



Fair, safe and productive workplaces

Labour

Overview of collective bargaining in Canada, 2013

*Workplace Information and Research Division,
Strategic Policy, Analysis, and Workplace Information Directorate
July 2014*

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PDF

Cat. No.: Em5-3/2013E-PDF

ISSN: 2368-3279

ESDC

Cat. No. : LT-247-08-14

Table of contents

Introduction	1
Slow growth in business investment and exports hindered sustained economic growth	1
Labour market.....	1
Slowest wage growth since 1997.....	2
Smaller wage gains for public-sector employees	2
Public Sector.....	3
Private Sector.....	3
Wage adjustments by Industry.....	4
Wage adjustments differ amongst jurisdictions.....	5
Agreements in force	6
Duration of collective agreements.....	7
Clauses of interest in collective agreements	7
Contingent wage adjustments.....	7
Transfer between employees.....	8
Alternative dispute resolution.....	8
Language and diversity.....	8
Fewer work stoppages, longer but not necessarily more disruptive.....	8
Federal Jurisdiction	9
Provincial Jurisdiction.....	9
Public and private sectors	9
Notable work stoppages in 2013.....	10
Union coverage in Canada.....	11
Overall coverage	11
Union density by province.....	11
Union density by Industry	11
Union affiliations, congresses, and mergers	12
Looking Ahead.....	13



In brief:

- This past year was a busy one for collective bargaining activity, with 432 major¹ collective agreements settled, the most since 2005. These agreements covered 1,014,210 employees – the most since 2010.
- Three industries accounted for 83.5% of these employees: 42.3% in education, health, and social services, 27.3% in construction, and 13.9% in public administration.
- Wage adjustments from major settlements averaged 1.4%, the lowest since 1997. Efforts by governments to constrain public-sector wage growth contributed to the downward pressure on the overall average wage increase.
- Although there were fewer work stoppages in 2013 compared to 2012, the average duration (88.4 days) was three times longer. Major work stoppages in 2013 resulted in a total of 1,507,243 person days not worked (PDNW), a 66.7% increase from the 904,027 PDNW recorded in 2012.

Introduction

This report focuses on collective bargaining outcomes in Canada during 2013. It describes the climate that prevailed in the economy and industrial relations, and provides an overview of wage settlements, contract duration, negotiated work conditions, work stoppages, and union coverage.

Slow growth in business investment and exports hindered sustained economic growth

Slow economic recovery of Canada's trade partners, combined with a number of domestic factors, contributed to a sluggish growth of the Canadian economy in 2013.

¹ All data reported in this report relates to major collective agreements covering 500 or more employees across Canada. Results presented in this report are based on 2013 data.

Five years after the recession started, there are positive indications that Western economies have started to gain momentum. Towards the end of 2013, the US Federal Reserve began to taper its third round of quantitative easing measures by trimming its monthly bond purchases. In Europe, the sovereign debt crisis has been brought under control and countries are in the process of withdrawing from the bailout program. Steady growth of the Chinese economy was observed in 2013 amid the uncertain post-crisis recovery worldwide.

Despite these positive indications, it will take time for the major economies before their respective growth returns to its pre-recession level. The slow growth of the global economy continued affecting Canada's international trade in 2013. In addition, due to the stronger Canadian dollar throughout 2013, major Canadian exports lost some competitiveness globally.

Although exports rose by 2.1% in 2013 compared to 1.5% in 2012, they are just now starting to reach the pre-recessionary export levels of 2008.

Furthermore, the final domestic demand grew by a slim 1.4% in 2013, which is considerably below the 2012 and 2011 increases of 2.3% and 2.7% respectively. Household consumption expenditures increased by 2.2%, and government expenditures grew by just 0.8%. At 1.4%, growth in business investments in plants and equipments fell for the third year in a row. Consequently, real GDP grew by 2.0% in 2013, slightly higher than the 1.7% growth recorded in 2012.²

Labour market

Last year witnessed a slow growth in job creation compared to the year before. While governments continued with several fiscal restraints in the public sector, 167,300 additional full-time jobs were created in 2013.³ By comparison, full-time employment increased by 197,500 jobs in 2012. At 7.1%, the unemployment rate in 2013 was close to the previous year (7.3%). Unemployment rates were particularly high in Atlantic Provinces: 11.4% in Newfoundland; 11.5% in PEI; and 10.4% in New Brunswick.

² Source: Statistics Canada

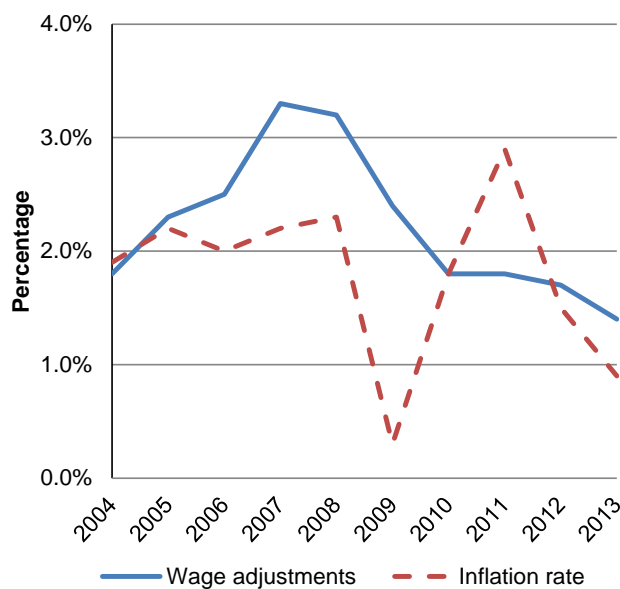
³ Source: Statistics Canada

Slowest wage growth since 1997

As anticipated, financial austerity led to moderate outcomes at the bargaining tables. The average wage increase, over the life of the contracts ratified in 2013, was only 1.4%, the lowest average since 1997.

