

The Rise of Industrial Unionism in Canada – A History of the CIO

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*In memory of
Doc Ames, Cal Taylor and Jim Russell
and to
Henry Gareau
leaders, all.*

Table of Contents

Preface	vi
1. Introduction	1
The Canadian Labour Movement - Early Times	1
The Radicals	2
The Quebec Syndicates	2
The Communist Party	3
The CFL and ACCL	3
Slow Progress	3
Work in Canada — 1935	4
Employment Standards	4
Wages	5
Occupational Health and Safety	5
Social Security	5
Industrial Relations and Collective Bargaining	6
Union Membership and Collective Bargaining	7
The American Influence	7
2. CIO Aims, Structure and Methods in Canada	10
The CIO Comes to Canada	10
The World War II Years	11
Government - A Biased Referee	12
The Red Scare and Government Use of Police Powers	13
Worker Determination and PC 1003	14
Explaining the CIO's Success	16
Structure	16
Methods	17
Education	18
Administration	19
Racial and Ethnic Harmony	19
Organizing Methods	20
Political Education and Political Action	20
Political Aims	21
Music	21
3. The CIO at the Bargaining Table	24
The Evolution of the Industrial Collective Agreement	26
Recognition During the War Years	27

Making up for Lost Time: 1946-55.....	28
Consolidation and Rededication: 1955-66.....	30
Preservation of Real Wage Gains: 1966-75.....	31
The Fight Against Concessions: 1976-88.....	32
Conclusion.....	34
4. The CIO in Canadian Politics.....	35
Public Policy and the Craft Unions.....	35
The CCL Approach.....	36
The CCF.....	36
Political Action in the '40s.....	37
Worker Citizenship.....	38
Great Expectations.....	38
The Power of Political Potential.....	39
PCO 1003.....	39
The CCL in World War II.....	40
The Baby Bonus.....	41
Post-War Transition.....	41
The Industrial Unions and the Communist Party.....	42
Beating the CCF in the Labour Centres.....	44
Our Line's Been Changed Again.....	45
A Fundamental Struggle.....	45
Refashioning History.....	46
Post-War Growth and Merger.....	47
Founding of the CLC.....	49
The New Democratic Party.....	50
5. The CIO and Canada's Social Security System.....	52
The Redistribution of Income.....	52
Public Pensions.....	53
Pensioners of the State.....	54
Political Competition.....	55
The Case of Unemployment Insurance.....	56
The National Employment Commission.....	56
'...Third Parties'.....	58
Holding Back the Tide.....	59
The Unemployment Insurance Act.....	59
The Case of Health Insurance.....	60

Commissions, Studies, Reports.....	61
Saskatchewan.....	62
Bargaining Health Insurance	62
Industrial Unions and the Insurance Companies.....	63
The Demonstration Effect	65
Saskatchewan's Medicare Initiative.....	66
The Industrial Unions and Pensions	67
The Growth of Negotiated Pensions.....	68
Public Pensions — Another Step	69
The Contribution of the Industrial Unions	71
6. Evaluation and Outlook	72
Achievements	72
Recognition and Bargaining Rights.....	72
Public Service Bargaining.....	72
Status of the Hourly-Paid Worker.....	73
The Weekend.....	73
Social Security.....	73
Citizenship and Social Status of Industrial Workers.....	73
Workplace Health and Safety.....	74
Fighting Racism.....	74
CIO Methods	74
Structure.....	74
Professionalism.....	74
Demonstration Effects.....	75
Worker Leadership Development.....	75
Model for Public Employee Unions and Others.....	76
Inspirational Methods.....	76
Political Action.....	76
Shortcomings	77
Unpopularity.....	77
The women's movement.....	77
White-collar organization.....	77
Labour isolation.....	78
The CIO in Canada and the United States	78
Social Policy.....	78
Character of the National Labour Movement.....	79

Concession Bargaining	79
United Kingdom	81
Sweden	81
Challenges	82
Bibliography	83
Appendix A	86
Chronology of Collective Bargaining between GM Canada, Oshawa, and the United Auto Workers/Canadian Auto Workers, 1937-87	86
Chronology of Collective Bargaining between the International Nickel Company (INCO) and the International Union of Mine, Mill and Smelter Workers (until 1962) and the United Steelworkers of America, 1945-85	92
Chronology of Collective Bargaining between Canada Packers and the United Food and Commercial Workers (and its antecedent organizations), 1942-86	98
Appendix B	106
The Modern Collective Agreement	106
Recognition	106
Employment Conditions	108
Employee Benefits	114

Preface

My jobs in the mines and with the United Steelworkers of America provided me with a great opportunity. I was able to work in every part of Canada with union people - both leaders and members - many of whom had been involved in the CIO from its beginnings in this country. Their ranks include my father, Calvin Taylor, an Ottawa Valley farm boy who left home to work on the railway and became a "worker citizen": CBRE activist, socialist mayor of Cobalt and CCF member of the Ontario Legislature.

There are all too few written memoirs of their experiences. Their deeds didn't conform to accepted heroic traditions or dramatic conventions, but they enjoyed the great privilege of working for a good cause in pursuit of noble principles. This monograph relies upon sound historical sources for verification of facts and events. It attempts, as well, to capture something of the evangelical spirit which propelled this grass roots movement and enabled it to accomplish so many unprecedented improvements in the status of working people.

The writing of this monograph would not have been possible without the support and assistance of a number of people. First, the enthusiastic support of Don Carter and Pradeep Kumar of the Queen's University Industrial Relations Centre for this project never wavered, even as our work fell increasingly behind schedule.

We also benefited from the comments and suggestions of associates. Pradeep Kumar, Robert Barnett of Bishop's University, and Ken Waldie, our partner in The Media Works, all deserve particular recognition in this regard.

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Don Taylor
July 1988

1. Introduction

The Canadian Labour Movement - Early Times

The history of the Canadian trade union movement during the first 35 years of the 20th century is scarcely a saga of spectacular progress. A national labour movement had become established, but had not acquired sufficient power to influence the well-being of workers on a large scale.

Unions began their existence in Canada around 1832 in the form of a few tiny organizations of printers in the larger population centres. The growth of workers' organizations beyond this barely significant base really began in the 1850s with the commencement of extensive railway construction to link the regions. In this, as in other respects, Canada's development lagged behind that of its neighbour, the United States of America.

The period of railway building and industrial expansion saw the arrival in Canada of two British craft unions: the Amalgamated Society of Engineers and the Amalgamated Society of Carpenters and Joiners, but American unions had also begun to recruit Canadian members and the British offshoots were eventually absorbed. The American Iron Moulders, Cigar Makers, Typographers and Coopers were all active north of the border. The Knights of St Crispin represented a number of shoe industry workers in both countries. These early 'internationals' were soon followed by the railway brotherhoods which expanded with the industry. The Canadian Labour Union was formed in 1872 to provide a national centre for the movement but it had ceased to exist within three years. Local trades assemblies, like the Toronto Trades Assembly established in 1871, were more successful labour centres because they had no need to rely upon a widespread communications network. They were the prototypes of today's local labour councils.

The Knights of Labor was founded in the U.S. in the aftermath of the Civil War. It welcomed women and blacks as members and was organized on industrial lines. It acquired a strong following in Canada, beginning in the 1880s, but it was already failing by that time in the United States because its militant reformist programs were too often undermined by its timidity in the face of employer challenges.

The Federation of Organized Trades and Labor Unions of the United States and Canada came together for the first time in Pittsburgh in 1881 under the leadership of an immigrant cigar maker named Samuel Gompers. The new central organization was made up mostly of unions representing only skilled workers and was created, in part at least, as a practical alternative to the often weak and irresolute Knights. The new body changed its name five years later to become the American Federation of Labor (AFL), and in that same year, the Canadian branches of its affiliated unions set up the Trades and Labour Congress of Canada (TLC), sometimes known in its early days as the Canada Trades Congress. The TLC and its affiliated U.S.-based craft or trades unions quickly became the dominant workers' organizations — just as its companion organization, the AFL, had assumed the leadership of labour in the United States — and continued in that role until 1935.

The issue of industry-based (as opposed to craft-based) organization surfaced early in the TLC. Delegates from the International Association of Machinists and some other unions — particularly those from western Canada — became a constant thorn in the side of the TLC leadership who continued to

command majority support for strict control over new organizing by the appropriate international craft union. The only purely Canadian union of any size was the Canadian Brotherhood of Railway Employees (CBRE). Founded in 1908 on the Intercolonial Railway in the Maritime Provinces, the CBRE increased its membership rapidly in other parts of Canada and was the only 'industrial' union on the railways. The CBRE affiliated to the TLC in 1917, but was expelled in 1920 because its jurisdiction conflicted with that of the Brotherhood of Railroad Clerks, a more recently formed craft union with U.S. origins. This was the inevitable outcome of the TLC's longstanding policy giving automatic ascendancy to the international craft unions.

Despite their organizational conservatism and lack of political influence, the TLC and its craft union affiliates outlasted most of their rivals. Challenges came from a number of directions.

The Radicals

The Western Federation of Miners (WFM), and its central body, the American Labor Union (ALU), were U.S.-based organizations formed by breakaways from the AFL in the early 1900s. The WFM espoused industrial organization and a more radical political action policy. It enjoyed some success in western Canada and in Ontario, mostly at the expense of the United Mine Workers of America (UMW), an AFL affiliate. The WFM re-affiliated with the AFL in 1910 but had become virtually nonexistent in Canada by 1920.

The Industrial Workers of the World (IWW), also known as the Wobblies, was a U.S.-based syndicalist organization. Also successful in the west, the Wobblies often competed for members with the WFM. The movement became a victim of Canadian government repression when it was banned during World War I and was never able to recover its momentum thereafter.

The One Big Union (OBU) was the creation of dissident western members of a number of TLC crafts. It was dedicated to organization on industrial lines. The OBU's rapid development following the Winnipeg general strike had much to do with its able leadership. It gained members in all parts of Canada and a few in the United States, but the organization was chronically short of funds following its 1919 confrontation with the government and employers in Winnipeg and suffered from internal dissension. In addition, the AFL unions mounted a vigorous anti-OBU organizing campaign which recovered many of their lost members. By 1923, OBU membership was reported at 15,000 and grouped mainly in the Winnipeg area.

The Quebec Syndicates

The Federation of Catholic Workers of Canada (FCWC) began in 1918 with the heavy involvement of Quebec's Roman Catholic hierarchy. The FCWC's constituent unions, organized on a regional and industrial basis, were creatures of the central body and became known as the Catholic Syndicates. The organization's principles were said, by the church, to be practical interpretations of *Rerum Novarum*, an 1891 encyclical of Pope Leo XIII on the dignity and rights of labour.

The Quebec church used the FCWC as a means of protecting its worker parishioners from the allegedly godless and communistic influences of "outside" unions. Satan assumes many forms, it is said, but his most unlikely manifestation would seem to have been the conservative international craft unions of the

TLC. Nevertheless, the crafts were the main target of the church's wrath and they complained, in return, of shameless strikebreaking and the acceptance of substandard wages and conditions by the syndicates. This allegation gained credibility from the evident friendliness shown by Quebec employers to the syndicates.

The FCWC soon gathered in the most important independent union groups in Quebec, including the influential Quebec City Trades and Labour Council and its affiliated bodies, and this spelled the eventual doom of the Canadian Federation of Labour, a group of purely Canadian unions which had relied heavily on its Quebec base. The FCWC continues today — though much reformed — as the Confederation des syndicate nationaux (CSN) or Confederation of National Trade Unions (CNTU).

The Communist Party

The Workers Unity League (WUL) was 'the real McCoy': a genuinely Communist organization, it was founded in 1926 as the Canadian section of the Red International of Labour Unions (RILU). The RILU's *modus operandi* was to 'bore from within'; that is to work for power within the existing TLC/craft union framework. The specific aims of its Canadian standard bearer, the WUL, were to press for industrial unionism; bring dissident members from the CFL and the IWW back into the TLC fold; organize the unorganized and the unemployed; educate Quebec catholic union members and the clergy; and strengthen the district trades and labour councils. The WUL was weakened both by the translation of the Trotsky-Stalin fight into the North American councils of the Communist Party, and by a government ban imposed in 1931.

Despite these setbacks, the WUL was blessed with a number of talented organizers and, by 1933, had built up a membership strength of over 24,000 in various industries in Ontario and western Canada. A few years later, most of these units were willingly handed over to the new CIO as part of the Red International's call for an anti-fascist 'united front' and the WUL ceased to exist.

The CFL and ACCL

The Canadian Federation of Labour (CFL) was a centre for national unions which resented domination of the labour movement by U.S. unions. The CFL lost most of its Quebec affiliates to the Catholic syndicates in the '20s. Its main premise — dislike for the international unions proved, in any case, too negative a basis on which to build a movement. In 1927, its remnants joined with those of the One Big Union under the leadership of the Canadian Brotherhood of Railway Employees to found the All-Canadian Congress of Labour (ACCL).

The ACCL provided a home for trade unionists who believed in industrial unionism, a belief which was frequently translated into anti-Americanism. Since the craft unions which dominated the rival TLC were also international unions with the overwhelming proportion of their membership in the United States, it was not difficult to equate craft and international unionism.

Slow Progress

A combination of rapid industrial growth, labour shortages and declines in the real value of wages — particularly during and after World War I certainly created the conditions for union action. Canadian

trade unions enjoyed the stewardship of many able and dedicated leaders within their ranks, and there were attempts to create broader-based, more effective union structures. The One Big Union (OBU), which burgeoned briefly around the time of the 1919 Winnipeg General Strike and for several years afterwards, was perhaps the most notable example. The mainstream unions, however, were mainly confined to — and dominated by members of the skilled trades employed by the railways and in construction and heavy industry. By 1935 — when American labour was beginning an era of unparalleled expansion — Canadian unions had not progressed beyond the determination of wages and working conditions for a relatively small and increasingly unrepresentative group of workers.

The growth of mass production industries was endangering even this foothold. Industrial re-organization of work methods reduced the dependence of employers upon the traditional trades, making it possible for industry to train and use unskilled workers at most stages of the production process. Thus, 1935 found the unions in retreat not only because of the depression and its accompanying high levels of unemployment, but because of the individual craftsman's dwindling control over the organization of work.

Work in Canada — 1935

It was the sixth year of the great depression. A Dominion election in October of that year had ousted the Conservative government of R.B. Bennett and returned W.L. Mackenzie King's Liberals to power. The official unemployment rate stood at 14.2 percent, a decline from the depression peak of 19.3 recorded two years earlier. It was to fall further to 9.1 in 1937 and rise again in 1938-39 to 11.4.

Employment Standards

Although statistics on average working hours were not systematically accumulated at that time, estimates for manufacturing show average weekly working hours at 48.4 hours in 1935, down from 49.5 the previous year. Average hours were to continue downward to 46.1 in 1938 and then rise steeply to 49.7 in 1940, reflecting the mobilization of productive capacity associated with World War II. Although the province of British Columbia had legislated the 8-hour day for miners in 1905 and extended it to the workforce at large in 1923, work weeks of 54 and 60 hours remained standard in many industrial operations elsewhere in the country. No legal sanction prevented employers from compelling overtime work for which workers were paid at their regular wage rates.

In 1935, most Canadian workers were without the protection of unions. Despite the passage of a number of provincial industrial standards laws in the 1920s, they also lacked any guarantee of statutory minimum wages, maximum weekly hours or other paid time off work. In most provinces, minimum wages applied to female workers only and the exemptions from the legislation were broad. Laws governing severance pay for those laid off were unheard of.

The *Labour Gazette* of May 1937 reported on four strikes in the furniture industry of southwestern Ontario. The account of issues in dispute provides a useful sketch of industrial relations during that era. Three of the four strikes involved employer refusal to recognize the United Brotherhood of Carpenters and Joiners of America, a traditional craft union seeking to represent industrial units. In two instances, the reinstatement of employees dismissed for union activity was demanded. A prominent issue was

application of the wages and working hours set forth in the code under the Ontario *Industrial Standards Act*. The code defined standards of wages and hours established on a regional and industrial basis by a conference of employer and employee representatives (*Labour Gazette* 1935, 311). In practice, however, the code's application — even after workers had gone on strike for it — was subject to negotiation. In one case, the parties agreed to have the amount fixed by the Advisory Board under the code. In another, the code's provisions were applied in settlement of a four-day strike and resulted in a 10 percent wage increase and a reduction in working hours from 'fifty and over to forty-seven per week'. The Chesley town council became the mediator in one of the strikes which concerned the dismissal of three employees, because, according to the employer, they could not maintain the production pace required to earn the daily wage. The employer agreed to the reinstatement of one and the possible future re-employment of a second 'when needed'. The third would not be re-employed owing to 'advanced age' (*Labour Gazette* 1936, 492).

The same May 1937 issue of the *Labour Gazette* reported the settlement of the General Motors strike at Oshawa, a landmark event for the future of industrial unions in Canada.

Wages

Wages had fallen sharply following the great crash of 1929. The average annual wage in manufacturing had dropped 20 percent by 1935 and would not recover to the 1929 level (\$1041) until 1940 and war mobilization. For many families the fall in income was even more dramatic because wage-earners experienced frequent spells of unemployment during the year. There was an accompanying fall in prices over the same period, but the high rates of unemployment and the absence of any universal income support program severely dampened its offsetting effects.

Occupational Health and Safety

The growth of Canadian industry since the 1870s had produced its inevitable crop of industrial injuries and deaths. The Ontario *Factories Act* of 1884 was one of the earlier attempts to address this problem, and subsequent extensions of its principles into mining, construction and other industries purported to establish minimum standards of workplace sanitation, machinery guards, fire protection and rules governing the employment of women and children.

Enforcement was weak and uncertain. Similar laws which followed in other provinces shared the same failings. Inspectors were drawn almost exclusively from the ranks of management and their powers were highly discretionary. Amidst this general environment of workplace 'laissez-faire', Canada's first *Workmen's Compensation Act*, adopted in Ontario in 1915, was not the anachronism it might seem. Although it provided compensation to workers for recognized industrial injuries, one of its most highly appreciated virtues was the protection it gave employers from the vagaries of court actions. These laws — with minor amendments from time to time — still constituted the basis of occupational health and safety standards in 1935.

Social Security

No universal social security system existed in 1935. The *Old Age Pensions Act* of 1927 was a federal-provincial cost-shared program administered by the provinces on a means-test basis, payable at age 70

in the amount of \$240 per year. Prime Minister R.B. Bennett, in an attempt to revive his party's flagging hopes in the 'depression' election of 1935, enacted his own 'new deal', the *Employment and Social Insurance Act*, an early attempt at the creation of an unemployment insurance scheme and a national employment service. It was declared 'ultra vires' by the courts because it intruded upon provincial powers.

A government annuities department had been initiated early in the century to encourage individuals to put aside savings for the purchase of pensions in old age, but it had proved more popular and affordable to the middle class than to working people.

Group insurance schemes to provide medical care and hospital services were almost non-existent. Doctors in industrial communities sometimes organized employee check-offs for rudimentary prepaid medical treatment, but very little group health care insurance was being underwritten by private insurance companies.

The same was true of life insurance. Industrial group life insurance was virtually unknown and workers purchased individual policies for small amounts of coverage through 'industrial insurance', which involved payment of weekly premiums to an itinerant collector.

Industrial Relations and Collective Bargaining

Despite Canada's gradual but steady transformation from agriculture to industry, and the continuing existence of a national trade union movement since 1886, government had still not seen the need for legislated employment standards, or for a comprehensive and constructive industrial relations policy. The courts had decided in 1925 that labour law was not an exclusive preserve of the federal government, but the decision scarcely mattered since there was little or no activity on that front either in Ottawa or the provincial legislatures.

In the United States, the *Wagner Act* had acknowledged the adversarial interests of employers and employees in the law, but Canada's chief minister in the person of Prime Minister Mackenzie King, returned to power in 1935, saw the interests of capital and labour as fundamentally harmonious — provided the workers were led by the right sort of person — preferably the employer himself. Indeed King, as a paid consultant to John D. Rockefeller Junior in the U.S., had been the architect of the Employee Representation Plan (ERP), a scheme to promote an industrywide system of employer-controlled unions. He was the author of a tract on the subject titled 'Industry and Humanity' which even embarrassed Rockefeller. Despite the unseemly haste with which American workers brushed the ERP aside to join CIO unions or organizing committees, King remained unconvinced.

In essence, the right of trade unions to exist and be exempted from charges of criminal conspiracy remained dependent upon the *Trade Union and Criminal Law Amendments Act* passed by Sir John A. MacDonald's government in 1873 (and imitated by several provinces), upon subsequent amendments to that act and to the Criminal Code. The *Industrial Disputes Investigation Act* (IDI) of 1907-08 did nothing to encourage unionization or the practice of collective bargaining. It was an instrument designed mainly to allow government intervention to head off incidents of 'labour unrest' through the imposition of conciliation. The IDI was ruled an intrusion into provincial jurisdiction during a court challenge in 1925,

and it was amended to apply to the Dominion jurisdiction and to those provinces where the necessary enabling legislation was enacted. All but Prince Edward Island had placed themselves under its terms by 1932.

Far from encouraging the growth of collective bargaining, the IDI more often than not impeded effective union action and assisted the employer's interest through procedural delays built into the conciliation process. Since the law pre-supposed the existence of a collective bargaining relationship, it had little relevance to the growing number of strikes brought about by the refusal of employers to recognize and bargain with unions formed by their employees.

Union Membership and Collective Bargaining

Union membership had reached a record high of over 378,000 members in 1919, the year of the Winnipeg general strike, but had fallen more than a third by 1924 and stood at less than 281,000 in 1935.

It is true in Canada today that, as a general rule, where there is majority union membership there is also collective bargaining. Until 1944, however, no such rule existed. The right of unions to function free from the charge of criminal conspiracy had been established in law since 1873, but nothing — save the united strength of the workers themselves — prevented an employer from dismissing union members or compelled him to recognize and deal with a union. In times of labour shortage, unions of skilled craftsmen were able to win employer recognition with relative ease and to maintain relations on a continuing basis. Others were less fortunate. They had to be prepared to strike to win recognition and their wishes were often frustrated because the employer was free to coerce individual workers and erode solidarity.

Union membership was often surrounded with elaborate rituals of secrecy designed to protect individual workers — temporarily at least from the unwelcome attentions of their employer.

The American Influence

The New Deal program, implemented in 1933 by President Franklin D. Roosevelt in the United States, was aimed at the resuscitation of a land laid low by economic failure. It was the failure of an economic order which had promised freedom, growth and prosperity, but which had delivered monopoly, depression and poverty. As Roosevelt himself put it, 'private enterprise is ceasing to be free enterprise' (Cahn 1972, 251).

Among the elements of the New Deal program were the *National Recovery Act* and the *Fair Labor Standards Act*, designed to encourage economic activity and to protect workers from extreme forms of exploitation through the imposition of minimum standards of wages and working conditions. The New Deal also engendered a *Social Security Act* to provide universal, income-related retirement pensions and unemployment insurance.

Over the 1932-34 period, more than a million American workers were on strike across the nation, and a great number of these strikes involved workers seeking recognition of their unions by employers. The Roosevelt administration's response was the *Wagner Act* of 1935, a law which sought the establishment of an orderly industrial relations environment. The act provided compulsory recognition of bona fide

unions and sanctions intended to institutionalize collective bargaining between employers and the unions chosen by their employees.

In October of that same year, the Committee on Industrial Organization had been formed by a group of dissident unions within the American Federation of Labour. After many years of debate, they had finally rebelled against the AFL's continuing refusal to broaden its structural and organizational base in order to accommodate industrial workers on equal terms with the crafts. Mineworkers' leader John L. Lewis told the AFL delegates,

Miners on strike in the captive mines of the Tennessee Coal and Iron Company are suffering tonight by the fact that the AF of L has failed, after all these years, to organize the iron and steel workers. (Cahn 1972, 259)

Led by the dynamic Lewis, the CIO's task was to find means to extend trade union protection to the masses of exploited industrial workers. This fortunate conjunction of a progressive national industrial relations policy and an organization ready to make use of it, sharply increased the growth rate of union membership.

The creation of the CIO marked a watershed both for Canadian and American working people. For the first time, U.S. workers could join unions without taking a better than even chance of losing their jobs. The *Wagner Act* had ended the wave of recognition strikes by providing a more or less orderly union certification procedure, thus giving workers the reasonable expectation that union membership would lead to collective bargaining. Lewis and the rebellious CIO unions had at last created an instrument designed to place a share of power in the hands of American workers at a moment when they most desperately needed it. The CIO's stated aim was

...to achieve and extend industrial and political democracy ... to bring about the effective organization of the working men and women of America regardless of race, creed, color or nationality, and to unite them for common action into labor unions for their common aid and protection. (Cahn 1972, 260)

The new labour crusade spread rapidly across the U.S., enlisting workers at the very bottom of what Roosevelt described as 'the economic pyramid'. These poorest workers — including blacks and women — had been considered by the AFL to be either unworthy of organizing or impossible to unionize. 'Equal pay for equal work' became a CIO slogan.

The spontaneous and peaceful occupation of production plants known as the 'sit-down strike' — proved an effective CIO tactic. It was indignantly condemned by industrialists, editorial writers and some legislators as a Communist threat to the principle of private property, and it was disavowed by AFL President William Green, but it worked. Despite company responses which included threats, defamation, espionage, beating, murder and the use of wholesale violence by police against unarmed picketers, the CIO unions forced America's major industries one-by-one to the bargaining table. Within two years, agreements had been signed with leading firms in the rubber industry, and with General Motors, Ford

and Chrysler in the automobile industry. The giants of the packinghouse, textile, and electrical industries followed soon after.¹

The American steel companies, which had known no union since a defeated strike in 1919, were not only determined to remain union-free, but prepared to defend their position in 1936-37 as they had in the past by the use of violence. The most chilling example was the Memorial Day Massacre. On Memorial Day 1937, Chicago police attacked a peaceful union parade outside the Republic Steel plant, killing 17 and injuring more than 150. Nevertheless, agreements were signed by the largest firms with the Steel Workers' Organizing Committee (SWOC) later in 1937.

By 1938, almost four million workers were organized in some 32 CIO national and international unions. A billion dollars in wage increases had been won by CIO unions as well as a shorter workday for two million workers, vacations with pay and other benefits included in some 30,000 signed agreements (Cahn 1972, 268). Most of the CIO's first agreements included the 40-hour work week and time-and-a-half for overtime, but perhaps their most significant common feature was the institution of the shop floor grievance system. In the 149th year of democratic rule, a modicum of democracy had finally been brought to the American workplace.

¹ Industry and corporation-wide collective bargaining became common in many of the major industries in the United States almost from the passage of the Wagner Act in 1935. Steel and packinghouse are examples. In Canada, the CIO had to organize and bargain for a further nine years in a hostile legislative environment, where the union established its footholds plant by plant against determined employer opposition. It is perhaps for this reason that industry-wide bargaining is seldom seen here, although corporate bargaining gradually evolved with the larger companies in the steel, mining, auto and packinghouse industries.

2. CIO Aims, Structure and Methods in Canada

Reformist and revolutionary trade unionism exerted strong influences on the Canadian trade union movement during the first 35 years of the twentieth century, but, in the end, failed to alter the essentially conservative course adopted by the TLC unions. The craft structure of organized labour in Canada was often threatened but never overcome, and the lot of the vast majority of Canadian workers was not fundamentally improved. By 1937, the magic of the CIO name was spreading rapidly north of the border. The screams of outrage from the American industrial establishment were heard clearly in Canada, causing apprehension in business and government while instilling hope among working people. The demonstration effect was in operation and was particularly relevant to those employed in Canadian branches of U.S. corporations.

The CIO success was also welcome news to those Canadian trade unionists who had struggled for industrial organization both within the TLC craft unions and outside. The U.S. experience stimulated Canadian labour growth. Union membership in Canada increased by nearly 37 percent between 1935 and 1938, surpassing the previous peak level of 1919 and providing a foretaste of still more dramatic developments to come in the 1940s.

The CIO Comes to Canada

It was not long before the new American movement was asked to render practical assistance to a Canadian organizational crusade. While the CIO United Automobile Workers were negotiating their first collective agreement with General Motors in Detroit, a successful organizing drive was already under way among Canadian GM employees at the company's Oshawa plant. Assistance was requested from the UAW in Detroit and was provided, much to the consternation of the company and of Ontario Premier Mitchell Hepburn. A GM refusal to recognize the union led to a 15-day strike during which Hepburn threatened to use the RCMP to force workers back to their jobs. On 22 April 1937, a four-page, six-year agreement was signed. Its terms included:

- a 44-hour work week;
- a four-step grievance procedure including arbitration;
- premium pay for overtime;
- seniority rights to govern layoff and recall to work after layoff; and,
- a general wage increase of five cents per hour.

The successful GM strike effectively launched the CIO in Canada, where it quickly assumed the evangelical character of its U.S. counterpart. Unlike the United States however, this country still lacked a statutory framework conducive to union organization and collective bargaining. Despite the social and economic changes being engineered by Roosevelt below the border, Canada remained very much an 'old deal' country. Given this environment, the progress of the CIO movement here was truly remarkable.

