# LABOUR IN CANADA

#### FOREWORD

"Labour in Canada" provides a brief guide to the labour situation as it exists in Canada today. It is not intended to be a complete documentation of labour information, but a review of the legislated and negotiated circumstances that characterize the Canadian labour climate.

A large part of the report summarizes the major legislation which sets minimum standards and conditions for employment and labour relations and forms the basis for bargaining. To show the current situation, resulting from legislation and negotiation, a skeleton outline of average wages and salaries is included. There is also a description of the fringe benefits common to Canada and the results of some recent collective bargaining agreements. "Labour in Canada" is only intended as a preliminary outline for employers. For further details or specific questions contact the Department of Labour.

Industrial Development Branch Department of Regional Economic Expansion



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#### INTRODUCTION

Labour legislation in Canada is primarily the responsibility of the provincial governments while the federal government has only a limited area of jurisdiction. Labour laws impose conditions on the rights of employers and employees to enter into a contract of employment and are therefore laws in relation to property and civil rights. The provinces have exclusive power to make laws regarding "property and civil rights in the provinces" and "local works and undertakings".

#### Federal Government

The federal jurisdiction covers industries and undertakings of a national, interprovincial or international nature, or which have been declared to be for the general advantage of Canada or more than one province. Such operations include transportation and communication systems which extend beyond the borders of a province, extra-provincial shipping and services connected with shipping (e.g. longshoring), banks, primary fishing, flour, feed and seed cleaning mills and feed warehouses, grain elevators, uranium mining and processing and most federal crown corporations.

# Provincial Government

Most remaining businesses or industries including manufacturing are the responsibility of the provinces with certain possible changes arising from subsequent judicial decisions. In the case of the Yukon and Northwest Territories, the Territorial Councils have been given legislative powers over property and civil rights in the Territories by an Act of Parliament and hence have virtually the same jurisdiction in labour matters as the provincial legislatures.

#### LABOUR LEGISLATION

Much of the labour legislation in Canada is concerned with working conditions and minimum standards which must be met. These include regulations regarding minimum age, minimum rates of pay, maximum hours, annual vacations and holidays, fair employment practices and minimum health and safety standards. In addition there is a great deal of important legislation concerning unions. This guarantees freedom of association among the employees and requires that employers recognize and bargain with the union representing the majority of the employees.

The Canada Labour Code applies to any employee or employer connected with any federal work, undertaking or business. Similar legislation is in effect in each province and territory covering industries under the respective jurisdictions.

### (a) Minimum Age For Employment

Under the Canada Labour Code which applies to employees under federal jurisdiction, no minimum age for employment is set; rather there are five conditions for employment of a person under 17 years of age:

- 1. he is not required to be at school;
- 2. the work is not likely to injure his health or endanger his safety;
- 3. he is not employed in work prohibited for young workers:
- 4. he is not required to work between the hours of 11 p.m. and 6 a.m.;
- 5. he is paid not less than the federal minimum wage for people under 17 years.

Each province and territory has legislation on the school-leaving age and child labour laws setting out minimum ages for all or some specific industries and occupations. For jobs where no minimum age is specified a child may be employed as long as school attendance laws and any other restrictive legislation are complied with.

#### MINIMUM AGE FOR EMPLOYMENT\*

#### **ESTABLISHMENT**

PROVINCE	
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PROVINCE	Mines	Factories	Shops H	otels/Restaurants
Alberta	17	15 except with permit	15 except with permit	15 except with permit
British Columbia	18, below	15 except with permit	15 except with permit	15 except with permit
Manitoba	15, above 18, below		16 except with permit	16 except with permit
New Brunswick	Coal and Metal: 16, above 18, below	16 except with permit	16 except with permit	16 except with permit
Newfoundland	16, above 18, below	16	16	16
Nova Scotia	Coal: 18½, below Metal: 16, above 18, below	16 v	<del></del>	16
Ontario	16, above 18, below	15	14	14 (restaurants only)
Prince Edward Island		15		
Quebec	16, above 18, below	16	16	16
Saskatchewan	16, above 18, below	16		16
Yukon	16, above 18, below			
Northwest Territories	16, above 18, below			<b></b>

Certain exceptions are provided for under each jurisdiction.

#### (b) Minimum Wages

All provinces, the two territories and the federal government have minimum wage laws applying to their respective jurisdictions. Some include special provisions for young people under the minimum age, on-the-job training, handicapped employees, or special minimum rates for specific industries. These rates are periodically updated by the minimum wage board or labour board in each jurisdiction.

#### (c) Equal Pay

All jurisdictions except Quebec and the Yukon have equal pay laws requiring that employers give equal pay for equal work done regardless of sex. In Quebec this is embodied in the Employment Discrimination Act which forbids discrimination in employment on the basis of sex. The Fair Practices Ordinance of the Northwest Territories forbids wage discrimination on grounds of sex.

#### (d) Weekly Rest Day

The Canada Labour Code provides for one full day of rest a week, preferably on a Sunday, unless working hours are averaged over a specific period or a permit for special working hours is obtained from the Minister of Labour. All provinces but P.E.I. allow for a weekly day of rest although the provisions and exceptions vary.

#### (e) General Hours of Work

Five provinces, the two territories and the federal government have laws regulating work hours. British Columbia, Alberta, Ontario, Yukon and the Northwest Territories and the federal jurisdiction set a maximum on the number of hours per day and per week that may be worked. However, there are many exceptions provided for, through orders, regulations and permits. The federal government, Alberta, Manitoba, Saskatchewan and both Territories have standard hours above which overtime must be paid. A series of statutes are in force in these and the remaining jurisdictions which regulate hours of work in certain industries or for certain groups of people and set overtime rates. In Alberta the standard hours have been raised to 9 per day and 44 per week to allow for the 4 day week with its longer working day.

# (f) Annual Vacations With Pay

All federal, provincial and territorial jurisdictions provide for an annual paid vacation after a year's continuous employment. Length of vacation and the rate of vacation pay vary with each jurisdiction.

