The Building Trades — Canadian Labour Congress Dispute

Joseph B. Rose
Associate Professor
McMaster University
Faculty of Business

Hamilton, Ontario, Canada
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Associate Professor
McMaster University
Hamilton, Ontario, Canada

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In March, 1981, the Canadian Labour Congress (CLC)\textsuperscript{1} suspended the 12 AFL-CIO building trades unions and established its own building trades department. The suspension, which affects 355,000 union members (about 15 percent of the total CLC membership), was in response to the construction unions' refusal to remit per capita dues to the CLC. The dispute represents another strain in the Canada - U.S. labor link and could lead to a major restructuring of the labor movement in Canada.

This note examines three dimensions of the current dispute. These include the schism between national and international unions, philosophical differences between craft and industrial unionism, and French and Anglo-Canadian tensions. This will be followed by a discussion of recent events and the prospects for resolving the dispute.

**STRAINS IN THE LABOR MOVEMENT**

**International vs. National Unionism.** While the Canada-U.S. labor link has existed for more than a century, it has become increasingly strained in recent years. One of the most controversial issues has been the demand by Canadian locals of international unions for increased autonomy. For example, both the 1970 and 1974 CLC conventions adopted resolutions promoting self-governance for Canadian sections of international unions. These standards, which received strong support from public sector unions and other nationalistic organizations, have contributed to the Canadianization of international unions. Specifically, they have led to the establishment of separate election procedures for Canadian officers, the expansion of Canadian policy conferences and the upgrading of the status of Canadian directors. Broader reforms,

\textsuperscript{1}The CLC is the largest labor federation in Canada. There are over 2,350,000 members in national (Canadian only) and international unions affiliated with the CLC (representing 68 percent of total union membership in Canada). Of the 77 international unions operating in Canada, 61 are jointly affiliated with the CLC and the AFL-CIO.
including separate Canadian constitutions and dues structures, were achieved in a few cases (Thompson, 1981). The drive for autonomy also resulted in breakaways from international unions, e.g., the Canadian Paperworkers Union and the Canadian Chemical Workers Union (Chaison, 1982).

In the construction industry, the Canadianization of international unions has proceeded at a much slower pace. While most construction locals have maintained close fraternal and structural ties with their parent internationals, other locals have demanded greater autonomy (Adams, 1976). These divisions prompted the Building and Construction Trades Department of the AFL-CIO to charter a national building trades council in Canada, the Canadian Executive Board of the Building and Construction Trades Department (henceforth called the Canadian Building Trades Executive Board). Formed in 1978, it coordinates the activities of international construction unions in Canada on matters of mutual interest. Representatives on the Canadian Building Trades Executive Board are appointed by the presidents of the member organizations (Labour Canada, 1981).

The current controversy began in Quebec, where there is intense rivalry between the international building trades unions and national unions. The international construction unions are affiliated with the Quebec Federation of Labour (QFL), the provincial arm of the CLC. They also belong to a provincial council, the Quebec Building Trades Council (QBTC), which holds a charter from the AFL-CIO Building and Construction Trades Department. The disputed issue is whether membership in the QBTC is restricted to locals affiliated with international unions. In 1973, a breakaway local of the IBEW was never required to sever its ties with the QBTC. In subsequent years, tensions

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2The CLC had never established trade and industrial departments prior to the current dispute. Consequently, local and regional building trades councils in Canada were chartered by the AFL-CIO Building and Construction Trades Department.
mounted between pro-autonomy and pro-international locals and the QBTC adopted a resolution allowing locals to remain in the Council even if they dropped their international affiliations. Robert Georgine, the President of the AFL-CIO Building and Construction Trades Department, declared this was a violation of the AFL-CIO constitution (Cantrall, 1979). The 1979 convention of the AFL-CIO Building and Construction Trades Department expressed its concerns about dual unionism and called on the QBTC to expel the breakaway union (Bagnell, 1980a).

The QBTC expelled the non-affiliated electrician's local and asked the QFL to do likewise. Not only did the QFL refuse to follow suit but it provided a haven for the local dissidents by establishing its own building trades department, known as QFL-Construction. The Canadian Building Trades Executive Board protested the QFL's actions, claiming they violated the CLC constitution. The failure of the CLC to enforce the constitution led to the dues boycott, the resignation of two CLC vice-presidents (both building trades officials), a boycott of the 1980 CLC convention by the construction unions, and the suspension of the 12 AFL-CIO building trades unions from the CLC.