Although the average wage adjustment in 2013 was modest, it nevertheless exceeded the rate of inflation, which was also the case in eight of the last ten years (Chart 1). However, as the Bank of Canada forecasts inflation to rise gradually to 2.0% by 2016, employees who ratified longer settlements may see negative real wage growth towards the end of their agreements. Approximately one-third of all ratifications (125) in 2013 had durations of at least 48 months, and the wage adjustments in these agreements averaged 1.7%.

Chart 1
Average wage adjustment of major settlements and inflation rate (Consumer price index), 2004-2013



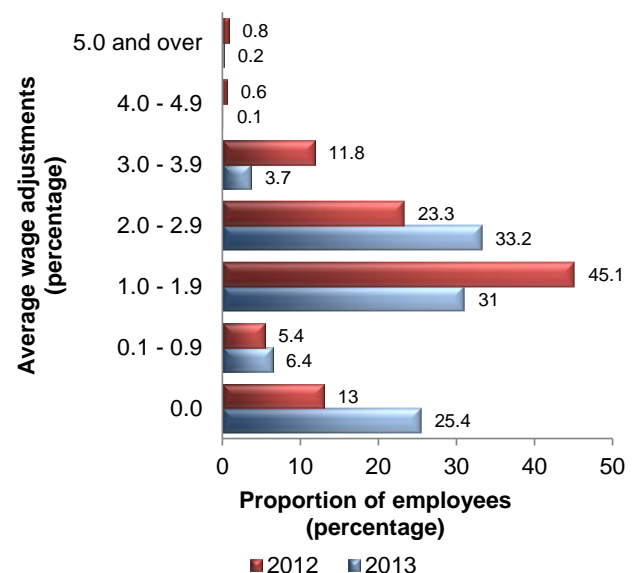
Source: Workplace Information and Research Division, Labour Program and Statistics Canada.

Several wage freezes in various regions contributed to the modest wage increases in 2013. More than a quarter of all employees covered by agreements negotiated in 2013 received no wage increase. The proportion of employees who

received wage adjustments between 1.0-1.9% was 31.0% and the proportion of those who received between 2.0-2.9% was 33.2%.

The distribution of agreements by wage adjustment differed between 2012 and 2013. In 2012, 13% of employees were subject to a wage freeze, and 13.2% of employees received an adjustment of at least 3.0%. In 2013, the proportion of agreements with a wage freeze doubled while a third of employees received an adjustment of at least 3.0% (Chart 2).

Chart 2
Proportion of employees, by wage adjustment 2012 and 2013



Source: Workplace Information and Research Division, Labour Program.

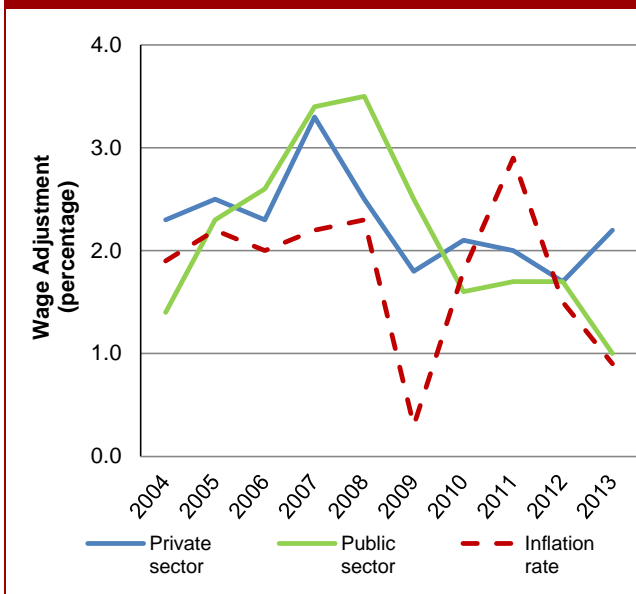
Smaller wage gains for public-sector employees

Almost 70% of all ratified agreements (and 62.0% of all employees covered) were in the public sector in 2013.

Governments' efforts to reduce spending translated into modest public-sector wage growth. In 2013, the average wage adjustment in the private sector (2.2%) was more than double the modest

adjustment in the public sector (1.0%), the lowest since the mid-1990s (Chart 3).

Chart 3
Wage adjustments in public and private sectors and inflation rate (Consumer price index), 2004-2013



Source: Workplace Information and Research Division, Labour Program and Statistics Canada.

Public Sector

Wage growth in the public sector was slower, compared to the private sector, mainly because of wage freezes imposed by governments. Of the 298 public-sector agreements reached in 2013, 157 (covering 258,100 of the 628,910 public-sector employees who ratified this year) contained no wage increase.

Employees in Ontario received amongst the lowest wage increases and they represented more than half of all public-sector employees who ratified in 2013. A total of 179 public-sector agreements (323,570 employees) were settled in Ontario, with wage increases averaging just 0.3%. Other jurisdictions also had moderate adjustments:

- In Alberta, 17 agreements were settled with 28,740 public-sector employees receiving an average wage adjustment of 0.9%;

- In British Columbia, 28 public-sector collective agreements, covering 93,330 employees, provided an average wage adjustment of 1.6%.

On the other hand, the average increase in the 11 agreements settled in Nova Scotia (covering 30,010 employees) was 2.6%; and Quebec public-service employees (29,160), covered by 19 agreements, obtained an average wage increase of 2.3%.

In the federal jurisdiction, 16 agreements covering 51,440 public-sector employees provided an average wage adjustment of 1.8%. The majority of these employees (85%) received average adjustments between 1.0-1.9% with no employees receiving an adjustment of less than 1.0%.