## MINIMUM WAGE RATES

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Jurisdiction		Rate per hour
Federal	Employees 17 and over Employees under 17	\$ 1.90 1.65
Alberta-	Employees 18 and over Employees under 18 Students under 18 employed on a part-	1.75 1.60
	time basis	1.25
British Columbia	Employees 18 and over Employees under 18	2.00 1.60
	Effective December 3, 1973 -	
	Employees 18 and over Employees under 18	2.25 1.85
·	Effective July 3, 1974 -	
	Employees 18 and over Employees under 18	2.50 2.10
Manitoba	Employees 18 and over Employees under 18 Inexperienced employees	1.75 1.50 1.60 first 3 months 1.70 second 3 months
	Effective October 1, 1973 -	
	Employees 18 and over Employees under 18 Reduced rates for inexperienced workers abolished	1.90 1.65
* New Brunswick	Employees 18 and over Employees under 18	1.50 1.35
	Effective January 1, 1974 -	
	Employees 18 and over Employees under 18	1.75 1.65
,	Effective July 1, 1974 -	
•	Employees 18 and over Employees under 18	1.90 1.80

The two rates are being brought to the same level.

# MINIMUM WAGE RATES (con't)

Jurisdiction		Rate per hour
New Brunswick (con't)	Effective January 1, 1975 -	•
(con t)	Employees 18 and over Employees under 18	\$ 2.15 2.05
	Effective July 1, 1975 -	
	Employees 18 and over Employees under 18	2.30 2.30
Newfoundland	Employees over 18 Employees 16-18	1.40 1.10
Nova Scotia	Employees 18 and over Employees 14-18	1.65 1.40
Ontario	Employees 18 and over Employees under 18, who are employed	1.80
	for 28 hours or less a week	1.45
Prince Edward Island	Male employees 18 and over Female employees 18 and over * Employees under 18	1.40 1.30 1.20
	Effective July 1, 1974 -	
	* Employees 18 and over * Employees under 18	1.50 1.40
Quebec	Employees 18 and over Employees under 18	1.70 1.60
	Effective November 1, 1973 -	
	Employees 18 and over Employees under 18	1.80 1.70
	Effective May 1, 1974 -	
	Employees 18 and over Employees under 18	1.90 1.80

Both sexes

# MINIMUM WAGE RATES (con't) .

Jurisdiction	•	Rate per hour
Quebec (con't)	Effective November 1, 1974 -	
	Employees 18 and over Employees under 18	\$ 2.00 1.90
Saskatchewan *	Employees, generally	1.75
Yukon **	Employees 17 and over	2.00
Northwest Territories	Employees 17 and over	1.50
	Effective September 1, 1973 -	
	Employees 17 and over Employees under 17	2.00 1.75

<sup>\*</sup> Saskatchewan has no special rates for young workers or students

\*\* Federal Minimum wage plus 10 cents

## GENERAL HOURS OF WORK AND OVERTIME LAWS

Jurisdiction	Standard Set	Application
Federa1	Standard hours: 8/day,40/week. Overtime: 1½ times the regular rate after 8/day or 40/week. Maximum hours: 48	Federal industries Exclusions: managers, super- intendents and professional employees. Exceptions:*
Alberta	Standard hours: 9/day,44/week. Overtime: 1½ times the regular rate. Maximum hours: 8,44	Most employment Exclusions: managerial and confidential employees, farm labour and domestic service. Exceptions:*
British Columbia	Maximum hours: $8,44$ Overtime: $1\frac{1}{2}$ times regular rate in excess of $40$ in a week or $8$ in a day.	Most employment Exclusions: managerial and confidential employees. Exceptions:*
Manitoba	Standard hours: 8,44 Overtime: 1½ times regular rate.	Most employment Exclusions: professional employees, farming, domestic service, fishing and con- struction.
New Brunswick	Overtime: $1\frac{1}{2}$ times minimum rate after 48 hours.	
Newfoundland	Overtime: $1\frac{1}{2}$ times minimum rate after 48 hours.	
Nova Scotia	Overtime: $1\frac{1}{2}$ times minimum rate after 48 hours.	
Ontario	Maximum hours: 8,48 Overtime: 1½ times regular rate after 48 hours.	Most employment. Exclusions: supervisory and managerial employees, professional employees, farm workers, domestic servants, construction, commercial fishermen, resident janitors or caretakers, and a few other classes of employees. Exceptions:*

Different standards set by regulation for some industries.

# GENERAL HOURS OF WORK AND OVERTIME LAWS (con't)

Jurisdiction	Standard Set	<u>Application</u>
Prince Edward Island	Overtime: 1½ times minimum rate after 48 hours.	
Quebec	Overtime: $1\frac{1}{2}$ times minimum rate after 45 hours.	
Saskatchewan	Standard hours: 8,40 Overtime: 1½ times regular rate.	Most employment. Exclusions: northern area of province, managerial employees, farm workers, domestic servants, road construction, commercial travellers and a few other classes of employees. Exceptions:*
Yukon	Standard hours: 8,48 (Shops: 8,44). Overtime: 1½ times regular rate. Maximum hours: 10 and 60.	Most employment. Exceptions:*
Northwest Territories	Standard hours: 8,48 Maximum hours: 10,60	Most employment. Exceptions:*

Different standards set by regulation for some industries.