As in the U.S., the initials CIO became a synonym for hope. It was the first opportunity for many Canadian workers to join a union and they did so in increasing numbers because they believed the CIO could make a difference in their lives. Such was the demonstration effect of the U.S. experience. The fact

that majority unionization of a workplace provided no automatic recognition of collective bargaining rights failed to dissuade Canadian workers and — following the General Motors pattern they were increasingly ready to strike to force employer recognition.

The World War II Years

The Committee on Industrial Organization became the Congress of Industrial Organizations at an inaugural meeting in the winter of 1938 in Pittsburgh — the same year in which its constituent unions were expelled by the AFL for practicing 'dual unionism'.

The Trades and Labour Congress (TLC) expelled the seven Canadian CIO unions the following year: the United Mine Workers of America (UMWA), the Amalgamated Clothing Workers of America, the Fur Workers, the Quarry Workers, the United Auto Workers, the Steel Workers Organizing Committee and the Mine, Mill and Smelter Workers. The UMWA was the largest union in Canada at that time. The TLC claimed the union had 15,000 members, while the union reported to the Department of Labour that its membership exceeded 22,000. In total, the TLC leadership claimed the expelled unions had just over 22,000 of the TLC's 160,000 members while the unions themselves reported a total membership exceeding 49,000.

The Canadian Congress of Labour (CCL) was born in 1940 — the result of a joint convention of the All-Canadian Congress of Labour (ACCL), led by A.R. Mosher of the Canadian Brotherhood of Railway Employees, and the Canadian CIO unions. This merger not only provided the new industrial unions with the financial and organizational resources of the ACCL, it also provided the movement with experienced and well-respected leaders. Mosher, who had been the president of the ACCL since its founding in 1927, was also the only president the CCL would ever have. The new labour central boasted a membership of nearly 77,000 — a number which was to increase dramatically during the war years.

As the war continued, the CIO's organizing committees in steel, packinghouse and other industries began to establish themselves as separate, self-supporting unions. Industrial workers paid little heed to any of these constitutional distinctions. The initials 'CIO' remained the most popular means of identifying the new movement.

After the declaration of war in 1939, the pace of organization and the number of recognition strikes began to increase sharply. A recessionary downturn in that year had caused an abrupt levelling off in union membership at 359,000 or 17 percent of the labour force, but the pressures exerted by the war both on demand and on labour supply created the conditions for a new surge in organizing, reflected in the statistics for 1940. By the end of that year, union membership had risen almost 30 percent to more than 460,000 and the numbers continued to grow in the ensuing years, reaching 725,000 by the end of 1943 — more than double the 1939 level. [CCL Membership].

This astounding rate of growth was accomplished in an environment of almost total hostility from employers, government and the press. It was accomplished also in the absence of any effective legislated sanctions designed to promote or protect union representation or collective bargaining. The additional powers acquired by the federal government under the authority of the War Measures Act of 1939 were used to solve problems of labour supply, to freeze wages and to restrict strike action, but never to order

an employer to the bargaining table or to reinstate a worker fired for union activity.² It is these outstanding characteristics that make the Canadian CIO experience unique.

Government - A Biased Referee

The federal government — along with its provincial counterparts — feared and resented the new union wave. The war measures adopted by King and his colleagues fuelled the workers' sense of outrage and their readiness to strike, if necessary, to gain union recognition by employers. Wartime orders-in-council PC 7440 of December 1940 and PC 8253 of October 1941 imposed a general wage freeze designed to hold wages at their 1926-29 levels and added provision for conciliation boards to authorize the adoption of cost-of-living bonuses, where justified, to offset erosion of purchasing power. Other groups fared much better. Price controls ordered by the Wartime Prices and Trade Board were piecemeal and ineffectual so far as the consumer market was concerned. In contrast, employers and investors received the benefit of generous public subsidies, and profit levels were healthy. The war had created a depression-ending boom for corporations, but the desires of their employees for a share of the wealth were being systematically thwarted.

Although the wages of early World War II were high by comparison with depression levels, most Canadian workers in 1941 were still not earning incomes defined as adequate by social agencies. According to Laurel Sefton MacDowell, almost one-third of workers earned less than \$450 a year, while only 6.1 percent earned more than \$1949 a year (MacDowell 1983, 18). Working hours often ranged between 48 and 54 hours per week and these workweeks were expanded through the frequent non-voluntary imposition of overtime by employers.

When the Steel Workers' Organizing Committee (SWOC) of the CIO sought recognition from the National Steel Car Company in 1941, a conciliation board recommended a government-supervised representation vote be held to determine the matter. When the workers went on strike after a month of government inaction on the conciliation report, the federal government responded by appointing a controller to act on its findings. The union easily won the vote but the controller refused to meet and begin bargaining, choosing instead to instigate the formation of a company-controlled union. Later, the controller's terms for an agreement were applied to both the company union and a local of the United Steelworkers of America (USWA), the union established by SWOC. In this case, government tactics delayed the sole recognition of the bona fide union, the USWA, for more than four years until 1945. There were many disputes as well — where recognition was not at issue — arising from narrow interpretations of the wartime wage controls against the interests of employees.

Under the National Selective Service, established in 1942, limitations were also placed on the freedom of workers to seek better living and working standards by changing their places of employment. The administrative agencies, set up to administer the wartime regulations, were staffed almost entirely by persons

² Order –in-council PC 2685 of June 1940 was a statement of principles in which the desirability of fair wages and working conditions and safe and healthful workplaces was commended. The right of workers to join unions and to bargain collectively was recognized and additional recommendations for a stable industrial relations climate were offered. PC 2685, however, provided no specifics capable of enforcement and proved completely ineffectual.

with business or managerial outlooks. Nowhere in the vast array of boards and councils directing the economy was there more than nominal representation of the problems and needs of working people.

It became obvious to workers that the sacrifices and hard work demanded by the war effort were being allocated unfairly. Having recently suffered the privations of the depression, workers were unwilling to endure further hardship — under the guise of the war effort while other classes of Canadian society were permitted to prosper from it. The industries with the best wages and the most favourable working conditions were those with the highest levels of union organization. This demonstrated performance, coupled with the high demand for labour, attracted more and more workers to the CIO unions while diminishing their fear of employer retaliation.

The Red Scare and Government Use of Police Powers

Responding to this threat to the status quo, employers and editorialists were quick to decry the CIO leaders and organizers as revolutionary agitators, self-serving exploiters of worker gullibility, thugs, saboteurs and foreigners. It was a well-worn trick which had been employed — with much success — since the beginning of the century, against every attempt to organize the broad mass of workers into industry-wide unions. The leaders of the WFM, the IWW and the OBU had all been victims of fatally crippling government harassment and intimidation — which included banning and imprisonment in both the U.S. and Canada.

So it was that the massive CIO organizing campaigns of 1935-37 in the U.S. had called forth an organized response from anti-union employers. This strategy was codified and dubbed the Mohawk Valley formula. The formula, which was soon to make its presence felt in Canada, was a six-point recipe for deceiving workers, government and the public about the significance of a union organizing campaign. It was designed to intimidate would-be union members, associate the union with a climate of violence or threatened violence and convince government to deploy large numbers of police or militia in the affected locality.

The visits of American CIO organizers to Canada provoked a torrent of defamation from employers and politicians who frequently questioned the motives of these suspicious 'foreigners'. It is ironic that neither the presence of U.S. corporate owners and managers nor the to-ing and fro-ing by officials of the AFL international craft unions during the preceding half-century had produced any similar panic.

Both Mackenzie King and Ontario Premier Hepburn were induced without much trouble — to abuse police powers in response to wartime strikes. In 1941, troops were sent to end a sit-down strike at the Arvida refinery of the Aluminum Company of Canada in Quebec because the provincial and federal governments were led to believe that the strike was a sabotage bid engineered by foreign agitators. Later investigation proved that the event was merely a labour dispute.

When the CIO-affiliated International Union of Mine, Mill and Smelter Workers (IUMMSW) struck the Kirkland Lake gold mines over recognition in 1941-42, Hepburn sent squads of Ontario Provincial Police into the community. After a strike of nearly three months, the union failed to win recognition and the strike was abandoned although the miners eventually established their union. This was a clear victory for the 'formula' and allowed Hepburn to avenge his 1937 failure to defeat the CIO in Oshawa.

Worker Determination and PC 1003

Whether in spite of or because of these government acts and omissions, the CIO unions continued to grow. The percentage of organized workers involved in strikes, which had risen from 13 in 1939 to 17 in 1940, reached a new peak of 33 percent in 1943. It was this 'disruption', much of it occasioned by strikes for recognition, which finally led the government of Canada to grudgingly concede in February 1944 what Roosevelt had pioneered in July 1935. PC 1003 established the right of Canadian workers to organize and to bargain collectively. It prohibited certain unfair employer practices which, hitherto, it had either actively supported or contemplated with benign indifference, and it created administrative mechanisms to enforce these rights and prohibitions.

Now that the basic elements of an orderly industrial relations system had been put in place, and recognition strikes were no longer necessary, the percentage of organized workers involved in strikes declined sharply to 10 percent in 1944, although it was to rise thereafter because of collective bargaining disputes. Clearly, the CIO unions had prevailed against the same forces which had defeated and destroyed their predecessors. Table 1, listing Canada's ten largest unions and their membership numbers in various years, shows the sweeping changes wrought by the CIO in the shape and size of the Canadian trade union movement. In 1920 and 1935, only two industrial unions, the CBRE and the UMWA, were among the ten largest organizations, the remainder were comprised of railway or building tradesmen. By 1950, six of the ten largest unions represented industrial workers and the two largest organizations, the Autoworkers and the Steelworkers, were CIO/CCL unions which had not existed in Canada just 15 years earlier.³

It is sometimes alleged that union and collective bargaining rights arrived in Canada in a neat bundle called PC 1003 thanks to the progressive and benevolent outlook of W.L. Mackenzie King and his government. Even today, employer spokespersons aim proprietorial endearments at 'our Canadian system of industrial relations' as though it had been conceived and ratified at some friendly tripartite conference in the dim past. In fact, Canadian workers had to seize these rights, in the face of ignorance, suspicion and bitter opposition from employers and governments, years after their recognition in other democratic countries.

Rights were conceded grudgingly. In the United States, the establishment of the industrial union movement was facilitated by the coincident adoption of an orderly industrial relations law by a progressive government. In Canada, almost the reverse was true. The industrial unions won the right to organize and bargain in the absence of any enabling framework amidst a virtually lawless industrial relations environment. In the end, it was Canada's industrial unions themselves who brought the new system into being.

³ The CIO/CCL rendering of industrial union identification is used frequently to remind the reader that the less familiar CCL is, in fact, the Canadian version of the original CIO

Table 1
Canada's Ten Largest Trade Unions 1920, 1935 and 1950

1920	
Brotherhood of Maintenance of Way Employees (TLC)	12,165
Canadian Brotherhood of Railway Employees (Ind)	11,451
United Mine Workers of America (TLC)	11,192
Brotherhood of Railway Trainmen (TLC)	10,330
Brotherhood of Railway Carmen of America (TLC)	9,727
Amalgamated Building Workers of Canada (TLC)	8,760
Amalgamated Association of Street, Electrical Railway and Motor Coach Employees of America (TLC)	6,807
Amalgamated Clothing Workers of America (TLC)	6,500
Amalgamated Mine Workers of Nova Scotia (Ind)	6,059
International Association of Machinists (TLC)	5,954
1935	
United Mine Workers of America (TLC)	19,802
United Brotherhood of Carpenters and Joiners of America (TLC)	16,670
Brotherhood of Railway Carmen of America (TLC)	14,542
Brotherhood of Railway Trainmen (TLC)	14,221
International Association of Machinists (TLC)	14,123
Amalgamated Association of Street and Electrical Railway Employees (TLC)	11,925
Canadian Brotherhood of Railway Employees (ACCL)	11,900
United Brotherhood of Maintenance-of-Way Employees (TLC)	11,354
Order of Railway Telegraphers (TLC)	10,200
Brotherhood of Railway and Steamship Clerks (TLC)	10,000
1950	
United Automobile Workers of America (CCL)	60,000
United Steelworkers of America (CCL)	55,000
United Brotherhood of Carpenters and Joiners (TLC)	38,276
International Brotherhood of Pulp, Sulphite and Paper Mill Workers (TLC)	33,138
Canadian Brotherhood of Railway Employees and other Transport Workers (CCL)	33,000
International Association of Machinists (TLC)	26,734
United Mine Workers of America (CCL)	25,717
International Union of Mine, Mill and Smelter Workers (Ind)	25,000
United Electrical, Radio and Machine Workers of America (Ind)	24,826
Brotherhood of Railway Carmen (TLC)	21,861

Source: *Labour Gazette*, various years.

Explaining the CIO's Success

How did the CIO succeed where so many earlier industrial organizations like the Knights of Labor, the IWW and the One Big Union - had failed? Some believe the answer lies in the popularity of the CIO's broad reformist outlook; its emphasis on independent political action; its goal of fundamental social and economic change. But, as we shall see, most of the CIO's policies had been proclaimed repeatedly by its radical forerunners - and even by the TLC - from the 19th century onward.

It has been observed as well that the times were right for the CIO. Workers who had suffered the hardship and degradation of the depression were indignant about the wage controls imposed upon them during the war which had ended that slump. Canada's non-agricultural labour force had grown faster than its population in the years between the wars, thus increasing the country's dependence upon the work of industrial wage earners and enhancing the potential for a successful exercise of labour strength. This potential was augmented further by the evident success of the new workers' movement in the United States where the political climate was so much more favourable.

But the social and economic changes associated with World War I and the ensuing depression, which had contributed to the Winnipeg General Strike of 1919 and to record growth in union membership that year, had not, in the end, produced a movement with the popularity and stamina of the CIO. All these factors helped swell the tide, but it was the structure and methods of the CIO which transformed this potential into success in the workplaces of Canada.

Structure

Though the CIO was an American creation, its sponsoring unions — like the United Mine Workers — were well-established participants in the North American labour movement and thus in Canada. The CIO's structure was straightforward and easy to understand. It recognized the need for all workers in an industry to be united in order to exert the maximum possible bargaining strength against employers. It made no provision for internal differentials in rank, status or voting power among members, and its operation depended upon employee participation in the workplace. The basic administrative unit of the CIO union was the local union, commonly a separate local for each plant or workplace. It was, in fact, the pure industrial trade unionism envisaged by Sidney and Beatrice Webb, and whose viability had been argued on the floors of TLC conventions during much of the preceding half-century.⁴

The CIO's industrial organizing committees, like the Steel Workers' Organizing Committee (SWOC) and its counterparts in the rubber, electrical and packinghouse industries, were designed to be taken over and turned into permanent industrial trade unions by the people employed in those industries. The structure of the CIO made the previously 'invisible' industrial workers proprietors of their own cause — rather than foot-soldiers in someone else's campaign.

⁴ This characteristic distinguished the new movement in particular from the Workers' Unity League in which the trade union was meant to be a subordinate body in the Communist struggle against world capitalism. As well, some of the earlier radical union organizations were successfully opposed by the establishment on the grounds that they were attempting to spread foreign ideologies. Though the CIO was similarly defamed, its accusers enjoyed little success. Working people accepted the new movement as their own, in part perhaps, because it had sprung from the very heart of the orthodox trade union structure.

While these structural characteristics did not guarantee the vitality of the organization, they did encourage it. In this respect, they contrasted sharply with the traditional TLC framework. In the crafts, the local normally covered the tradesmen in a geographical area. Though democratic in form, craft union locals were operated almost exclusively by elected full-time or part-time business agents who also usually comprised a majority of the delegates at national and international union conventions.

Craft locals — then as now — were normally self-sufficient and inward-looking; concerned almost exclusively with collective bargaining and employment. Their parent unions seldom maintained any central services, nor were they capable of mobilizing these disparate units in support of national or provincial programs. An individual member of a craft union who was socially or politically conscious and anxious to inject some fresh policy initiative into the union had to deal with a basically unresponsive apparatus.

The internal structure of the craft union — though not specifically designed to be repressive — was innately conservative. The TLC leadership saw no reason to question this structure or the hegemony of the skilled trades upon which it was based. It accounts for the TLC's uncompromising defence, over the years, of the primacy of the craft union as the cornerstone of the labour movement and for its intransigent opposition to the 'dual union'. The dual union was defined as any labour body professing to represent skilled trades members who might otherwise belong to the appropriate craft union.

Locals of industrial unions typically enjoyed broad autonomy over local matters and chose their convention delegates from the membership at large, but their elected national or international officers were in charge of hiring permanent staff and of managing a gradually increasing number of centralized services. Such services included bargaining and arbitration assistance, research, member education, public relations and legislative or political action.⁵ The provision of these services helped assure effective and frequent communication between the locals and the centre and enabled the national leaders to mobilize concrete action at the local level in support of policies adopted by the union or by the CCL as a whole.

These basic structural patterns have persisted over the years and, even in the '80s, they continue to define the essential difference between craft and industrial unions in Canada and the United States. In part, the CIO's centralized structure was responsible for employer and government apprehensions. They were comfortable dealing with isolated groups of tradesmen, but the CIO, with its central services and broad-based membership, looked and acted more like a national, or even international movement; a movement capable perhaps of challenging the system. 'Conspiracy' was the term applied to organized labour during the Winnipeg General Strike and it was used again to describe the CIO.

Methods

The twin imperatives of the labour movement have always been 'organize' and 'negotiate'. To these the CIO/CCL unions added 'educate'.

⁵ Smaller industrial unions often relied on the CCL to provide these services.

Education

Education served two main purposes. Tool courses trained rank-and-file workers to carry out the various tasks necessary to the organization's effective functioning at the local level. These included the jobs of shop stewards and local union officers (president, secretary, financial officers, trustees, etc); how to conduct a democratic meeting; collective bargaining techniques; how to create and run a local union information bulletin or newspaper; and, how to administer a strike. Education for 'worker citizenship' included basic economics; corporate structure and finance; political parties and workers' interests; industrial relations law; human rights and civil liberties; and public speaking.

The CIO /CCL faced the problem of how to provide this worker education with few resources and with, as yet, few collective agreements which provided leave — paid or unpaid — for union educational purposes. The answer in the 1940s was the 'Weekend Institute', a travelling circus led by the education director of the CCL or one of its major affiliates, and staffed by full-time organizers or representatives of the various industrial unions dragooned away from their regular duties. The institutes brought volunteer activists from the industrial union locals, in a given region, together in some centrally-located public building for a two-day educational experience which usually involved an inspirational general session and separate courses such as: 'Steward Training', 'How to Handle a Grievance', 'Successful Organizing', 'Labour Law', or 'Understanding Company Financial Reports'. The larger affiliated unions held their own classes on the constitutional duties of specific local union officers. Smaller industrial unions usually relied on the CCL to provide these services.

Participants registered for courses and received a kit of relevant educational materials. On Saturday evening, there was usually a banquet with a union speaker, followed by a dance. The promotion of camaraderie and self-confidence was as important as the acquisition of new skills and knowledge. In the actual conduct of the courses, emphasis was placed on individual and group participation, a further encouragement to the worker's self-esteem.

The education system required local convenors to plan and advertise courses and make the physical arrangements. This established an additional network of permanent contacts between the local level and the central organization, both within the CCL and its affiliated unions. When the central organizations had vacancies for full-time or temporary staff positions, these cadres of local union officers and activists were the most important sources of candidates.

The effectiveness and quality of the institutes and other industrial union education methods owes much to the dedication of the professional educators who were attracted to the new movement from such diverse origins as the YMCA, various ethnic societies and the formal education system. Together, they brought into being what was probably the largest grassroots adult education system in the country.

As the movement grew and acquired resources, an increasing share of the dues dollar was expended on education. Week-long residential summer schools — usually held at a summer resort — were added to the Weekend Institutes. An increasing number of collective agreements provided leave for employees to attend to union responsibilities, among which education was the most important in terms of time expended. The local labour councils, based in large and small communities across the country, became important convenors of internal union education, just as they had proved to be the most effective

instruments of concerted labour activity in the early years of Canadian trade unionism. Regional or area councils, comprised exclusively of the locals of the larger industrial unions, played a similar role within those organizations, without detracting from the work of the more broadly-based labour councils.

Trade union education in the 1980s has grown into a highly sophisticated activity. In addition to the substantial resources still committed by the industrial unions to this activity, grants under the federal government's Labour Education Program have, since 1977, permitted the addition of in-house audio-visual production facilities, and a vast expansion of the system's outreach to workers. This assistance began long after the first commitments of public funds to corporate managerial training. With the resources to replace workers' earnings, it has become possible to expand the two-day course — formerly the Weekend Institute — into other days of the week and to make much greater use of week-long residential schools in the summer and in other seasons of the year. Some unions have negotiated even longer absences from work so that particularly able members may receive more complex and specialized leadership training.

Administration

There were comparatively few paid, full-time functionaries in the CIO in its formative years, and although the ratio has increased over time, it remains true that most administrative responsibility at the local level depends upon hundreds of volunteer activists who provide unpaid services outside working hours in the common interest. Thus, an important function of CIO/CCL education programs was to instill self-confidence in the newly emancipated industrial workers.

Among the craft unions, knowledge of bookkeeping and the rules of order for meetings were assumed — often wrongly — to have been acquired by tradesmen in the course of their education and apprenticeship, or as a 'handed-down' part of their initiation into union activity. The crafts still tend to hire outsiders for specialized roles like financial administration, rather than training member-volunteers.

Racial and Ethnic Harmony

Solidarity among all the employees in a workplace was a requirement for organizing and bargaining success. As a consequence, both principles and practical necessity compelled CIO unions to confront racial and ethnic animosities. This was particularly true in the American south and in the black ghetto cities of the north where industrial workers sometimes learned the hard way that racial division was the boss's ally. But the practical lesson applied with equal force to longstanding ethnic hostilities in Canada, especially those between English and French. A Croatian miner from Timmins once told a United Steelworkers conference that 'broken English' was one of the official languages of the trade union movement.

Within the craft unions, racial and ethnic relations were seldom recognized. Like politics, they were regarded as personal matters, not the concern of the union — except where the country's immigration policy was involved. From the earliest days of the railroad boom, the TLC had expressed an inordinate dread of Asian — especially Chinese immigration and urged government to ban it. Race-biased immigration *de facto* if not *de jure* — was among the policies on which the TLC and the traditional

political parties most often agreed from the 1890s until well into the 20th century. Most craft union constitutions barred non-whites from membership.

Organizing Methods

A further contrast in methods may be observed in the organizing style of the CCL and TLC unions. Most of the crafts were inclined to arrange discreet fraternal gatherings in the style of the Moose or the Elks, but the CCL was much more confrontational. In addition to making house calls between shifts, the CIO handed out leaflets at plant gates where copies could be easily obtained by company informers. CIO leaflets commonly described instances of employer unfairness or discrimination at work in plain terms, and invited workers to organize and bring an end to such practices.

Government biases against the movement were openly confronted without fear of discouraging worker support. 'Sisters and brothers and members of the RCMP', was the way one CIO organizer regularly began his speeches at union meetings. He explained that there was always an undercover Mountie present — though not identifiable — at union gatherings.

Political Education and Political Action

A precept often cited in CIO education sessions was that 'gains hard-won at the bargaining table can be wiped out with a stroke of the legislative pen.' Most Canadian CIO leaders were supporters of the democratic socialist Cooperative Commonwealth Federation (CCF). Political education aimed to demonstrate to members and their families how their opponents, the leaders of industry, perpetuated a system responsive to their own interests through their participation in, and financial control over, the old-line political parties. Members were urged to organize the voting potential of workers behind the programs of social and economic reform presented by the CCF and to become active members of the party.

The neglect or hostility shown by the traditional parties to worker interests was a recurrent theme in AFL/TLC conventions, but the craft unions, as a whole, never attempted systematic political education among their members. They were, in addition, structurally ill-suited to mobilization for concrete political action. The crafts, on occasion, supported campaigns to place independent labour candidates — usually TLC officers — in parliament, and saw several of them elected over the years. Though the independents usually distinguished themselves as parliamentarians, they were not able to advance comprehensive political platforms.

From the time Britain's Labour Party was founded in 1906, TLC conventions took a close interest in its progress (McDonald 1987, 118).⁶ Renowned Labourite, Keir Hardie, addressed TLC conventions in 1908 and 1912. Nevertheless, the organization and its affiliated craft unions continued to avoid direct participation in the political process. In contrast with the CIO /CCL, most craft unions have remained steadfastly opposed to open identification with a 'labour' political party.

⁶ The roots of the British Labour Party extend to Independent Labour Party of 1893 and Social Democratic Federation of 1881.

Political Aims

Underlying the distinctive CIO tactics, was the bedrock conviction that working people didn't have to plead for rights in a democratic society. The rights already belonged to the people. The task was to assume full 'worker citizenship', and to reach out — both at the bargaining table and in the legislatures — and take the rights from those who had wrongfully assumed their ownership. This brash style outraged not only employers and their allies in government but mightily offended the TLC as well. The time-honoured and more or less gentlemanly rules of the game were being changed unilaterally by upstarts representing the lowest class of employee.

The CCL leadership supported the social democratic program of the CCF and most were CCF members. Eventually, the CCL itself, along with most of its affiliated unions, officially endorsed the party. Industrial union leaders and activists were among those elected to parliament and some provincial legislatures under the CCF banner in the course of its early electoral successes in the 1940s and '50s.

CCF policy emphasized greater government intervention in the economy as an instrument of reform. It also aimed to create an extensive social security system and fairer laws governing the rights of employees to organize into unions and engage in collective bargaining. Canada's first CCF government, led by T.C. Douglas, came to power in Saskatchewan in 1944 and began putting that program into practice. Although the party surged to the status of official opposition a year earlier in Ontario, the CCF - much to the chagrin of the CCL leadership never captured power in Canada's industrial heartland.

The various Progressive Conservative administrations, which governed Ontario for the ensuing four decades, seldom underestimated the political potential of the CCF and CCL agenda. Thus it was that the PCs eventually adopted most of the social security and labour law reforms pioneered by Douglas in Saskatchewan. A measure of PC reluctance to accept the new labour movement may be observed in Ontario's Labour Relations Act. It was more than 30 years after the original passage of the Act in 1944 before the preamble was amended to identify the public interest with 'collective bargaining between employers and trade unions as the freely designated representatives of employees'.

In the legislative sphere - as well as at the bargaining table - CIO motives were to alter the balance of rights which, both by tradition and law, lay with the employer. The doctrine of residual rights establishes that, where there is no impediment in law, the employer shall be deemed the possessor of all rights over terms and conditions in the workplace which he has not specifically agreed in writing to modify or to cede to the workers. The result of 50 years of CIO bargaining and political action has been a substantial diminution of the employer's residual rights.

Music

No assessment of the CIO's growth would be complete without a review of the role played by music. Music, sung usually to guitar accompaniment, was an element in organizing, during strikes and at education sessions and rallies on both sides of the border. Music promoted unity and helped instill a sense of strength and self-confidence.

Members of the new industrial unions were, after all, ordinary people, risking not only the enmity of employers and government, but the hostility of the press and many of the churches. Then, as now, unions

were unfashionable among the arbiters of social acceptability. As historian Desmond Morton observed, the organization of the poor tends to curdle charity. For all these reasons, union members wanted reassurance that their cause was just, their demands fair and reasonable, and their eventual victory assured. They also needed reminding from time to time that employers and politicians, despite their strength and status, were mere mortals; that they were driven by greed and powerlust and that their pretensions to high principle and public service were — like the emperor's new clothes — quite often illusory.

There was a union maid, Who never was afraid,
Of the goons and the ginks and the company finks
And the deputy sheriffs who made the raids
She went to the union hall, When a meeting it was called,
And when the bosses' boys came 'round
She always stood her ground.
Oh you can't scare me, I'm stickin' to the union I'm stickin to the union, I'm
stickin' to the union, Oh you can't scare me, I'm stickin' to the union, I'm stickin
to the union, 'til the day I die.

These defiant words were written by Woodrow (Woody) Guthrie to the tune of 'Pretty Redwing', an old cowboy ballad. Guthrie was one of the dustbowl 'Okies' whose story was told in John Steinbeck's book, *The Grapes of Wrath*. They were evicted from their farms during the depression and were exploited and persecuted when they resettled in California as fruit pickers. Woody Guthrie became the most famous of a band of jobless troubadours who wandered from coast to coast seeking employment and helping to organize the unorganized.

Guthrie and the other American troubadours threw themselves into the CIO campaigns. Some, like Pete Seeger and the Weavers went on to careers in the world of entertainment. Others like the Glazer brothers, Joe and Pete, remained with the movement they had helped to build. Joe Glazer, after participating in the Rubber Workers Organizing Committee of the CIO, became Education Director of the United Rubberworkers of America and, armed with his guitar, was a frequent and welcome visitor to picket lines and union conferences across Canada. Glazer particularly admired the grit shown by Canadian industrial workers who, prior to 1944, had to organize without the benefit of supportive legislation.