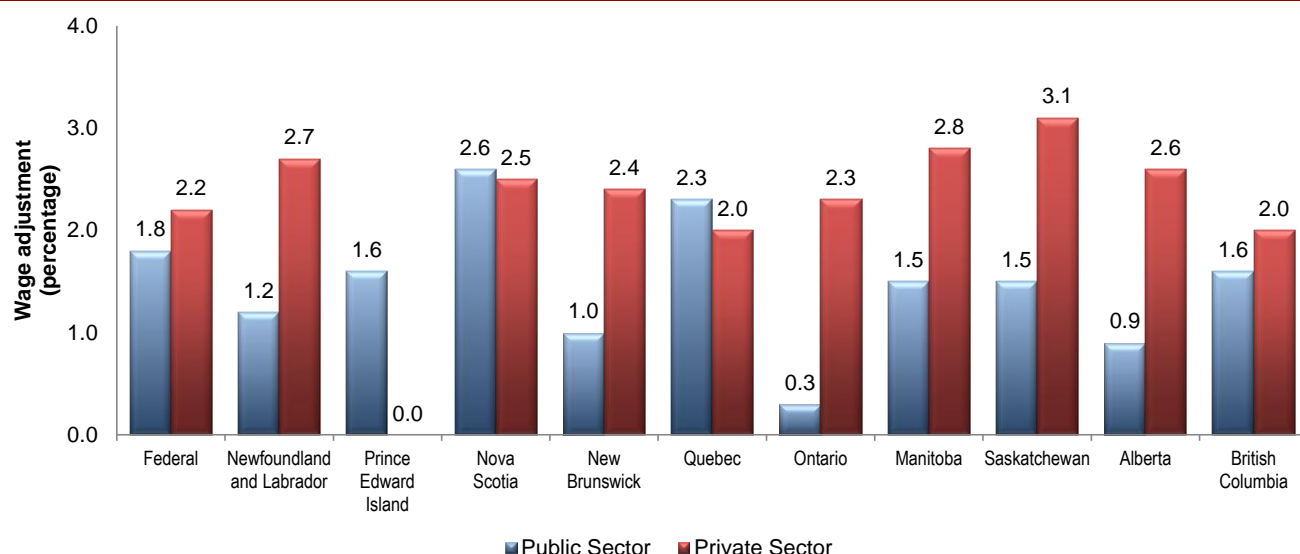
Private Sector

Together, British Columbia (20 agreements) and Quebec (19 agreements), represented 54.4% of all private-sector employees who ratified a collective agreement in 2013. In both provinces wage adjustments averaged 2.0%, which was the lowest amongst all jurisdictions (Chart 4).

In Ontario, 54 agreements (covering 121,250 employees) were ratified, registering an average wage adjustment of 2.3%. In total, five major collective agreements were ratified in the Atlantic provinces (3,860 employees), with an average wage adjustment between 2.4% (New Brunswick) and 2.7% (Newfoundland and Labrador). No private-sector agreement was concluded in Prince Edward Island during the year.

Saskatchewan had the highest average wage adjustment of all jurisdictions at 3.1% (three agreements covering 3,860 employees), followed closely by Manitoba at 2.8% (three agreements covering 4,810 employees), and Alberta at 2.6% (seven agreements covering 13,140 employees).

Chart 4
Wage adjustments by jurisdiction and sector, 2013



Source: Workplace Information and Research Division, Strategic Policy, Analysis, and Workplace Information Directorate, Labour Program, Employment and Social Development Canada; and Statistics Canada, the Labour Force Survey, Labour Statistics Division, CANSIM 282-0002 and 282-0011.

Wage adjustments by Industry

Although the primary industry, representing agricultural and natural resource workers, comprised only 0.6% of all employees, it recorded the highest average wage adjustment (3.1%) for the second year in a row. Three industries – education, health, and social services; construction; and public administration – represented 83.5% of all employees who ratified agreements in 2013 (Chart 5).

The education, health, and social services industry, impacted by provincial governments' fiscal tightening, recorded the lowest average wage adjustment (0.7%). This is the lowest wage increase recorded in this industry since 1996. As 42.3% of all covered employees were from this industry in 2013, modest adjustments in their wages added more downward pressure to the overall average wage increase.

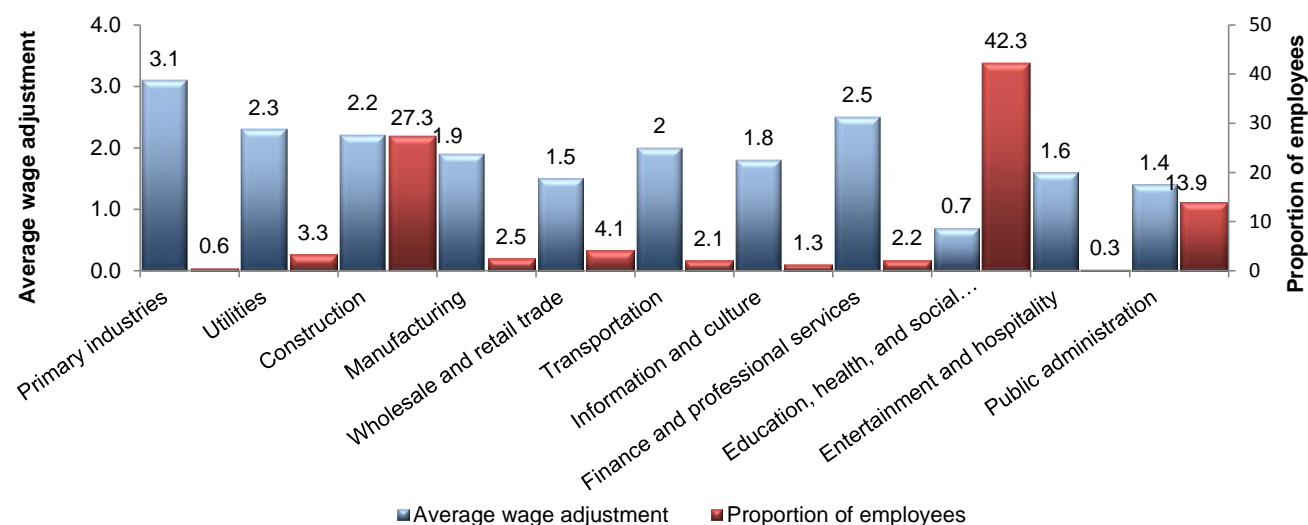
Construction had both the second highest number of agreements ratified (59) and number of covered employees (27.3%). Negotiation activity was extensive in Quebec (175,000 employees) and British Columbia (19,610 employees). Employees in

this industry negotiated an average wage adjustment of 2.2%.

Collective agreements in public administration represented 13.9% of all covered employees. These collective agreements provided an average wage increase of 1.4%.

