

## Chapter 2– Labour History

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### Chapter Objectives

By the end of this chapter, you will be able to discuss

- the preunionization work environment and the movement toward unionized relationships;
- the relationship between the Canadian and American labour movements;
- how exclusive jurisdiction, business unionism, and political nonpartisanship have divided the labour movement over time;
- how significant events from the 1850s to present day have shaped the history of workplace relations; and
- how current and past history may shape the future of labour in Canada.

### Chapter Summary

Chapter 2 outlines the history of industrial relations in Canada. The chapter starts with pre-unionization (master-servant relationships before the introduction of progressive worker protection laws) and moves, chronologically, from the 1850s to modern day. Particular emphasis is placed on the founding principles of the AFL (and how these have both united and divided the labour movement) as well as the relationships between the Canadian and American labour movements.

Several of the chapter elements can be delivered in three components.

1. **Lecture.** Use PowerPoints® or overheads to highlight key points of the legislation.
2. **Class exercise/reflection.** To make history ‘come to life,’ students can be asked to think of examples (or reflect on examples) relevant to the chapter. This can be done in groups or individually.
3. **End of chapter cases and exercises.** These cases and exercises can be utilized for a number of purposes: (1) to test students’ learning at the end of the chapter; (2) for in-class (or out of class) assignments; and (3) for examination and testing purposes.

## Lecture Outline

COMMENTS	ACTIVITY
<p>A. Preunionization</p> <p>The preunion model should be reviewed as it helps explain rise of labour movement and because it is the foundation of non-union employment relationships (e.g., common law)</p> <p>Briefly review power of employer</p> <ul style="list-style-type: none"><li>• Master-servant relationship</li><li>• Illegal to quit</li><li>• Conspiracy to bargaining collectively or join a union</li></ul>	<p>Present Learning Objectives in <b>PPT Slide 2-2 and 2-3.</b></p> <p>Present <b>PPT Slide 2-4.</b> Ask students to describe employment relationships, employees' rights, and employers' power based on classic literature stories or stories from a grandparent. Using board or slides outline pre-unionization themes.</p> <p>Present <b>PPT Slides 2-5 and 2-6.</b> Emphasize the power imbalance between employee power (very limited) to employer power (extensive)</p>
<p>B. Early Years: Pre-1900</p> <p>Nine-Hour Labour Movement</p> <p>Trade Union Act of 1872</p> <p>Formation of AFL (and TLC) based on three core values</p> <ul style="list-style-type: none"><li>• Exclusive jurisdiction</li><li>• Business unionism</li><li>• Political nonpartisanship</li></ul> <p>Knights of Labor</p> <ul style="list-style-type: none"><li>• Single union for skilled and non-skilled workers</li><li>• Opposed to strikes</li><li>• Sought to establish cooperative business</li></ul>	<p>Ask students to reflect on all the workplace rights/employment (labour) standards that they currently have (both in unionized and non-unionized workplaces). Record them on board/slide. Now show how many of these rights were 'earned' by early labour pioneers. Consider showing YouTube link <a href="http://www.youtube.com/watch?v=SiZ14r2Civg">http://www.youtube.com/watch?v=SiZ14r2Civg</a> (Note: language may be offensive to some) Refer to <b>IR Notebook 2.1</b> (The Nine-Hour Movement) and present <b>PPT Slides 2-7 through 2-11.</b></p> <p>Highlight how the Knights of Labor did not follow founding principles of AFL.</p>