# ANNUAL VACATIONS

Jurisdiction	Length of Annual Vacation	Vacation Pay
Federal .	2 weeks	4% of annual earnings
Alberta	2 weeks	Regular pay
British Columbia	2 weeks	4% of annual earnings
Manitoba	2 weeks; 3 weeks after 5 years service	Regular pay
New Brunswick	2 weeks	4% of annual earnings
Newfoundland	2 weeks	4% of annual earnings
Nova Scotia	2 weeks	4% of annual earnings
Ontario	1 week; 2 weeks after 2 years service	<ul><li>2% of annual earnings in first year;</li><li>4% of annual earnings after second year</li></ul>
Prince Edward Island	2 weeks	4% of annual earnings
Quebec	2 weeks	4% of annual earnings
Saskatchewan	2 weeks; 3 weeks after 5 years service	<pre>1/26 of annual earnings in first four years; 3/52 of annual earnings after fifth year</pre>
Yukon	2 weeks	4% of annual earnings
Northwest Territories	2 weeks	4% of annual earnings

#### (g) Statutory Holidays

Under all jurisdictions except Quebec, New Brunswick, Newfoundland and Prince Edward Island, certain statutory holidays are set out for which most employees are entitled to a day off, usually with pay. Where it is not possible for an employee to take the holdiay off, there are rules regarding payment for the time worked. There are additional paid holidays that are commonly observed, although they are not general to all industries. These are often set out in provincial regulations or union contracts. This is the case with all paid holidays in Quebec, New Brunswick, Newfoundland and Prince Edward Island where there is no general legislation.

Jurisdication	No. of Holidays	Pay for Holiday Work
Federa1	8	Regular wages plus $1\frac{1}{2}$ regular rate for hours worked
Alberta	8	Regular wages plus 1½ regular rate for hours worked
British Columbia	8	$1\frac{1}{2}$ regular rate for hours worked and an alternate day off with pay
Manitoba	8	Regular wages plus $1\frac{1}{2}$ regular rate for hours worked
Nova Scotia	5	$1\frac{1}{2}$ regular rate for hours worked
Ontario	7	$1\frac{1}{2}$ regular rate for hours worked
Saskatchewan	8	Regular wages plus $1\frac{1}{2}$ regular rate for hours worked
Yukon	8	Regular wages plus $1\frac{1}{2}$ regular rate for hours worked
Northwest Territories	8	Regular wages and regular rate for hours worked or an alternate day off with pay

#### (h) Maternity Protection

British Columbia, Manitoba, New Brunswick, Nova Scotia, Ontario and the federal government have legislation protecting women during pregnancy. It is forbidden to dismiss an employee because of pregnancy or absence on maternity leave. Under the federal and Ontario laws a woman must be permitted to resume work with no loss of position, seniority, wages or benefits. The length of absence permitted is 17 weeks under federal, Nova Scotia and Manitoba jurisdictions and 12 weeks under British Columbia, Ontario and New Brunswick jurisdictions. Provisions are made for extending the leave if necessary.

#### (i) Workman's Compensation

A Workmen's Compensation Act in each province provides compensation to an employee or his dependents in case of accident or disease caused by employment. Liability is collective and compensation, medical expenses and other benefits are paid from a provincial fund which is built up by annual assessments on employers. Employees do not contribute. Industries are classified by hazard, and a percentage of the payroll of each employer in a class is levied in order to cover the cost of accidents in that class. The federal government has arranged with the provincial Workmen's Compensation Boards that its employees are covered by the province in which they are employed. Benefits in all provinces include:

- 1. 75% of average earnings in periodic payments for temporary disablement;
- 2. 75% of average earnings in lump sum or monthly payments for life for permanent disablement;
- 3. all necessary medical aid and hospitalization;
- 4. rehabilitation;
- 5. monthly pension, lump sum payment and funeral expenses to dependents in the case of death.

In the Yukon and Northwest Territories benefits are the same as in the provinces but the liability is borne by the individual employer, who must carry accident insurance. Similarly under the Merchant Seaman Compensation Act the employer is individually liable.

## (j) Termination of Employment

The federal government and seven provinces - Manitoba, Newfoundland, Nova Scotia, Ontario, Prince Edward Island, Quebec and Saskatchewan - have legislation requiring an employer to give notice of termination to an employee. The length of notice and alternative provisions vary with each jurisdiction. The federal, Manitoba, Nova Scotia, Ontario and Quebec codes also cover group terminations and Manitoba, Nova Scotia, Newfoundland and Quebec require an employee to give notice of termination as well.

# NOTICE OF GROUP TERMINATION

Jurisdiction	No. of Employees	Notice Required
Federal	50 - 100	8 weeks
	. 101 - 300	12 weeks
	Over 300	16 weeks
Manitoba	50 - 100	8 weeks
	101 - 300	12 weeks
	Over 300	16 weeks
Nova Scotia	10 - 99	8 weeks
	100 - 299	12 weeks
	300 or more	16 weeks
Ontario	50 - 199	8 weeks
	200 - 499	12 weeks
	500 or more	16 weeks
Quebec	10 - 99.	2 months
•	100 - 299	3 months
	300 or more	4 months

Other Jurisdictions: No legislation

# NOTICE OF INDIVIDUAL TERMINATION

Jurisdiction	Notice Required	Application
Federa1	2 weeks	Employers in federal industries. Exclusion: employed less than 3 months, superintendents, managers, members of professions.
Manitoba	Pay period	Employers and employees. Exclusion: employed less than 2 weeks, farm workers.
Newfoundland	Pay period	Employers and employees. Exclusion: employed less than 1 month.
Nova Scotia	Employed less than 2 years: 1 week 2 to 5 years: 2 weeks 5 to 10 years: 4 weeks Over 10 years: 8 weeks	Employers (employees different). Exclusion: employed less than 3 months, construction industry.

#### NOTICE OF INDIVIDUAL TERMINATION (con't)

Jurisdiction	Notice Required	Application
Ontario	Employed less than 2 years: 1 weeks 2 - 5 years: 2 weeks 5 - 10 years: 4 weeks Over 10 years: 8 weeks	Employers (special provisions for employees under notice of mass layoff). Exclusion: employed less than 3 months, construction.
Prince Edward Island	1 week	Employers and employees. Exclusion: employed less than 3 months, farm workers, construction.
Quebec		Listed employers and their employees. Exclusion: domestic servants, journeymen, labourers.
Saskatchewan	·1 week	Employers. Exclusion: employed less than 3 months, farming, ranching, market gardening.