It was a fruitful year for employees in the finance and professional services industry as they negotiated the second highest average wage adjustment (2.5%). The average wage gains in utilities and manufacturing were also relatively high – 2.3% and 1.9%, respectively.

Chart 5
Proportion of employees and average wage adjustment, by industry, 2013 (percentage)



Source: Workplace Information and Research Division, Strategic Policy, Analysis, and Workplace Information Directorate, Labour Program, Employment and Social Development Canada; and Statistics Canada, the Labour Force Survey, Labour Statistics Division, CANSIM 282-0002 and 282-0011.

Wage adjustments differ amongst jurisdictions

Provincial and territorial governments adopted different policies through the economic recovery, and these differences had nuanced effects on wage growth. Efforts to restrict public-sector spending, coupled with slower economic growth, have dampened wage increases across the country.

For the second consecutive year, employees in Ontario received the lowest average wage adjustment (0.9%). A wage freeze in this province's public sector, affecting 31.9% of all employees who ratified an agreement last year, had a downward effect on both the provincial and the national wage average. In fact, Ontario (0.9%) and New Brunswick (1.1%) were the only jurisdictions with wage adjustments below the national average of 1.4% (Chart 6).

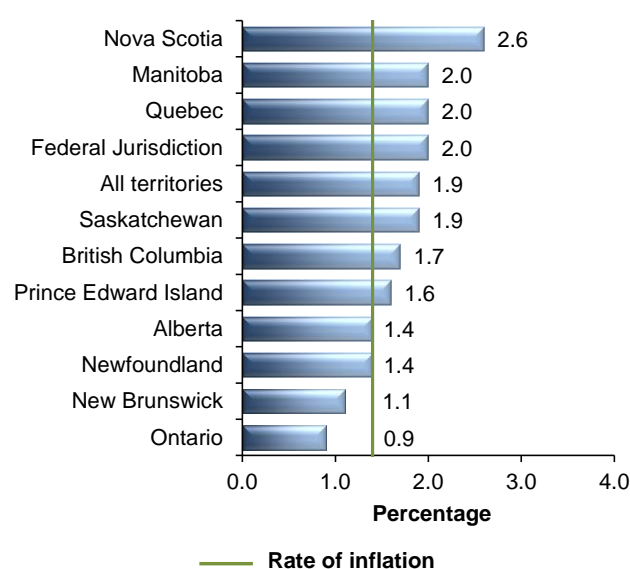
In comparison, the largest average wage increase was in Nova Scotia (2.6%), followed by Manitoba, Quebec, and the federal jurisdiction – each with 2.0%. British Columbia recorded a moderate

average wage increase with 1.7%. Public-sector wages grew gradually over the last few years in British Columbia, contributing to the strongest overall wage growth in that province since 2009. By contrast, Newfoundland and Alberta recorded only modest adjustments in 2013 (both 1.4%) after posting the strongest wage gains of 2012.

In the federal jurisdiction, 38 major collective agreements, covering 76,040 employees, recorded an average wage adjustment of 2.0%. Wage increases in the federal private sector surpassed those in the federal public sector with average adjustments of 2.2% and 1.8%, respectively.

There were some notable settlements in the federal jurisdiction in 2013. In the private sector, 6,000 Bell Canada office employees and 3,050 SaskTel operators recorded an average wage adjustment of 1.8%. In the public sector, the Government of Canada ratified 16 major collective agreements with various unions, representing 51,440 employees from various classifications.

Chart 6
Wage adjustments by jurisdiction in 2013



Source: Workplace Information and Research Division, Labour Program.

Agreements in force

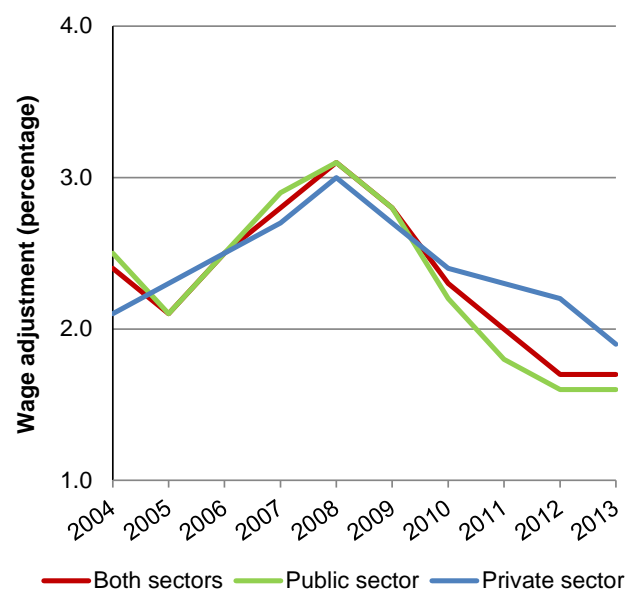
The previous sections focused on wage adjustments reached in 2013, averaged over the whole life of collective agreements. However, agreements frequently have different wage adjustments for each year of the term, and it is therefore interesting to examine increases year-by-year. In this section we take a look at wage adjustments recorded by all agreements that were in force during 2013. This not only includes the agreements ratified in 2013, but also agreements that were negotiated prior to 2013.

In 2013, a total of 1,014 agreements were in-force and provided 2.8 million employees with an average wage increase of 1.7%. This increase was similar to that of the previous year, when approximately 3 million employees received an average wage adjustment of 1.7%. The past two years together represent the period of the slowest wage growth for unionized workers over the last 10 years (Chart 7).

The average wage increase in agreements in force in the private sector was 0.3% higher than in the public sector (1.9% and 1.6%, respectively). In the federal jurisdiction, the average wage increase was 1.9%, whereas in provincial jurisdictions it averaged 1.7%.

Looking at agreements in force by industry, employees in the primary industry received the highest average wage adjustment (2.8%), while the lowest was recorded by employees in the wholesale and retail trade industry (1.3%). Modest wage increases were received by employees in education, health, and social services (1.5%) and those in public administration (1.7%).