Union Philosophy. The dispute also symbolizes personal and philosophical differences between Dennis McDermott, the president of the CLC, and Ken Rose, the chairman of the Canadian Building Trades Executive Board. Their views reflect the traditional split between craft and industrial unions. McDermott emphasizes the importance of a strong central labor federation, close ties with the social-democratic New Democratic Party (NDP) and a large social role for trade unions. Rose adheres to the philosophy of Samuel Gompers and feels the CLC should be a loose federation of autonomous unions, opposes affiliation with political parties and supports the philosophy of business unionism. Rose believes that the position of the building trades unions has been jeopardized by the emergence of public sector unions and leftist elements within the CLC.
The conservative building trades unions have been particularly upset by the CLC's efforts to strengthen grass-roots support for the NDP.

Another contentious issue is the building trades unions' demand to restructure the CLC convention. Presently, each local union is entitled to send to the biennial convention "one delegate for each 1,000 or less members and one additional delegate for each additional 1,000 members or major fraction thereof" (Canadian Labour Congress 1980, 19). All delegates have one vote each. The construction unions charge this gives public sector unions with a large number of small locals disproportionate influence at the convention. There is statistical evidence which supports this argument. The Canadian Union of Public Employees (CUPE) has 267,000 members and 1,629 locals. The building trades unions, with a combined membership of approximately 355,000, have chartered 689 locals (Labour Canada, 1981). For several years the building trades unions have been unable to persuade the CLC convention to adopt a proportional voting scheme which permits bloc voting and gives national and international union representatives greater influence and voting power. Although McDermott favors a more representative voting system, he wants to retain rank-and-file involvement in the decision-making process (Bagnall, 1980a).

French vs. Anglo-Canadian Tensions. The QFL leadership claim that inviting dissatisfied locals to directly affiliate is a "temporary" move designed to forestall defections to rival Quebec federations. Building trades officials outside Quebec fear that QFL-Construction will raid QBTC members and become

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3 The same is true for other large public service unions such as the National Union of Provincial Government Employees (210,000 members and 858 locals) and the Public Service Alliance of Canada (155,000 members and 1,407 locals).

4 Participation rates also appear to be greater among public sector unions. CUPE had almost twice as many delegates at the 1978 CLC convention as the building trades unions (Canadian Labour Congress, 1978).
the exclusive bargaining agent for the entire industry. There is also speculation that the long-run strategy of the QFL leadership is to gain control over organized labor in the event Quebec separates from the rest of Canada (Bagnall, 1980b). The QFL supported the separatist, Parti Quebecois in the last two elections.

It is widely recognized that Canada has a decentralized system of industrial relations and that trade union structure has generated conflicts between the CLC and its regional bodies (Jamieson, 1973). Part of the CLC's reluctance to deal firmly with the QFL is related to the latter's special status within the federation. For years the QFL lobbied unsuccessfully for greater autonomy and control over its affiliates. The QFL justified its position on the grounds that it must be able to compete effectively against rival labor federations and respond to the linguistic and cultural needs of Quebec workers. In 1974, the CLC granted the QFL more autonomy, financial resources and power than any other provincial federation. As a result QFL membership expanded (Boivin, 1982). The CLC recognizes that success in Quebec depends on a strong provincial federation and it does not want to jeopardize that relationship.

RECENT DEVELOPMENTS

Following the suspension of the building trades unions, both sides intensified their efforts to win the hearts and minds of Canadian unionists. The "cold war" has been punctuated by two important events. The first was the CLC's decision to establish its own building trades department under its

5Under Quebec law, a representation vote for construction tradesmen is held every three years and QFL-Construction is now recognized as one of the labor organizations eligible to participate. In the November, 1981 vote QFL-Construction received 45.3 percent of the ballots cast and QBTC received 23.7 percent. The remaining votes were spread among three other union organizations. Since QFL-Construction failed to secure a majority, it will probably seek a coalition in which it will be the chief spokesman in next year's contract talks. (The Gazette, 1981)
provincial and territorial federations of labor. The strategy was to invite building trades locals to break away from their international unions and affiliate directly with the CLC (List, 1980). Meanwhile, the Canadian Building Trades Executive Board announced plans to establish a new federation (the Canadian Federation of Labour) to house its craft and industrial locals.