Other Jurisdictions: No legislation

#### (k) Unemployment Insurance

All employers in Canada with insurable employees (all employees other than self-employed) must register with the Unemployment Insurance Commission. A fund from which unemployment benefits are paid is created with equal contributions by employer and employee on a scale varying with earnings. In addition, the federal government contributes one-fifth of the combined employer-employee contribution and assumes the administration costs.

#### (1) Labour Relations

Each province and the federal government have labour relations legislation to protect the employer and employee in negotiations with each other. The Yukon and Northwest Territories are covered by the Canadian legislation in most cases. Each statute guarantees the freedom of association for employees (and employers in some provinces) in order to bargain collectively and places limits on interference by the other party. If the majority of employees in an appropriate unit decide to become members of a union, that union - once certified - becomes the bargaining agent for the employees in the unit. Certification ensures compulsory recognition by the employer and guarantees the exclusive bargaining rights of the union. It also binds the unit to any agreements signed by its representatives.

The Canada or appropriate provincial Labour Relations Board is responsible for certification and must determine whether the organization is an acceptable union, what is the appropriate unit for bargaining, which

employees are members, and whether the bargaining requirements are met. The legislation also defines unfair labour practices for employees, employers and unions and forbids such acts as interference with the formation or activities of an association or union, intimidation or undue influence of an employee, employer or union, and discrimination against employees in employment or union membership. Guidelines are set out concerning union security within the company and the collection and disposal of union dues. Provision for the redress of unfair labour practices and the settlement of industrial disputes are included in the legislation of each jurisdiction.

#### (m) Fair Employment Practices

The Canada Labour Code, Part I, forbids discrimination in hiring, in trade union membership and in conditions of employment on grounds of race, colour, religion or national origin for all employment within the federal jurisdiction. Similar laws are in effect in all provinces and both territories. In addition, all jurisdictions except federal, Yukon, Northwest Territories and Prince Edward Island forbid discrimination on the grounds of sex. Alberta and Ontario also include marital status and in Alberta, British Columbia, Newfoundland and Ontario age is included. In Newfoundland political opinion is forbidden as grounds of discrimination. Under each act there are exceptions and provisions for complaints.

#### FRINGE BENEFITS

The fringe benefits paid by the employer that are common to Canadian industries fall into several categories. The first includes those payments required by law:

- 1. workmen's compensation
- 2. unemployment insurance
- 3. Canada/Quebec pension plan

These three are paid to funds for the employee's future benefit rather than directly to the employee.

The second group includes:

- 1. paid statutory holidays
- 2. paid annual vacations

Certain minimums are specified by law in most provinces for these benefits although the actual structure of holidays and vacations is usually further determined by company policy or union negotiation. Finally there are several items which are wholly determined by policy or bargaining with the employees or their representing unions:

- 1. paid sick leave
- 2. paid personal leave
- 3. provincial medicare payments
- 4. bonuses
- 5. termination pay
- 6. private pension plans
- 7. private life and health insurance plans.

Some provision is usually made for sick or personal leave and many companies are sharing the cost of provincial medicare plans with their employees. The remaining items occur less frequently.

Attached are schedules of labour costs from 1968 for manufacturing industries.

Considering average dollars per employee for all employees in all manufacturing industries, the following figures apply:

<u>Item</u>	\$/Employee	% of Total Cost*
Straight time pay for regular hours	5,251	78.0
Overtime and premium pay	384	5.7
TOTAL PAY FOR WORK DONE	5,635	83.7
Pay for time not worked	501	7.4
Miscellaneous direct payments	83	1.2
DIRECT PAYMENTS (GROSS PAYROLL)	6,219	92.4
Payments required by law	179	2.7
Payments to benefit plans	332	4.9
TOTAL COST	6,730	100.0

Figures rounded to one decimal place.

Preliminary test figures from the 1971 survey, to be released later this year, indicate a slight decrease in overtime and premium payments and an increase in pay for time not worked, specifically paid sick and personal leave. Straight time pay for regular hours has increased by 20% on the average for all employees. However, both 1968 and 1971 figures are in current dollars and a substantial portion of this is due to inflation.