Chart 7
Wage adjustments in agreements in force, by sector, 2004-2013



Source: Workplace Information and Research Division, Labour Program.

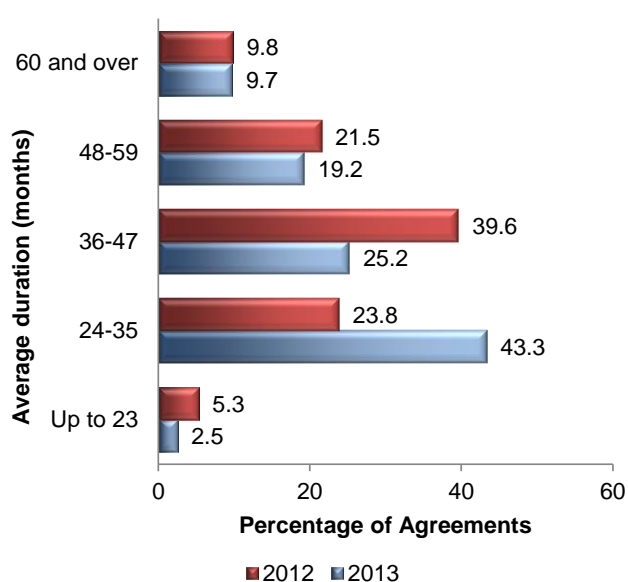
Duration of collective agreements

The average duration of the 432 collective agreements ratified in 2013 was 36.0 months. After leveling off between 2008 and 2010, this is the third consecutive year in which contract duration decreased.

Average contract duration declined in both sectors. This decline was more pronounced in the private sector, going from 44.8 months in 2012 to 40.1 months in 2013. Contract duration in the public sector decreased from 34.7 months to 33.5 months. This is also the third consecutive year the private-sector average exceeded the public-sector one.

In 2013, the proportion of agreements settled for 48 months or longer fell to 28.9% from 31.3% in 2012, the smallest proportion of long-term agreements since 2007, and well below the 10-year average of 36.8%. Similarly, the proportion of agreements for 36 to 47 months fell from 39.6% in 2012 to 25.2% in 2013. Almost half of 2013 agreements were settled for periods less than three years (Chart 8).

Chart 8
Distribution of major collective agreements by contract duration, 2012 and 2013



Source: Workplace Information and Research Division, Labour Program.

Collective agreement duration varied significantly by industry. The wholesale and retail trade industry had the longest average duration in 2013 at 67.9 months (17 agreements covering 41,630 employees). In contrast, agreements in education, health, and social services were the shortest at 31.5 months, followed closely by construction at 33.9 months, and public administration at 35.7 months. Average contract durations in these three industries were approximately 3 years shorter than the longest one, and covered 75.7% of all agreements ratified in 2013 (327 agreements covering 847,280 employees).

The 38 agreements ratified in the federal jurisdiction had an average duration of 40.3 months. Agreements in Manitoba had the longest average duration (51.2 months), while Quebec witnessed the largest decline in duration over the last year (from 60.8 months in 2012 to 36.3 months in 2013). Ontario, with 43.9% of covered workers, had the lowest average contract duration (29.7 months). New public-sector agreements in Ontario⁴ (average duration of 27.0 months), coupled with much shorter agreements in Quebec, explain the downward trend of the national average duration.

Clauses of interest in collective agreements⁵

Bargaining parties sometimes negotiate innovative clauses in an effort to alter working conditions or to address economic challenges.

Below are a few examples of such clauses that employers and unions negotiated in 2013.

Contingent wage adjustments

The Health Employers Association of BC and the Health Science Professionals Bargaining Association

⁴ 31.9% of employees who ratified agreements in 2013 worked in Ontario's public sector and represented a sizeable portion of those agreements between 24-35 months in duration.

⁵ Clauses of interest in collective agreements represent innovative solutions for the parties and can involve various aspects: including labour-management co-operation, organization of work (e.g. functional flexibility, team work), working-time management, training, compensation, etc.

of BC negotiated a new “Economic Stability Dividend”. For every one percent that provincial real GDP exceeds the government forecast, employees will receive an additional 0.5% wage increase. The dividend will be calculated annually for each year of the collective agreement.

Transfer between employees

Yukon College and the Public Service Alliance of Canada negotiated a new provision that allows workers to confidentially transfer unused vacation time to other employees on compassionate grounds.

The Fédération des caisses Desjardins du Québec and the United Food and Commercial Workers (UFCW) negotiated a new provision allowing one employee to donate working hours to another employee performing the same duties. Under this arrangement, employees performing the same duties may transfer their hours from floating holidays or banked time between themselves.

Alternative dispute resolution

In Chapel Island, Nova Scotia, aboriginal fishermen represented by the UFCW negotiated a clause that introduces a new conflict resolution approach. The fishermen, who are citizens of the Potlotek First Nation, will have the option of resolving contract disputes through a process called the Kisikuewey Wantaqo’suti Procedure, which permits mediation by Band Elders.

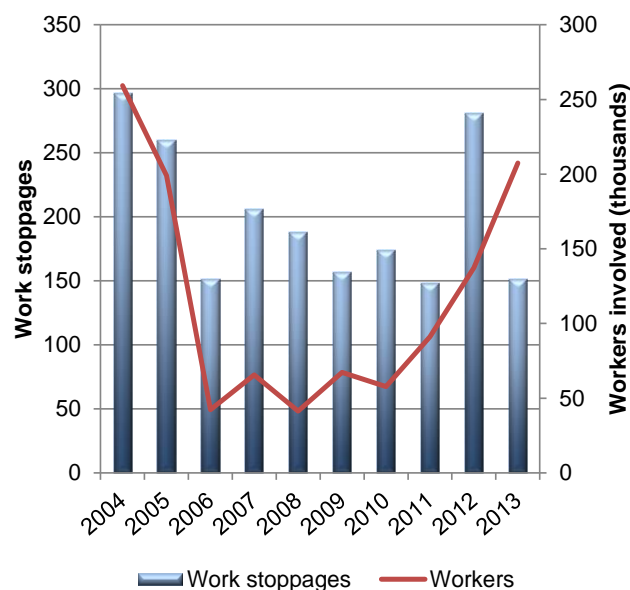
Language and diversity

Canada Safeway Limited and the UFCW have committed to work together in the implementation of ethnic model stores, which will target specific demographic niches. Employees with the appropriate linguistic profile may be transferred to stores where they can effectively communicate with a store’s target customer base. Both parties have recognized that the stores selected for this implementation are essential to overall growth and job security. A joint union/employer process will be implemented to manage the transition for employees in impacted stores.