The labour songsmiths borrowed their music from a variety of sources, from hymns to folk tunes and supplied their own lyrics as necessary to fit the situation.

As I was walkin' that ribbon of highway I saw above me the endless
skyway I saw below me the lonesome valley This land was made for
you and me.
This land is your land, this land is my land From California to the New
York Island,
From the redwood forest to the great lakes waters This land was made for you
and me.

Guthrie composed the words and the music to this unemployed wanderer's song of protest and rebellion. The passage of years has imparted an ironic twist to its words which are usually sung, these days, to

express patriotic sentiments. The Canadian version simply uses different place names. One of Guthrie's favourite verses, however, left no doubt of the composer's meaning.

As I was walkin', I saw a sign there, And on the sign it said 'no
trespassin'
I looked on the other side, it didn't say nothing
That sign was made for you and me.⁷

⁷ In the true folk tradition, many verses of 'This Land' were composed by Guthrie and others over the years and never published. This verse was recorded by Guthrie's son, Arlo, at a concert given in Woody's memory in the late '60s.

3. The CIO at the Bargaining Table

Despite bitter employer resistance to the CIO and the hostile public policy environment, especially prior to 1944, Canadian CIO bargainers were able to make sweeping changes in the fundamental characteristics of employee-employer relations. Bargaining was a new experience for previously unrepresented industrial workers as well as for many of the employers involved. For those industrialists who had previously dealt with the craft unions of the AFL/TLC, it was, in many ways, an even more startling encounter.

To begin with, the CIO unions represented all the skilled and unskilled workers in a plant or corporation as a single unit within a single union, while craft unions each bargained separately for their own members at all the workplaces within a geographically defined region usually ignoring the unskilled workers altogether. The CIO unions focussed their bargaining attention and power on one workplace or one company at a time.

In these circumstances, failure to reach agreement could lead to a strike of all the workers in the plant, or across the corporation or industry. So much more was at stake in industrial style bargaining that employers were forced to elevate the importance of labour relations within corporate hierarchies. They hired professional negotiators to deal with the increased volume and complexity of bargaining issues and were compelled to develop permanent labour relations departments to cope with the unions' unprecedented intrusion into the workplace through shop stewards and grievance procedures.

There were vast differences also in the bargaining agendas of the two union groups. For example, a typical craft union in its dealings with construction industry employers would concern itself with:

- employers hiring exclusively through the union to insure that jobs went only to union members (the union kept track of membership seniority for these purposes);
- the hourly wage to be paid to tradesmen by all employers within the region;
- the normal daily hours of work and starting and stopping times to be observed; and
- perhaps, the amount of employer contribution per man-hour worked to be paid into a union-managed benefit or insurance fund of some kind (although in many instances, such obligations were made part of the individual member's dues payments).

The CIO unions brought a host of other issues to the bargaining table. To begin with, the great variety of jobs, rates of pay and working conditions involved in an industrial workplace required a more comprehensive collective agreement, but bargaining philosophy made most of the difference. The initial General Motors agreement, which was the product of the 1937 recognition strike by CIO auto workers at Oshawa, covered only four pages but included:

- a four-step grievance procedure including final recourse to an impartial umpire;
- premium pay for overtime at the rate of time and one-half;
- seniority rights for employees on a departmental basis for purposes of layoff and recall after layoff;
- five-minute rest periods;

- a no-discrimination clause binding the company not to discriminate in any fashion against employees 'by reason of any activity, past or future, of any employee with, or in respect of trade union activity or trade union membership.'

These provisions were in addition to those specifying a general hourly wage increase and setting the normal weekly hours of work.

Some of these contrasts in bargaining approach arose from the distinctions inherent in construction work as opposed to employment in a goods producing industry. For example, it was more practical in the construction industry, with its many employers in the roles of contractors and sub-contractors, for seniority to be defined and administered by the unions through the hiring hall system. For similar reasons, the union was usually the provider of employee benefits such as life insurance. In most other areas, however, the contrasts stemmed from a fundamental difference of attitude between the CIO and TLC unions toward the balance of worker and employer rights in the workplace.

Grievance procedures, overtime pay, and seniority were not CIO inventions. These and other matters had been concerns of craft unions in industrial units for some time. The difference lay in the ability of the individual crafts to capture the initiative and bargain comprehensive agreements when there were so many of them dealing separately with the same employer. A good example may be seen on the railways where the Brotherhood of Locomotive Engineers and several other 'running trades' bargained individually with the continent-spanning Canadian Pacific Railway and Canadian National Railway. Union agreements, in these cases, consisted mainly of negotiated variations to company rules. Since only the company commanded the whole labour relations picture, no union was in a position to deal conclusively with all items under discussion.

For example, the companies used systems of demerits for disciplinary purposes. Any one of the unions might seek to vary a penalty laid down in the system, but none was in a position to question the system's very existence. The industrial unions routinely refused to recognize or negotiate company rules, or include them in agreements. A company's right to make and enforce rules was one thing; the union's right to dispute their fairness of application was another.

Another disadvantage of craft bargaining was the employers ability to whipsaw or outmanoeuvre the separate union groups by getting one to accept what might be anathema to another. This dilemma has continued to plague the railway crafts to the present day. Canada's first industrial union was the Canadian Brotherhood of Railway Employees. It recognized this and other essential weaknesses of the craft approach from the beginning and sought to represent a broad cross-section of occupations. The craft unions in the railway shops recognized the difficulty as well and became the first group of the AFL unions to organize themselves into a single division for bargaining purposes.

The CIO unions saw the employment relationship in the unorganized workplaces of the 1930s and '40s as the domination and exploitation of one social class by another. They demanded not only fair wages and hours for their members, but safe and healthful work, and the securing of employment and

advancement opportunities against discrimination or other arbitrary treatment.⁸ In addition, they recognized the advantageous potential of the organized workforce for the purpose of acquiring low-cost insurance protection against the often catastrophic costs of medical and hospital services, and against family income loss in case of death or disability.

Prior to the advent of the CIO, 'hourly-paid' employees were those whose employment could be dispensed with at any time. They comprised the vast majority of industrial workers, and payment by the hour emphasized the tenuous nature of their employment. Absence due to illness or family emergency often meant severance of employment, but always meant lost wages. By contrast, salaried managerial employees, whose employment was deemed to be fixed for a longer term, usually maintained their regular earnings during authorized absences. The CIO set about correcting this disparity by negotiating maintenance of both seniority and wages during absence due to illness. Employers often chose to have this cost underwritten in the form of disability income insurance. The amounts seldom equalled the wages foregone and their duration depended upon the vicissitudes of bargaining, but a degree of income security was established for the hourly paid. Compensation for loss of employment, or severance pay, was another CIO attempt to bring greater security and respectability to the hourly worker.

The CIO unions sought a fundamental curtailment of the employer's residual rights. The most important challenges in this area involved the employer's arbitrary power to fire or demote a worker. The new agreements checked this power with formalized seniority clauses and final and binding grievance procedures.

The Evolution of the Industrial Collective Agreement

Appendix A contains outlines of three bargaining relationships between unions with their roots in the CIO movement and industrial employers. The first reviews bargaining outcomes between the Oshawa local of the Canadian Auto Workers (and its predecessor the United Auto Workers) and the General Motors Corporation. The second involves the Sudbury operations of the International Nickel Company, or INCO, where the employees were represented by the International Union of Mine, Mill and Smelter Workers from 1945 to 1962 and by the United Steelworkers of America from 1963 onward. The third concerns the United Food and Commercial Workers (and its predecessor organizations) and Canada Packers.

These three relationships are not typical in that they cover very large bargaining units where innovative provisions were typically initiated before their general adoption in other workplaces. They do, however, indicate the areas in which industrial unions attempted to make gains, and they illustrate how bargaining responded to economic and social pressures. This chapter summarizes those developments in a more or less chronological order.

⁸ Employer resentment at having to deal with a union — and particularly a CIO union — often led to unproductive posturing at the bargaining table. Federal government conciliation under PC 8253 was seldom effective. Union bargainers, aware that their resources were too slim to afford hasty reactions leading to negotiating breakdowns and strikes, tried to remain calm, sacrificed less important demands in the interests of priority goals and used examples of employer behaviour at the bargaining table to inform and educate union members about the motives of the other side. Where strikes were necessary, they were sometimes lost, but the tight wartime labour supply and the increasing readiness of workers to strike for really essential changes produced important advances.

Recognition During the War Years

As has been argued in preceding chapters, the primary objective of the CIO movement was to give individual workers a greater voice in their workplace. A primary mechanism for its realization was the formal grievance procedure. While popular among workers, the grievance procedure was strongly resisted by employers. In 1942 when Canada Packers first negotiated with its employees, a grievance procedure ending in third party arbitration was not included in the collective agreement. The grievance procedure was an essential element of union recognition for the CIO, but was valued by Mackenzie King for rather different reasons. The King government wanted final and binding resolution of all differences arising out of an agreement without resort to strike or lockout in order to prevent disruption of production during the war. The order-in-council PC 1003 made this provision a specific requirement. Beyond those legislated requirements, CIO agreements included a description of the role of union stewards in the workplace and often provided paid time off, subject to limitations, for stewards to handle members' grievances on the job.

Another recognition issue was the use of the employer's administrative facilities for the collection of union dues. The three bargaining relationships outlined in the appendix are typical in that dues check-off was voluntary when it began with the onus on the individual union member to sign a permission form annually. However, mandatory check-offs were negotiated by the UAW in 1947 and by Mine, Mill in 1946. In 1944, the Packinghouse Workers negotiated a 'voluntary irrevocable' check-off providing that the employee's dues check-off authorization was only revocable at the termination of the agreement.

During this period the seniority principle was expanded beyond its previously limited application to layoffs and was introduced to many workplaces for the first time. The widely held view among industrial unionists was that longer term workers had more 'invested' in their positions with a given employer and, because of their age, had fewer alternatives in the labour market. The application of seniority provided older workers with a reward for lengthy service, both in terms of on-the-job responsibility and income. The introduction of seniority as a primary criteria in determining promotion, layoffs and recalls was to replace a wide number of different types of discrimination with a visible and generally more acceptable one. However, some of the early agreements, such as the one covering INCO's Subdury operations, still gave management significant latitude to grant promotions on the basis of 'merit', as determined by the employer, with seniority playing a role only when merit was considered equal as between two applicants. In other cases, for example the agreements between GM and the UAW and those between Canada Packers and the Packinghouse Workers, seniority applied only to layoffs and recalls but not to promotions or transfers.

Contrary to popular belief, the wages of workers in industrial settings did not increase rapidly upon the introduction of collective bargaining. The depression had reduced wages to very low levels and wartime wage controls, imposed in 1940, remained in place until late 1946 slowing the growth of earnings. This is not to say that the compensation of workers did not rise during this period. A government-approved cost-of-living allowance scheme found its way into some agreements, such as the GM/UAW and Canada Packers/UPWA settlements of 1944. Furthermore, the introduction of premiums for overtime, shift work and work on Sundays or public holidays all provided small increments to employees' take home pay. Two of the relationships presented in the appendix have agreements signed in the fall of 1946, after controls had been lifted, which provide substantial across-the-board wage increases.

It was during the war that so-called fringe benefits first became an important aspect of compensation although they were rarely mentioned in collective agreements. For example, Canada Packers introduced a group insurance scheme in 1940, before collective bargaining began at its plants, but the plan was not mentioned in the collective agreement until 1948. By providing life and health insurance and sick leave benefits, firms could compete for workers in a tight labour market without raising wages, an illegal action under wartime controls. Premiums paid in Canada for group life insurance increased from \$18 million in 1935 to \$58 million ten years later, an increase of more than 220 percent: during the same period individually purchased life insurance increased by only 67 percent.

While these forms of compensation were not included in the collective agreement, they were a subject of negotiation between the industrial unions and employers. The unions strongly advocated the introduction of these types of plans because they provided their members with a degree of security heretofore unseen and were, at the same time, relatively inexpensive. Group insurance was also a means of realizing, through collective bargaining, the public policy goals of the CIO/CCL in these areas.

Making up for Lost Time: 1946-55

By the end of World War II, more Canadian workers had been organized into unions than ever before and the following decade saw an unprecedented improvement in the working and living conditions of industrial workers. For more than 15 years the Great Depression and wartime controls had severely limited improvements in wages or other work-related benefits. The controls had been particularly unfair to workers because wages were more effectively controlled than prices. Furthermore, corporate profits rose as employers reaped the benefits of the higher productivity resulting from the technological innovations introduced during the war.

It is hardly surprising then that the lifting of wartime wage controls in the fall of 1946 led to a rush of collective bargaining which produced significant wage increases. For example, the 13.5 cents per hour increase negotiated by Mine, Mill in 1946 represented an increase of nearly 20 percent to base labour rates. Large wage increases were prevalent for a number of years following the end of the war, partially in response to the rapid rise in prices which occurred as controls were lifted. Mine-Mill and the UAW, negotiated across-the-board cents-per-hour wage increases, thereby providing larger percentage increases to the lowest-paid employees. The Packinghouse Workers, for the most part, negotiated percentage increases, thereby maintaining wider differentials between high and low skilled jobs.

The sudden rise in price levels led to the introduction of cost-of-living allowances (COLA) that were similar to those approved by the War Labour Board in wartime. Canada Packers and the UPWA later dropped the COLA when prices stabilized during the early and mid-'50s. UAW agreements, on the other hand, have maintained the COLA from its introduction in 1948 to the present day.

Labour aggressively asserted its demand for a shorter work week by appropriating gains in productivity to produce a series of dramatic reductions in weekly working hours. These dramatic reductions in working hours somewhat overshadowed increases in hourly wage rates. The labour movement had set the 40-hour work week as an objective for bargaining at the end of World War I, but only limited progress was made toward this goal over the next 30 years. The 48-hour work week was standard in most industrial workplaces in 1946 and Saturday remained a work day for most. Although some workers, like

the UAW members in the auto industry, had a regular work week of 44 hours, it was not common. By the mid-'50s, however, the majority of industrial workers had achieved the 40-hour week. As the agreements described in Appendix A show, the reduction in hours was not undertaken in 'one fell swoop'. Rather, it occurred incrementally over several years and often involved several sets of negotiations. Significant gains were also made in the number of paid holidays observed and the length of paid vacations. Thus, the quality of life enjoyed by working families improved substantially in ways that were not reflected in take-home pay.

The experiences of the depression and the desire of returning veterans for a stable, lifetime working career that included opportunities for advancement, led to demands for greater job security. These demands were frequently translated into more complex seniority provisions which increasingly intruded upon the employer's right to hire, layoff, transfer and promote. Limits were placed on the ratio of apprentices to tradesmen in the 1947 Mine-Mill settlement and in the 1950 UAW settlement. In 1948, Mine-Mill also expanded the seniority clause to cover temporary promotions and transfers into seasonal or temporary jobs. Mine-Mill and INCO negotiated several supplementary seniority clauses to deal with the start-up of new operations. At Canada Packers the role of seniority in promotions relative to 'merit' was strengthened significantly in the 1952 settlement. The 1946 Mine-Mill and Packinghouse Workers agreements also recognized the federal government's 'Reinstatement in Civil Employment Act' and provided special hiring and seniority rights to former employees who had served with the armed forces.

The negotiation of fringe benefits, begun during war, continued with industrial unions attempting to increase the levels of benefits and reduce the portion of premiums paid for by employees. In the case of pensions and health-related plans, the demands at the bargaining table were closely linked to CIO /CCL legislative proposals. As the 1948 Packinghouse Workers agreement and the 1950 UAW/GM settlement demonstrate, the negotiation of benefits such as sick pay (or weekly indemnity, as union members called it) life, hospital and medical insurance, and pensions was increasingly important. The trend toward this type of compensation initiated by the CIO unions was quickly followed by others. By 1955 the premiums paid for group life insurance were ten times their 1945 level. Similarly, premiums for group health insurance more than doubled in the five years ending in 1955. Initially most of the plans required contributions by both employers and employees, but as time went on, the unions gradually shifted the entire cost of these benefits to the employer. Most collective agreements did not describe the details of these plans. Employer representatives didn't want benefits administered by an insurance company to be subject to the grievance procedure. Union bargainers were satisfied as long as benefits were improved. Though Mine-Mill negotiated insured benefits at International Nickel in the early '50s, no mention of any compensation, with the exception of wages, appears in collective agreements until the end of the '60s.

A primary objective of industrial unions was to insure parity of conditions among all workers in an industry. Union members recognized that this greater uniformity in collective bargaining and contract administration could be achieved most effectively through centralized negotiations. Before the emergence of the CIO in the mid-'30s, it was rare for a unionized employer to have a single collective agreement covering all the workers in one location. By the end of the war, it had become quite common, and CIO unions had begun to press for master collective agreements covering workers across all of the corporation's unionized locations. The Packinghouse Workers were leaders in this area. Canada Packers signed separate but similar agreements with local unions at seven of its plants in 1944, and then agreed to a master contract in 1946. By 1948 the parties had agreed to develop, through negotiation, a national job

classification system, but it took several decades for the parties to eliminate the disparities in wages and working conditions among the various plants.

At General Motors, national master contracts in both the U.S. and Canada were a long-time goal of the union, but were resisted strongly by the company. By 1953 all UAW locals, except the large Oshawa local, were covered by a single agreement patterned on the U.S. settlement of the same year. Oshawa was brought into the master agreement following a five-month strike in 1956.

Consolidation and Rededication: 1955-66

In the decade after 1955, slower economic growth had a pronounced impact on the outcome of the collective bargaining process. Rapid expansion, begun at the end of World War II and maintained through the conflict in Korea, had come to an end. Growth slowed in the mid-'50s until the economy fell into its first recession in two decades and unemployment grew to 7.1 percent in the winter of 1957-58. The ability of the economy to create jobs was out-paced by the growth in the labour supply and labour-displacing technologies became more important in corporate investment plans. Unions' efforts during this period were aimed at consolidating their gains, especially in the areas of leisure time and various forms of paid time off, and spreading the benefits of collective bargaining to the employees of smaller firms.

Unions in industrial workplaces were determined not to repeat the errors made by others in the past concerning job and income security. A number of initiatives were taken. Perhaps the most spectacular achievement was the February 1956 adoption of a supplemental unemployment benefit plan (SUB) at GM following a five-month strike by the UAW. The purpose of the SUB was to maintain the incomes of laid-off workers by supplementing their unemployment insurance benefits. The SUB responded to the vagaries of the business cycle and to the layoffs which normally accompanied re-tooling as the industry changed from one model year to the next. Upward revisions were made to the SUB in every set of contract negotiations from its introduction through the '60s.

Other unions achieved greater job and income security for their members in other ways. The first settlement between the United Steelworkers (USWA) and the INCO in 1963 included greater protection for employees transferred from a department as a result of workforce downsizing. A prohibition on supervisory personnel undertaking bargaining unit work was included in the second USWA agreement in 1966. Another key element of the 1966 settlement was the provision of five weeks of special paid vacations to all employees with more than five years of service. Along with the much-desired extra vacation time, this clause aimed to provide work for those who would otherwise be laid-off. Other agreements made similar gains in the amount of paid time off. Furthermore, during this period, paid leave for jury duty became a part of the agreements, as did bereavement leave.

In the meantime, the 'cents per hour' wage increases preferred by most industrial unions had caused employers some difficulties. In the late '50s and early '60s all three bargaining relationships described in Appendix A show increases in job rate increments and other upward adjustments for skilled workers. The reduced wage differential between unskilled and skilled jobs had made it difficult to attract skilled workers, causing employers to argue for proportionately greater increases for their higher paid employees. At the same time, the unions faced pressure from their skilled members for re-establishment of greater wage spreads.

In pension benefits and disability income, the industrial unions pursued improvements designed to reach income replacement goals adopted at national policy conferences. In health care, the types of medical and hospital services covered were slowly expanded and the employer paid a growing portion of the related premiums. Initially, the unions applied their growing expertise on pension plans to achieving secure pensions for long service employees that would maintain a comfortable standard of living for workers and their spouses when they retired. As time went on however, the desire of long service employees to escape often arduous working conditions grew, thereby placing greater importance on the negotiation of early retirement provisions

Preservation of Real Wage Gains: 1966-75

Economic prosperity was the backdrop to collective bargaining in the late '60s and early '70s. Along with steady economic growth came rising prices which threatened the living standards of workers. Major initiatives in public policy for hospital and medical insurance shaped bargaining as well. The trend toward more comprehensive collective agreements continued.

Increases in take home pay were important in collective agreements reached during this period. While all three agreements in Appendix A show wage increases in each year, other means were initiated to raise workers incomes. Premiums for shift or weekend work were increased substantially in INCO's agreements with the United Steelworkers in the 1969, 1972 and 1975 settlements. Similar improvements were negotiated at Canada Packers. The 1969 settlement also introduced a COLA clause initially limited to a five cent per hour annual maximum. The UAW and GM had a long-standing COLA provision in their collective agreement along with an 'annual improvement factor' of three percent per year. In the 1970 settlement, in addition to a substantial wage increase, the COLA formula was 'uncapped', providing one cent per hour for every 0.4 point change in the CPI.

Bargaining was focussed on employee benefits throughout the period. The UAW negotiated an early retirement package for workers over 50 years of age with 30 years service in 1970, and a new dental care plan in 1973. At INCO, the Steelworkers' pension plans and group insurance plans were included in the collective agreement for the first time in 1969, though they had been bargained by the parties for many years. In 1972, a new dental plan was introduced and all benefit plans became 100 percent employer paid. The 1965 Canada Packers/UPWA agreement added an extensive health benefits package, though it did not cover 100 percent of costs. In the early '70s the UPWA and Canada Packers agreed to replace the contributory pension plan with a non-contributory scheme. The 1971 and 1974 contracts also removed sex-based differences in wages and in other benefits, such as sick pay and severance allowances.

The advent of Medicare and the Canada/Quebec Pension Plan, for which industrial unions had so effectively campaigned, required extensive renegotiation of benefit plans in collective agreements. Prior to the introduction of the C/QPP and medicare, employees' pension and health insurance schemes had been the most extensive form of social security for the sick or the elderly. These benefits now had to be reshaped in order to dovetail with the public plans and to provide greater comprehensiveness. It was as part of this renegotiation that many benefit plans were formally recognized through their inclusion in the collective agreement or as appendices to the negotiated agreement.

In addition, during this period, collective bargaining expanded into areas where there is a greater identity of interests between employer and employee. The creation of formal, joint union-management bodies is the most obvious manifestation of this expansion. The INCO-Steelworker settlement provided:

- a mechanism by which the union could appeal wage inequalities between jobs;
- recognition of union health and safety committees at the departmental level; and,
- the expansion of the role of employee representatives in health and safety was expanded to include a joint union-management committee which would review the performance of the health and safety program.

In 1973, the UAW and GM established a 'Quality of Work Life' committee to study means of improving the work environment and a master health and safety committee. The same agreement created a cooperative program to deal with alcoholism. Canada Packers and the UPWA agreed to set up joint health and safety committees in each plant to make recommendations and provided for union-management consultations on the implementation of technological change.

The Fight Against Concessions: 1976-88

Collective bargaining in this most recent period has clearly defined the differences which separates industrial unions from their craft counterparts. Unions, and collective bargaining, faced a number of economic and social pressures over the past decade. High rates of inflation, coupled with levels of unemployment not witnessed since the Great Depression, seemed to provide an unmanageable challenge to public policy. There was more competition in international markets once dominated by North American industry, not only from other developed nations, but from emerging developing nations as well. In response to this foreign competition, industry modernized by introducing new, labour-saving technology and reducing its workforces. At the same time, a new management philosophy which concentrated on short-term financial returns rather than longer-run corporate viability, began to dominate business decision-making. Managers were not long in discovering that the quickest way to increase financial returns was to reduce the costs of labour. Thus, while dealing with their lack of competitiveness and profitability, employers increased the economic pressures workers faced. These economic stresses provoked two different responses from the labour movement.

In periods of economic stress the pure craft unions identify strongly with employers. Frequently this means that craft unions submerge the interests of their membership by surrendering leadership and initiative to employers, both at the bargaining table and in the public policy sphere. Industrial unions, on other hand, insist on their independence in areas where the interests of workers come into conflict with those of employers. They argue that there is little which unions alone can do to solve economic problems such as unemployment or inflation. The solving of economic problems, first and foremost, requires an appropriate public policy framework. According to the industrial unions, their membership is best served when the union is free to actively represent the workers' interests *vis-a-vis* the employer.

The bargaining and public policy issues which most clearly delineate the differences between craft and industrial unions are 'concession demands'. At the bargaining table, concessions can describe an array of approaches to compensation, such as productivity gain-sharing and profit sharing. Concessions may also take the form of work rule changes or 'cooperative efforts' such as quality of working life programs.

There are two objectives of employers' demands for concessions: first, to make employment costs flexible and, second, to create greater worker identity with the goals of the employer. At the broader, community level, corporate demands for concessions may range from deregulation of a specific economic sector to a weakening of environmental legislation.

The collective bargaining outcomes found in the appendix illustrate the efforts which industrial unions made to soften the economic hardship threatening their members. Although wage increases were limited, first by controls and then by general economic conditions, unions made every effort to maintain the real wages of workers. In general, industrial unions did not accept wage cuts for existing members or 'flexible' compensation schemes such as profit sharing. Industrial unions argued that, since the employers were unwilling to give any employment guarantees in return for cuts in wages, contract concessions only served the interests of employers.

The early retirement provisions of pension plans received greater attention. Initially unions had pursued early retirement in recognition of the physical toll which work in heavy industry exacted from long service employees. During a period of technological change and high unemployment, however, workers saw early retirement as the fairest and most effective way of reducing layoffs. At INCO's Sudbury operation emphasis moved away from wage increases and towards earlier and better retirement income schemes. Over the 1975-85 period, the Steelworker-INCO agreement increased pension benefits by 150 percent and lowered the eligibility for an unreduced early pension from age 60 years to age 58 or 35 years of service, whichever comes first. At Canada Packers, the 1978 agreement introduced early retirement at age 63 and the age was reduced to 61 years in 1982. In 1986 the union also negotiated a special early retirement offer which paid workers over 61 years an additional \$500 per month if they retired between June and October 1986.

The UAW had negotiated early retirement packages for workers at age 50 with 30 years of service in 1970. Union efforts in this period were aimed at maintaining the income of existing pensioners and providing income support to long service employees who had been laid-off. The 1984 contract created a new 'Income Security Program' for workers with more than ten years of service who had exhausted their SUB, which either maintained the workers' benefits or provided cash payments ranging from \$19,000 to \$34,000 for those who voluntarily terminated their employment. A severance package for workers with between five and nine years of service, who were laid-off due to plant closure was also negotiated.

While wage cuts were avoided in the three bargaining relationships highlighted here, some of the contracts negotiated during this period included reductions in certain benefits or the introduction of flexible compensation arrangements. The UAW-GM agreement in 1982 eliminated all personal paid holidays, first negotiated in 1977. In the 1982 and 1985 negotiations with INCO, the United Steelworkers accepted provisions which paid bonuses to workers based on the world price of nickel. At Canada Packers, the 1984 negotiations resulted in lower wage rates for new employees and a slower progression to the appropriate job wage rate. A similar provision was negotiated by the Auto Workers and General Motors in 1982.

Conclusion

The modern day collective agreement is a far more complex document than its counterpart of 50 years ago. Industrial unions have succeeded in reducing the residual rights of management and in raising the economic status of unskilled and semi-skilled workers to levels at least comparable to their skilled and white-collar counterparts. Appendix B provides the interested reader with an overview of the wide range of issues covered by collective bargaining in an industrial setting and the manner in which the collective agreement has resolved the differing interests of workers and their employers.

The approaches to collective bargaining of industrial and craft unions continue to display some of the distinguishing characteristics so evident 50 years ago. As the past decade has shown, these characteristics are brought into sharper focus as the economic pressures on the collective bargaining process mount. It is evident that industrial unions saw little hope in protecting the jobs of individual workers, as their craft counterparts did. Rather, industrial unions concentrated their efforts on achieving greater income security for their members, whether they continued to work, were laid-off, or chose to retire. One important impact of this income security approach is that it provides greater economic stability in communities with large numbers of industrial workers.

The industrial unions' approach to collective bargaining was accompanied by its aggressive pursuit of legislative change through political action. It has been through a combination of collective bargaining and political action that the CIO movement has brought about the societal change it has so eagerly pursued since its beginnings.

4. The CIO in Canadian Politics

The political policies of the Canadian Congress of Labour (CCL) and its affiliates did not differ much in appearance from those espoused over many years by the Trades and Labour Congress (TLC); nor did the CIO unions espouse a more fundamental philosophy than the One Big Union (OBU) or the earlier radical movements among Canadian industrial workers. The new movement's success is evident less in its description of public policy objectives than in the methods it pursued toward their realization and in the response of the political establishment to those challenges.

Public Policy and the Craft Unions

The public policy platform adopted by the TLC at the outset of World War I foreshadowed convention resolutions adopted by the CCL three decades later. Action recommended by the TLC to the government in 1914 included:

- establishment of 'fair wage' regulations for all government contracts;
- an 8-hour work day and a 44-hour work week;
- government control and fullest possible development of natural resources;
- encouragement of worker cooperatives;
- unemployment insurance;
- old age pensions and government disability income insurance;
- uniformity of labour laws across Canada; disarmament; government safety inspection of industries;
- raising the child labour age limit to 16; and
- equal pay for equal work.