COMMENTS	ACTIVITY
<p>C. 1900-1920s</p> <p>Berlin Convention, 1902</p> <p>IDIA, 1907</p> <p>Winnipeg General Strike</p> <p>One Big Union and other socialist movements</p>	<p>Remind students that WWI took place 1914-1918. Ask what the war and war effort would have meant in terms of workplace relationships (e.g., focus on the power of workers relative to employers, the likelihood of governments seeking stability, concern regarding socialism).</p> <p>Using <b>PPT Slides 2-13 and 2-14</b>, show major events of 1900-1920. Reflect back on the preceding question as you walk students through key events. Also refer them to opening vignette on Winnipeg Strike. Consider showing a Winnipeg Strike Video <a href="http://www.youtube.com/watch?v=A3AzecrI3Wo">http://www.youtube.com/watch?v=A3AzecrI3Wo</a></p>
<p>D. 1930-1940s</p> <p>Great Depression</p> <p><i>Wagner Act</i></p> <ul style="list-style-type: none"> <li>• Independent NLRB to certify unions</li> <li>• Employer must bargain in good faith</li> <li>• Unfair labour practices with associated remedies</li> <li>• Adhered to exclusivity</li> <li>• Encouraged collective bargaining</li> </ul>	<p>Discuss the stock market crash of 1929. Ask students to reflect on how this would impact employment relationships (e.g., stress collapse of economy, unemployment, social assistance usage, etc.). Then remind students that this period also contained WWII. Thus the employment relationship issues discussed in the 1900-1920 period (WWI) could reemerge.</p> <p>Present <b>PPT Slides 2-15 through 2-17</b>.</p>
<p>CIO, 1935</p> <ul style="list-style-type: none"> <li>• Non-skilled workers</li> </ul>	<p>Emphasize: (1) <i>Wagner Act</i> given that it grounds North American labour laws. (e.g., the ‘cut and paste’ nature of Canadian labour relative to U.S. at this time); (2) tensions related to skilled/trade (AFL) versus unskilled/industrial (CIO) unions; (3) the importance of a law that enshrined collective bargaining, required an employer to bargain with certified unions, and provided penalties for unfair labour practices.</p>
<p>Canadian Events</p> <ul style="list-style-type: none"> <li>• PC 1003 (Wartime Labour Relations Regulation), 1944 – largely mirrored U.S. NLRA</li> <li>• TLC expels non-skilled workers, who form CCL</li> <li>• Rand Formula, 1945</li> </ul>	

COMMENTS	ACTIVITY
<p>E. 1950-1960s</p> <p>ALF-CIO Merger, 1955</p> <p>CLC formed in Canada, 1956</p> <ul style="list-style-type: none"> <li>• Unlike the U.S., there are elements of social and business union (political party formation was part of the founding plans)</li> <li>• Like the U.S., skilled and non-skilled workers included in one federation</li> </ul>	<p>Ask students to describe the large labour unions in Canada day. Emphasize the importance of public sector and industry-based unions in the unions named. Use these examples to ground the discussion of this period.</p> <p>Present <b>PPT Slide 2-18</b> and discuss how Canadian labour starts to become more independent from the U.S. Make special mention of the political party element of the CLC versus the AFL-CIO as well as unionization of public sector in Canada.</p>
<p>PSSRA</p> <ul style="list-style-type: none"> <li>• Rapid increase in unionization</li> <li>• Unlike U.S., where civil servants were largely not given right to unionize</li> </ul>	
<p>F. 1970-1980s</p> <p>Wage and Price Controls – oil driven</p> <ul style="list-style-type: none"> <li>• AIB</li> <li>• “6 and 5” program</li> </ul> <p>Free-Trade Agreements</p> <p>CAW formed</p>	<p>Ask students to reflect on movies and television shows depicting the 1950s-1970s. Ask them about the cars shown (emphasize large and American). Ask them to think of many of the cars on the road today (emphasize smaller, fuel efficient, and international brands). Use these examples to highlight impact of oil/gas prices and globalization on society as a whole during this period.</p> <p>Present <b>PPT Slide 2-19</b>.</p> <p>Highlight how formation of CAW shows departure from American labour. Consider referring to, or using, the Chapter 2 case on the Unifor.</p>

COMMENTS	ACTIVITY
G. 1990s and beyond	Present <b>PPT Slide 2-20</b> .
Economic Restructuring and Global Markets	Ask students to reflect on current IR issues in the media. Using board or slides show major events of this period. Reflect back on student comments. Emphasize issues related to public sector being legislated back to work, job security, public sector restructuring, increasing tension in public sector IR, focus on competitiveness in global economy, etc.
Government restructuring	
Back-to-work legislation	
H. Implications for the Future of Labour	Present <b>PPT Slide 2-21</b> Here focus on how labour is moving towards larger union again (CAW and CEP join to form Unifor), increased emphasis on social unionization and a global labour movement.
Movement toward larger unions	
Social unionism	
Global labour movement	
I. Summary	Present <b>PPT Slide 2-22</b>

## End of Chapter Materials

Suggested answers (or teaching points) are in **bold**.