ESTIMATED LABOUR COSTS FOR SALARIED EMPLOYEES IN MANUFACTORING INDESTREED, 1955																					
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* Dollars per Employee	Total Paid Absence	Holiday Pa <u>y</u>	Vacation Pay	Sick Leave Pay	Personal Leave	Total Premium Pay	Overtime and Holiday Work Premium Pay	Shift Work Premium Pay	Other Premium Pay	Total Miscellaneous Direct Payments	Separation Pay	Bonuses	Other including Taxable Benefits	Payments Required by Law	Workmen's Compensation	Unemployment Insurance	Canada/Quebec Pension Plan	Benefit Plan Total	Pension Plans	Total Life & Health Insurance Plans	Other Plans
1. Manufacturing 2. Durable goods 3. Non-durable goods 4. Food and beverages	673 712 658 630	250 263 243 249	327 395 374 353	42 48 38 25	5 7 3	57 97 28 27	49 81 25 23	7' 13 2 2	2 3 1 2	32 12 49 108	25 34 17 18	109 88 126 148	8 4 11 30	167 182 153 169	55 69 42 58	33 31 33 35	80 83 78 76	444 549 389 348	263 328 231 201	167 198 149 142	14 22 9 6
5. Tobacco processing and products 6. Rubber Products 7. Leather Products 8. Textile products 9. Knitting mills 10. Clothing 11. Wood products 12. Furniture and fixtures 13. Paper and allied industries	653 645 509 602 405 415 685 514 760	282 258 189 239 162 175 265 214 267	366 361 287 353 232 232 390 284 449	5 24 32 9 11 7 28 15 37	2 2 1 9 2 2 6	2 96 2 38 13 5 8 7	92 2 33 11 5 8 7	2 1 4 2 - 1	3 - 1	42 9 7 46 - 4 14 7 21	- 31 9 31 8 18 24 16 26	127 68 421 91 88 161 146 250	- 12 - 6 - 5	141 180 149 151 145 138 216 138	27 62 48 35 30 17 9 17 55	34 36 39 33 47 39 29 39	81 82 62 84 68 82 78 82 82	510 632 207 347 143 122 405 183 455	333 366 80 203 68 59 240 72 263	177 265 127 136 75 62 165 92 186	- - 9 - - 19
14. Printing, publishing and allied industries 15. Primary metal industries 16. Metal fabricating industries 17. Machinery (except electrical) 18. Transportation equipment 19. Electrical products 20. Non-metallic mineral products 21. Petroleum and coal products	790 658	208 279 240 245 296 244 267 262	330 570 338 348 408 352 378 524	42 49 19 59 79 50 19 128	2 6 3 13 7 12 2	27 102 33 47 236 79 16 37	19 84 22 31 194 76 14 36	5 16 9 2 38 3 2	3 2 2 14 4 - -	34 18 13 9 11 10 13 3	13 39 21 32 64 26 15	141 100 153 84 43 34 84	2 6 2 3 5 4 5 8	123 196 204 194 159 162 198 136	14 89 91 77 52 37 89 32	35 24 35 35 25 36 31 21	74 83 79 82 83 88 78 82	280 901 419 387 813 356 367 709	156 644 220 188 466 211 204 493	122 234 194 192 273 145 160	2 23 4 7 74 - 3 56
22. Chemicals and chemical products 23. Miscellaneous manufacturing industries 24. Atlantic region 25. Newfoundland 26. Nova Scotia 27. New Brunswick 28. Quebec 29. Montreal area 30. Residue 31. Ontario 32. Toronto area 33. Residue 34. Prairie region 35. Manitoba 36. Saskatchewan 37. Alberta 38. British Columbia	775 612 523 570 549 467 669 677 647 702 684 716 603 664 592 569 732	234 258 221 224	437 330 312 404 315 260 386 387 388 369 403 378 340 378 340 410	53 50 24 8 34 21 35 32 42 49 56 44 27 25 31 26 41	6 22-2433365723123	20 45 30 56 66 33 71 47 88 21 19 24 23	18 43 28 5 8 69 51 600 29 540 71 200 163 222 16	2 2 - - 5 6 3 10 5 13 1 2 1 1 4	- 2 - 5 1 3 2 4 - 1 2 2	35 42 19 52 11 26 32 10 36 42 9 18 42 19	9 2 3 1 2 8 11 1 37 32 41 14 17 19 11 17	73 199 57 58 62 75 73 122 158 94 101 108 112	1 1 3 - 14 19 - 4 4 53 3 5 3 20	151 154 173 150 157 204 1640 175 165 161 168 170 172 156 173	41 3536460 54633559755181	29 46 36 32 33 41 33 33 34 31 35 29 37 37 31 39 28	81 73 74 72 77 80 77 81 81 80 78 74 76 87	511 324 303 444 319 206 370 390 316 552 454 626 256 289 231 244 336	337 172 180 286 186 116 237 257 184 362 140 1645 127 196	173 118 121 158 131 90 123 119 131 209 177 234 106 119 55 114 134	1 34 1 - 3 - 10 13 20 7 30 10 13 30 30 7
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ESTTI	MATED LAB	OUR COSTS	FOR W	AGE E	ARNERS	IN P	MANU	FACTI	URING	INDUS	TRIES	. 19	58					
* Cents per paid hour	Absence	ay Pay ion Pay	Sick Leave Pay Personal Leave	rotal Premium Pay	Holiday Pay		Premium Pay	neous	ion Pay	Bonuses Other including	ts Required	Workmen's Compensation		Canada/Quebec Pension Plan	Benefit Plan Total	Pension Plans	Total Life & Health Insurance Plans	Other Plans
<ol> <li>Manufacturing</li> <li>Durable goods</li> <li>Non-durable goods</li> <li>Food and beverages</li> <li>Tobacco processing and</li> </ol>	22.4 8 18.9 6	.4 13.3 ( .9 11.0 (	0.8 0.1 0.6 0.1 0.9 0.1 0.9 0.1	10.1 7.8		2.5	0.3	2.9 ( 1.8 (			9.8 1 <b>7.</b> 5	2.8 3.6 2.0 2.9	2.6		13.7 17.8 9.7 8.3	6.4 8.5 <b>4.</b> 3 3.2	5.3	0.6
products 6. Rubber products 7. Leather products 8. Textile products 9. Knitting mills 10. Clothing 11. Wood products 12. Furniture and fixtures 13. Paper and allied industries	23.5 8 11.0 4 14.8 5 8.2 3 10.8 4 16.3 6 12.1 5	.5 14.8 ( .3 6.6 .8 8.5 ( .6 4.5 ( .8 6.0 .4 9.8 ( .2 6.8 (	2.3 0.3 0.1 0.1 0.4 0.1 0.1 - 0.1 - 0.1 - 0.1 - 0.1 0.4	3.3 7.4 1.4 1.5 4.9 3.4	8.1 3.1 5.1 1.3 1.4 3.2 3.2	0.2 2.2 0.1 1.4 0.2	0.3 0.2 0.1	2.7 1.0 1.3 1.0 0.9	0.2 0 0.1 0 0.2 0 0.3 0 0.3 0	1.4 -	5.8 6.8 4.4 4.8 10.5 8.0	2.9 1.2 1.7 0.7 0.5 5.1 3.1	2.6 2.1 2.2 1.7 2.0 2.3 2.1	3.6 2.6 2.9 2.0 2.3 3.1 2.8	20.0 28.4 3.7 7.3 1.7 2.9 4.4 4.5 14.5	11.7 14.9 0.5 3.0 0.3 0.8 0.8 0.8 6.1	4.3 1.4	0.4
14. Printing, publishing and allied industries 15. Primary metal industries 16. Metal Fabricating Industries 17. Machinery (except electrical) 18. Transportation Equipment 19. Electrical Products 20. Non-metallic mineral products 21. Petroleum and coal products 22. Chemicals & chemical products 23. Miscellaneous manufacturing	28.7 8 18.9 7 23.8 9 26.8 10 22.4 8 20.7 8 43.9 10	.6 11.0 ( .1 14.4 ( .7 15.2 ( .5 12.0 )	0.9 0.1 0.2 - 0.2 0.1 0.7 0.2 1.8 0.1 0.1 0.1 0.3 1.2	13.1 6.7 8.5 17.3 6.6 11.7 19.7	6.7 12.8 4.8 8.5 13.0	3.8 1.4 1.8 4.5 1.4 2.2 5.6	1.0 0.1 0.1 0.3 1.1	3.5 2.3 2.9 5.3 1.5 1.4	0.2 1 0.4 0 0.1 0 0.2 0 0.1 0	1.2 0.9 0.8 0.3 0.8 0.3 0.2 1.9 0.4 0.3	11.4 10.0 10.8 9.3 7.6 11.1 1 8.5	3.8 4.2 2.8 1.7 4.6 1.9	2.8 2.6 2.8 2.6 2.3 2.7 2.8	3.9 3.6 3.9 3.6 3.7 3.9	9.6 24.3 11.2 20.5 33.1 12.8 12.9 28.8 16.7	4.5	4.8 10.1 6.3 10.0 15.4 6.1 7.7 7.6 6.9	0.1 0.4 0.6 1.8
industries  24. Atlantic Region  25. Newfoundland  26. Nova Scotia  27. New Brunswick  28. Quebec  29. Montreal area  30. Residue  31. Ontario  32. Toronto area  33. Residue  34. Prairie Region  35. Manitoba  36. Saskatchewan  37. Alberta  38. British Columbia	14.3 4 14.1 3 15.1 5 18.0 6 18.8 7 17.2 5 22.0 8 20.2 8 23.0 8 20.3 7 18.5 7 22.5 7 22.5 7	.9 8.7 .8 9.0 .2 9.2 .1 8.1 .5 10.3 .2 10.1 .7 10.5 .3 13.0 .2 11.4 .4 13.9 .9 11.4	0.5 - 1.1 0.1 1.4 0.1 0.8 0.2 0.6 0.1 0.6 0.1 0.6 0.1 0.7 0.1 0.9 0.2	5.0 6.1 5.8 3.7 6.9 7.3 6.6 10.7 9.7 11.2 6.1 10.3 7.3	2.35 4.53 5.50 5.77 7.39 1.60 7.39 1.60 7.75 3.85 7.75	0.8 1.1 1.1 0.4 1.3 1.2 1.4 2.6 2.2 2.9 1.5 1.4	0.6 2.7 0.3 0.1 0.2 0.1 0.4 0.2 0.5 0.2	0.4 0.3 1.0 0.9 3.4 3.7 1.5 1.5 1.3	0.1 (0.2 (0.1 (0.3 (0.2 (0.3 (0.2 (0.3 (0.2 (0.3 (0.2 (0.3 (0.3 (0.2 (0.3 (0.3 (0.3 (0.3 (0.3 (0.3 (0.3 (0.3	0.2 - 0.1 0.3 - 0.2 - 0.5 0.7 0.3 0.4 0.3 0.9 2.1	7.3 6.3 7.1 7.9 7.7 7.7 8.9 8.6 8.6 9.0 9.2 9.2 7.7 7.7 9.2 1.7 1.7 1.7 1.7 1.7 1.7 1.7 1.7 1.7 1.7	2.2 2.9 2.4 2.2 1.7 2.8 2.6 2.9 3.2 2.3 4.1	2.2 2.1 2.3 2.3 2.3 2.5 2.5 2.5 2.5 2.7 2.6	2.7 2.4 2.8 2.7 3.1 3.2 2.9 3.5 3.4 3.5 3.4 3.7 3.6	9.2 7.0 7.4 8.3 5.7 8.0 8.1 9.9 19.6 16.1 21.4 7.1 7.0 5.6 7.8 9.0	4.1 3.5.1 5.0 2.9 4.6 1 7.8 2.5 2.6 3.1 7	3.5 4.0 3.9 4.2 9.9 7.7 11.0 4.1 4.2 2.5 4.5	0.1 0.1 0.6 0.6 0.6
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#### LABOUR FORCE AND UNEMPLOYMENT