Policies adopted by TLC conventions during and after the Great War included an end to police harassment of strikers, prison reform, improved wages and working conditions in the civil service, and more government encouragement for scientific and industrial research.

On occasion, the TLC backed 'labour' candidates in federal and provincial elections. Some of them won seats and served their constituents honourably, but these individual members of Parliament did not and could not constitute a coherent labour caucus. Nor did labour find ideological soul mates among the western Progressives, who sent a sizeable parliamentary contingent to Ottawa in the 1920s, or the United Farmers parties which governed Ontario, Manitoba and Alberta during the same period. The TLC's most daring attempt at worker political representation came in the aftermath of the 1917 federal election with its official participation in the Canadian Labour Party. The CLP was a short-lived flop, and the TLC returned to the less risky and more comfortable practice of forwarding or presenting a public policy memorandum to the government on the heels of each annual convention.

The craft leaders could, after all, take comfort in the modicum of government action on workers' issues which did occur. Ontario established Canada's first workmen's compensation law in 1915. Minimum wage laws were enacted, during the '20s, in most provinces — though employers often avoided their embrace through evasatory mechanisms provided by thoughtful legislators. The first old age pensions

act was initiated by Labour MPs J.S. Woodsworth and A.A. Heaps and passed by King's minority government in 1927. The pension bill, which provided means-tested benefits at age 70, was the price demanded by the two for their help in sustaining the minority regime. Beyond this fortunate product of parliamentary leverage, there was little demonstrable kinship between the scattered legislative reforms and coincidental labour political activity.

The TLC leaders, nevertheless, felt vindicated in their soft approach to labour-government relations. Following their unfortunate experience with the Canadian Labour Party, not even the turmoil and despair of the depression years could budge them. Some craft unions, fat from the high employment levels of the war years, were laid low by the ravaging unemployment of the 'hungry thirties', but generally the crafts were not as hard hit as the largely unorganized industrial sector and TLC chiefs took satisfaction in the mere survival of their organizations.

The CCL Approach

The CCL, from its founding in 1940, shared none of this complacency. The new movement echoed the call of those earlier trade unionists who had yearned for a Canadian equivalent of the British Labour Party. The CCL's leaders had no faith in the willingness or ability of the traditional political parties to meet the needs of workers; their conclusions on this score having been reinforced by government behaviour from the outset of the CIO's arrival in Canada.

Following the early organizing and bargaining successes in 1937-38, the industrial unions made way slowly - and sometimes not at all. The evangelical fervour associated with the CIO initials did not, after all, make workers immune to employer intimidation or firing. Important advances were too often offset by stunning defeats, like that of the 1942 recognition strike in the gold mines of Kirkland Lake. There, determined employers, their intransigence stiffened by the complicity of government at both federal and provincial levels, beat down a CIO attempt to establish collective bargaining.

The CCL leadership was convinced that no fundamental progress could be guaranteed until a political party representative of workers and farmers came to power. Yet many attempts had been made to give political expression to the need for social and economic reform. United Farmers parties held office in Ontario, Alberta and Manitoba during the 1920s, but they shared no comprehensive political or economic philosophy. Their cohesion was fragile like that of the western Progressives and the Labour and Independent Labour parties which elected members to Ottawa during the same period. The traditional parties, the Liberals and Conservatives, were nurtured in the final analysis by employers and other powerful vested interests. The Gaelic proverb, 'He who pays the piper, calls the tune' seemed an apt description of their political ethos. For the CCL leaders, the desired worker-farmer political alliance was represented by the Co-operative Commonwealth Federation (CCF).

The CCF

The new party had emerged from conferences held in Calgary and Regina in 1932 and 1933. Participants included representatives of the various farmer and labour parties of the west - among them J.S. Woodsworth who was to become the new party's first national leader - and their counterparts from the east. The meetings had been organized by M.J. Coldwell of Saskatchewan and had attracted the

participation of the eastern-based League for Social Reconstruction (LSR), a Canadian version of the British Fabian Society. LSR involvement brought the involvement of leading intellectuals like David Lewis, Frank Scott, Eugene Forsey and Frank Underhill among others. The party's first manifesto, adopted at Regina in July 1933, committed the new political movement to the establishment of

a Co-operative Commonwealth in which the principle regulating production, distribution and exchange will be the supplying of human needs and not the making of profits. (Young 1969, 304)

The manifesto contained sections on planning, the socialization of finance, social ownership, agriculture, external relations and trade, cooperative institutions, a labour code, taxation and public finance, freedom and social justice. The CCF launched its first campaign in the federal election of 1935, winning 8.9 percent of the popular vote and electing seven members to the House of Commons, all from western Canada. The 1940 federal campaign saw eight CCF members elected, one from Nova Scotia and seven from the west, and the party receiving 8.5 percent of all votes cast.

The CCL's first president, A.R. Mosher of the Canadian Brotherhood of Railway Employees, had participated in those formative meetings and became a member of the party's first national council.

Political Action in the '40s

A majority of the other CCL leaders were CCF members as well and, by 1943, the new labour congress had voted its endorsement of the party. The Congress formed a Political Action Committee whose members included such formidable leaders of the new industrial unions as Charles Millard of the United Steelworkers, Fred Dowling of the United Packinghouse Workers, and Joe Mackenzie of the United Rubber Workers. That same year, the CCF elected 34 members — many of them trade unionists — to the Ontario legislature. The Liberals were swept out of office and supplanted by the Conservatives who had managed to win just four seats more than the CCF.

In the following year, the CCF became the government of Saskatchewan under T.C. Douglas. As a consequence of this victory, most of the progressive social measures proposed in 30 years of fruitless TLC legislative memoranda were enacted in one of Canada's poorest provinces — and with considerable success — in the socialist government's first term of office.

The Douglas government tackled patronage and inefficiency in public works. It enacted North America's first government-run hospital insurance scheme. The provision of basic automobile insurance was taken over by the government and sold with car licence renewals. Strong government encouragement was given to producer and consumer co-operatives. The poor and low income earners were afforded improved entitlement to government services. Remote communities were guaranteed access to more adequate health care and transportation services and a number of manufacturing enterprises — some successful and some not were undertaken by the government to provide needed goods, services and jobs to the population. The government enacted a model labour relations act which recognized the legitimacy and beneficial effects of trade unions and orderly collective bargaining.

In the 1945 federal election, the national CCF almost doubled its share of the popular vote and increased its representation in parliament from eight to 28. The numbers of CCF voters increased in every province

but nowhere as dramatically as in Ontario where support swelled more than fourfold to 260,502 though the party failed to elect a single Ontario member.

The CCF had formed the official opposition in British Columbia from the year of the party's birth, but had been kept from taking power by a Liberal-Conservative coalition whose political territory was eventually absorbed by the Social Credit Party. By the time of the CCL's inaugural convention in 1940, the CCF had become an established part of the nation's political landscape. The progress realized by the new political party greatly encouraged its supporters in the CCL unions. They discerned the beginnings of a new era of worker citizenship.

Worker Citizenship

'Worker citizenship' was not a phrase used frequently by the CIO/CCL unions, but it accurately describes the concept underlying most CIO/CCL endeavours. The barriers to worker citizenship in the workplace were insufficient earnings and uncertain employment tenure, both problems capable of resolution at the bargaining table. Barriers in society at large included the absence of a comprehensive social security system, ineffective or non-existent minimum labour standards laws and persistent denial of the rights of workers to organize into unions and bargain with their employers. The view of worker organizations most often portrayed in the newspapers was that of insurrectionary plotters or lawless rioters. Worker citizenship was an antidote to both material deprivation and poor social status.

The realization of worker citizenship meant education and other activities within the industrial union movement which inspired workers to assume responsibility for their interests as citizens in a manner parallel to their conduct of union affairs at the workplace. The central Political Action Committee, while primarily concerned with planning and strategy, sought the proliferation of other PACs at provincial and local levels. It was the purpose of such bodies to encourage the involvement of grass roots activists and members in political education and the political process. Union members needed first to recognize and then to use in a concerted way their franchise as citizens of a democracy.

Political education was carried on at union meetings, at union schools, through printed leaflets and pamphlets and in union journals. The contents were usually simple and straightforward. The legislative acts and omissions of the Liberals and Conservatives in government were compared with their election promises, with the policies adopted by the CCL and affiliates in convention and — after 1944 — with the performance of the CCF government in Saskatchewan. Examples of legitimate union activity being thwarted by unjust laws were presented. The vulnerability of worker bargaining gains to legislative interference was demonstrated. The sources of party finance were revealed, and the appropriate conclusions drawn. In addition, CCF members of federal and provincial parliaments and other leaders of the party sometimes participated as guest speakers at union schools.

Great Expectations

Party leaders who expected massive electoral gains as a result of CCL endorsement soon realized their naivety. The PAC programs produced a fine crop of converts among the local union officers, stewards and other activists, but did not reach or convince the mass of the members. Canadian workers, in most instances, seemed reluctant to forsake the devils they knew in the Liberal and Conservative parties for

the untried saints of the CCF. Though the national CCF saw its federal parliamentary representation grow from seven to 28 members over the three elections of 1935, 1940 and 1945, it was not until 1949 that the party gained its first lonely MP from the industrial heartland of Ontario — in the midst of a serious decline in the CCF's overall representation from 28 to 13. Although the Douglas government in Saskatchewan remained popular, the 1943 surge toward power in Ontario abated rapidly. Outside Saskatchewan and British Columbia, the CCF remained a third party for the remainder of the 1940s and the ensuing two decades.

The Power of Political Potential

The two movements enjoyed legislative success which belied the electoral disappointments of the CCF and the seemingly unrewarded efforts of the labour PAC program. However disappointed the CCL leaders may have been with their setbacks in electoral politics, the wily Mackenzie King had acquired, from the outset, a healthy respect for both their performance and future potential. As early as 1940, he determined to avoid the undesirable political consequences of the movement's continuing growth by appropriating the most popular elements of the CCF platform.

In 1940, the King government resolved the constitutional conundrum which had defeated the Bennett Conservatives in 1935 with the enactment of Canada's first unemployment insurance scheme. While it enjoyed great popularity, the new legislation was too late to assuage the suffering caused by the depression. It did, nevertheless, convince many voters that progressive laws could be achieved without a risky commitment to the untried and not quite respectable socialists. Early in 1944, King's government brought in the family allowance or 'baby bonus', a neat and politically advantageous method of providing additional income to families without relaxing wartime wage controls. The idea had been put forward two years earlier in a civil service report on social security for Canada. The report echoed the findings of Britain's Beveridge Report of 1942 which recommended the comprehensive 'cradle to grave' social security system later enacted by that country's post-war Labour government. King and other prominent Liberals had ridiculed the family allowance concept when it was first issued, but deemed its adoption politic less than two years later, in the wake of four 1943 by-election losses, two of them to the CCF.

PCO 1003

On the labour relations front, King was finally forced to give Canadian workers a Wagner Act — or something like it — in the form of Privy Council Order 1003 of February 1944.

The King government's first wartime contributions to labour relations had included PCs 7440 and 8253, imposing wage controls, and PC 7307 which gave the Minister of Labour the right to order compulsory strike votes of those the Minister deemed affected by the dispute. Ensuing orders-in-council concentrated on dispute resolution and avoidance of strikes. PC 2685 of June 1940 'recommended' fair and reasonable standards of wages and working conditions and mentioned the right of workers to organize, but provided no enforceable guarantees. PCs 4020 and 4844 of 1941 established mechanisms to speed up conciliation of disputes and empowered Industrial Disputes Inquiry Commissioners to investigate instances of alleged discrimination against workers for union activity. None of these orders secured the right of workers to organize and bargain.

PC 1003 established the right of workers under the enlarged wartime federal jurisdiction to join together in order to engage in collective bargaining. It prohibited a number of unfair practices of employers and unions and created administrative machinery to facilitate the exercise of the new rights. In its formulation and practice, PC 1003 revisited the familiar ideological landscape of its creator. Unlike its American forerunner, King's formula provided a compulsory settlement mechanism in every collective agreement for the resolution of 'rights' disputes over interpretation or alleged violation of an agreement — without resort to strike or lockout.

Although PC 1003 gave status to unions, it remained King's fervent hope that industrial workers would shun the dangerous CIO and opt for isolated employee committees along the lines of the Employee Representation Plan (ERP) in the U.S. The ERP, known as the American Plan in Canada, had been designed by King to permit his erstwhile employer Rockefeller and other U.S. industrialists to control their own unions. Thus, the order-in-council stopped well short of identifying collective bargaining with the public weal. In fact, many of the agreements won for the first time under the new rules were signed between employers and 'company unions' of their own creation, ignoring the majority wishes of their employees. In almost all cases, these employer-dominated organizations were quickly supplanted by a CIO industrial union. More or less parallel laws were introduced in some provinces at about the same time, but due to the wartime extension of federal labour jurisdiction, they were overshadowed by PC 1003.

From King's point of view, PC 1003 was a measure to end the disruption occasioned by recognition strikes. Since wages were already subject to wartime limitations, the new order completed the pattern and gave the government the blanket control it desired. Nevertheless, PC 1003 removed the main impediments to the future growth of industrial unionism in Canada.

The CCL in World War II

The survival of the industrial unions was the main preoccupation of the newly-formed CCL during most of World War II. Conventions passed resolutions calling for liberalized old age pensions, the implementation of a national health insurance plan, a minimum paid vacation of two weeks per year and a more progressive income tax system, but the issues most debated were those which concerned inequities in wartime laws and regulations. The policies adopted at the 1939 Ottawa conference of the CCL's immediate predecessor, the Canadian Committee for Industrial Organization, focussed on:

- a request for government assistance in forcing steel makers to recognize and bargain with the chosen representatives of their employees and to establish equitable rates of pay and working conditions;
- the prevention of wartime profiteering and control of consumer prices;
- the protection of human rights and civil liberties (including trade union activity) against corporate or government misuse under the pretext that such abuses were necessary to the war effort;
- maintenance of adequate minimum wages and working conditions based on independently established standards of health and decency;
- adequate labour representation on all government boards and agencies involved with mobilization of the war effort; and

- adoption of an unemployment insurance plan in preparation for the inevitable post-war slump.

The following year, at the inaugural convention of the CCL, the same themes were reiterated with some additions. The CCL asked the federal government to:

- conscript the capital resources of the country in the prosecution of the war;
- insure that the introduction of labour-saving devices in industry was reflected in reduced hours of work to maintain employment;
- oppose all efforts to eliminate or curtail the right to strike for legitimate trade union purposes; and
- use its powers as the purchaser of war materials to prevent contractors from discriminating against or intimidating their employees because of membership in a labour union.

In other wartime conventions, the new Congress expressed its opposition to the injustices caused by King's wage controls — intended to maintain wages at the average levels of 1926-29 — and the arbitrary manner of their application. The principle of equal pay for equal work had been endorsed by the National War Labour Board but was often ignored by employers. The CCL wanted government action to assure fairness to the many women who had entered the wartime labour force.

The Congress also campaigned steadily for a Canadian version of the U.S. Wagner Act to regularize the status of unions and collective bargaining. As we have seen, this effort was eventually rewarded by the government's proclamation of PC 1003 in 1944.

The 1943 convention called for lifting of the government ban on the Communist Party and for the release of interned 'anti-fascists'. The convention supported the wartime no strike pledge proposed by leading communists in the organization, but added a call for the enactment of fair labour laws. This apparent solidarity evaporated when a resolution endorsing the CCF and calling upon member unions to affiliate with the party as 'the political arm of labour' was supported by Millard of the Steelworkers, Congress Secretary-Treasurer Conroy and others. The resolution was finally adopted over the fierce opposition of Murphy of Mine- Mill, Harris of the United Electrical Workers and other communist delegates.

The Baby Bonus

When King announced that his government would implement a system of family allowances, the CCL opposed the scheme on the grounds that it was designed to divert attention from the need for adequate wages and to permit the continuation of grossly inequitable wage controls. Though the CCL had correctly divined King's motives, the 'baby bonus' was destined to become an untouchable element of Canada's social policy. Labour opposition to the measure only abated following the removal of wage controls in 1946.

Post-War Transition

The wartime posture of the new union movement was based on its desire to cooperate with the war effort but to demand fair play from employers and the government. The government's largesse to war contractors was common knowledge, contrasting sharply with its treatment of wage earners employed by the

same firms. Toward the war's end, the CCL turned its attention to plans for demobilization and reconstruction and fleshed out in greater detail its proposals for a national health insurance plan. After the defeat of Japan, the Congress renewed, with greater vigour, its development of social and economic policy programs adopted during the war years. These were promoted at the time as elements in post-war rebuilding.

The public policy agendas of the rival labour centres covered much the same items, but there were important differences. As in earlier years, many of the TLC resolutions reflected an unspoken faith in the existing economic system and its characteristic methods. For example, a brief TLC resolution on a national health scheme proposed a contributory plan, where the CCL policy outlined an entirely tax-supported system which reflected the latter body's dedication to progressive taxation. The CCL was committed, like the CCF, to the public ownership of major resources and utilities. It proposed, as well, the encouragement of private enterprise in other spheres within the framework of a national production plan.

The TLC, though it often entertained ideas of public ownership and control in the utility and resource areas, was much less comprehensive and detailed in its public policy recommendations to government. It avoided any commitment to comprehensive economic planning.

Like the King cabinet, the craft union centre steered a careful political course. The TLC's conservative majority shunned policies which might aggravate its relationship with government. But the political popularity of measures proposed by its militant rival, the CCL, demanded a TLC response if only for defensive reasons. As well, the TLC had to cater to the vigorous radical minority which had persisted within its own ranks from the body's earliest years. These strategies proved successful in assuring the TLC's survival and growth. Although the CCL unions realized large increases in membership — particularly following the imposition of PC 1003 — membership in the individual smaller craft unions continued to grow as well and the TLC remained the larger of the two central organizations.

Still, the critical difference between the opposing labour centres remained the CCL's espousal of an alternative to the traditional governing parties, in the form of the CCF, and its systematic encouragement of both worker education and increased worker participation in politics. The CCL unions were imbued with a venturesome spirit. Their goals reached beyond mere organizational survival. They were ready, furthermore, to take risks and endure embarrassing setbacks — often administered by their own members — in their fight to reshape Canadian society.

For the first decade of its existence, however, the new congress was all but consumed by a bitter internal struggle between the social democrats and the communists. It was no petty quarrel over the niceties of policy. It led to the expulsion of two important unions from the ranks of the CCL, and it established the ideological complexion of the industrial unions from that time onward.

The Industrial Unions and the Communist Party

It is difficult for members of later generations to appreciate the hope invested in the Russian revolution of 1917 by working people and their leaders in the western countries. The slaughter of the 1914-18 war, the ruthlessness of employers toward workers, government suppression of workers' organizations and

great contrasts of poverty and wealth in Europe — and in North America — offered convincing evidence of a corrupt and venal capitalist system ripe for destruction. The newborn USSR promised — once its birthpangs had eased — to develop into a humane and egalitarian society and a beacon to the world.

Though these hopes were soon dashed by events in the Soviet Union itself, the international communist movement of the 1920s was busy fostering revolutionary developments in other industrial nations. Two years after its founding in 1919, the Third Communist International created the Red International of Labour Unions (RILU) to propagate its doctrines among the world's trade union movements, in order to

...organize the working class for the overthrow of capitalism, the destruction of the bourgeois state and the setting up of the dictatorship of the proletariat. (Logan 1948, 330)

The American and Canadian sections of the organization set about their task with characteristic dedication and discipline. For North American trade unionists, it was discipline, more than any other quality, which identified members of the Communist Party in their midst. Within a relatively short time, this discipline and much hard work had provided the party with an influence in the craft unions of the AFL/TLC which vastly exceeded its support among union members.

The Trade Union Education League (TUEL) was an early RILU creation in Canada. Its aim was to consolidate all union organizations under the AFL/TLC and to 'bore from within, gradually undermining non-communist leaders and replacing them with party members. Using these tactics, the U.S. branch of the TUEL expected, in due course, to transform the AFL into a federation of 14 industrial unions and to affiliate it directly to the Red International. This deliberate, consolidating policy set the communists apart from other revolutionary parties whose readiness to split hairs, and organizations, over minute doctrinal differences made them irrelevant to most trade unionists.

After 1932, the TUEL's Canadian plans were threatened by the CCF which also expected to gain political power with the help of the trade union movement - albeit by different processes. The CCF's strength was demonstrated in the Ontario election of 1943 and in its rise to power in Saskatchewan the following year. The danger of growing CCF popularity had prompted Mackenzie King's sudden conversion to progressive measures like unemployment insurance and the family allowance.

Such capitalist reformism was anathema to the Communists, whose scenario required increasing oppression of the workers by the capitalist class, expanding poverty and unsuccessful strikes beaten down by implacable employers and governments.⁹ The CCF, furthermore, believed in the replacement of capitalism by means of the ballot, rather than its overthrow by revolution. The Communists therefore set

⁹ Trade union history as told by the communists is a litany of persecution and defeat of union causes and martyrdom of union leaders at the hands of employers and governments. CIO accounts of the past, in stark contrast, concentrate on victories won at the bargaining table and in Parliament. These same themes run through the music of the two causes. For example, the mood of

Though cowards flinch and traitors sneer,
We'll keep the Red Flag flying here.
is quite different from the CIO's anthem
When the union's inspiration
through the workers blood shall
run, there can be no power greater
anywhere beneath the sun.

out to destroy the CCF in Canada as they had dispatched the socialist party in the United States, and they tackled the work with their customary determination.

Beating the CCF in the Labour Centres

The TLC presented no problem. It was, in any case, opposed to political party endorsements. Communist domination of leadership positions in the TLC-affiliated Canadian Seamen's Union (CSU) and some of the smaller crafts helped to buttress that position.

The CCL was an entirely different proposition. Leaders of its largest and most dynamic affiliated unions, like the CBRE, Steelworkers and Packinghouse Workers, were avowed CCFers and leaders of a movement for labour endorsement of that party. Mosher of the CBRE was both president of the CCL and a member of the CCF's national council.

Communists tackled the new Congress through affiliated unions first. They soon gained control of the International Union of Mine, Mill and Smelter Workers (Mine-Mill) and the United Electrical Workers (UE). The resources of these unions were harnessed thenceforth to the projects and causes of the Communist Party. The party similarly came to dominate the west coast district of the International Woodworkers of America (IWA), and its supporters vied with non-Communists for control of the United Auto Workers (UAW). Campaigns of personal vilification were mounted against Millard, Mosher and other prominent CCF supporters within their own unions and throughout the labour movement. Communists in both the TLC and the CCL opposed convention resolutions favouring labour endorsement of the CCF and introduced counter-resolutions proposing support of the Labour Progressive Party (LPP), the Communist Party's pseudonym during World War II. No one genuinely expected a majority of delegates to endorse the LPP. The Communist aim — for the time being at least — was to get conventions to oppose all political endorsements.

Electorally, the Communists pursued a variety of tactics with the same aim. They supported and campaigned for Liberal or Conservative incumbents against CCF challengers where this seemed the most efficient way to beat the socialists. They ran candidates under the banner of the LPP in order to split the left-wing vote in strong CCF ridings. They attempted to administer 'the kiss of death' in some elections by announcing LPP support of the CCF candidate. The ensuing decline of the CCF in federal and Ontario elections gave the Communists much to gloat about. CCF reversals undoubtedly owed more to the platform stealing and anti-CCF propaganda of King's Liberals and Ontario's renamed 'Progressive' Conservatives than to the machinations of the Communists, but their efforts were undeniably decisive in several ridings.

In the course of the Communist war on the CCF, it became clear that the international policy of the Communist Party pre-empted both union principles and class loyalties. As Desmond Morton recounts, the Communist-led British Columbia Federation of Labour collaborated with the Liberal provincial government to win labour votes away from the opposition CCF (Morton 1974, 205). An embarrassing *quid pro quo* of the Liberal/Communist deal was Federation support of a law for sub-standard hours of work and vacations with pay. In Ontario, Communists in the UAW's Ford local attempted to undercut the position of the local's own negotiators in the midst of a strike.

A standard communist tactic at Congress conventions was to demand that the CCL officers call a general strike of all affiliated in support of some particularly bitter labour dispute in progress at the time. These demands were made in full awareness that the general strike — should the entire membership be foolhardy enough to try it was bound to fail and would have no effect on the dispute which was its alleged cause. Those who opposed these unpromising strategies on the convention floor were accused of disloyalty to the workers' cause or complicity with employers, or both. No such general strike was every mounted by the CCL, or by the Communists, but convention defeats of these 'straw' resolutions enabled the Communist leaders to condemn their opponents as lackeys of the bosses and to glorify themselves as courageous defenders of the workers.

Our Line's Been Changed Again

The dictates of the Soviet party line during World War II produced more glaring contradictions. The same party which, in 1936, invited young men from Europe and North America to fight the advancing menace of fascism in Spain, did a political somersault in 1939 when Hitler and Stalin entered into a non-aggression pact. From then on, western preparations for war against Germany were denounced as imperialist war-mongering. Indeed, some Canadian Communists — including TLC leader Pat Sullivan — joined fascists in internment camps for alleged interference with the war effort.

Less than two years after the Hitler-Stalin pact was signed, Germany invaded Russia. This naturally changed the Soviet party's attitude toward Hitler and along with it, the attitudes of communist parties in every other country. The war against Germany was once more a peoples' struggle to defeat fascism. Prominent Canadian Communists were released from internment camps and promptly enlisted in the war they had earlier condemned.

On the home front, Communist leaders in the labour movement were ready to overlook wartime unfairness to workers and their families in the interests of the greater struggle. They offered no-strike pledges to government and industry and urged all others to do so as well. Unions seeking wartime improvements for their members were often accused of sabotaging the war effort by employers and ministers of government. To these attacks was now added the patriotic wrath of Communist labour leaders — their fellow affiliates in the CCL.

Near the war's end, during the 1945 election, Communist leaders in both labour centres urged support for Mackenzie King's Liberal government. But, the Communist line changed again in a few years. The Soviet Union opposed the Marshall Plan for the post-war reconstruction of Europe and, as a consequence, the King government fell out of favour with Canadian Communists because of Canada's participation in this imperialist design.

A Fundamental Struggle

The Communist-CCF war within the CCL was no mere question of competing political alternatives. It was a fundamental struggle to decide whether the industrial union movement would determine its own destiny or become a captive instrument of the international Communist organization. The countermeasures undertaken by Mosher, Millard and the other non-Communist leaders sprang from this awareness.

Communist takeovers of unions and other labour bodies arose not from the ideological conversion of the membership, but from the quiet willingness of Communists to take on tedious and thankless jobs. Members of close-knit 'cells', Communist office-seekers didn't campaign together under the party banner. Non-Communist office-holders were discouraged and pushed out by cell participants. Membership apathy served this cause as it has served others. Poorly attended membership meetings dominated by the faithful passed resolutions donating dues money to bodies most union members had never heard of.

The monthly journals of these unions were used to vilify the bosses, the CCF and opposing CCL leaders with equal ardour and fine impartiality — as if they were all members of the same anti-worker conspiracy. Negotiation of collective agreements was carried on in Communist-led unions much as it was elsewhere, but bargaining is not a continuous process. The officers had a free hand to serve the Communist Party the rest of the time with the rest of the union's resources. In some instances, one or more locals of a union would be captured without the entire organization following suite. This was the case with some locals of the United Steelworkers of America. Sometimes, control was established over a district labour council or even a provincial federation of labour, as in British Columbia.

The counter-attack, employed by Millard and the other non-Communists, was based on standard CIO techniques. Where the Communists had blunted membership participation, their opponents encouraged it, starting — like the Communists — with small cells of activists. They opposed and defeated Communist incumbents in elections and demanded an accounting for unpublished expenditures of union funds. Audits of union accounts revealed a pattern of substantial unauthorized expenditures in aid of Communist Party activities. Communist control of the IWA in British Columbia collapsed from these tactics, a triumph for William Mahoney, the Algoma steelworker who later succeeded Millard as National Director of the United Steelworkers.

By 1948, Communist control in most of its power centres within the CCL had been broken. Two unions, Mine-Mill and the UE, where Communist leaders had successfully retained power, were expelled from the CCL in 1949, and thereafter, from the CIO in the United States. Their organizing jurisdictions were awarded to other unions. Over the ensuing two decades, Mine-Mill steadily lost bargaining units to the United Steelworkers which became Canada's largest union and the major labour organization in the highly-unionized Canadian mining industry. The opposing unions eventually agreed to merge under the Steelworker banner in 1967.

In the United Auto Workers, Communist plans were thwarted by the rise of Walter Reuther to the union's international presidency. An avowed socialist and a popular leader of the bitter campaign to organize the Ford Motor Company, Reuther commanded great respect from members of CIO unions in both countries. He greatly admired Canadian labour's links with the CCF and used his considerable skills to diminish Communist influence in the UAW. The UE, reduced in membership strength but still led by Communists, was re-admitted to the movement in the '70s, by which time the CCL and TLC had merged to form the Canadian Labour Congress (CLC).