## Discussion Questions

1. This chapter shows that collective representation has taken many forms over the past 100 years. For example, the change from trade-based to industrial-based unions. Do you believe that in 2030 that we will still have forms of collective representation in Canada? If so, do you think they will be any different than the unions of today?  
**Likely to have collective representation given power imbalance of non-union employment scenarios (or master servant relationship). Collective representation could look different given: shorter tenures with one employer, global employers, etc. (e.g., people less likely to work with a single employer, laws on union certification and employment laws in general are country-specific, etc).**

2. Why do you think North American labour has adopted more of a business unionism than a social unionism perspective?

**The more socialist unionism trends have been in countries with more socialist, if not in some cases Marxist, political orientation and values. North America has never had a strong socialist political context. In North America, people have not desired to have workers ‘own and run’ the businesses (e.g., over-throw capitalism), rather, the focus has been getting the best possible deal for workers in a capitalist economy.**

3. Gompers clearly decided that labour should not have affiliations with any political party. In Canada, we see stronger links between labour and political parties. Do you feel that Gompers was correct in his assertion of political voluntarism? Why or why not?

**Two arguments:**

**Yes. Aligning to one party meant that labour would ‘win’ when that party was in power or ‘lose’ when they were not. Labour can support a member of any party as long as he/she was a labour supporter (the idea of reward friends, punish enemies).**

**No. Given the role of the legislature in creating labour laws, the lack of a labour-aligned party means that labour lacks a solid voice who can advocate for them. One could argue that this is supported by current unionization trends in North America – the U.S. lacks a labour party and unionization is in heavy decline; in Canada, union rates are relatively stable (slight declines) and labour is heavily aligned with NDP.**

4. While it is clear that the *Wagner Act* provided the blueprint for the North American industrial relations system, there is debate concerning its effectiveness. From the perspective of labour, what do you see as the advantages and disadvantages of this legislation?

**Advantages: Clear process for union certification, required that employers bargain with certified unions, defined unfair labour practices and provided for employer penalties for unfair labour practices, legislation encouraged collective bargaining, relatively simple certification process originally (just needed signed cards), etc.**

**Disadvantages: All or nothing approach (people who wish to be unionized can only do so if majority of work peers support union, or those who wish to remain ‘non-union’ cannot if majority of worker peers seek unionization). Legislation is jurisdiction based when employers are not—make unionization difficult in a more global economy.**

5. The chapter clearly shows that union strongholds are in decline at present. Do you feel that this is signalling the end of the labour movement? Why or why not?

**Two arguments:**

**Yes. Current unionization and legislation models based on all workers in one location and, for the most part, a product/resource-based and public-service-based economy. Canadian economy has moved to more service-based (e.g., growth areas of retail, service etc.), thus, resource/product area (e.g., manufacturing, natural resource areas related to fishing and forestry) is in decline. Public sector under increasing scrutiny for cost-cutting savings. Labour costs (e.g., wages and benefits) are higher in unionized workplaces and global competition has caused many employers to look at ways to be**

more cost effective (e.g., reduce wage and benefit costs). In short, labour strongholds are in decline and unions have made little headway into newer areas of a global economy that is focused on cost-competitiveness.

**No.** As shown in this chapter, labour has adjusted to structural changes in the past (e.g., movement from small, family businesses to large, industrial businesses). We see evidence of union inroads in newer sectors of the economy (call centres, offshore oil). Current youth also more collective focused than generation before them. Also creation of new unions like Unifor. In short, not end of the labour movement but a move to a different labour movement.

6. The economy is clearly becoming more global. How do you feel that this will impact the future of IR in general and labour more specifically?

**Current unionization and legislation models based on all workers in one location (e.g., country or province). Canadian economy has moved to more service-based (e.g., growth areas of retail, service etc), thus, resource/product area (e.g., manufacturing, natural resource areas related to fishing and forestry) is in decline. Competition for products and services is now global in nature. Labour rates higher in unionized workplaces and global competition has caused many employers to look at ways to be more cost effective (e.g., reduce wage and benefit costs). We can expect to see more pressure for union concessions and more movement to employers seeking union-free status. Labour will also need to figure out how to represent workers across jurisdictions given global trade and we see some evidence of this as detailed at the end of the chapter (e.g., Unifor has ties with “IndustriALL”).**

### Using the Internet

1. North American unions are often perceived as being more “bread and butter” versus socialist in nature. Yet in Canada, we see that several unions and the CLC deal with issues important to both unionized and nonunionized workers (e.g., equality, minimum wage). Have a look at the CLC website and those of two or three large unions (e.g., Unifor, CUPE, provincial government unions). Do you see issues relevant to nonmembers?