Fewer work stoppages, longer, but not necessarily more disruptive

There were 151 work stoppages in the past year, down 46.3% from 281 stoppages in 2012 (a year that saw the most work stoppages since 2004). A total of 207,414 workers were involved in work stoppages in 2013, a 51.0% increase over 2012 (Chart 9). The number of workers involved has steadily increased over the past few years, although the number of person-days-not-worked (PDNW) has not fluctuated much since 2005. Last year saw a total of 1,507,243 PDNW, a 66.7% increase over 2012 (Chart 10).

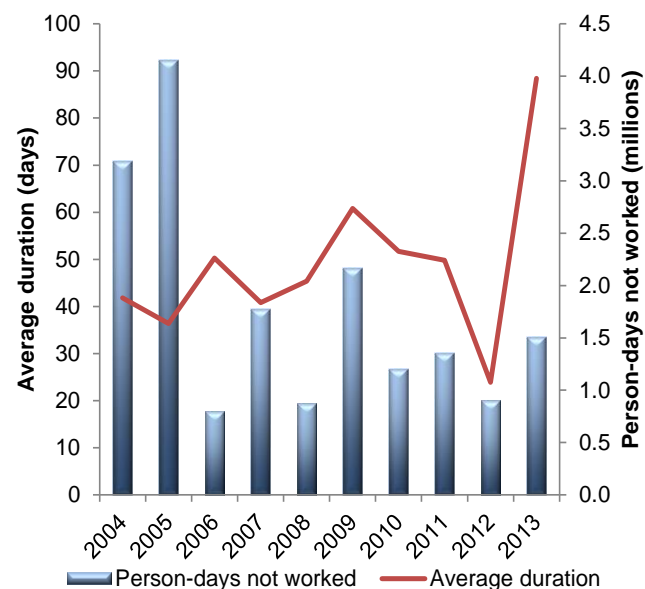
Chart 9
Number of work stoppages and workers involved, 2004-2013



Source: Workplace Information and Research Division, Labour Program.

Work stoppages in 2013 involved the largest number of workers since 2004. A two-week construction strike in Quebec accounted for a sizeable portion of last year’s PDNW. Approximately 175,000 employees returned to work after back-to-work legislation was passed in the province.

Chart 10
Person-days not worked and average duration, 2004-2013



Source: Workplace Information and Research Division, Labour Program.

The average duration of work stoppages soared to 88.4 days, roughly quadruple the figure recorded in 2012 (23.9 days). Several long work stoppages pushed the average duration higher, but these involved relatively small numbers of workers.

Federal Jurisdiction

In 2013, only six work stoppages took place in the federal jurisdiction, one-third the number recorded in 2012 (18). While there were only a handful of work stoppages, their average duration increased significantly to 164.2 days, a 144.0% increase from 67.3 days in 2012. Only 727 workers were involved in these work stoppages – the quietest year since 2006. The small number of stoppages and low numbers of workers involved, despite the increase in average duration, resulted in just 75,650 PDNW, a 54.0% decrease from the 165,000 PDNW in 2012.

Provincial Jurisdiction

There were 145 work stoppages under provincial jurisdictions in 2013, a decrease from 263 stoppages the year before.

With 84 work stoppages involving 179,545 workers, Quebec witnessed the most work stoppages amongst all jurisdictions (980,089 PDNW). Most of these person days not worked can be attributed to the construction strike that took place last June, which accounted for 668,260 PDNW, or 44.3% of all PDNW recorded in Canada.

The average work stoppage in Quebec was 122.2 days. Several smaller workplaces in this province had lengthy work stoppages. However, work stoppages that resulted in the most PDNW were short-lived and resolved relatively quickly.

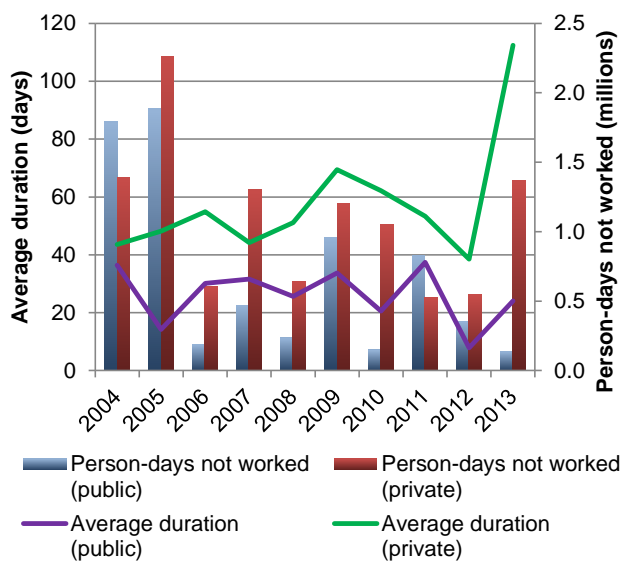
In Ontario, there were 23 work stoppages involving 14,843 workers, accounting for 294,880 PDNW, or 19.6% of all PDNW. At the other end of the spectrum, no work stoppages occurred in Prince Edward Island and Saskatchewan during the year.

Public and private sectors

There were almost three times more work stoppages in the private sector (110) than in the public sector (41). Public-sector work stoppages fell substantially from the 134 that took place in 2012. The number of private-sector work stoppages decreased 25.2% from the 147 recorded in 2012.

Almost ten times more PDNW were recorded in the private sector than in the public sector. In the private sector, 1,369,035 PDNW were recorded, representing a 149.5% increase from 2012. This is the largest number of PDNW recorded in the private sector since 2005. By contrast, the public sector recorded 138,208 PDNW in 2013, a 61.1% decline from the previous year (Chart 11).