Refashioning History

The truth about this tortured period of CIO/CCL history has suffered heavily at the hands of latter day revisionists. It is claimed by some that the CCL's internal struggle was an outgrowth of cold war

persecution of Communists, caused by intolerance of radical political views; that it was inspired by the red-baiting tactics of Senator Joseph McCarthy in the United States; and that it purged from the labour movement the dedicated and able leaders whose only offence was political dissent.

In fact, the leaders of both the CCF and CCL were aware of Communist intentions long before the beginning of World War II, during the formative years of the CCF and the industrial unions. More to the point, they knew that the Communist policy on trade unions would not permit their peaceful co-existence within the movement.

The Communists, from the outset, identified unions not as independent organizations of workers but as instruments of revolution to be controlled and used by the international party. Party dogma spelled that out and the party's adherents confirmed it by their deeds. If that wasn't enough, top Canadian Communists like Pat Sullivan eventually explained it when they left the party, disenchanted by its contradictions or its betrayal of union principles.

The resistance to Communist control of CCL unions began during World War II. The battle was won before the cold war had begun and before the notorious Senator McCarthy had fingered his first victim. Red-baiting is an unscrupulous smear tactic intended to defame political opponents while avoiding debate on the real issues. It has been used in CCL unions - as in other arenas of political combat - both during and since the '40s. Red-baiting, however, was neither the cause nor the main effect of the CCL /Communist struggle.

The fight brought the issues into the open. It advertised the Communist view of unions as instruments of the party, and it forced Communist leaders and contestants for union office to explain and defend that view. It revealed how union funds were improperly diverted for party purposes and how votes were rigged to keep Communists in office. The first result of the internal struggle was the democratic rejection of Communist leadership in most of the industrial unions. The most significant and enduring victory was the defeat of the Communist Party's well-documented plan to take over and run the labour movement.

Communists are still delegates to labour conventions and conferences. They propose party-line resolutions and debate them with opponents in an atmosphere of reasonably mutual tolerance. They win some and they lose some, but the independence of the labour movement is no longer an issue. That question was settled by the 1949 expulsions and the events which led up to them.

Post-War Growth and Merger

Industrial expansion, brought about by the war, continued in the postwar decade. The industrial unions of the CCL, and unions in the TLC that had adapted some industrial union practices, grew with it. They were successful in organizing and collective bargaining, and this is statistically reflected in Table 2 which shows the membership of the country's ten largest unions in 1950 and 1955.

The industrial unions also continued their activist role in the country's political life. The dwindling fortunes of the CCF after 1944 apparently didn't affect the political commitment of industrial unions. CCL endorsement of the party was unflagging, and the movement went on expanding its related activities, including the political education content of courses at union schools.

Shaping the political forces needed to produce a national government-run health insurance system was one of the top items on the CCL's agenda. An overhaul and expansion of public pensions and the regulation of industrial pension plans were others. Provincial minimum wages, other employment standards and improved industrial relations laws, as always, rounded out the political agenda.

Table 2 - Canada's Ten Largest Unions, 1950 and 1955

1950	
United Automobile Workers of America (CCL)	60,000
United Steelworkers of America (CCL)	55,000
United Brotherhood of Carpenters and Joiners (TLC)	38,276
International Brotherhood of Pulp, Sulphite and Paper Mill Workers (TLC)	33,138
Canadian Brotherhood of Railway Employees and other Transport Workers (CCL)	33,000
International Association of Machinists (TLC)	26,734
United Mine Workers of America (CCL)	25,717
International Union of Mine, Mill and Smelter Workers (Ind)	25,000
United Electrical, Radio and Machine Workers of America (Ind)	24,826
Brotherhood of Railway Carmen (TLC)	21,861
1955	
United Autoworkers (CIO-CCL)	60,000
United Steelworkers (CIO-CCL)	60,000
United Brotherhood of Carpenters and Joiners (AFL-TLC)	54,709
International Association of Machinists (AFL-TLC)	49,097
International Woodworkers of American (CIO-CCL)	33,881
Canadian Brotherhood of Railway Employees and other General Workers (CCL)	32,707
International Union of Mine, Mill and Smelter Workers (Ind)	32,000
International Brotherhood of Pulp, Sulphite and Paper Mill Workers (AFL-TLC)	31,957
Brotherhood of Railway Carmen of America (AFL-TLC)	26,356
United Mine Workers of America (CCL)	23,750

Source: *Labour Organizations in Canada*, various years.

The political convictions and methods of the CCL unions remained among the chief characteristics which distinguished them from the TLC and its craft unions. A notable feature of this contrast could be observed in the performance of the CCL and its major affiliates before government commissions and investigative bodies. The research and public relations functions of the large industrial unions, and of the Congress itself, had expanded with the growth in membership. They were able to produce high quality research and to publicize it. Leaders who were already capable advocates now gained the capacity to enter a comprehensive labour case in forums unaccustomed to a union presence.

The results were often surprising. Unlike their TLC counterparts, the CCL leaders seldom hesitated to criticize the business practices and organization of the industries which employed their members. This was called 'biting the hand that feeds you' in some quarters, but it clearly defined the difference between the CIO and so-called 'business unionism'. In a presentation to one commission, the United Steelworkers alleged that the major Canadian steel producers were engaged in noncompetitive pricing practices to the detriment of Canadian consumers. The argument was supported with tables showing steel price changes and steel company earnings. The United Auto Workers Union was equally ready to argue for the public interest against the business policies of the auto companies. Other industrial unions followed a similar course.

Those who produced this ammunition were no run-of-the-mill technocrats. The early union researchers and publicists were usually highly qualified economists, political scientists or journalists. Convinced of the need for sweeping social change, they left customary career streams and were caught up in the inspirational atmosphere of the '40s. Some of them helped realize the CCF program in Saskatchewan in 1944. Others were hired by the larger industrial unions or by the CCL itself.

The quality of union interventions on public issues produced invitations to other forums and consultative exercises. In fact, the demand eventually outstripped union resources, which were inevitably much slimmer than those of their corporate and government counterparts.

The increased exposure probably added little to labour's direct influence on public policy. What it did accomplish was recognition of organized labour beyond the level of the bargaining table. It established labour's right, as an important sector of society, to be consulted by government, represented on public boards and commissions and asked for its views on public issues. It was, in any case, a far cry from the war years when workers' wage increases were regulated by appointed boards on which they had no representation. It was also an improvement over the annual 'cap-in-hand' meetings at which a delegation of bored union leaders presented its list of legislative wishes to a group of equally bored cabinet members.¹⁰

The enlarged public presence of the labour movement was reflected as well in the media. Union-bashing publishers didn't change their views, but the anarchistic mad-dog image of union leaders was harder to sustain once they became better known.

Founding of the CLC

In 1956, some 18 years after the ouster of the CIO unions from the AFL, the separate labour centres merged, forming the AFL-CIO in the United States and the Canadian Labour Congress (CLC) north of the border. The benefits of restored labour unity had long been obvious to both sides, and some nurtured the hope that the 'syndicates' of the Canadian and Catholic Confederation of Labour (CCCL) might be induced to come in as well. The catholic syndicates had gradually reduced the influence of the church hierarchy in their affairs, and had demonstrated their legitimacy in determined bargaining and hard-

¹⁰ The cap-in-hand nevertheless survived until its eventual abandonment by the CLC in the 1970's. (Waldie 1986)

fought strikes.¹¹ But, in the end, they were not prepared to throw their lot in with the merging labour centres.

The combined membership of the TLC unions in Canada exceeded 500,000 at merger compared to 350,000 for the CCL, but the industrial unions dominated the list of the ten largest unions in Canada. Having developed their own unique culture and policies, the industrial unions were not about to fade away. During the war, many of the AFL and TLC unions — like the Machinists and Carpenters — had expanded by organizing industrial units. Their experiences in organizing, and collective bargaining had produced a gradual metamorphosis toward CIO/CCL goals and attitudes. More of them had come to share the CCL's political views as well. The sanctity of the craft structure, formerly the supreme tenet of the AFL/TLC, was no longer a barrier to merger.

The balancing of membership numbers dictated the initial distribution of leadership positions between the merging labour centres. Thus, Claude Jodoin, a Quebec official of the TLC's International Ladies Garment Workers, became president of the Canadian Labour Congress and CCL steelworker Donald MacDonald was installed as Secretary-Treasurer.

Jodoin's personal charm and mediating skills helped the harmonizing process. He was re-elected to successive two-year terms of office until disabled by a paralytic stroke in 1967, at which time MacDonald of the Steelworkers assumed the presidency. Of the five presidents who have led the CLC to the date of writing, only Jodoin came from a craft union/TLC background. MacDonald, Morris and McDermott were all industrial unionists, from the Steelworkers, Woodworkers and Auto Workers, respectively, and Shirley Carr emerged from the Canadian Union of Public Employees, an organization of local government employees with the outlook and structure of an industrial union.

The New Democratic Party

Within five years of its founding, the CLC participated with the CCF in the creation of a new social democratic political party, the New Democratic Party (NDP). The new organization was really the CCF, reconstructed on a broader foundation and defined in modern terms. The NDP inherited the principles of the CCF along with an updated version of the platform which had been shared by the former party and the CCL. The participation of labour organizations was formalized by the new constitution, and the NDP sought to attract support among 'other liberally-minded people' as well.

Initial expectations of success were disappointing in the ensuing federal election of 1962, but the New Democratic Party seems to have established itself as a fixture of the Canadian political system. Some observers have consigned it to a permanent Jiminy Cricket role as the 'conscience of Canada', but the NDP has formed governments in three of the four western provinces, has three times formed the official opposition in Ontario, and fulfills that same role currently in Alberta. Now, the possibility of an NDP federal government is the subject of much punditry.

¹¹ In large part this was a necessary response to the great success of CIO unions in Quebec. The industrial unions attracted Quebec workers in great numbers and their influence continues to this day. They have played the most important role, by far, in weaning Quebec workers away from the domination of the conservative clergy in industrial relations matters – forcing even the church to change its attitudes.

Whatever its future, the NDP's achievements in the 1960s and '70s helped demonstrate the validity of the industrial unions' political convictions. These two decades saw the adoption of much of the former CCL's legislative agenda at both federal and provincial levels.

Labour relations law showed a greater acceptance of collective bargaining and was administered with more concern for its effective operation. For all unions, but for the industrial unions especially, this was a welcome change from the bare tolerance which had characterized PC 1003 and subsequent provincial laws. Public employees and teachers won collective bargaining rights. The pro-employer laws which had governed occupational health and safety in the provinces — with no significant change since the turn of the century — were swept aside and replaced by legislation recognizing the interests of workers and their unions in these matters.

Minimum employment standards were expanded to include notice of layoff and severance provisions, and to incorporate sanctions against human rights offenses like race, sex and age discrimination.

Minimum wages were reviewed and upgraded more frequently. In most instances, the new approaches were initiated by NDP governments and enacted in turn by others. Sometimes the traditional parties acted independently on the basis of perceived public support for the change.

The remodelling of Canada's political landscape did not proceed in the manner expected by the pioneers of the CIO/CCL, but their belief in independent political action through a socialist party has been vindicated by events. Our national system of social security is the most important example of their success.

5. The CIO and Canada's Social Security System

Unemployment insurance, health services and pensions for the aged are the three main elements of social security. Canada realized unemployment insurance in 1940, having starved and suffered through the great depression without it. Universal old age pensions were enacted in 1955 and the contributory Canada/Quebec Pension Plan in 1966. The National Health Insurance plan, now known as 'medicare' has existed since 1968. All have become treasured features of Canada's way of life. In light of this widespread public support, it is important to understand why our governments and their principal supporters spent most of the century prior to the 1960s condemning these social benefits and avoiding their implementation.

In the early years of the twentieth century, all three issues received attention in the parliament of Canada. In 1906, a Tory opposition MP from Ontario spoke of government's responsibility for:

improving the condition of the aged, deserving poor and providing for those of them who are helpless and infirm. (Bryden 1974, 46)

Ignored by Laurier's Liberals, Conservative backbenchers raised the point again upon the election of a Conservative government in 1911. A select committee of the House was appointed to study the matter, but its work was left uncompleted and the committee was not reappointed in the ensuing session of parliament. The Tory backbencher who was its principal sponsor was instructed by the cabinet hierarchy to back off and he did.

Unemployment insurance, health services and pensions for the aged were popular issues at various times with the Conservatives and Liberals, but only, it seems, when they were in opposition. Political amnesia was a close companion to power. The Liberals campaigned on health insurance in the election of 1921 and, such was their electoral self-confidence, never mentioned it again — in or out of government until 1949.

Conservative Prime Minister R.B. Bennett, facing almost certain defeat in the mid-depression election of 1935, tried to purchase voter absolution with the *Employment and Social Insurance Act*. The Act contained minimum labour standards in addition to unemployment insurance, but was struck down by the courts as a federal invasion of the provincial domain. Still, it was a remarkable transformation for Bennett who, only four years earlier, had bellowed at a worker delegation demanding unemployment insurance: 'We will not put a premium on idleness.' (Morton 1974, 147)

The Redistribution of Income

Public measures which redistribute income from the rich to the poor or from the haves to the have-nots — have been the subject of much study by political scientists. Such redistributive measures as unemployment insurance, health insurance or old age pensions are unlikely to be adopted, their studies tell us, unless certain determining factors are at play. (Bryden 1974, chap.1)

First, there must be economic development; an absolute growth in the resources from which such social benefits will be financed. But even then, redistributive measures are unlikely to be adopted unless there

is also political competition. The aged, the sick, the unemployed and other 'have-nots' are always more numerous than the 'haves' who will resist the change, but they will have no occasion to use that majority in an election unless the political parties are genuinely competing for votes around the issue.

To these unsurprising discoveries, the studies add a third determinant: 'market ethos'. The term describes the prevailing social attitudes which tend to support the existing system and to oppose change. The market ethos is defended most vigorously by powerful interests who have a heavy stake in the status quo and influence on political parties. Certainly, the private insurance industry played this role in opposition to old age pensions, government annuities and health insurance, but the market ethos depends, as well, on the many others who distrust change or who are apathetic about political issues. This inertia can undermine support for redistributive schemes even where growth and political competition may be present. It is the interplay of all these forces, say the political scientists, which decides the success or failure of any redistributive innovation.

Unquestionably, the steady growth of the Canadian economy in the early years of this century, and during the prosperous 1920s, provided the soil in which needed social security measures might have taken root. But, there was no genuine competition between the traditional political parties surrounding this issue, and the market ethos was strong both in parliament and among its subjects. The history of public pensions provides many examples.

Public Pensions

Labour MPs J.S. Woodsworth and A.A. Heaps took advantage of a minority Liberal government in 1927. They won Prime Minister King's commitment to old age pensions in return for their support of his government's survival. Today, King's letter of acquiescence is an archival treasure of the New Democratic Party. It was a fluke, but nonetheless a victory for political competition over market ethos.

King's *Old Age Pensions Act* established a means-tested maximum benefit of \$20 a month payable at age 70, administered by the provinces and financed on a federal-provincial cost-sharing basis. It was another 22 years before the Act was amended to raise the meager pension to \$40. Yet, the Old Age Pension was something of a miracle given prevailing social attitudes in the year of its adoption.

Poverty — then as before — was widely held to be the fault of the poor; a just punishment for their idleness. Each individual bore the responsibility for his own comfort in his old age. It was accepted that an accident of fate might reduce a hard-working citizen to penury, in which case he or she became a member of 'the deserving poor'. The care of these unfortunates was, however, not the responsibility of the state but of their families or of charitable institutions. The Catholic church in Quebec held the same view, except that charity there was regarded as a function of the parish.

The 'deserving poor' were distinguished from their feckless peers who were by implication, the undeserving poor — by even the most charitable commentators. The Trades and Labour Congress employed the term when its 1905 convention requested maintenance for the 'deserving poor', the old and the disabled.

Sir Wilfred Laurier said, in 1907, that non-contributory pensions were nothing but public charity which would inhibit thrift and encourage fraud. This was the very fate, he warned, which had befallen New

Zealand, where means-tested public pensions for the aged had been introduced in 1898. Canada, he said, was a fortunate country to have escaped that calamity. (Bryden 1974, 24)

New Zealand was not a lone experimenter in public pensions, having been preceded by Germany, with a contributory plan for lower-level wage and salary earners in 1889, and by Denmark, with a means-tested, non-contributory plan two years later. Australia — heedless of Laurier's warning — copied the New Zealand scheme in 1908. Between 1905 and 1913, five European countries: Austria, Luxembourg, Romania, Sweden and France, embarked on public pension plans. All provided means-tested pensions for the aged and the disabled, and two included benefits for the survivors of deceased pensioners. In 1910, France added a contributory plan covering age, disability and survivors to the means-tested pensions it had created in 1905.

Labour had waged a campaign for public pensions in Britain since their inception in Germany. The election of 1906 put 53 labour members into the House of Commons, 24 of them sitting as members of the ruling Liberal Party. Their resolution favouring non-contributory pensions passed the House with but one dissenter. Although the government tried to back away from implementation, the loss of two by-elections in 1907 and a renewal of the public campaign for pensions forced the Liberals' hand, and a New Zealand-style pension plan was adopted the following year. The colony of Newfoundland legislated means-tested public pensions in 1911.

Pensioners of the State

In the same year, the silence of Canada's Conservative government on the issue was noted by the Trades and Labour Congress. If the money can be found for 'bounties, subsidies and payment of senators, whose appointment really makes them pensioners of the state', said the Congress, 'then the money can also be found for the aged poor.'

One of those 'pensioners of the state' was the Liberal Senator Sir Richard Cartwright. As a member of the Laurier government he was the architect of the *Government Annuities Act* in 1908, an opportunity for thrifty individuals to provide for their future wherewithal. Like Laurier, the rich Sir Richard extolled the virtues of Canada as a land where any industrious and able-bodied man could provide for his old age. One could understand the resort to public pensions in Europe, he charitably allowed. Those countries were old, densely populated and poor. Fortunately, Canada would be able to avoid such 'socialistic experiments'. (Bryden 1974, 49)

The annuities scheme was of little use to most hourly-paid workers. They couldn't afford to contribute despite the comparatively favourable price. The few annuities sold were taken up by members of the lower-paid professions: teachers and the clergy. It is one of the more delicious ironies of Canadian politics, that the same government annuities were condemned many years later as socialistic trespasses into the backyard of private enterprise. The accusers were the private insurance companies and their fellow travellers in the Chamber of Commerce, the *Financial Post* and the Senate. The hum heard by Kingston residents, late of nights, was the sound of Sir Richard Cartwright rotating in his grave.

Political Competition

Unemployment insurance and medicare, the other main elements of social security, encountered similar barriers to realization. The absence of genuine political competition which was observed in the case of public pension policy affected the other elements as well.

The founding of the Co-operative Commonwealth Federation (CCF) during the early years of the great depression, changed all that. Its participation in the federal election of 1935 initiated a period of real political competition surrounding the redistribution of income in Canada.

The depression underlined the significant changes in Canadian demography which had occurred along with the growth of industry. Canadians had become increasingly dependent upon employment for a livelihood. More of them had come to live and work in towns and cities, and more were victims of indigence from combinations of unemployment, widowhood, old age and disability. Even the farmer, the personification of Canada's rugged individualism, proved as vulnerable as the city dweller to the booms and busts of the national economy. The self-reliant individual lauded by Laurier, Cartwright and their Conservative opposite numbers was no longer the typical Canadian. The growth which afforded so much satisfaction to the politicians was re-shaping society even as they spouted their nineteenth-century platitudes. This gradual alteration of personal circumstances for large numbers of Canadians had its effects, as well, on their attitudes. The system was no longer sacred. They were ready to think about change, and the policies of the CCF clearly addressed their needs.

The heresy uttered by the CCF was that depressions and human misery were not inevitable; that a nation ingenious enough to build a transcontinental railroad and create great industries could turn its talents and resources to the solution of social and economic problems as well. The new party contrasted Canada's backwardness in these respects with the accomplishments of other nations.

The response of the Roosevelt Democrats to the depression in the USA was a highly visible example to Canadians. The New Deal primed the economic pump by means of massive state intervention in business and finance. Schemes of public works were designed to put the unemployed to work, provide skills to youth, and upgrade needed public assets and services. Labour standards were established by legislation and the right of workers to organize into unions and bargain collectively with their employers received the protection and encouragement of the state. The CCF stood for the application to Canada of many of these same remedies.

In stark contrast, the social ills of the industrial age had evoked little response from the old parties in Canada. They feared and excoriated socialism while they blamed poverty on the poor and idleness on the unemployed. Even the American example appeared to make no impression on them - until the emergence of the CCF and the coincident spread of the highly-politicized CIO industrial unions into Canada. The adoption of unemployment insurance by the King Liberals in 1940 provides a good example of the impact exerted by this new political competition and by these unprecedented challenges to the orthodox market ethos.

The Case of Unemployment Insurance

Following his defeat of Bennett's Conservative government in 1935, Prime Minister Mackenzie King set about managing Canada's economic recovery. Unfortunately, he chose exactly the same instruments employed by Bennett, which had exacerbated the depression. King and his cabinet were determined to cling to orthodox fiscal policies, which among other measures - meant avoiding increases in public expenditure and cutting government spending on programs already in place.

The official unemployment rate, which many claim grossly understated the level of joblessness at the time, had risen from 2.9 percent in June 1929 on the eve of the depression to 9.1 percent the following year. It continued rising to 19.3 percent in 1933. The rate was 14.1 percent in 1935, the year of Bennett's defeat, and it remained between 9.1 and 12.8 percent for the remainder of the decade - despite the change of government.

One object of King's cost-cutting scrutiny was the federal spending on 'relief' payments. The relief program was the means used to provide support to the unemployed poor. It was financed on a cost-sharing basis by the federal and provincial governments, and its administration supposedly a function of the provinces - was more often than not, left to individual municipalities. Relief supported a number of programs, including direct payments to individuals and families, public works, agricultural aid and a farm employment plan. Thus there grew up a patchwork quilt of relief benefits from one province to another or even from one municipality to another.

For example, the maximum monthly relief allowance in 1936 for a family of five in Calgary was \$60.60, including food, fuel and rent. Toronto paid \$58.87, Montreal \$40.83 and Winnipeg \$49.50. Among the lowest were Guelph, where the same-sized family received a maximum of \$18.86 per month with no allowance for rent, and Saint John, New Brunswick, which provided \$18.70. Total federal relief payments to the provinces that year came to just over \$47 million. (Struthers 1983, Appendix IV)

Included in the relief program were Bennett's notorious unemployment relief camps. Located in many parts of the country, the camps provided the unemployed with shelter, food and a miniscule cash allowance in return for work on various public projects. The camps were, in many ways, the most visible evidence of the system's failure and the occasion of much embarrassment to the authorities. Their occupants were mostly single males. In many cases, they organized into unions, like the Relief Project Workers Union in the British Columbia camps and its equivalent in the lakehead region of Ontario. Highly politicized, the relief camp workers staged strikes and protest parades and otherwise called attention to the failure of the governments, federal and provincial, to put the country to work. Those in power viewed these gestures as a combination of ingratitude and subversion and their perpetrators as unruly mobs of unpatriotic ne'er-do-wells.

The National Employment Commission

King was determined that the camps should go. He harboured the notion that a national 'back-to-the-land' program would absorb most of their 20,000 unemployed residents; taking them out of camps where they might be stirred up by troublemakers and spreading them anonymously across the prairies. He planned cuts, as well, in relief payments to the provinces. When the government created a National Employment

Commission in 1936, it was not for the purpose of providing a solution to unemployment, but of finding ways to save the federal government money.

The preamble to the National Employment Commission Act instructed the Commissioners to:

find ways and means of providing remunerative employment, thus reducing the numbers at present on relief, and lessening the burden of taxation. (Struthers 1983, 143)

Among the Commission's specific duties were: to register and classify those on relief; to attach stricter conditions to grants-in-aid to the provinces, and to supervise and audit provincial and municipal relief expenditures in order to avoid overlapping and abuses (Struthers 1983, 143). The NEC was chaired by a Montreal industrialist and was comprised of a reputedly conservative academic economist, W.A. Mackintosh of Queen's University, a Quebec shoe manufacturer, a small businessman from New Brunswick, two representatives of rural western Canada and Tom Moore, the president of the Trades and Labour Congress.

As the Toronto *Globe and Mail* approvingly described it, the Commission lacked

powers to go New Dealing all over the country with elaborate work projects and farm rehabilitation schemes. It must proceed within the framework of the present system and confine its plans to sound and meritorious schemes ... within the limitations of the public purse. (Struthers 1983, 143)

According to historian James Struthers, recurrent mass unemployment, in King's view, required no significant state intrusion into the economy. Unemployment might be a structural problem of capitalism, but he believed it was caused more by human greed than by any essential defect in the system. When people learned to demand less of the system, the condition would correct itself.

In spite of its allegedly conservative composition, the NEC gradually became convinced that more, not less, public expenditure was needed to heal the nation and increase the number of employment opportunities. The commission's thinking was not only influenced by the effects of the Roosevelt Administration in the U.S. During this period, the theories of British economist John Maynard Keynes were quickly gaining favour among practitioners of 'the dismal science'. Keynes argued that the worldwide depression was the result of too little demand for goods and services. His proposed remedy was for governments to undertake massive public expenditure programs, financed through borrowing, to create high levels of demand and thereby encourage growth in employment and incomes.

King resented the Keynesian influence on the Commission's leading members and staff. To his further disappointment, the NEC did not document instances of extravagant relief spending by the provinces, but suggested instead, a national housing program to attack the housing shortage, stimulate the construction industry and provide low-cost mortgages to homeless families. It criticized King's 'back-to-the-land' proposal, pointing out that there were many farmers, already on relief themselves, who would be bound to resent the dumping of more unemployed among them, and it suggested the creation of a national employment service and a skills training program for unemployed youth remarkably similar to Roosevelt's Civilian Conservation Corps.

In its final report, the Commission proposed that the federal government ought logically to assume the responsibility for employment and unemployment, including an unemployment insurance scheme for the future jobless and relief for those already out of work. King was devastated. Through the intervention of cabinet members and loyalists on the NEC, he sought to overturn or suppress its recommendations.

Gradually, it became clear that King was not only at loggerheads with the Commission but also the civil service 'do-gooders' attached to it. His relief cuts had prompted outraged reactions from the provinces, particularly British Columbia, which, in a gesture of protest, closed its relief camps in the logging regions of the province. In the six-month period ending March 1938, the number of Canadians on relief rose by 30 percent to over a million, almost to the level of 1936. Unemployment shot up again to an average of 15.1 percent of the labour force. The unemployed single males — turned out of relief camps — had crowded into the cities, placing greater burdens on the provinces and localities — like Vancouver — where they were most heavily concentrated. Authorities in the towns and cities were reporting an increase in the incidence of malnutrition, and the provinces of Saskatchewan and Manitoba were on the verge of bankruptcy, maintained by federal relief funds.

'...Third Parties'

While the Conservatives had acquiesced in the relief cuts and in King's procrastination on unemployment insurance, the CCF launched a campaign of criticism and ridicule. Even members of the Liberal cabinet became apprehensive about the political consequences of the Prime Minister's policies. King himself, always sensitive to labour unrest, also feared voter reactions. He was, he said,

anxious to keep Liberalism in control in Canada, not let third parties wrest away from us our rightful place in the matter of social reform. (Struthers 1983, 199)

The Liberals had committed themselves to unemployment insurance in 1919 but had avoided proceeding with its implementation, claiming that this would be an intrusion into provincial matters, requiring the unanimous consent of the provinces. King had been pleased when the Judicial Committee of the Privy Council struck down Bennett's *Employment and Social Insurance Act*, and he continued to ignore those who pointed out that the Dominion government could proceed without unanimous consent provided implementation was initially limited to the consenting provinces. Posterity seems to have laid the burden of guilt upon R.B. Bennett for the suffering of Canadians during the depression; a patently unfair allocation of responsibility when we consider the blinkered callousness of Mackenzie King toward the unemployed.

King continued to hold that employment, job training and unemployment were properly the responsibility of the provinces. He rejected the notion that it was the government's responsibility to find or create work for the jobless, and he argued that there were plenty of jobs going unfilled because of the laziness or lack of skills of the unemployed. What frightened him most was not unemployment insurance for the future unemployed, but the accompanying burden of relief from the thousands already without work.

The plight of the provinces and the constitutional overturning of Bennett's social security legislation had induced the government to appoint a Royal Commission on Dominion-Provincial Relations, known as

the Rowell-Sirois Commission. The Commission, it was hoped, would provide a practical and acceptable blueprint for the redistribution of powers among the provinces and the dominion government.

Holding Back the Tide

A request for unanimous provincial consent to a national unemployment insurance scheme had been predictably rejected by three of the nine provinces in 1938, and King ignored his advisors' pleas to proceed with the six who had consented. Aware of the growing political backlash, he nevertheless decided to take no action on the NEC recommendations until the Rowell-Sirois Report was handed down, though he proceeded with a *Municipal Improvements Bill* and a *National Housing Act*.