These developments left local construction unions and intermediary labor bodies in an awkward position. Although construction locals have not defected from their parent international unions, many want to remain affiliated with the CLC. In 1981, the Laborers International Union offered to remit its per capita dues provided the CLC executive council intensified its efforts to reach a negotiated settlement with the building trades leaders. Recently, several Ontario locals of the Laborers, Carpenters and Ironworkers affiliated with the CLC without severing their international ties (List, 1982). There were also mixed feelings in some regions when the building trades unions were suspended from provincial federations and local labor councils. It is interesting that the Saskatchewan Federation of Labour, traditionally radical and an advocate of industrial and national unionism, initially balked at suspending the construction unions.

There is growing evidence the parties may not want the conflict to escalate. In March 1982, the founding convention of the CFL adopted a conciliatory tone, stressing peaceful coexistence with the CLC. Its position was undoubtedly influenced by the fact that three unions, representing 160,000 members, did not join the CFL.⁶ A month later the CLC convention decided not to expel the international building trades unions. By not requiring construction locals to sever ties with their parent international unions, the

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⁶The three unions were the United Brotherhood of Carpenters and Joiners, the Laborers International Union and the International Association of Ironworkers (List, 1982).
CLC hopes to encourage them to affiliate through its provincial building trades councils.

FUTURE PROSPECTS

The present dispute arises at a time when the influence of U.S. dominated international unions in Canada is declining. Between 1960 and 1981 the percentage of union members represented by international unions dropped from 72 to 45 percent. Within the CLC, the international union component dropped from 79 to 54 percent in the same period (Labour Canada, 1960 and 1981). This trend is largely explained by the explosion in public sector unionism. Union penetration in the public sector is virtually complete and is monopolized by purely Canadian unions.

Construction tradesmen outside of Quebec retain a strong attachment to their craft identity with international unions. The union card not only provides access to job opportunities in the U.S., but facilitates mobility within Canada. In addition, it provides access to large strike funds. Within Quebec identification with the international building trades is less strong because of historical political, language and cultural factors. Given the existence of Quebec-based construction unions (unaffiliated with the AFL-CIO and structured along industrial lines) the mounting resistance to international union meddling, and the "separatist" sentiment within the province, the status of the international building trades unions is vulnerable.7

It is still too early to predict what effect the creation of the CFL will have on the Canadian labor movement. Fragmentation along national-international and craft-industrial lines has existed for 100 years and has

7The cost of joining a Quebec-based union may be minimized if tradesmen retain their international union cards. Union officials indicate dual unionism exists and is difficult, if not impossible, to police.
frequently spawned new labor federations and intense union rivalry.

Several factors may influence the outcome of the dispute. First, will the new federation gain the support of all of the international building trades unions? There is a distinct possibility that unions with large industrial components—particularly the Laborers and Carpenters—may remain independent of both federations. If this occurs, union structure will be further fragmented and rivalry could intensify. Regardless of whether the Canadian Federation of Labour is being created to shield locals from the CLC or to actively recruit non-construction workers, its success will depend on the unanimous support of the building trades unions and the commitment of substantial resources. The financial burden might be eased if it can attract large independent unions such as the International Brotherhood of Teamsters. Second, it is doubtful the CLC will attract widespread support among construction locals outside Quebec. This could have important political and economic implications. However tenuous the Canada-U.S. labor link may be, it continues to be important for many CLC affiliates. Whether the CLC can count on the unanimous support of non-construction international unions for an all-out confrontation is far from certain. A broader conflict might even prompt some international affiliates, particularly craft unions, to withdraw from the CLC. Third, the current economic slump and the present political climate are not supportive to trade unions. The recent CLC convention was preoccupied with formulating policies to oppose bargaining concessions and wage controls. It appears that organized labor's resources, already stretched thin, could be put to better use than widening the split in the Canadian labor movement. While labor's position has not deteriorated to the same extent as it has in the U.S., union growth has slowed in Canada.8

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8Union membership as a percentage of the non-agricultural paid workers rose from 33.6 to 39.0 percent between 1970 and 1978 and fell to 37.4 percent in 1981 (Labour Canada, 1981)
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