The Labour Force in Canada was estimated at 8,891,000 in 1972 and the unemployment rate at 6.3%. Due to regional differences in size, geographic nature and industrial development, the labour supply is spread unevenly throughout the country. Labour force is concentrated in central Canada, with 40% in Ontario and 25% in Quebec. However, unemployment rates vary between provinces and the generally high rate in the Atlantic region ensures a good supply of immediately available labour there also.

#### AVERAGE WAGES AND SALARIES

Since 1961, average weekly wages and salaries in manufacturing have increased from \$81.55 to \$156.12 in 1972, a change of 91.4%. During the same time period the consumer price index rose by 39.8% leaving a real increase in wages of 51.6% over 11 years or 4.7% per year.

The education attainment of the labour force has also risen since 1960. This is due to two factors - a higher level of education reached by the young members of the population and a higher participation rate on the part of well educated women. As these people join the labour force and the older and generally less educated people retire, the level for the labour force as a whole increases. In 1960, 55% of the labour force had some secondary schooling, 25% had completed secondary or more and 4.5% had a university degree. By 1970 these percentages had increased to 70%, 40% and 8% respectively. Although average wages are generally lower in the Maritimes, Quebec and the Prairies than in Ontario and British Columbia, there are large variations between communities. This is due in part to the type and degree of industrialization as well as to other factors. As a result the average wage for a province cannot be directly applied to a community within that province.

#### LABOUR TRAINING

The Department of Manpower and Immigration provides assistance to employers through the services of Canada Manpower Centres (CMC), which are located in most Canadian communities. These programs include:

- 1. Manpower planning
- 2. Job placement
- 3. Worker re-training
- 4. Manpower adjustment.