King confided to his diary on April Fool's Day, 1938:

In politics, one has to continually deal with situations as they are in the light of conditions as they develop from time to time. The world situation has headed ... countries ... more and more in the direction of the extension of State authority and enterprise, and I am afraid Canada will not be able to resist the pressure of the tide. The most we can do is to hope to go only sufficiently far with it as to prevent the power of government passing to those who would go much farther, and holding the situation where it can be remedied most quickly in the future should conditions improve. (Struthers 1983, 191)

The diary entry sheds light on the foot-dragging hesitation with which King ushered in the *Unemployment Insurance Act* in 1940 and with it the beginnings of the Canadian welfare state. The Prime Minister evinced neither compassion for the unemployed nor understanding of the causes of unemployment. As his diary reveals, he was the opposite of his U.S. counterpart Roosevelt, yielding reluctantly, and then only to the expediency of political survival.

In 1939, the King government partially reversed the former unemployment relief cuts, raising the federal portion from 30 to 40 percent of the shared costs. In early 1940 the Rowell-Sirois Report was published. Among other things, it condemned damage done to the provinces by the crushing weight of unemployment relief; recommended the complete assumption by the federal government of responsibility for unemployment, and supported national standards of social services. Contradicting King's beliefs, the Report argued that unemployment was an 'avoidable' phenomenon.

The Unemployment Insurance Act

The onset of World War II relieved government worries about the cost of supporting idle Canadians. The war arrived like a god out of Greek mythology to rescue the nation from the follies of its governments. As Keynes' theorizing had predicted, the huge public expenditures required for mobilization put everyone to work, either shooting guns on the battlefield or producing them on the home front. The provinces, in an outburst of patriotic fervour, gave unanimous consent to the unemployment legislation. The British parliament took a few moments break from the war to make the necessary amendments to the British North America Act, and in August 1940, the Parliament of Canada passed the *Unemployment Insurance Act*.

The initial provisions of the Act are worth noting, if only because of the many amendments it has since undergone. The Act aimed to cover 75 percent of a labour force of 2.1 million Canadians, excluding domestics; seasonal workers in fishing, agriculture and forestry; air and water transportation; stevedoring and persons with annual incomes over \$2000.

Benefits were paid on a graded basis according to employment income. Seven weekly wage categories were created, ranging from \$6.44 to \$32.24, and the benefits rose from \$4.08 a week for the lowest category to \$12.24 for the highest. Worker premiums were similarly graduated from 12 cents a week to 36 cents. A 15 percent addition to the base benefit was available to married workers with dependents — regardless of the number of dependents. The average income replacement value of the scheme was said to be 50 percent of wages, but as was later pointed out, all benefit categories fell short of 'living wage' standards (Struthers 1983, 201).

The insurance fund thus created had accumulated to \$58.5 million by 1941, made up of premiums of \$23.4 million each from workers and their employers and \$9.7 million from the federal government (Struthers 1983, 202). It proved an effective means of soaking up surplus purchasing power, thus dampening wartime inflation. While this outcome pleased the Liberal cabinet, its members continued to fret, as their predecessors had done for other reasons, about the survival of the Canadian work ethic. Their successors have continued this long-standing custom.

During every subsequent period of recession up to the present, the federal government has appointed royal commissions or task forces to worry about unemployment insurance (UI), and to propose restrictive amendments. At those times of increasing unemployment, when the plan's use is most important to jobless workers, comfortably tenured economists pour forth from the great universities of the land crying calamity.

The UI plan impedes the efficient functioning of the market system, they say. The plan must be modified so as to drive unemployed workers out of their homes and communities to crisscross the country seeking work like their forebears of the depression days. Fortunately, too many Canadians remember those who hitchhiked or rode the freight trains from one community to another, driven like rats in a laboratory maze by the prospect of a job, a relief camp bed or a handout at somebody's back door. UI has thus seen several improvements and escaped serious devaluation.

It was unwillingly created and has been the constant target of the market ethnicians, but it seems unemployment insurance has become a permanent feature of Canada's social security network.

The Case of Health Insurance

The industrial unions of the CIO played little part in the tortured evolution of unemployment insurance. Their establishment in Canada had been barely consolidated by the end of the '30s. It was the new national party, the CCF, which supplied the political competition and pushed the King government into action.

In the case of health insurance another element was added. By the time World War II had ended, the Canadian Congress of Labour (CCL) had existed for five years, and its constituent unions had established a strong beachhead of organization in industrial workplaces. The industrial unions which

comprised the Congress stood not only for more effective bargaining, but for the re-shaping of Canada's social structure through political action in support of the CCF.

From its founding in 1940, the CCL set its sights on improvements in social services. Its primary goals in this field were a national government-run system of health insurance and universal old age pensions. The characteristic style of the CCL, initiated by its first research director Eugene Forsey, was to provide reasonably comprehensive and detailed blueprints of its proposals (unlike the spartan statements of the Trades and Labour Congress) and to challenge government to respond. This approach anticipated government dismissal of labour proposals on the grounds of impracticability or cost. In effect, it said:

Here are the practical details of the proposal, and here are the estimated costs. Here is a list of other countries where the proposed scheme is already in operation, and a report of the results. Here are the findings and recommendations of non-partisan studies in Canada and abroad. Now, tell us why it can't be done in Canada.

Commissions, Studies, Reports

There were many such resources to draw upon. In 1938, New Zealand, which had led the Commonwealth in the public pension field, passed comprehensive social security legislation which included a national health services insurance plan. The New Zealand law excited much interest in Canada, as did Britain's Beveridge Report published in 1942 amidst the turmoil of the war. Sir William Beveridge had produced perhaps the most thorough study of social security ever performed. His report recommended a comprehensive system of social security, including a national health plan. It was the foundation for the British Labour government's dramatic post-war, 'cradle to grave' social legislation. The Beveridge Report became an internationally celebrated document, and added strength to the arguments of the CCF and CCL.

The 1940 Rowell-Sirois Royal Commission on Dominion-Provincial Relations also lent support to central government establishment of a national social security system. Its report recommended national standards for major social services. The provision of health services, the Commission noted, lay in the provincial sphere of powers, but could still be the subject of federal initiative through premium collection or cost-sharing. The Royal Commission recommendations led in turn to a government study by civil servants under McGill professor Leonard Marsh which addressed the Beveridge issues from a Canadian perspective. The result was the Report on Social Security for Canadians published in 1943.

The Marsh report was a shock to the business community — in particular the insurance industry and its supporters in government and the press. The committee recommended not only a national health insurance system, but universal old age pensions and family allowances. Its arguments were based on the same logic as that of Beveridge and the Rowell-Sirois Reports: that these matters do constitute a national responsibility and can be more efficiently addressed by permanent public institutions than by piecemeal or ad hoc measures. Its conclusions were almost universally ridiculed by the press as well as by prominent old party politicians, but it received strong support from the CCF and CCL.

Predictably, the Marsh document, like the report of a special parliamentary committee on social security issued the same year, became a dominion-provincial political football. In these political games, it was

difficult to determine the sides. The federal-provincial process was inevitably saddled with the blame for blocking a national health insurance scheme that the federal government didn't want in the first place.

Saskatchewan

In 1945, the CCF published 'Socialized Health Services'. It was a comprehensive outline prepared by the Ontario CCF under the leadership of T. Frederick Nicholson, a distinguished University of Toronto medical professor. While the CCF Planning Committee for Health Services was still engaged in its work, the party became the government of Saskatchewan. The economic development cited by political scientists as a *sine qua non* of social security expansion was scarcely characteristic of Saskatchewan, which had been on the verge of bankruptcy since the middle of the depression. These tribulations notwithstanding, Premier T.C. Douglas not only revolutionized health and other services to citizens but put the finances of the province securely in the black. The Saskatchewan CCF led off with free health services to pensioners, the handicapped and other groups in particular need, and followed up with a three-stage plan for the introduction of a universal health insurance scheme.

The first step was the creation of a regional pilot program in 1945. The second was the creation of North America's first government hospital insurance plan in 1947, and the third was the 1959 decision to proceed with a full-scale medicare plan. Negotiations with the medical profession led to a doctors' strike against medicare, and the plan finally became effective in 1962.

It was the 1947 hospital insurance plan that put the cat truly among the pigeons. The private insurance companies stepped up their campaign against socialist intrusion, while their friends in power in the other provinces and in Ottawa attempted to study and 'committee' the matter to death. 'Creeping socialism' was their term for the process which had started in New Zealand, migrated to post-war Britain, and had now insidiously installed itself in one of Canada's poorest provinces.

Both the CCF and the industrial unions redoubled their efforts. The industrial unions were strong proponents of worker political action, but perhaps their greatest contribution to the fight for a Canada-wide medicare plan was made at the collective bargaining table.

Bargaining Health Insurance

The negotiation of group health insurance coverage for industrial workers has been a largely unrecorded triumph. 'Fringe benefits', as such employee schemes were later dubbed, had been initially limited to managerial employees. They were among the 'sweeteners' used by some employers to entice valuable employees away from competitors, and to discourage turnover during periods of labour shortage.

World War II aggrandized the role of the fringes. Official controls on wage rates made fringes an important means of attracting needed employees and stabilizing turnover rates. For the same reasons, employers began to extend their application to skilled hourly-rated workers as well. Fringes were easier than straight wage increases to clear past the War Labour Board, and were used, in many instances, to make up for competitive deficiencies in wage rates.

Among the categories of such benefits were:

- determination of rank (elimination of internal wage or salary inequities);
- wage incentive plans (production bonuses and the like); and
- group insurance plans (including life, health and disability income insurance).

The industrial unions were quick to recognize the special advantages of group insurance. Insurance protection against the financial consequences of illness or loss of life had normally been provided on an individual basis and the costs — like those of government annuities exceeded the purchasing power of most workers. Moreover, individual life insurance premiums were scaled upwards with age and required qualifying medical examinations which might lead to denial of coverage or still further premium increases. Life premiums for some occupations -- miners for instance -- were heavily surcharged on the unfortunately factual grounds that those occupations involved a significantly greater risk of death.

Group life insurance, in comparison, was available without a qualifying medical examination, and its premiums reflected the average age of the entire group — a boon to older workers. But the big advantage was in health insurance. Medical and hospital bills often proved catastrophic for workers and their families, and here was a means of protection—loaded, to be sure, with exemptions, loopholes and limitations — against that ruinous possibility.¹²

Industrial Unions and the Insurance Companies

The unions were soon including insurance coverage — for all employees in a bargaining unit — in their bargaining proposals; the aim being to get the best possible quality of coverage, from among the great variety of plans which the insurance industry began to provide, together with the highest possible employer share in the premium cost. For its part, the insurance industry — no friend of unions under any circumstances accepted the windfall and outdid itself inventing variations of coverage to fit different group needs or spending powers.

¹² Insurers sold hospital and medical services insurance separately, and coverage was surrounded with limitations. Hospital service coverage was limited as to what portion of the daily rate would be covered as well as the number of days during a single stay. Medical services rendered in the hospital were covered in the basic medical plan, but higher premiums would buy their extension to the doctor's office or the patient's home. Some policies covered employees only; others included dependants. Also of some importance was whether medical coverage conformed to the most recently amended schedule of medical fees or to an outdated one. The provincial medical associations' fee schedules — effectively negotiated by the doctors' organizations with themselves -became a matter of considerable interest to union bargainers.

Premiums might also differ from group to group according to the experience or special characteristics of the group, or according to the premium rates charged by different insurance companies. In 1947, a group of Ontario doctors formed the non-profit Physicians' Services Incorporated (PSI) to underwrite medical services insurance to groups and individuals on a standard premium basis. Workers preferred PSI to private insurers not only because of the province-wide uniform premiums, but because no cash payment was required. Doctors who belonged to PSI billed their fees for standard medical services directly to PSI. Private insurers tried to break down PSI's standard premium rates system by picking off groups with below average experience and offering them much lower premiums. PSI was eventually absorbed into the provincial health insurance system after 1968.

A 1943 summary in the *Labour Gazette*, listed a total of 654 applications to the War Labour Board for establishment of group insurance plans affecting 118,859 employees. An update the following year enlarged the figures to 1717 applications affecting 443,854 employees.¹³

The records of the Superintendent of Insurance and the Canadian Life and Health Insurance Association (CLHIA) reflect these rapid developments in group coverage. As shown in Table 3, the private insurers' total premium income for health insurance in 1945 was \$9 million, of which \$6 million or 66 percent was the group portion. Over the ensuing 15 years, group premium income bounded ahead to \$151 million. This represented an increase of group as a percentage of total premium income to 79 percent, and an overall growth of 2450 percent. By 1965, three years after the Saskatchewan doctors' strike, and three years before the *Medical Care Act* ushered in the national medicare program, group premiums were three times larger than individual health insurance premiums.

Though insured benefits became extremely important cost factors in negotiations, they were seldom made part of the collective agreement. As a consequence, the particulars of their growth from year to year have not been preserved in labour archives. One reason for their non-appearance is that employers liked to continue the notion — by then entirely fictional — that these employee benefits were the product of managerial largesse. In addition, since the insurance company invariably dealt with the employer as the policyholder, there was always the danger that benefits written into the collective agreement could be interpreted more broadly than those allowed by the actual provisions of the insurance policy. In the 1980s, it has become more common for the specifications to be written into the collective agreement, even where they simply repeat the language of the insurance policy. In earlier times, however, the unions were intent on securing the coverage and less worried about the niceties of their administration by the insurance company.

¹³ Life insurance was included in these statistics and was similarly affected by collective bargaining. During the '20s and '30s, group insurance accounted for only a miniscule portion of total life business. 'Industrial insurance' referred to individual policies for \$1000 or \$2000 sold from house to house in working-class neighbourhoods. Often called 'burial' insurance, the so-called industrial policies were affordable because the agent called around each week with his policy book collecting the premiums of a few cents per household.

Once the industrial unions began to bargain group insurance, the premium income of the insurance companies grew impressively. In 1945, group life comprised just 6.2 percent of the total premiums for all life policies. In the ensuing five years, it nearly trebled to 15.6 percent, and after ten years, group accounted for almost one-quarter of total life premiums. By 1965, group represented just over half the total life premium income. It eventually rose to 93.5 percent of total life in 1975 before returning to 55.8 percent in 1985. Between 1945 and 1955, group life premium income grew almost eightfold, doubling or trebling itself in each five year period. It is still standard practice for collective agreements to include increases in group life insurance at the time of each renewal.

Sometimes the amounts are determined by percent of annual earnings, but more often they are expressed in lump-sum dollar terms. It is one of the cheapest forms of income protection available, and is usually linked with AD&D (accidental death and dismemberment, also known as double indemnity) and with increasing amounts of weekly disability income benefit to replace a portion of worker income during absence from work caused by non-occupational illness or accident. Group insurance became another instrument for the emancipation of industrial workers from their 'hourly' employment status. Ununionized managerial employees had reason to be pleased with these developments as well, because employers were induced to increase their 'fringes' at least commensurately in order to preserve the distance in status between management and hourly-paid employees.

The craft unions were slow to catch up with these developments, though they had in a way been pioneers in the group life insurance field. Many building trades unions covered their members with small amounts of life insurance to remind them — between jobs — that there were continuing benefits associated with membership and dues payment. Members who failed to remain in good standing were deprived of their coverage.

Table 3

Health Insurance Premiums

By type of insurance
In millions of dollars

	<i>Group</i>	<i>Individual</i>	<i>Total</i>
1945	6	3	9
1950	35	15	50
1955	89	29	118
1960	151	40	191
1965	222	73	295
1970	315	85	400
1975	749	121	870
1980	1602	221	1823
1985	2805	379	3184

Sources: Reports of the Superintendent of Insurance and *Canadian Life and Insurance Facts*. 1986 edition. Toronto: Canadian Life and Health Insurance Association, 1986, p.46.

The Demonstration Effect

In their characteristic fashion, the industrial unions often appointed certain full-time staff to acquire expertise in the group insurance field in order to gain maximum advantage at the bargaining table. This practice helped the larger unions, like the steelworkers and auto workers, to develop their own innovative group insurance approaches, and the unions began to blaze new trails in such areas as dental services and long-term disability income replacement. In 1961, the United Steelworkers founded Canada's first community group health centre outside Saskatchewan in the steelmaking city of Sault Ste. Marie, Ontario. Union experts are now routinely invited to present their views to employee benefit 'think-tanks' convened by government and industry, because the labour movement's views are regarded as good indicators of where future money will be spent for insured benefits.

The craft unions — particularly those with members in industrial plants — were quick to imitate the others, and helped swell the coffers of the private insurance industry. The CCL unions, however, continued to announce at conventions, and in every available public forum, their unwavering determination to see the hodgepodge of negotiated plans replaced by a national government-run health insurance plan which would serve workers and other Canadians alike.

What the industrial unions accomplished was the construction of the model upon which the later public plans would be based. The similarities in design, however, were not nearly as important as the demonstration effect of the negotiated plans. Workers and their families, all across Canada, enjoyed their protection and they had proved to be financially manageable to employers as a part of the total wage and benefit package negotiated at the bargaining table.

The negotiated plans also did much to belie the calamity scenarios contrived by insurance industry propagandists in their attacks on the Saskatchewan medicare scheme and, later, the federal *Medical Care*

Act. It was difficult for the industry to convincingly forecast impossible costs for public schemes when its own members were participating in eminently affordable — and hugely profitable — worker health insurance plans in all parts of the country. Doctors who enjoyed the fee-collecting services of the private health insurance plans were not convincing when they denounced medicare as an intrusion into the sacred doctor-patient relationship.

Saskatchewan's Medicare Initiative

Saskatchewan's 1947 health initiative put the federal and other provincial governments under increasing political pressure to follow suit. Thus, by 1961 — just as Saskatchewan was preparing to introduce full medicare — all the provinces had adopted hospital care insurance plans under the cost-sharing provisions of the federal *Hospital Insurance and Diagnostic Services Act*. It was a simple enough invasion of provincial powers. A participating province adopted a public hospital insurance scheme which complied with the requirements of the federal act and became eligible for federal cost-share payments. Some provinces called it blackmail, but the popularity of the hospital plan was so widespread that it would have been political suicide for any provincial government to remain unaffiliated.

After the completion of Saskatchewan's medicare plan in 1962, the pressure built again for the rest of Canada to catch up. Conservative Prime Minister John Diefenbaker, himself a Saskatchewan MP, appointed a Royal Commission on Health Services headed by Supreme Court Justice Emmett Hall.

The Commission held hearings in all provinces and conducted firsthand studies into the health systems of Britain, France, Holland, Sweden, Switzerland, Austria, Italy, the USA, the USSR, Australia and New Zealand. Hall heard briefs from more than 400 organizations and individuals and commissioned 26 research studies. The first volume of the report was tabled in Parliament in June 1964. It contained 200 recommendations which added up to an endorsement of a comprehensive and universal health services program for Canada, devoid of any means test and financed both by taxation and personal premiums. The program was to be sponsored and administered by the provinces with Ottawa paying half the cost. The report also recommended a low-cost prescription drug scheme, free dental treatment for children up to the age of 18 and for pregnant mothers and welfare recipients. Eyecare and glasses and various other prosthetic devices were to be included. The report specifically rejected the provision of these services through the private insurance industry on the grounds, in part, of the higher costs involved.

Diefenbaker's Liberal successor, Lester Pearson, introduced Bill C-227, embodying the gist of the report in July 1966. The Canadian Labour Congress had suggested that the bill's passage in 1967 would be a welcome addition to celebrations of Canada's 100th birthday, but it was delayed for several reasons. Behind-scenes pressure from the industry and from some cabinet ministers was rumoured. In any case, the bill was finally enacted in 1968, following the resignation of Pearson and his replacement as Liberal leader and prime minister by Pierre Elliot Trudeau.

Emmett Hall is often called 'the father of medicare' but he would undoubtedly acknowledge that he was no more than its midwife. The primary parental functions were performed by the Saskatchewan CCF/NDP and by the industrial unions of the CCL and its successor, the Canadian Labour Congress.

The negotiation of insured benefits is still important to unions in the 1980s. So-called fringe benefits comprise about one-third of total payroll costs and the insured portion concentrates on those health services and materials still outside the ambit of medicare. Dental care is the most costly item, followed usually by prescription drugs, glasses and hearing aids. Disability income insurance has remained a major concern in collective bargaining, and has been considerably elaborated by the addition of long-term disability insurance. Industrial labour's voice has been muted by a decade of recession and job loss through technological change, but it continues to campaign for the inclusion of these health services and related in public plans where they may be enjoyed by all Canadians.

The Industrial Unions and Pensions

The industrial unions' approach to private and public pensions was similar to their strategy in the fight for national health insurance and it proved equally successful.

The railroads and the public service had provided pension plans from early times. Private sector employers used employee pensions, like group insurance, as a means of attracting and holding workers, but they were also benefits which could be withdrawn or withheld. Pensions were assumed to be a reward paid by the employer for good and loyal service, not another form of remuneration. In the absence of any government regulations on funding or vesting of benefits, pensions were often little more than promises, not backed by any funds and not secured to the employee until the day of retirement - and sometimes not even then.¹⁴

The industrial unions set out first to get company pensions out of the employer's private files and onto the bargaining table, and then to secure government regulation which would make them more reliable. At the same time, they continued their political and public relations efforts on behalf of universal old age pensions and for a contributory earnings-related public pension similar to the U.S. social security scheme.

The CIO unions in the United States were the first to realize a breakthrough against employer insistence that company pension plans were none of the union's business. A 1948 court decision in the case of *Inland Steel Corporation vs. the National Labour Relations Board* was decided in favour of the Inland workers' union, the United Steelworkers of America. It determined company pensions to be a form of wages and thus negotiable. Unlike their counterparts in Canada, the Americans had been participating in a national earnings-related public social security pension plan since its introduction by Roosevelt in

¹⁴ When government regulation of funding and vesting was finally enacted in the mid-'60s, the pension plans of Canada's two major railway systems, the CNR and CPR, were found to be so badly underfunded that special provisions were required in the Pension Benefits Standards Act of Canada to allow them time to comply. Many firms had pension plans which featured terminal funding and terminal vesting. Terminal vesting meant that even a good and faithful long-term employee could be dismissed the day before he was due to retire and be lawfully deprived of his long-anticipated pension. Terminal funding was the practice of not pre-funding the pension; the employer relying on having enough cash flow to be able to purchase the retiring worker's life annuity with spot cash at the date of retirement. More risky still — for the retiring worker — were 'pay-as-you-go' pensions which were not even guaranteed by a life annuity purchase at retirement date, but remained subject to the employer's ability to pay from month to month for the balance of the retiree's life.

1935. The unions wanted to negotiate corporate pensions as a means of supplementing that basic social security and offsetting inflation losses (Morton and McCallum 1988).

An early Canadian victory was the negotiation of a non-contributory pension plan for employees of the Ford Motor Company of Canada in 1950 by the United Auto Workers. It provided \$55 a month for life from age 65 to employees retiring with 30 or more years of service. A number of technical features made flat rate, non-contributory plans the goal of the industrial unions. For one thing, they were a cheaper commodity in the arithmetic of the bargaining table; for another, they were more equitable; providing the same benefits for the same length of service regardless of wage rate or earnings differences. Existing employer contributory plans were converted to a non-contributory basis in many cases, but the unions worked to improve the basic raw material no matter which type they had to deal with.

The Growth of Negotiated Pensions

As union inroads multiplied and new pension plans originated from collective bargaining, non-union employers who wanted to stay that way were forced to keep up the pace. No comprehensive statistical record of pension plan membership or contents was kept by the Dominion Bureau of Statistics until 1960, so that pension growth beginning in the post-war period cannot be accurately traced, but it is recorded that by 1946, 25 percent of industrial workers were covered by some sort of pension plan. Even the records from 1960 onward, however, are impressive. In the ten years after 1960, the number of plans increased by more than 80 percent and the number of members by over 55 percent. By 1970, 42.7 percent of manufacturing employees and 66.8 percent of mining employees were covered by a pension plan of one kind or another. Transportation stood at 49.2 percent and public administration at 98 percent, though the latter figure represented little increase since this group had been well covered for many years.

Growth levelled out in the '70s and '80s, and by 1984 the number of plans stood at 17,711 and plan membership at 4,564,623 — representing increases over 1960 of 98 and 151 percent respectively. The effects of union bargaining policy can be traced, as well, in the changing balance between contributory and non-contributory pension plans. For private and public sector plans together, the prevalence of contributory plans changed little between 1960 and 1970, covering almost 80 percent of total plan membership. By 1984, however, only 69.4 percent of total pension plan membership were in contributory pensions. In the private sector, a majority of plan members, 54.3 percent, belonged to non-contributory plans in 1984, as opposed to 38.3 percent in 1970 (Pension Plans in Canada).

As with group insurance, the industrial unions acquired a highly sophisticated approach to pensions, and soon developed the necessary expertise among a number of full-time staff members. The unions' determination not to be 'outgunned' at the negotiating table led to the evolution of highly technical bargaining sessions on the mechanics of pensions.

Pension bargaining policy could seldom be described as the simple demand for 'more'. For example, the United Steelworkers in Canada aimed for a combination of private and public pensions, buttressed by indexing mechanisms, which would replace at least 75 percent of the 30 year worker's annual income from age 65 or at earlier retirement ages. Unreduced pensions after 30 years of work regardless of age (the celebrated '30-and-Out'), or at 'magic number' combinations of age and service were pursued as

matters of union policy, with progress toward the goal realized — to a greater or lesser degree — in each renewal of a collective agreement. The unreduced early retirement provisions were particularly important goals in heavy industries, like auto, mining and steel, where disability often accompanied long service.

Another goal was the recognition of a surviving spouse as an automatic inheritor of the worker's pension. These features were available in earlier plans but were provided at the pensioner's cost in the form of lower basic pensions. 'Getting employers to recognize the institution of marriage' was the way one union bargainer described this pension policy, a sensible step in view of the usual ratio of at least 75 percent married employees which prevails in most Canadian workplaces. Disability pensions, or long-term disability insurance plans, also became the subjects of diligent bargaining.

The unions worked, as well, to reduce pension vesting requirements. Pensions were often not secured to the worker until attainment of age 55 and completion of 20 years of service, or until the actual date of retirement. Workers who left before reaching these targets, employers argued, didn't deserve to carry their pension rights with them. Quitting to seek more healthy or remunerative work was seen as a disloyal act on the part of the manual employee, although executives often carried away substantial pension rights after extremely brief sojourns with a firm.

The heavy losses of pension rights which accompanied employee turnover were a financial boon to the sponsoring employer, but they meant that workers who changed employment couldn't accumulate decent pensions. Eventually, the federal government and the provinces got around to legislating standards for employment pensions in the mid-1960s, but the minimum vesting rules of age 45 and 10 years' service had already been eclipsed by negotiated plans where vesting after 10 years without age limitation had become common. The legislated standards have now been further reduced to two years in most jurisdictions as a consequence of pressure, largely generated by the unions. Their goal was to make employment pensions conform more closely to the 'deferred wage' definition established by bargaining practice in Canada and by law in the U.S.

As a result of their highly successful efforts in this field, the industrial unions can properly claim the responsibility for most of the innovations in employment pensions realized since World War II.¹⁵

Public Pensions — Another Step

The founding convention of the Canadian Labour Congress in 1956 placed public pensions high on its agenda for social change. The convention backed proposals for an Old Age Security pension of \$65 per month payable without means testing linked to other benefits for the aged and disabled. The Congress also proposed a National Industrial Pension Plan to be funded by contributions from all workers and employers whose benefits would be payable on an earnings-related basis. The universal old age pension was intended to meet the basic survival needs of aged citizens while the contributory plan would largely

¹⁵ The government annuities created by Sir Richard Cartwright early in the century had lain barely used and almost forgotten for 40 years, but their favourable prices made them the foundation of many employment pension plans in the post-war period. The government raised the maximum annual pension under the scheme to \$1200 (or \$100 per month) in the late '40s. This action created a boom in government annuity sales and, almost simultaneously, re-awakened the sleeping watchdogs of the private insurance industry. Their renewed campaign to have their friends in government rid them of this troublesome competition eventually succeeded, but not before a lot of new annuity contracts had been written.

replace the inefficient patchwork of private pensions which even the most dedicated exercise of collective bargaining could not erect into a fair and adequate universal system.

The old age pension which Woodsworth and Heaps had extorted from Mackenzie King in 1927, had finally become effective in all provinces in 1937 and, in 1949, had been increased to \$40 a month, its first amendment since its original adoption. By 1951, the two-way competition between the CCF and the Liberals around social issues had been joined by the Conservatives. It was in that year that the means test was withdrawn from the old age pension. Now called the Old Age Security pension, it was still payable at age 70 in the amount of \$40 per month. A provincially-administered and means-tested Old Age Assistance pension in the same amount was added to the system for persons in need in the 65 to 69 age group.