Chart 11
Person-days not worked and average duration, by sector, 2004-2013

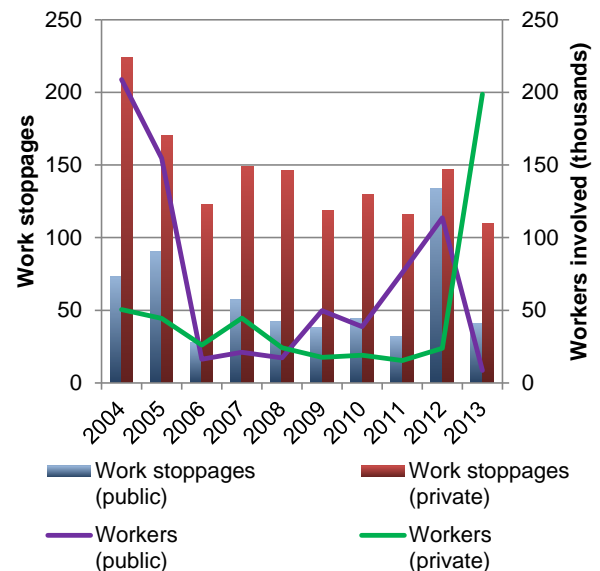


Source: Workplace Information and Research Division, Labour Program.

The average duration of private-sector stoppages exceeded that of public-sector stoppages. The average duration of private-sector work stoppages grew to 112.4 days, a 191.9% increase from 38.5 days in 2012. In the public sector, the average work stoppage was 24.1 days, triple the year before (7.9 days). Thus, the average private-sector stoppage was 88.3 days longer than the average public-sector one, the largest difference recorded in the last decade.

When looking at the number of workers involved in strikes and lockouts, there were few similarities between the sectors. In the private sector, the number of workers involved grew to 198,778 – from 23,791 workers in 2012– largely a consequence of the June construction strikes in Quebec. By contrast, only 8,636 workers were involved in public-sector work stoppages, down from 113,607 the year before (Chart 12).

Chart 12
Number of work stoppages and workers involved, by sector, 2004-2013



Source: Workplace Information and Research Division, Labour Program.

Notable work stoppages in 2013

There were several larger work stoppages in Quebec and Ontario, which represented a significant share of last year's PDNW figure.

The June construction strike in Quebec, involving four unions, involved approximately 175,000 tradespeople and accounted for 668,260 PDNW. The work stoppage ended after the Quebec government passed back-to-work legislation, which effectively extended the previous collective agreements by a year.

There were also three significant work stoppages in Ontario. First, a dispute between the Canadian Red Cross Society and 4,500 Service Employees International Union members resulted in 63,000 PDNW. Second, a strike by 842 United Steelworkers working at the U.S. Steel Canada's Lake Erie Works lasted from late April to the end of August (123 days) and translated into 73,960 PDNW. Finally, 1,400 International Union of Elevator Constructors went on strike through May and June before reaching an agreement with the National Elevator and Escalator Association ICI & non-ICI, resulting in 55,800 PDNW.

Union coverage in Canada

Overall coverage

In 2013, a total of 4.7 million workers were covered⁶ by collective agreements, roughly 0.4% more than in 2012. While the number of covered employees increased by almost 20,000, the labour market added roughly 9.3 uncovered employees for every new employee covered by a collective agreement, resulting in a slight decline in union coverage from 31.5% in 2012 to 31.2% (Table 1).

In 2013, although the total number of employees increased in both public and private sectors, the union coverage remained relatively stable compared to 2012. Coverage in the public sector declined slightly from 74.6% to 74.5% and in the private sector from 17.7% to 17.5%.

Table 1
Union coverage by province, 2012-2013

	Workers covered (000's)		Union density (percentage)	
	2012	2013	2012	2013
Canada	4,676.8	4,694.6	31.5	31.2
Newfoundland and Labrador	80.3	83.6	38.9	39.8
Prince Edward Island	21.2	21.9	34.2	34.8
Nova Scotia	121.4	118.3	30.6	30.4
New Brunswick	92.7	91.7	29.8	29.4
Quebec	1,373.8	1,381.4	39.9	39.5
Ontario	1,620.1	1,629.2	28.2	28.0
Manitoba	196.6	196.1	36.0	35.9
Saskatchewan	155.3	156.2	35.4	34.8
Alberta	423.4	420.6	23.5	22.8
British Columbia	592.2	595.7	31.3	31.5

Source: Statistics Canada, Labour Force Survey (CANSIM, table 282-0078).

⁶ Statistics Canada defines coverage as union members and persons who are not union members, but who are covered by collective agreements

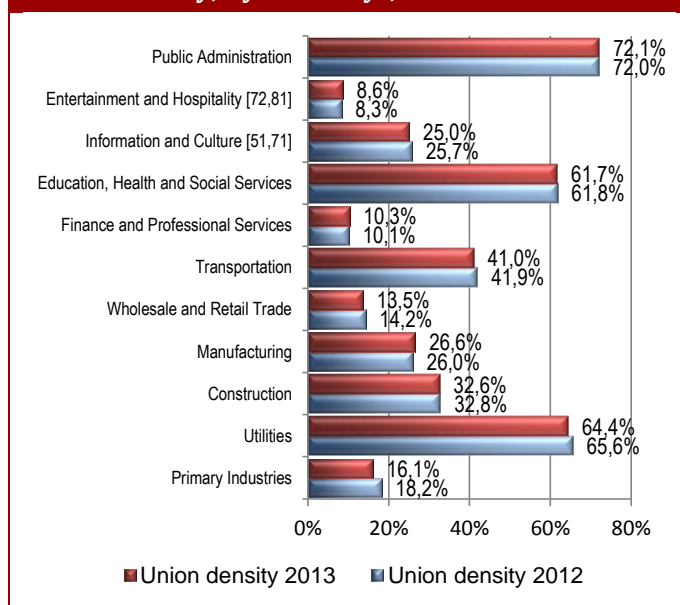
Union density by province

The union density rates⁷ increased in six provinces, with the largest increases in Newfoundland and Labrador (4.1%) and Prince Edward Island (3.3%). The largest decreases in density rates were witnessed in Nova Scotia (-2.6%) and New Brunswick (-1.1%).