# LABOUR FORCE AND UNEMPLOYMENT \*

·		1969		1970		1971	1972				
	Labour Force (000)	Unemploy- ment Rate									
Canada	8,162	4.7	8,374	5.9	8,631	6.4	8,891	6.3			
Alberta	628	2.7	650	4.3	664	4.7	688	4.4			
British Columbia	836	5.0	878	7.6	911	7.0	950	7.6			
Manitoba	373	2.7	380	4.5	390	4.9	396	4.5			
New Brunswick	212	8.5	213	8.0	215	7.4	226	8.4			
Newfoundland	146	10.3	148	10.8	158	11.4	165	12.1			
Nova Scotia	258	5.4	261	5.7	264	7.6	267	7.5			
Ontario	3,032	3.1	3,130	4.3	3,249	5.2	3,381	4.8			
Prince Edward Island	38		37		39		40				
Quebec	2,290	6.9	2,328	7.9	2,394	8.2	2,426	8.3			
Saskatchewan	350	3.1	350	4.3	348	3.7	352	4.3			

Actual Annual Average

AVERAGE WAGE RATES IN MANUFACTURING IN CANADA, 1972
(Rates in Dollars per hour)

	Carpenter	Electrician	Machinist	Mechanic	Millwright	Pipe fitter	Tool & Die Maker	Welder	General Laboure
Average for all Canada, by Industr	<u>y</u>							<del> </del>	
Slaughtering and Meat Processing	4.39	4.60		4.30	4.61	4.51		4.48	3.50
Rubber Industries	3.74	4.43	4.28	4.30	3.62	4.44	4.05	4,10	3.30
Leather Tanneries	3.27			3,29					2,99
Sythetic Textiles				3.75		1			2.46
Childrens' Clothing				3.41					1.97
Veneer and Plywood Mills	4.68	4.98		3.78	4.96				3,31
Furniture ,	}	3.50		3.16	1				2.46
Pulp and Paper	5.09	5.09	5.03	4,65	5.06	5.11		5.18	3.65
Iron and Steel Milis	4.53	5.09	5.17	4.79	4.95	4.85	4.88	4.93	3,77
Metal Stamping Pressing & Coating	3.64	4.63	4.39	4.51	4.49		4.42	3.72	2.83
Agricultural Implements	4.08	4.86	4.29	4.59	4.51		4.86	3.59	3.22
Motor Vehicle Parts		5.36	5.06	5.10	5.36	5.51	5.11	5.25	3.48
Major Appliances		3.99	3.49	3,60	4.25	3.64	4.13	3.46	2.87
Clay Products		3.83	3.73	3.45	4.06	1	4.00	3.71	3.01
Petroleum Refining and Products	5.01	5.13	5.17			5.08		5.11	3,64
Pharmaceuticals, Medicines and Toilet Preparations	4.12	4.57		3.87					2.90
Average for all Industries, by City	<u>,</u>								
Vancouver, British Columbia	4.94	5.35	5.16	4.85	5.28	5.40	5,12	5.15	3.99
Calgary , Alberta	4.61	4.72	4.76	4.22	4.58	4.93	4.29	4.27	3.49
Regina, Saskatchewan	4.33	4.76	4.87	4.14	4.58	ļ		4.47	3.07
Winnipeg, Manitoba	á.94	4.72	4.14	3.84	4.29	5.19	4.11	3.92	2.98
Foronto, Ontario	4.26	4.74	4.51	4.30	4.58	4.72	4.61	3.91	3.09
iontreal, Quebec	3.79	4.32	4.20	4.14	3.91	4.66	4,13	3.71	2.95
Saint John , New Brunswick	4.33	4.63	3.69	4.23	4.35	4.64			2.94
Halifax, Nova Scotia	4.09	3,94				4.56		4.47	3.15
Charlottetown, P.E.I.	3.41	4.00		3.16		!		3.27	
St. John's, Newfoundland		4.15	4.04					3.60	2.73
Ource: Wage Rates, Salaries and Hours of Labour - 1972						!			

To assist the manpower planning, CMC can provide such information as the supply and demand for certain skills, industrial and occupational trends, regional and national economic reports and advice from industrial manpower consultants. As a placement service, CMC can be very effective because it can draw on the labour forces of Canada, the United States and overseas countries through the Immigration Program in order to find the right person for a job. For certain types of training programs, the CMC will provide financial incentives including the direct expenses of the program and up to 50% of the workers wages. The Canada Manpower Consultative Service will assist in developing manpower adjustment programs in order to cope with technological and industrial changes.

#### LABOUR ORGANIZATIONS

In 1972, 27.6% of the total labour force in Canada was organized in labour unions. This represents 34.4% of the non-agricultural paid workers. Union membership stood at 2,371,000 - an increase of 7.2% over 1971.

There are four labour congresses in Canada - the Canadian Labour Congress (CLC), the Confederation of National Trade Unions (CNTU), the Council of Canadian Unions (CCU), and the Centrale des syndicats démocratiques (CSD). Canadian Labour Congress affiliates accounted for 72.8% of total union membership. About 70% of the CLC membership belonged to unions that were affiliated also to the American Federation of Labour and Congress of Industrial Organizations in the United States. About 17% of the CLC membership was distributed among various unaffiliated international and national unions and independent local organizations.

There is a long tradition in Canada of labour legislation and policy designed for the promotion of the common well-being through the encouragement of free collective bargaining and the constructive settlement of disputes. Workers are free, nevertheless, to organize into unions or not to do so. A large proportion of the non-organized workers are found in trade, personal service and finance.

The basic function of trade unions consists in assisting their members in the determination of wages, salaries and working conditions through the process of collective bargaining. Collective bargaining is conducted mainly at the establishment level between individual employers and unions. Joint bargaining, involving more than one employer or more than one union, is the exception and takes place only in a few industries or sectors.