**Issues related to minimum wage, labour (employment) standards, child labour, youth, discrimination legislation, etc. These are issues for all workers (union members and non-union members).**

2. Labour has played an important role in history. Have a look at the following sites to see how Canadian labour history is presented. Note that in some cases you may need to search using the words *labour history* or *Canadian workers* to find the information:
  - <http://www.civilization.ca>
  - <http://www.collectionscanada.ca>
  - <http://canadianlabour.ca>

- <http://www.pc.gc.ca>
- <http://www.canadianheritage.org>

**These may be good to ‘weave’ into lecture or have students see how the topics covered in class are shown on the sites.**

3. You may be surprised to discover just how much labour history material can be found on the Web. For example, YouTube has extensive coverage of issues. Go to that site and search the terms labour, union, *Wagner Act*, etc.

**Ask students to show how the topics found reflect themes of the lecture or depict key events/changes in labour history. (NOTE: remind students they may need to use labor versus labour.)**

4. You may be asked to write a labour history paper in this course. The website of the *Journal of Canadian Labour Studies/Revue d'Études Ouvrières Canadiennes* may help you gather information for this paper: <http://www.lltjournal.ca/index.php/llt>

**Have students explore the site and identify topics examined. Which historical events/changes from the chapter are reflected in recent journal articles?**

5. As we presented in the chapter, of the national parties, the NDP has always been seen as the most friendly to labour. To more closely examine the relationship between the two, go to:

- a. the CLC website (<http://www.clc-ctc.ca>) and search for the term “NDP.”
- b. the NDP (<http://www.ndp.ca>) website and search for the term “CLC.”

**Emphasize the ongoing relationship between the two.**

## Exercises

1. If you have access to grandparents or other senior citizens, why not conduct your own “labour history” interview. Sample questions might include:
  - Tell me about the work practices at your first job (e.g., pay, leaves, hours of work, rights);
  - Were you ever a member of a union? If so, which one? Did you and your peers think that unionization was a good thing? Why or why not?
  - What was the most important change you saw in terms of employment rights in your work life?

**Compare and contrast experiences in class. Have students discuss the biggest changes in employment relationships over the past 50 years or so. Emphasize the role of labour in enabling many of the ‘protections’ now available to union and non-union workers in Canada.**

2. Have a look at recent union or labour congress websites and publications. Based on what you find, what will historians state were the biggest issues of this year?

**Likely to be job security, maintaining and/or improving wages and benefits, minimizing two-tiered systems where younger workers have fewer benefits than**



**older workers. Remind student that these are not new (e.g., early focus of labour in 1800s).**

3. As this chapter demonstrates, the relationship between unions, governments, and political parties is complex and dynamic. Have a look at recent media (i.e., newspaper, television, Internet) coverage of elections, public policy, or economy issues. To what extent are the roles or the views of labour presented?

**Try to compare and contrast NDP position to that of a Conservative position.**

4. Many students are employed full- or part-time as they take courses. How do you think the labour movement has impacted the rights you have as an employee today versus if you had been employed in 1900?

**Employment (labour) standards such as ‘normal’ workweek, severance; right to collective representation; Canada Pension Plan; national healthcare; etc.**

5. Throughout history, unions have sought to improve the working conditions and wages of their members. Find recent media (i.e., newspaper, television, Internet) stories of union campaigns. To what extent are issues of working conditions and wages still prevalent in these stories?

**Show how issues of wages, benefits, job security, and working conditions are still prevalent today.**

## Case Questions

Case: From UAW to CAW to Unifor

1. How does the CAW relationship with the UAW in the 1980s contrast with the historical relationship between the American and Canadian labour movements?

**Historically, Canada followed Americans. Here Canada did not follow the U.S. UAW (U.S.-based) accepted concession bargaining, Canadian-based union did not.**

2. Discuss how the Unifor can be seen to have both a ‘bread and butter’ and a ‘social justice’ orientation.

**Bread and butter–Unifor seeks job security, wages, benefits, etc. Social justice–Unifor on the forefront of many equity issues and focuses on ‘all’ disadvantaged workers (even those it does not represent).**

3. The CAW was considered to be a tough bargainer. Does the case provide evidence to support this claim?

**Yes, refusal to follow U.S. lead regarding concession bargaining in 1980s.**

4. As shown in the chapter, the large labour federations have often had rifts and separations. If the Unifor ever left the CLC, do you believe that it has sufficient membership diversity to form an organization that would rival the CLC?

**No right or wrong answer. Look for logic in students’ answers.**

5. The case makes reference to the global labour group IndustriALL. Do you feel that such global linkages are needed for the labour movement today?

**Expect many students will argue that such global linkages are needed given movement to freer trade and global markets.**