Union density by Industry

Across industries, union density did not vary significantly from 2012 to 2013. The primary industry had the biggest drop in union density, falling 2.1 percentage points to 16.1% in 2013 (Chart 13). Four industries experienced only marginal increase in union density (manufacturing, finance and professional services, entertainment

Chart 13
Union density, by industry⁸, 2012 and 2013



Source: Statistics Canada, Labour Force Survey.

⁷ Statistics Canada defines union density as the proportion of covered employees relative to the total number of employees in all industries

⁸ The Labour Program-ESDC uses an industrial grouping of the North American Industry Classification System (NAICS) that is different from other departments. Employees in the Arts, Entertainment and Recreational Services sector [71] are usually included under Entertainment and Hospitality, but have been grouped under the Information and Culture industry in keeping with the information as provided by Statistics Canada. NAICS sectors for these discrepancies are provided in square brackets.

and hospitality, and public administration). Amongst these industries, manufacturing increased by 0.6 percentage points to 26.6% in 2013, the largest increase in union density.

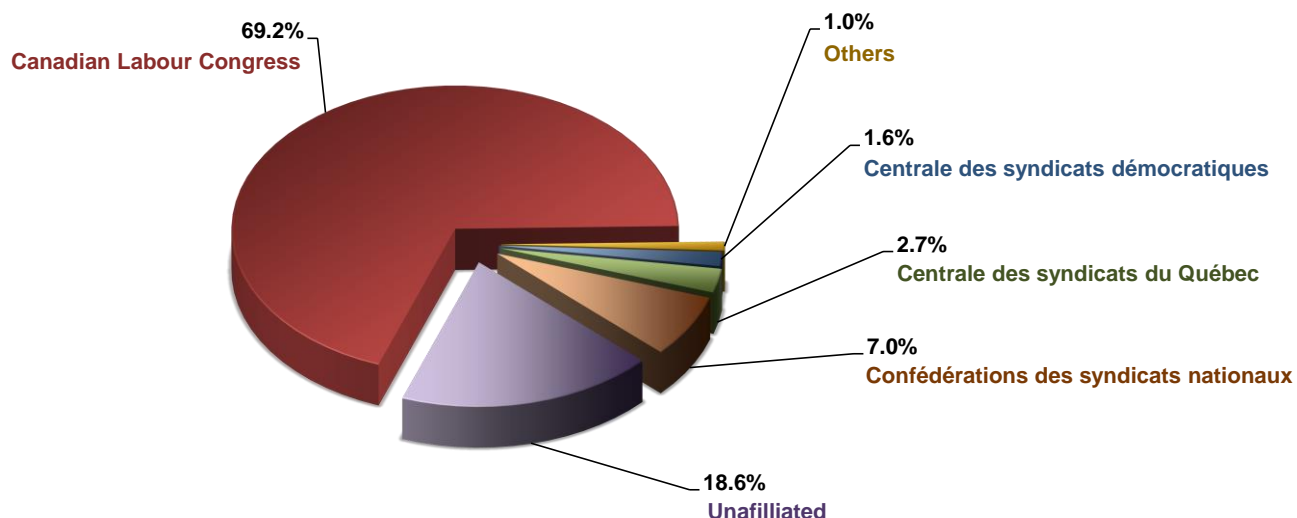
Union affiliations, congresses, and mergers

Unions affiliate with labour congresses for assistance at national and international levels. Among the labour congresses in Canada, the Canadian Labour Congress represented 69.2% of the workers covered by collective agreements (Chart 14), a modest decline from 70.2% in 2012. By contrast, 18.6% of covered workers were not affiliated with a congress.

There was a notable change in the trade union landscape last year, as two of the larger unions merged to enhance their national presence. The merger of the National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW-Canada) and the Communications, Energy and Paperworkers Union of Canada (CEP), formalized on August 31, 2013, resulted in the creation of Unifor. Representing approximately 308,000 workers, Unifor is now Canada's largest private-sector union and third largest overall.

Two affiliation changes occurred during 2013: First, the *Syndicat du personnel technique et professionnel de la Société des alcools du Québec* and its 695 members affiliated with the CSN, and the British Columbia Nurses' Union (40,000 members) disaffiliated from the CLC and became an independent national union, resulting in a slight decrease in the CLC's share of total union coverage. Second, on December 2, 2013, the Chalk River Technicians and Technologist Union (900 members) merged with the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (USW – 230,700 members).

Chart 14
Union congress affiliation in Canada, 2013



Source: Workplace Information and Research Division, Labour Program.

Looking Ahead

Considerable negotiation activity is anticipated to start or continue into 2014, particularly in public administration and the federal jurisdiction. Some 700 collective agreements, covering 2.0 million employees will be open for negotiation in 2014. The Workplace Information and Research Division projects that agreements ratified in 2014 will record annual wage adjustments averaging 1.9% for the lifetime of these agreements.

Wages are likely to continue to be the most important issue in negotiations for many employers and unions. According to the Conference Board of Canada, both employers and unions will have different negotiation priorities in the coming year. For employers, productivity and competitiveness will be top priorities. By contrast, unions are expected to emphasize employment security and health benefits.

A number of key indicators demonstrate that Canada's performance through the economic recovery has been relatively strong compared to the Organisation for Economic Co-operation and Development (OECD). Over one million jobs have been added since the recessionary trough in July 2009.⁹

Long-term demographic trends will have growing implications for the Canadian labour market.¹⁰ As baby boomers prepare to retire, there is every indication that the labour market will begin to tighten. It is expected that younger workers and immigrants will increasingly fill positions left open by retirees.

Thus, firms may begin to consider their compensation levels and working conditions in relation to the pool of available labour over the next several years. As technology and demographics redefine the labour market, offers will need to be evaluated within the context of these secular trends.

⁹ Source: Parliamentary Budget Officer

¹⁰ Source: Bank of Canada; Conference Board of Canada