Both benefits were increased \$6 by the Liberals just prior to the 1957 election, but it was too little too late. John Diefenbaker and his Conservatives swept into power. Having taunted the Liberals about the miserable 'six bucks' on the pension, Diefenbaker quickly added another \$9, raising both the basic and means-tested pensions to \$55 a month. High levels of public support for action on pensions had been revealed by opinion polls on the eve of the 1957 election. Both public pension rises and the pension bargaining policies of the major industrial unions were popular with Canadians.

A 1959 report, *Economic Security for the Aged in Canada and the United States*, was prepared by University of Toronto professor, Dr Robert Clark. Its comparison of pension policies and the status of the aged in the neighbouring countries was a powerful indictment of Canada's patchwork pension system. The Clark study stressed the importance of 'portability' of pensions — the ability of the individual worker to carry accumulated pension rights from one place of employment to another during his or her working career.

Probably few Canadians read the Clark report or the other pension studies prepared for legislators, but their conclusions were well advertised in the political marketplace. Perhaps the most important factor in changing public attitudes was the gradual dawning of the knowledge that income security in old age was an attainable objective. Certainly the sudden reforms in government old age pensions — a 37.5 percent increase in consecutive pre- and post-election jumps — supported that conclusion, as did the remarkable growth in union-negotiated employment pensions.

Like group health insurance, the employment pension plans were visible in almost every community. The success of the industrial unions in pension bargaining had a double-barrelled demonstration effect. On the one hand, larger and earlier pensions, along with pension protection for survivors, was proved to be feasible without bankrupting business or ruining the national economy. On the other hand, the unfairness and inefficiency of the employment pension plans demonstrated the need for a universal public system.

The Canada and Quebec Pension Plans became effective 1 January 1966, adding an earnings-related tier to the basic old age pension, and putting Canadians, for the first time, within shooting distance of universal income security for the aged. The old age security pension and supplementary schemes were re-organized at the same time and all public pensions were thenceforth payable from age 65. The C/QPP gave Canada the equivalent of the scheme initiated in the U.S. more than three decades earlier.

The Contribution of the Industrial Unions

The social security structure in which Canadians take so much pride became effective with the enactment of unemployment insurance in 1940, the Canada/Quebec Pension Plan and associated pension reforms in 1966, and the health insurance scheme in 1968. As we have seen, these acts represented the long overdue acceptance of practical concepts which were nurtured and championed by the CCF and the industrial unions of the CCL.

From the outset, the industrial unions had insisted that union responsibilities reached beyond collective bargaining. They recognized the need for social change as a principal of union action both at the workplace and in the community. Their plans were often thwarted and their dream of political power was denied at the national level, but their analysis of Canadian political reality was vindicated by their successes in the attainment of their social objectives.

6. Evaluation and Outlook

Unions are front-line organizations. To succeed they must weld a group of workers into a self-sufficient and united organization strong enough to demand employer recognition, and astute enough to bargain effectively. Brave words and lofty sentiments are not enough. They must be translated into practical achievement.

In the end, this is how the industrial unions of the Congress of Industrial Organizations must be judged. They aimed higher and wider than any labour organization had previously done. They looked beyond the workplace to society at large for fulfillment of their goals. They dared much and risked failure often.

Simply described, the CIO's goal was to give industrial workers equality with the rest of society. Bringing democracy to the workplace took them only half way. Using democracy to re-shape society was essential to the movement's success. In the execution of its plan, the CIO became the representatives of a great mass of working people who were not members of CIO unions.

As the foregoing chapters have shown, the CIO unions were not the first organizations to give utterance to these principles. They were, however, the first to give them currency both in the industrial workplace and at the ballot box. In evaluating their success, therefore, we must examine how the lives of working people have been changed by their efforts.

Achievements

A primary indicator of the effect of the industrial union movement can be seen in the broad economic and social changes accomplished or begun during the first 20 years of the CIO's existence in Canada.

Recognition and Bargaining Rights

The movement won for all workers in Canada the recognition in law of rights previously not secured and frequently denied: to organize into unions; to bargain collectively with their employers, and to strike. The Canadian system of industrial relations as we know it today is their creation — wrung from unwilling governments and employers.

The CIO brought union representation to the frontiers of the Canadian resource industries; to the remote mining and logging communities where the employer's word was law and where other unions had been repeatedly defeated.

Public Service Bargaining

The movement fought for, and eventually won, the extension of collective bargaining rights to the great mass of public employees at all levels who, for most of the twentieth century, were considered to have no such entitlement.

Status of the Hourly-Paid Worker

Though they have remained hourly-paid, the workplace status of industrial workers, in terms of job and income security and other working conditions, now approximates or exceeds that of salaried personnel who were once their superiors. Sick pay, group pensions, group health insurance, supplemental unemployment benefits and a great many other collective agreement provisions are the guarantors of this new status.

Grievance and arbitration procedures in collective agreements have created a separate specialized field of jurisprudence which protects the job rights of ordinary employees in ways not dreamed of before 1935.

The Weekend

A notable — but perhaps little recognized — achievement has been the creation of the weekend. During a short period in the 1950s, the industrial union movement successfully appropriated many of the proceeds of rapidly increasing productivity for this purpose. The 40-hour, 5-day week was first established by 'pattern' bargaining with major employers and then quickly extended to smaller firms.

The industrial unions were also leading innovators in other forms of paid time away from work, including the worker sabbatical, or extended vacation.

Social Security

The movement was a key player in the realization, over the 30-year period ending in 1970, of the public pensions (old age security and Canada/Quebec Pension Plans), health insurance programs and ancillary redistributive measures now enjoyed by all Canadians.

Industrial and craft members both enjoy negotiated employee benefits which were initiated by the CIO unions. Union agreements cover items still outside the public programs, like group life and disability income insurance, dental services, prescription drug costs and hospital extras.

Citizenship and Social Status of Industrial Workers

A working class, whose members had not previously considered themselves peers of their employers or their political rulers, acquired full citizenship. They began to participate in greater numbers and with more evident deliberation in the political process at all levels of government. It is sometimes observed that the CIO created a new middle class and made industrial workers part of it.

In addition, worker representatives are now routinely included — in equal numbers with employers — in public consultative exercises. Permanent appointees from labour may now be found at all levels of government industrial relations departments. This is a partial result of the refusal of CIO unions to remain uncritical of their members' employers where the public interest was involved. The recognition grew that industrial unions represented an important segment of the population whose views on public issues transcended their economic dependency on industry.

Workplace Health and Safety

Occupational health and safety had commanded little public attention for the first six decades of the twentieth century. Governments and employers were the custodians — in law — of worker safety and health on the job, and they seemed satisfied with one another's efforts, despite the growing toll of industrial accidents and disease.

No worker representation was permitted in matters of workplace health and safety until the industrial unions forced the issue in collective bargaining and through political pressure. In the 1970s, New Democratic Party provincial governments introduced model legislation which was soon imitated by others. Under current federal and provincial law, workers have become prime actors in the protection of their own health and safety at work.

Fighting Racism

Opposition to racism was no mere philosophical preoccupation of the industrial unions. Simply put, racism was a weapon of union-busting, strikebreaking bosses. The average industrial workforce was comprised of a variety of races, ethnic groups and languages. No industrial union could succeed in getting organized or winning recognition in the first place without uniting these separate sections behind common goals. Racial animosities put aside temporarily were soon abandoned altogether in most cases, but even where they persisted, they were leavened with the knowledge that racism is a luxury which ordinary workers simply cannot afford.

CIO Methods

The methods and instruments invented by the new movement for the realization of its goals do not, in themselves, constitute improvements in the status of ordinary working Canadians. They are noteworthy because they demonstrate the uniqueness of the movement and its tactics. The CIO movement professed aims similar to those of the AFL, but its success in their pursuit was the result of its methods.

Structure

First and foremost, it was the industrial structure of the new unions which revolutionized industrial relations. The rejection of craft-style organizing and bargaining made possible the introduction of new and complex issues into labour relations. Employers who had grown accustomed to holding the initiative in bargaining now found themselves responding to 'packages' of improvements in wages and working conditions.

Furthermore, in the process of expanding the power of employees over their workplace lives, the new unions steadily diminished the area of decision-making encompassed by the employer's residual rights.

Professionalism

Craft union leaders often aped the mannerisms and pretensions of the employers they dealt with. Often too, they shared the employer's standards of success and assumptions about workplace relationships.

By contrast, the industrial unions were more likely to copy the employer's technical sophistication and attack his values. The industrial unions reasoned correctly that:

- they should rely on strength instead of amicability to win employer respect; and
- they should be at least as well armed as employer representatives in such areas as the law, insurance and pension principles, economics and public policy.

These were important attributes in the furtherance of the CIO's sometimes complex bargaining objectives.

Demonstration Effects

The industrial unions established extensive programs of privately insured employee benefits through collective bargaining. These included both group health insurance and group pensions and they provided impetus, in two ways, to related social reforms.

First, the employee benefits were negotiated at a time when old-party politicians and industry were denying the practicability of such measures on a universal basis. The union schemes offered working models in every part of Canada, which gave the lie to the politicians and industry propagandists.

Second, widespread public familiarity with negotiated employee benefits — and with their shortcomings — greatly enhanced the popularity of proposals for government programs.

Worker Leadership Development

Craft unions, even today, operate through a network of local business agents. It is these agents, rather than members, who are almost exclusively responsible for dealing with employers and who make up the vast majority of union convention delegates and training course participants. The crafts tend to view their members as recipients of services from the union apparatus, and certainly not as warriors in a fight to change society. Since the crafts seek no such fundamental transformation, they have no need for elaborate education and communications networks.

An active, informed membership has, in contrast, been a necessity for the industrial unions. There were always many more tasks to be accomplished than there were full-time employees to undertake them. Changing the way workers thought about themselves and about the institutions of society was a major purpose of the CIO.

To help achieve this change, the industrial union movement created what was probably the largest grassroots adult education system in North America. That system has generated local union activists, replacements for union staff and top leadership, candidates for political office and community leaders. It has also — though unintentionally — supplied a steady stream of able managers and supervisors for unionized firms.

The resources and sophistication of the system have grown with the movement. Canada's industrial unions today operate a member education system whose delivery mechanism consists of shopfloor

workers acting as part-time educators. So cheap and effective is the system that employers and government have begun to borrow it for health and safety training of supervisors and inspectors.

Model for Public Employee Unions and Others

The CIO organizational structure and its comprehensive approach to industrial relations provided an effective model both for the internal structure and collective bargaining approach of public service employee organizations. Associations of civil servants, which had existed as powerless bodies separated into crafts or ministerial divisions, quickly adopted industrial union styles and structures when they were finally given collective bargaining rights. The civil service groups had been nourished on status and exclusivity as a substitute for civil liberties, but they found much more in common with the industrial unions than with the status-ridden crafts when it came to practical matters.

The CIO unions were, for example, the most effective allies when municipal public employees were at loggerheads with a local government. The industrial unions were often skilled in the application of political pressure to deadlocked bargaining disputes, and they believed public employees were entitled to equitable treatment.

The national organization of provincial public employees' unions, now known as NUPGE (for National Union of Provincial Government Employees) was initially brought together by the Canadian Labour Congress through the careful diplomacy of a former CCL researcher.

CIO methods were also imitated by many of the craft unions. It had become almost impossible to compete with the industrial unions for members without copying their organizing and bargaining techniques.

Inspirational Methods

The CIO's use of music and other inspirational methods was imitated by the American civil rights and anti-war movements of the '60s — right down to the music. The organizational tactics and the songs — sometimes with modified lyrics — were the same, as was the purpose: to help ordinary people face powerful interests in the fight for a just cause.

Political Action

The industrial union movement re-balanced the Canadian political system. Not content — as was the TLC — to beg crumbs from the tables of the traditional parties, the CCL sought to align the needs of working people with the policies of the new social democratic party, the CCF. The mobilization of their members to political action was not as complete or profound as the leaders hoped, but the strategy proved successful nevertheless.

Industrial unions helped elect CCF/NDP provincial governments and — perhaps more important — established the credibility of their policies and tactics in the minds of the old parties. Canada's social security system was created only partly by the CCF government of Saskatchewan. Old party fear of the CCF's popular policies did the rest.

Shortcomings

Despite the CIO's successes, there have been clear shortcomings in the realization of some industrial union goals.

Unpopularity

The industrial unions reshaped Canadian society and vastly improved the status of working people, but have themselves been unable to command public support. At the worst of times, unions are disliked and distrusted, and at the best of times, are viewed as not quite acceptable. To some extent, this is the inevitable lot of a body which challenges the status quo. The use of the strike weapon — no matter how infrequently — helps sustain the image of unions as a disruptive agent. Trade unionists tend to accept public hostility as a normal occupational hazard.

But the CIO owed its success to the public popularity of its goals and its methods. The industrial union movement was an effective agent of change because it represented a constituency much larger than its actual membership. It exercised a strong influence on Canadians outside the movement because of its moral leadership.

In spite of its growth, in numbers and sophistication, the labour movement has evidently failed to sustain that earlier public regard.

The women's movement

Industrial unions were strong proponents of equal pay for women war workers between 1940 and 1946. But when many women returned to the household at the war's end, the campaign for sexual equality in the workplace was not continued. At the same time, the number of working-class women in full-time employment continued to grow in the industrial and occupational ghettos.

Though labour never renounced its principles, it was left to the feminist movement to organize and articulate the women's cause in the '60s and '70s. Labour's failure to provide early leadership meant that working women were under-represented during the formative period of the feminist movement. The industrial unions have since re-involved themselves in the women's movement.

White-collar organization

Starting with the drive to organize the Eaton department store between 1948 and 1952, the industrial unions have made a number of attempts to bring bargaining rights and other union protection to the white-collar industries. Banking, retail stores and other commercial establishments collectively comprise the largest unorganized pool of workers in the private sector. Low-paid women make up the majority of employees in most of these industries, but employers have been successful in breaking union organizing campaigns and having the few established bargaining units destabilized and eventually decertified.

The movement has been unable to generate the levels of public support required to break down employer resistance, and labour relations law — for all its improvements over the years — has proven inadequate to prevent determined employers from breaking unions.

Labour isolation

Labour often gives the impression that it is addressing only its own constituents rather than the country as a whole. This reinforces its already negative image as a self-seeking, inward-looking organization. The movement's preoccupation with internal communications is perhaps understandable, given its size and complexity and the autonomous stature of individual affiliated unions and their locals, but is all the same regrettable.

The most effective means of communication between leaders and members is via reports and interviews on the public news media, but that involves much competition with other events, opinions and messages. Labour seems to be losing that competition. The movement needs public sympathy and identification — as in the days of the CIO to succeed, and yet today, only a handful of unions and union leaders are known to the general public. In addition, labour is most often shown by the news media reacting to the initiative of government or employers, rather than leading public causes.

The CIO in Canada and the United States

The Canadian 'CIO' unions have exerted a more significant and lasting influence on Canadian society than their counterparts have managed in the United States. This assertion is supported by a number of comparisons.

Social Policy

The CIO's creation in the United States was almost simultaneous with Roosevelt's New Deal. Legal sanctions for organizing and collective bargaining were enacted in 1935, the same year in which John L. Lewis and others defied the hierarchy of the AFL and formed the Committee on Industrial Organization.

In the same year, Roosevelt initiated a national contributory pension plan — a clear 30 years ahead of its Canadian equivalent, the Canada/Quebec Pension Plan. From there on, however, the U.S. unions had little influence on public social policy measures. The American industrial unions led the way in bargaining on pensions, health insurance and other employee benefits, but made no headway toward a national health insurance system against the formidable political influence of the insurance industry. In part, this may stem from U.S. labour's failure to maintain and participate in the social democratic political movement. The American socialist movement was destroyed during the '20s and '30s by internal ideological quarrels which were encouraged and abetted by its enemies in the Communist Party. Labour stood by and let it happen, and has been forced to trust its political objectives ever since to the monolithic Democratic and Republican parties.

The Canadian industrial unions had to struggle on for a further nine years after 1935 without legal sanctions for organizing and bargaining, but their success at the negotiating table and in the political arena has been formidable. Today health insurance in the United States remains the preserve of the private insurers with all the exceptions, limitations and unfairness Canadian workers learned about in the post-war years, while Canada takes pride in a national health insurance plan which bears the imprint of the CCF and CIO.

Character of the National Labour Movement

The first president of the Canadian Labour Congress was Claude Jodoin, a craft union representative from the Quebec clothing industry. Jodoin was an able statesman and compromiser, but none of his successors in office have emerged from the craft unions. MacDonald, Morris and McDermott were all industrial unionists and the current president, Shirley Carr, is from the public sector whose unions share a great affinity with the industrials.

In its attitude toward public policy, the CLC, from the outset, has reflected the attitudes and goals of the industrial unions, placing a heavy emphasis on member education and participation and on political action through worker support for the New Democratic Party. Although a group of craft unions has since broken away from the merged body to form the Canadian Federation of Labour, the breach was not for reasons of social or economic policy.

The AFL-CIO in the United States was dominated, from its inception, by the crafts in the person of AFL-CIO president George Meany of the plumbers' union. The Auto Workers' dynamic leader, Walter Reuther, was never able to emerge from Meany's shadow.

The AFL-CIO structure created a separate Industrial Union, Construction Trades and other departments. Reuther headed the Industrial Union Department but was unable to imprint his progressive views on the AFL-CIO's policies. In international affairs it is said that the Federation, as the AFL-CIO is sometimes known, stands well to the right of the U.S. State Department.

It was Meany, in fact, who engineered America's temporary withdrawal from the International Labour Organisation (ILO) of the United Nations on the grounds that the international body tolerated too much input from the communist nations and their clients among the developing countries. Meany remained president past the age of 80 and chose his own successor before departing. AFL-CIO conventions mirror the authoritarian image of Meany. They are orderly conclaves of the officers of affiliated unions.

No such unquestioned power sits with the CLC president, nor does the conduct of CLC affairs in any way resemble the orderly American system. CLC conventions are huge affairs made up mainly of delegates from affiliated locals. They are full of noisy debates and accusations and cover a wide range of policy issues. An attempt in the 1970s to change the basis of representation was defeated amidst charges that the CLC officers were trying to create a carbon copy of the American labour body.

A resolution roundly defeated at the national conference of a CLC affiliated union may be resurrected and presented with the same local union sponsorship to a subsequent CLC convention where it might end up being adopted. The provincial federations of labour are similarly constituted, in distinct counterpoint to their U.S. opposite numbers.

Concession Bargaining

During the recession of the early 1980s, U.S. employers threatened large-scale layoffs unless unions agreed to wage and other employment cost concessions. A majority of U.S. unions agreed to the concessions in order to offset the threatened layoffs, but despite employer assurances to the contrary, the

wage cuts were followed by layoffs in any case — and these were followed in turn by further demands for concessions.

Employers — often the same employers — tried the concession strategy in Canada but, in all but a few cases, they were rebuffed. The unions reasoned — correctly as it later emerged — that there would be no respite from layoffs regardless of labour's response to concession demands, because the main problems of most industries arose from long-term debt obligations rather than employment costs. The better course was to maintain hard-won standards rather than lose both standards and jobs. As CLC president McDermott put it, 'workers don't need unions to take them backwards.'

These opposite responses represent the differing influences of the craft and industrial union bargaining styles in the two countries. The former tends to rely on the leadership of business; the latter always questions and analyzes business motives. American workers responded to a pseudo-patriotic call to save American industry and American jobs from foreign competition. Having given the concessions, they were faced with layoffs anyway — layoffs often occasioned by the contracting of American production to overseas suppliers.

Canadian union membership has grown slightly during most years of the current decade, and has remained relatively stable overall. U.S. union membership has been declining steadily for some time. Some U.S. unions have adopted member credit cards and other gimmicks to overcome the bad taste left by concessions and to advertise the advantages of membership.

Why?

This description of differences does little to explain why they came about. The CIO was, after all, a movement whose origins and purpose sprang from causes common to all North American workers. The Great Depression had demonstrated the existence of a class structure where it had been alleged not to exist and had underlined the inherent weakness of an economic system which was supposed to be infallible.

In fact, the forces which created the now obvious divergence between the U.S. and Canadian industrial union movement were present from the outset.

In the first place, the political structures of the two countries — and their responses to the depression — were markedly different. Franklin D. Roosevelt was elected President of the United States in 1932, early in the depression, on a platform of social and economic reforms which was social democratic in essence though not in name or sponsorship.

The traditional parties in Canada failed to correctly interpret the events of the depression and were unwilling to accept Roosevelt's prescription for recovery. There was, in fact, no effective political competition in a country which needed radical social and economic reforms. This vacuum was eventually filled by the creation of the Cooperative Commonwealth Federation (CCF).

In 1935, Canadians exchanged the incompetent administration of the Bennett Conservatives for the equally bankrupt leadership of Mackenzie King's Liberals. By that time Roosevelt's New Deal had

already implemented the major elements of its program, and thus created the conditions necessary for the rapid organization of industrial workers.

The CIO in the United States was the product of this progressive public policy environment — not its creator. The Canadian CIO, on the other hand, took root in a hostile climate. One of its primary objectives was to change the political structure — a necessary condition for its survival and growth. In its ultimately successful pursuit of this goal, the Canadian movement acquired an independent character never realized by its American counterpart, and established its legitimacy as an active participant in the political system.

The American movement remained essentially dependent upon a political environment over which it exercised little control. As a result, it was seriously wounded by the right-wing reaction to the New Deal which developed in the post-war period — even within Roosevelt's Democratic Party. The social democratic movement in the United States had been all but wiped out during the '30s, thanks to the efforts of the Communist Party and to its own internal schisms. Roosevelt's adoption of the New Deal platform wrote a virtual end to its existence. Thus, the industrial union movement was left with no practical political alternative.

Although the CIO unions revolutionized collective bargaining in the United States, their influence over public policy was effectively marginalized by the ideologically monolithic — though nominally bipartisan — American political system. The achievements realized by the movement in Canada — both in collective bargaining and public policy have been nurtured by a parliamentary political structure which is more tolerant of diversity. The resulting political petition has given the labour movement and its allies the leverage to force the adoption of more progressive social policies.

United Kingdom

There are fewer points of comparability between the Canadian and British movements now than there may have been in the past. British trade unions helped create the Labour Party early in the century, and to bring it to power, supplanting the Liberal party as the alternative to the Conservatives.

Except for the newer clerical and scientific unions, the British movement remains rooted in the craft-union tradition, where more than one union often represents workers in a single industry or workplace. Because the unions depended exclusively on the political movement to make the necessary advances in social policy, there was no expansion of the collective bargaining role, as was necessary in Canada.

The post-World War II Labour government, in a way, pioneered national health insurance and other redistributive measures for the rest of the industrial world. The Canadian process was a good deal less tidy but eventually reached the objective — having been assisted in no small part by the British example.

Sweden

Swedish labour has been highly successful on all fronts. Like Britain, it helped create and bring to power a Labour Party. Labour has retained power in Sweden during most of the period since the depression of the '30s.

The Swedish labour force is almost 100 percent unionized and the Swedes have expanded both the collective bargaining process and the participation of workers in decision-making far beyond the levels attained in North America or in other European countries. For example, Swedish unions and employers bargain on 'global' (national), industrial, and local levels to determine the fair allotment of profits and other gains.

Swedish social policy is perhaps the world's most highly developed and this includes a very successful tripartite system of labour market management. Sweden's national policy of full employment, coupled with this efficient labour market system has kept unemployment low. It has also made it possible for Swedish unions to embrace new technology and productivity enhancing changes without the fear of betrayal and unemployment which accompanies those developments in Canada.

Challenges

A movement that was founded in the '30s on the need for change shows some signs of inability to recognize and cope with parallel developments today. As before, technology and changing modes of industrial and economic organization face Canadian workers with challenges.

Among these challenges are:

- the relative decline of the so-called smokestack industries as sources of employment;
- the growing obsolescence of mass production techniques, and the organizing difficulties encountered with small groups;
- the increasing export of processes and industries overseas;
- managerial theories which emphasize short-term results and ignore the consequences for national industrial capacity and productivity;
- re-alignment of world trade including the U.S.- Canada bilateral free trade agreement.

The industrial unions will probably have to re-fashion their structures through merger so that they can track shifting industrial arrangements. Some unions have already begun this process.

As they have done in the past, industrial unions will have to provide practical alternative antidotes to those government and business policies they deem irresponsible.

The CIO unions have made an immense, though largely unrecognized, contribution to the well-being of Canadians. From those who have achieved so much, much more is still expected.

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Appendix A

Chronology of Collective Bargaining between GM Canada, Oshawa, and the United Auto Workers/Canadian Auto Workers, 1937-87

1937, April 23

The first collective agreement was signed following a two-week long strike with union recognition as the main issue. The four-page agreement recognized an association of employees as the bargaining agent and provided: a five-step grievance procedure with final recourse to an 'impartial umpire', a 44-hour work week, premium pay for overtime (at the rate of time and a half), seniority rights for employees on a departmental basis for purposes of layoffs and recall, five-minute rest periods, a five cents per hour general wage increase, and a no-discrimination clause 'by reason of any activity, past or future, of any employee with, or in respect of trade union activity or trade union membership'.

1943, April 12

A new collective agreement was reached which recognized, for the first time, the UAW as the bargaining agent for hourly-paid employees. New features of the agreement included premium pay of time-and-a-half for work on Saturday, Sunday, and on seven designated holidays. The two daily rest periods were increased from five to ten minutes. There was no wage increase because of wage freeze regulations, but a government cost-of-living bonus plan was operative. The reference in the grievance procedure to an impartial umpire was changed to arbitration in accordance with the Canadian legal practice.

1946, February 1

A new one-year collective agreement was concluded providing voluntary checkoff of union dues and certain amendments to the grievance procedure and layoff and recall provisions of the seniority clause.

1946, October 1

A new wage agreement was signed with an average increase of 13 cents per hour, following the removal of wartime wage controls in late 1946.

1947, July 15

Another one-year wage agreement was signed providing nine cents per hour increase and four holidays with pay.

1947, November 15

A new one-year collective agreement was reached including compulsory checkoff (Rand Formula) union security

1948, July 20

The first two-year agreement was concluded providing a cost-of-living allowance (COLA) clause for the first time (with no downward adjustments) and a wage increase of ten cents per hour in the first year and three cents per hour in the second year. Paid holidays were also increased from four to six days.

1950, June 12

An historic five-year collective agreement was reached providing an annual improvement factor (AIF) of three cents per hour (2.5 percent of the average hourly rate), continuation of the COLA clause, gradual reduction in the work week from 44 to 40 hours, non-contributory pension plan and a contributory life insurance, medical and hospital coverage plan. The agreement also included a provision for an apprentice committee and established the ratio of apprentices in training to journeymen.

1953, July 6

The First Master Agreement involving the four UAW locals of St Catharines, Windsor, Toronto and London (but excluding the Oshawa local) was signed along the lines of the U.S. agreement. The terms of agreement were identical to the 1950 agreement except for the inclusion of Statistics Canada Consumer Price Index for calculation of the COLA.

1956, February 13

A 2 1/2-year new Master Agreement, including the Oshawa local, contained six cents an hour wage increase plus special adjustments to skilled trades classifications, a COLA clause and the annual improvement factor first negotiated in 1950, a new supplementary Unemployment Benefit Plan and a number of revisions to pension benefits, paid holidays (increased from six to eight), shift premiums, and contributory insurance and medical plans. A union security provision, requiring membership in the union for existing employees and for new hires after 90 days of probation, as a condition of employment, was also added. The agreement was timed to expire two months after the expiry of the U.S. Agreement.

1958, December 5

Among the new provisions of the three-year agreement were a fold-in of cost-of-living allowance in the base rate, special wage adjustments to skilled trades, amendments to various health, welfare and retirement benefit programs as well as to the SUB plan. A new feature of the SUB was a Separation Allowance for employees with two or more years of seniority laid off for a continuous period of 12 months. During the negotiations, for the first time, the union demanded wage parity between the U.S. and Canadian workers.

1961, December 12

Another three-year agreement continued the COLA formula from the previous contract and also provided for three AIF wage increases of six cents per hour or 2.5 percent of the base wage rate, whichever was greater. However, two cents of the AIF increase due in December 1961 and one cent of the COLA due in October 1961 were applied to the cost of company paid welfare plans. Pensions, group insurance, SUB and jury duty pay were increased and the periods for SUB and jury duty pay were extended. A new feature of the contract was a short work week benefit added to SUB to compensate

employees laid off for part of a week and ineligible for public unemployment insurance benefits. The company assumed full cost of hospital and medical coverage and group insurance (previously contributory). Pensioners were provided half-paid hospital and medical coverage. A novel feature of the agreement was the inclusion of a statement of policy and letters of understanding on a variety of local and general issues.

1964, December 12

A three-year agreement provided increases in AIF from six cents per hour to seven cents per hour (or 2.8 percent of the base rate, whichever was greater) effective 7 November 1966, and an additional wage adjustment of five cents per hour for unskilled workers and 12 cents per hour for skilled workers. One cent per hour was set aside for elimination of wage inequities. The COLA formula was maintained and 10 cents of the allowance was to be folded into the regular wage rate effective 4 January 1965. Paid holidays increased to 10. Upward revisions were made to pension and SUB benefits, vacation pay, life insurance, sickness and accident benefits. The Blue Cross Prescription Drug Plan was adopted, fully paid by the company. New features included three days bereavement leave.

