement petits malgré l'augmentation rapide de leurs effectifs depuis 1940. Bien qu'ils aient été surtout formés de groupements de métier au départ, depuis les dernières années, plus de la moitié des syndicats nationaux, ce qui représente presque les trois quarts de leurs membres, sont constitués de syndicats de cols blancs et de salariés qui exercent une profession. De plus, une forte proportion de syndicats nationaux représentent les travailleurs dans les limites d'une seule province et ces syndicats sont relativement nouveaux.

*Modèles de croissance des syndicats:* il y a cinq ans Bain et Elsheikh ont mis au point un modèle d'explication des changements dans les effectifs pour l'ensemble des syndicats au Canada. Ce modèle comprenait le taux courant de la variation dans les effectifs des syndicats américains, le taux courant de la variation dans les prix et l'emploi. On a tenté d'appliquer ce modèle aux changements dans les effectifs des syndicats nationaux, mais les résultats ne furent pas significatifs d'un point de vue statistique. Un nouveau modèle fut construit qui utilisait comme premières variables les changements du taux des prix et du chômage, l'ampleur du taux de syndicalisation, d'autres variables tirées des caractéristiques structurales des syndicats nationaux (soit le pourcentage des effectifs des syndicats nationaux dûment affiliés et actifs à l'échelle du pays), le taux de changements dans les effectifs des syndicats américains et une dernière variable qui tenait compte de l'influence du milieu politique. Les variables dans le modèle ainsi proposé ne semblèrent pas mesurer de changements dans la croissance des syndicats canadiens. Plusieurs motifs peuvent expliquer ce défaut de rapports significatifs et il y a donc matière à débat sur la pertinence de modèles de croissance d'ensemble quant aux changements dans la composante en termes de syndicats nationaux à l'intérieur du mouvement syndical.