Once a union has been recognized as the bargaining agent for a group of employees, a system of union security, whether it be the closed shop, the union shop or a modified union shop is normally determined through collective bargaining. The two latter arrangements are the most common. In both cases employees may be hired from outside the union; in a union shop such employees must join the union within a specified period;

under the modified union shop employees are not required to actually join the union but must, nevertheless, pay union dues.

In the past few years, there have been a number of mergers among unions operating in Canada. This is to some extent the result of the CLC and CNTU policy of encouraging larger and fewer unions in order to save on organization and service costs for small locals. In 1972, six international and four national unions had over 50,000 members each for a total of 926,300 members while 46 international unions and 33 national had fewer than 5,000 members each for a total of 128,000 members. Independent local organizations and local unions directly chartered by the congresses reported 65,000 members or just under three per cent of the national total.

# INTERNATIONAL AND NATIONAL UNIONS BY SIZE, 1971

	Internat	ional Unions	Nation	nal Unions	Total						
100 - 199 200 - 499 500 - 999 1,000 - 2,499 2,500 - 4,999 5,000 - 9,999 10,000 - 14,999 15,000 - 19,999 20,000 - 29,999 30,000 - 39,999 40,000 - 49,999 50,000 - 99,999 00,000 and over	No. of Unions	Membership	No. of Unions	Membership	No. of Unions	Membership.					
Under 100	9	321	2 .	161	11	482					
100 - 199	2	268	1	126	3	394					
200 - 499	5	1,524	4	1,453	9	2,977					
500 - 999	6	4,181	1	713	7	4,894					
1,000 - 2,499	14	25,084	15	25,239	29	50,323					
2,500 - 4,999	11	38,793	11	36,949	22	<b>75,</b> 742					
5,000 - 9,999	11	76,967	14	104,672	25	181,639					
10,000 - 14,999	13	159,300	4	50,396	17	209,696					
15,000 - 19,999	8	132,344	5	87,226	13	219,570					
20,000 - 29,999	7	158,305	1	28,149	8	186,454					
30,000 - 39,999	4	136,395	4	124,127	8	260,522					
40,000 - 49,999	3	130,709	~~		3	130,709					
50,000 - 99,999	4	239,699	· 1	52,307	5	292,006					
100,000 and over	2	267,219	2	259,659	4	526,878					
TOTAL	99	1,371,109	65	771,177	164	2,142,286					
						_					

## UNION MEMBERSHIP BY TYPE OF UNION AND AFFILIATION, 1971

			Membe	rship
Type of Affiliation	Unions	Locals	Number	Per Cent
International Unions	99	4,891	1,371,109	62.0
AFL-CIO/CLC	85	4,441	1,147,441	51.9
CLC only	4	141	122,533	5.5
AFL-CIO only	4	8	531	*
Unaffiliated Unions	6	301	100,604	4.6
National Unions	65	4,899	771,177	34.9
CLC	19	2,804	372,090	16.8
CNTU	12	1,106	211,143	9.6
Unaffiliated Unions	34	989	187,944	8.5
Directly Chartered Local Unions	137	. 137	13,005	0.6
CLC	134	134	12,083	0.6
CNTU	3	3	922	*
Independent Local Organizations	129	129	55,263	2.5
TOTAL	430	10,056	2,210,554	100.0

<sup>\*</sup> Less than 0.1 per cent

# AVERAGE PERCENTAGE INCREASES IN BASE RATES FOR ALL COLLECTIVE AGREEMENTS COVERING NEGOTIATING UNITS OF 500 OR MORE EMPLOYEES IN ALL INDUSTRIES

Excluding Construction - Annual Compound Rates by Quarter and Year 1967-1972

Year	1967					1968 1969						Ì	197	70		1971 <sup>2</sup>					1	972 <sup>2</sup>		
•	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Manufacturing Ind Quarterly Annual	ustrie 6.8	8.2	7.5 .7	8.0	7.4		7.2	6.7	6.6		8.8 .3	9.1	8.5	8.1		8.1	7.2		8.6 .6	6.9	8.5	7.8 9	9.1 .8	8.8
Non-Manufacturing Quarterly Annual	Indu:	9.2	es 7.8 .4	8.0	7.3		8.2 .8	7.4	7.2		7.6 .5	8.0	9.1	8.2		7.9	8.0		8.2 .8	7.5	9.8		8.4 .3	6.4
All Industries Quarterly Annual	8.4		7.7 .2	8.0	7.4		7.9 .6	7.3	7.0		7.8 .6	8.2	9.0	8.2 8.		8.0	7.7		8.3 .8	7.4	9.3		8.3 .6	6.0
. ·	]					•																		•

Collective Bargaining Division Economic and Research Branch Department of Labour

Quarterly (or annual) figures were obtained by taking all negotiations of 500 or more employees settled in any given quarter (or calendar year) and calculating the average annual compound percentage increase over the life of the agreement. These figures were then weighted by the number of employees covered by the agreements, summed, and a weighted mean for the quarter (or calendar year) was obtained.

<sup>&</sup>lt;sup>2</sup> Figures are preliminary, and subject to minor adjustments.

#### COLLECTIVE BARGAINING SETTLEMENTS

Collective bargaining is the method used in Canada to reach agreements between the union and company concerning wage rates, hours and conditions of work and the various fringe benefits. In the process of negotiating there is usually some trade-off between increases in wages and increases in non-wage benefits. In the past few years there has been a slight emphasis on non-wage items particularly related to job and health security. However, this appears to be changing with recent settlements and the emphasis is once again on wage increases. Considering all collective agreements in manufacturing covering 500 or more employees, the base rate rose 8.8% as a result of settlements in 1972, a higher annual increase than any in the previous 5 years.

Based on the first 5 months of 1973, the contract changes other than wages that occur most frequently concern premium pay, annual vacations, statutory holidays and life insurance plans. Again this is determined from settlements involving 500 or more employees. Other items occur in contracts including hours of work, cost of living allowances, sick leave, accidental death and dismemberment compensation, drug and dental plans, etc., but with less frequency. Some companies are experimenting with the 4-day week but this is not yet widespread.

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