In 1965 the Windsor Trim Plant was covered under the 1964 agreement. The Ste Therese plant was also included in the agreement in December 1966 following a two-month strike for the first agreement.

1968, March 27

A 34-month agreement provided wage increases of 20 cents per hour for skilled employees effective 6 November 1967; AIF increases of three percent ranging from nine to 18 cents per hour effective 20 January 1969 and 24 November 1969; maintenance of the COLA clause with caps on allowance in each of the three years; diversion of two cents per hour from the COLA increases for improved prescription drug plan and wage parity for employees not covered by the Auto Pact; eleventh paid holiday effective 2 January 1970; improvements in SUB, group life insurance, surgical-medical benefits, survivor benefits, layoff disability and extended disability benefit programs, retirement pensions, and other benefits such as moving allowances and tuition refunds.

A memorandum of understanding was reached covering wage parity. It provided for the elimination of differential between U.S. and Canadian base rates (expressed in national currencies) over a two year period. Another memorandum of understanding was reached to discuss substitution for wash-up time and rest periods.

1970, December 16

A 33-month contract provided for immediate wage increases ranging from 33 cents to 42 cents per hour (7.0 to 10.0 percent); wage parity adjustments of three cents on 20 September 1971, and an additional 10 cents on 20 December 1971; annual improvement factor of 3.0 percent, ranging from 11 cents to 27 cents per hour in the second and third years of the agreement; a revised COLA formula of one cent for each 0.4 point change in the Consumer Price Index averaged over three months with no 'caps' on allowance paid; Christmas bonus pay for unworked Sundays during Christmas holiday periods; increase in paid holidays from 11 to 12 effective December 1971; additional one week paid vacation after 20 years of service; and increased health and welfare benefits, SUB benefits and pension benefits. Retirement at age

50 with 30 years service was introduced. The memorandum of understanding on wage parity was revised. A two-tier wage system was established effective 20 December 1971, with the wage rate for new hires fixed at 20 cents less than the job rate for existing employees for a period of 90 days.

1973, December 17

Another 33-month agreement was concluded containing an immediate wage increase of 12 cents per hour; an AIF increase of 3.0 percent over each of the three years of the contract; a wage parity adjustment of 10 cents per hour; a new COLA formula based on the combined U.S.-Canadian Consumer Price Index with one cent for each 0.3 point change in the Average Index for the appropriate three months; fold-in of 25 cents of the COLA into the basic rate and diversion of one cent per hour from the COLA for each of the three month periods to implement a new dental care plan effective 1 October 1974; a new hire rate, 45 cents below the rate of the job classification, to be equalized in two steps within a 90 day period; a new paid holiday on Friday before Victoria Day; increase in Christmas holiday period from 10 to 11 days in the first year and 12 in the second and third year of the contract; further improvements in SUB, health and welfare benefits, pension plan and tuition refund.

A QWL committee was established with union and management representatives meeting periodically to review and evaluate programs to improve work environment and to develop experiments and projects. Both the company and the union agreed to encourage and cooperate in such endeavours. Other memoranda of understanding and statements of policy and intent were also included on a variety of issues. For example, a master joint committee on health and safety was established and agreement was reached to have such committees at the local level to assure 'a safe, healthful and sanitary working environment'. Similarly, union and management, in a statement of cooperation, expressed their joint determination to deal with the problem of alcoholism.

1976, December 7

Another 33-month agreement provided: a 20 cent per hour wage increase; a three percent AIF in each of the three years; continuation of the COLA formula based on a combined U.S.-Canada Consumer Price Index and a COLA fold-in of \$1.09; skilled trades adjustments of 15 cents to 29 cents per hour in the first year and 10 cents in the second year; increase in general paid holidays to 14 and improvements in various health, welfare, retirement and supplementary unemployment benefits. A new feature of the agreement was the introduction of paid personal holidays for employees with one or more years of seniority (five paid holidays in the second year and seven in the third year). Woodstock and St Laurent (moved to St Eustache) plants were included in the Master Agreement.

1979, October 3

A 35-month agreement included an immediate 43 cents to 56 cents per hour increase and a 3.0 percent AIF increase in the second and third year of the contract, and a revision to COLA formula effective December 1981 based on the combined U.S.-Canada price index with one cent increase per 0.26 change in the average index. One cent of the allowance generated in each of the first eight quarterly adjustments and two cents during the next three adjustments were diverted to funding of benefits. Other changes included an increased differential (60 cents) between new hire rate and job classification rate;

improvements in health and welfare benefits and coverage, pension benefits for past and future retirees, SUB, and various allowances; switch in benefit carrier from Blue Cross to Greenshields; increase in paid holidays plus Christmas shutdown period; increase in paid personal holidays to 26 (eight in 1980, nine in 1981 and nine in 1982); a joint labour-management committee to investigate the problem of unwarranted absenteeism; establishment of a National Committee on Technological Progress; and a paid education leave program, with \$1 million from the company, to provide paid leave for employees participating in union leadership courses over the next five years.

1982, September 14

A 24-month agreement contained no wage increases and eliminated AIF and COLA fold-in although the COLA clause was retained. The existing COLA formula, based on combined U.S.-Canada Price Index, was discontinued after 5 March 1984 to be replaced by a formula based solely on the Canadian Consumer Price Index with one cent for every 0.26 change in the Index averaged over three months. A special 28 cents bonus was also added to the 5 March 1984 COLA calculation. The new agreement eliminated all paid personal holidays and December Sunday holidays leaving six designated holidays plus the six Christmas holiday period days and introduced 40 hours paid Absence Allowance. A lump sum payment of \$300 to all pensioners (\$180 to surviving spouses) was provided. The SUB plan was amended to provide increased coverage (from 52 weeks to 104 weeks) to employees with 10 or more years of service. A new Termination Payment Plan (TTP) was also introduced to provide lump sum payments ranging from \$10,500 to \$17,500 for those employees with 10 or more years of service who were laid off as a result of permanent plant closure and had exhausted their 104 weeks of SUB. The amended SUB and rip plans were also made available to employees with 15 or more years of service laid off permanently due to 'partial discontinuation of an operation'. The two-tier wage schedule was further strengthened by expressing new hire rate as 85 percent of the job rate and by increasing the progression period from 90 days to six months.

1984, October 28

A 34-month agreement included an average 2.25 percent general wage increase effective 17 September 1984 and a special Canadian adjustment (25 cents each in the first two years and 24 cents in the last year of the contract) and provided for a COLA fold-in of \$2.99 immediately and 20 cents per hour in both September 1985 and September 1986. The COLA formula was also revised with the revision in the base year of the Consumer Price Index by Statistics Canada: the new formula was one cent for every 0.10 point increase in the Index (1981 — 100), effective 1 December 1986. The COLA payment was fixed at 45 cents per hour to 2 December 1984, and 44 cents to 51 cents per hour on the subsequent seven adjustments, depending on the movement of the Price Index. One cent from each of the first nine adjustments and two cents from each of the two last adjustments were to be diverted to benefit improvements. The agreement also provided an additional 20 hours of paid leave allowance credit each year as of 1 January 1985, increased paid vacation, improved health, welfare and pension benefits, and a higher employer contribution to SUB.

A new Income Security Program was also established for employees laid off with 10 or more years of service who had exhausted their SUB. The program consisted of two plans, Income Maintenance Benefit Plan (IMP) and Voluntary Termination of Employment Plan (VTP). The IMP, designed to 'promote

employment stability and avoid layoffs', provided benefits equal to 60 percent of base hourly rate including COLA and maintained medical and life insurance coverage. Under VTP an employee otherwise eligible for IMP benefits could elect to take cash options ranging from \$19,000 to \$34,000 depending on the number of years of seniority. The program was to be administered by a board composed of three members, one from each of union and management, and an impartial chairman. The board was given ultimate authority for determining eligibility and amount of benefits under IMP or VTP. Another program, called Lump-Sum Payment Plan, provided a guaranteed lump-sum payment of between \$7000 and \$9800 for employees with a minimum of five years and maximum of nine years of seniority, laid off because of plant closing or partial plant closing.

Among the other novel features of the agreement were: a legal services plan commencing September 1985, which provided a broad range of legal services from motor vehicle offences to consumer complaints and juvenile offences; a joint employee counselling program to assist employees in dealing with personal problems; a childcare pilot study at the Scarborough plant aimed at assisting employees in locating and obtaining childcare; a physical fitness pilot project; and an affirmative action program to provide special recruitment, pre-apprenticeship training and educational materials for schools.

1987, October 26

The first three-year agreement was reached, without a work stoppage, between General Motors of Canada and the Canadian Auto Workers (CAW), the new national union formed in 1986 following a split with the International UAW. The 'pattern' agreement, expiring 14 September 1990, provided for a 3.0 percent increase in base rates in the first year, 25 cents an hour increase in each of the second and third years, an additional 40 cents an hour first-year increase for all skilled trades employees (48 cents for electricians), retroactive wage increase of \$120 for non-skilled and \$240 for skilled trades employees in the form of lump-sum payments, and contained significant benefit improvements including inflation protection for current and future retirees. The COLA formula remains unchanged at a one cent an hour increase every quarter for every 0.1 increase in the average Consumer Price Index (1981 — 100). \$1.24 of the current COLA and 74 cents of the special Canadian adjustment in the 1984 contract will be folded-in the regular hourly base rate in the first and second years of the agreement. During the 11 three-month periods beginning 7 December 1987 and ending 4 June 1990, one cent of the COLA increase every quarter (a total of 11 cents) will be diverted to partially offset the cost of benefit improvements.

A novel feature of the agreement was a supplemental pensions agreement for a six-year term. It included: a 63 percent increase in basic pension benefits, from \$22.05 per month to \$36 per month, and a 56 percent increase in benefits to those retiring under the '30-and-Out' program regardless of age, from \$1205 per month in October 1987 to \$1805 per month by October 1992; inflation protection of pension benefits of future retirees by 90 percent of the increase in the Consumer Price Index; \$1 to \$3 increase immediately, depending on the year of the retirement, and an additional \$4 future increase for current retirees; the right to a vested pension after two years of continuous service; no offset of the company pension benefit by C/QPP retirement benefits before age 65; and a change in automatic retirement age from 70 to 65 years of age.

The new agreement provided for 13 holidays in the first year and 12 in each of the second and third years of the contract, an unbroken Christmas holiday period each year, and expanded eligibility for

bereavement pay to include son-in-law and daughter-in-law. Among the benefit improvements, the agreement extends eligibility of health, dental, vision and hearing aid benefits to surviving spouses of workers who die and provides improved coverage under each of these benefit programs. Improvements were also made in sickness and accident benefits and in life and disability insurance. Employer contributions to the supplemental unemployment benefit (SUB) plan increased by one cent an hour in the first year and two cents an hour in each of the second and third years of the agreement to effectively guarantee 104 weeks of SUB credits for workers with 10 or more years of seniority. The three income security programs — the Income Maintenance Benefit Plan, the Voluntary Termination of Employment Plan, and the Lump-Sum Payments Plan — were strengthened in the new agreement. Company contributions to legal services plan were also increased from three cents to eight cents for each straight-time hour worked.

In the health and safety area the agreement provided for improved training programs and for a full-time, company-paid National Health and Safety Coordinator, to be appointed by the CAW President, whose role would be to support local plant health and safety committees. In addition, GM and CAW also agreed to appoint full-time health and safety representatives and to establish local ergonomics programs with the objective of introducing and exploring ways to reduce illness or injuries through the application of ergonomics.

The agreement also included a number of new initiatives in the areas of training, quality improvement, absenteeism, education and learning, and human rights. A joint Training Review Committee, consisting of three representatives each of union and management would be set up to study current training programs, assess long-term training needs and make recommendations on programs to reinforce basic skills. Tuition refunds for approved job related or employee advancement courses would be increased from \$250 to \$750 per calendar year, with a maximum of \$1250 per year for approved courses taken at an accredited college. A Learning Skills Program would be set up to provide support and assistance to employees wishing to improve their abilities in reading, writing and mathematics. An education program, for all employees, on human rights in the workplace would be developed jointly by the company and CAW to help foster an improved working environment and prevent discrimination in the workplace.

Chronology of Collective Bargaining between the International Nickel Company (INCO) and the International Union of Mine, Mill and Smelter Workers (until 1962) and the United Steelworkers of America, 1945-85

1945, May 1

The first collective agreement was signed 16 months after Local 598 of the International Union of Mine, Mill and Smelter Workers was certified by the Federal Labour Court as the representative of non-supervisory production employees. The one-year agreement included provisions for the voluntary deduction of union dues, a five-step grievance procedure, one week of paid vacation after 12 months of employment, and the application of seniority in promotion, layoff and rehiring. The work week was 45 hours for day workers and 48 hours for shift workers with a time-and-a-half overtime premium. The agreement covered hoisting and lowering time, a three-hour minimum for call outs and a four-hour minimum for workers reporting for their regular shift for whom no work was available. The contract also contained a clause stating 'there shall be no discrimination by the company or the union or its members against any employee because of membership or non-membership in any lawful union or because of his

race, colour or religious creed.' Wages were under wartime controls and a separate agreement between the company and the union which altered certain individual wages rates and the classification of some occupations required regulatory approval.

1946, June 1

When the second agreement was reached, wages were still under wartime controls. This agreement provided for compulsory union dues check-off, an additional one week vacation after five years of service, shift premiums of three cents per hour for the afternoon shift and five cents for the night shift, two additional statutory holidays, a double-time pay premium for work performed on Christmas and New Year's and a more complete description of the process for promotion, layoff and rehire. Those on layoff who were rehired within 12 months would not be considered to have had a 'break in service'. This agreement also included special hiring and seniority arrangements for former 'members of the Active Armed Forces and Merchant Navies' who were residents of the Sudbury district before enlisting.

1947, June 1

This one-year collective agreement was the first to explicitly mention wages and provided an across the board increase of 13.5 cents per hour. The clause on seniority was supplemented by language dealing with the change-over to a new process, giving special consideration to those employees in affected departments and greater flexibility to the company in making transfers. The trades provision limits the ratio of apprentices to tradesmen to one-to-four and sets out the process by which tradesmen are reimbursed for training courses undertaken. The agreement also creates a committee in the mining section of the bargaining unit to facilitate union-management discussions at the departmental level 'with regard to any mines contract bonus'.

1948, June 1

The seniority provisions were expanded to cover temporary promotions and transfers into seasonal or temporary jobs. Language dealing with tradesmen demoted from skilled work was also introduced. The supplementary clause dealing with the change-over to a new process remained unchanged except a termination date of 1 February 1949 was added. Shift premiums were raised to four and eight cents an hour. In addition to a wage increase of 13 cents an hour, the wage clause was expanded to incorporate 'red circling' for workers temporarily reassigned to lower paying occupations and to provide for the negotiation of wages rates for new occupational classifications as they were introduced.

1949, June 1

The special seniority clause covering the change-over to a new process was omitted. Thanksgiving and Good Friday were added to the list of statutory holidays on which workers receive 'double time' for hours worked. An additional one week of vacation was provided to workers with more than 25 years of service, for a total of three weeks per year. Wages were increased by 6.5 cents an hour.

1950, June 1

The hours of work were reduced to an average of 44 hours per week for all employees. The time-and-a-half overtime premium was paid after working 48 hours in any week or 88 hours in any two-week period. The seniority provisions were supplemented by a clause covering the application of seniority in transfers to a new department. The clause was to be triggered when the company gave the union ten days notice of the new department beginning operation. Wage increases ranged from 9.5 cents for occupations earning up to \$1.10 per hour, to 11 cents for occupations earning in excess of \$1.33 per hour.

1951, June 1

This agreement was primarily concerned with the transition to the 40-hour work week for all employees. The new overtime provisions provided time-and-a-half after 40 hours, following a two-month transitional period where the overtime provisions of the previous collective agreement were in force. All wages were raised by ten cents per hour and additional increases in wages would be instituted when the transition to the 40-hour work schedules was completed. The effect of these additional increases was to maintain the weekly wages of employees despite the reduction in working hours.

1952, June 1

This contract increased the number of statutory holidays to seven by adding the first Monday in August to the list. The provisions concerning grievances were altered to allow a one-third increase in the number of union grievance committee members. Wages were increased by two cents an hour on 1 June 1952 and a further 5.5 cents an hour on 15 July 1957. Vacation entitlements were one week after one year of service (unchanged), two weeks after three years of service (formerly five) and three weeks of vacation after 20 years' service (formerly 25). The process of consultation on mine contact bonuses, first introduced in 1947, was expanded to include a second step involving an employees' committee and a company committee of senior managers.

1953, June 1

An across-the-board wage increase of five cents was provided at the beginning of the contract. Vacation entitlements were improved to three weeks of vacation after 15 years' service.

1954, June 1

Remembrance Day was added to the list of statutory holidays bringing the total to eight. Shift premiums were increased by 25 percent to five cents per hour for the afternoon shift and ten cents an hour for the night shift. Wages were increased by 2.5 cents at the beginning of the contract and a further one-half cent on 1 December 1954. Employees with more than 25 years' service became eligible for four weeks of paid vacations.

1955, June 1

This one-year agreement provided employees with the first across-the-board percentage increase in wages, 'by five percent taken to the nearest one-quarter cent'. Employees became eligible for two weeks of vacations after two years of service. Compensation for work on any of the eight statutory holidays was increased from 'double time' to 2.5 times the regular hourly rate. The period during which a person on

layoff maintained his/her right for preferential rehiring was extended from 12 months to 18 months. The establishment of three new departments, as the result of the start-up of a new operation, led to the inclusion of a supplementary seniority clause to cover transfers, promotions and job postings during the transitional period.

1956, June 1

This two-year agreement was the first multi-year agreement signed by the parties. At the beginning of both years, wage increases ranged from five percent for the lowest paid occupations to seven and one half percent for the highest paid occupations. This agreement also introduced premium pay of 15 cents per hour for all work on Sunday.

1959, January 2

This three-year contract provided general wage increases of one percent in the first year, two percent in the second and three percent in the third. Adjustments in individual wages rates were made effective 1 June 1958. The period during which a person on layoff retained preferential rehiring rights was extended to 24 months. Special seniority clauses were included covering the transfer of employees into two new departments, one resulting from the commencement of a new operation, the other resulting from the splitting of an existing department.

In October 1962, the International Union of Mine, Mill and Smelter Workers was defeated in a representation vote by the United Steelworkers of America (USWA) after a long and often bitter campaign.

1963, July 10

The first agreement between International Nickel and Local 6500 of the United Steelworkers was for a period of three years. The agreement provided wage increase of 3.0 percent at the beginning of the first year, and 2.5 percent at the beginning of the second and third years. A provision covering employees transferred from a department by the company, as a result of workforce downsizing or a general layoff, gave these employees preference for transferring to positions in their old departments. The seniority clause was changed so that employees who worked in departments that were discontinued maintained their departmental seniority regardless of the department they were transferred to,

1966, July 10

This three-year agreement represented a significant revamping of the contract language which had evolved to this point. The recognition clause was expanded to prohibit supervisory personnel from performing bargaining unit work except under special circumstances. The first stage of the grievance procedure lengthened to provide grievors five days to file their grievance — an increase from 48 hours. The use of seniority in promotion was strengthened. Recall rights were extended to 36 months for all employees with more than three years of service. A special seniority provisions was included to cover the establishment of a new department. The amount of paid casual leave for union business was increased from 200 man-days to 600 man-days and the amount of unpaid leave for union officers was increased from six to eight man-years. Several changes were made in the area of hours of work and premium pay including: the establishment of a 30-minute paid lunch period for shift workers; an increase in Sunday premiums from 15 to 25 cents per

hour; an increase in shift premiums from 5 and 10 cents per hour to 8 and 14 cents per hour; a reduction in unpaid hoisting and lowering times from 15 to 10 minutes; an increase in minimum call-out pay from three to four hours; and the provision by the company of a lunch for any employee held at work for more than two hours past his normal quitting time.

For the first time, wages were set out in a schedule attached to the agreement: the number of wage rates were reduced from 35 to 20: wage increase ranged from 10 to 14 percent in the first year and from 3.5 to 4.5 percent in the second and third years of the agreement. Two weeks of vacations were given to employees after one year of employment and 30-year employees received five weeks in the last two years of the agreement. The collective agreement also provided an additional five weeks paid vacation for all workers with more than five years of service on 1 January 1967 and an additional five weeks of paid vacation after every five years of service following 1 January 1967. The clause on health and safety created a local union health and safety committee with paid time-off for union business and a mechanism by which the committee could discuss concerns with management representatives.

1969, November 15

This 32-month agreement placed pension arrangements and group life and health insurance programs within the terms of a collective agreement for the first time. Descriptions of the company's pension plan, group term life insurance, accidental death and dismemberment insurance, sickness and accident insurance, and a prescription drug plan are included in attached schedules. The company paid 100 percent of the premiums for these benefits, except for the life insurance which was 75 percent company-paid. The safety and health provisions were expanded to allow for the creation of union health and safety committees at the departmental level.

The agreement also introduced the first cost-of-living allowance increasing wages in August 1971 by one cent an hour for every 0.6 point increase in the CPI since October 1970 to a maximum of five cents. Wages were raised between 12 and 16 percent on signing the agreement, 6.6 and 7.3 percent in the second year and 5.3 percent in the third year. A mechanism by which wage inequalities could be appealed by the union was established. Sunday pay premiums were doubled to 50 cents per hour and shift premiums were raised to 10 and 16 cents an hour. Special provisions dealing with displacement of workers by technological change provided for access to retraining, 'red circling' of individual wage rates and protection of bargaining unit employment. The seniority provisions were revamped to take into account a significant restructuring of the operation's departmental structure. Victoria Day was added to the list of statutory holidays, bringing the total to nine.

1972, July 10

This three-year agreement introduced a dental plan and paid bereavement and jury duty leave. All group insurance plan premiums became fully paid by the company. It included across-the-board wage increases of 45 cents per hour in the first year and 17.5 cents per hour in the next two years. The Sunday pay premium was raised to 75 cents per hour and shift premiums rose to 12 and 18 cents per hour. Employees with ten years of service became eligible for three weeks of regular paid vacations and 20-year employees received four weeks (formerly 15 and 25 years). The COLA provision was made operative in all three years of the agreement with a cap of five cents in each year. The number of steps in the grievance procedure

was reduced from four to three. The duration of preferential recall rights for laid-off workers with more than four years of service was increased to 48 months. Boxing Day became the tenth statutory holiday.

1975, July 19

The three-year agreement increased wages by between 28 and 36.5 cents per hour (6.0 to 6.7 percent) in the first year, by 20 to 28.5 cents an hour in the second year (5.6 to 6.4 per cent) and by 20 cents per hour in the final year (3.4 to 2.5) percent. An uncapped COLA clause was in effect throughout and 15 cents was rolled into the wage rates at the beginning of the second year. The Sunday premium was raised by 33 percent to \$1 per hour and shift premiums were increased to 20 and 25 cents per hour. Statutory holidays were increased to 11. The employer would pay for the total cost (formerly 50 percent) of work-related courses taken by employees to a maximum of \$300 per employee. Vacation bonuses were increased to \$50 per week in 1976 and \$60 in 1977. The basic monthly pension benefit was increased by 25 percent to \$10 per month for every year of service. The early retirement age was reduced from 60 to 58 years. Employees received five weeks of regular vacations after 25 years of service (formerly 30) and those with 30 years received six weeks of vacation. Company-paid life insurance coverage was increased by 25 percent to \$10,000 and weekly indemnity was raised from \$110 per week to \$145 in the first year and \$150 in the second and third.

The contract provided for a greatly expanded role for union representatives in the health and safety field by setting up joint management-union committees to review the performance of the health and safety program. The committee would oversee a \$150,000 company-financed fund to undertake research on potential OHS problems.

1979, June 5

The three-year agreement contained two major innovations. First, the company was to allocate five cents per hour worked every month to finance a supplementary unemployment benefit plan which was to provide laid-off workers with more than five years of service a benefit of \$40 per week for a maximum of 52 weeks. The second innovation was the implementation of the cooperative wage study program instituted in 1972, in which all positions were classified to determine the appropriate rates of pay. A committee consisting of three union and three management representatives undertook the study and any unresolved issues became the subject of the grievance procedure.

Wage increases of 40 cents per hour in the first year and increases of 10 to 18.5 cents per hour in each of the following two years were included. The COLA was calculated every three months and yielded a one cent per hour for every 0.35 increase in the CPI. The COLA was folded into wage rates at the beginning of the second and third years. Employees became eligible for three weeks vacations after eight years of service (formerly ten) and for four weeks vacations after 18 years (20). Vacation bonuses were raised to \$75 per week from \$60. The basic monthly pension benefit was raised by 20 percent to \$12 per month for every year of service. The alternate monthly benefit for employees with 30 years of service was increased to \$825 per month for those age 65 and \$610 per month for workers age 55. A new provision allowed retirement without reduction in pension for workers with 35 years of service.

1982, June 27

In this three-year agreement the number of wage classes were increased from 18 to 25 as a result of the cooperative wage study (CWS) process and job step increments were increased by two cents in the second and third years. Excluding CWS adjustments and the COLA fold-in, there were no general wage increases in the first two years. In the third year, wage rates were increased by between 0 and 48 cents. A further increase of 25 cents an hour would be paid if the company sold 394 million pounds of nickel, at an average price of \$3.20 per pound, within any consecutive 12 month period during the life of the agreement. Weekly indemnity payments were increased from \$230 per week at the beginning of the agreement to \$290 at the end. The basic monthly pension benefit was raised from \$12 per month for every year of service to \$17 per month.

1985, June 1

This most recent collective agreement established the Nickel Price Bonus, which provided a bonus of 15 cents an hour if the average price of nickel on the world market rose above US\$2.50, 25 cents an hour if nickel rose above US\$2.70 and 35 cents when the average price rose above US\$2.90. The bonus was payable only in quarters when the company experienced net earnings. The agreement also rolled 97 cents of the outstanding COLA of \$2.51 into wage rates. Further COLA fold-ins would be triggered by increases in the price of nickel with any remaining COLA included in wage rates at the beginning of the third year of the agreement. There were no general wage increases rates, but job increments were increased by one-half cent per hour in each of the three years. Shift premiums were increased by 10 cents per hour to 30 and 35 cents. Life insurance coverage was raised to \$15,000 and weekly indemnity payments were increased by \$10 to \$300 per week in the second year and \$310 in the third. The basic monthly pension benefit was raised to \$19 per month per year of service in the first year and \$20 per month in the third. The minimum guaranteed pension benefits for workers with 30 years service or more, regardless of age, was raised from \$850 to \$950 per month. These pension increases also applied to approximately 1000 employees who retired in 1984 and 1985 under a special inducement program.

Once, during the agreement, the company is permitted to shutdown any operating mine for up to four months and layoff employees without regard to seniority in other operations or departments. The agreement also provided for 12 employees, selected by the union, to be trained and paid by the company as full-time health and safety specialists. Three new joint committees were established to study contracting-out, technological change and jurisdiction of work for tradesmen.

Chronology of Collective Bargaining between Canada Packers and the United Food and Commercial Workers (and its antecedent organizations), 1942-86

1942, March 3

This agreement between Canada Packers and its production employees recognized an employee's plant council at the company's Toronto plant although the employee's had been organized by the Packinghouse Workers' Organizing Committee, a CIO affiliate. The agreement outlined the manner in which the employee's council was to be chosen and provided for a union-management board 'to consult at regular intervals upon matters affecting the common welfare of the company and of the employees'. There was no grievance procedure ending in arbitration, but complaints could be taken before the joint board. Existing wage rates, under wartime controls, were maintained. An overtime premium of 'time-and-a-half' was paid after ten

hours of work, Monday to Friday, and six hours on Saturdays. There were eight statutory holidays and paid vacations consisted of one week after two years' service, two weeks after five years, three weeks for female employees after 15 years and three weeks for male employees after 20 years. The agreement stated that the company 'shall make reasonable provision for the safety and health of employees'. The seniority clause established the 'last in, first out' principal 'provided that in the opinion of the company there is equality of skill, competence and efficiency'. The agreement was to continue 'year to year' unless either party gave 90 days written notice.

1944, August 31

This agreement recognized Local 114 of the United Packinghouse Workers as the employee's bargaining agent at the Toronto plant. A voluntary check-off of union dues was included and union members were required to maintain their membership for the term of the agreement. A four step grievance procedure, ending in third party arbitration, was established and this included paid time off for union officers handling grievances: the grievance procedure was expedited in the case of dismissal. The wage clause maintained existing rates but allowed the union to approach the War Labour Board for wage adjustments. The work week was reduced to 48 hours, consisting of four days of 8.5 hours, one day of 9 hours, and 5 hours on Saturday. Work on Sunday was compensated at double normal hourly rates unless it was part of a shift workers' regular schedule. The company also guaranteed 40 hours' pay each week to all regular employees.

1946, October 1

This one-year agreement covered Canada Packers employees at seven plants across Canada. This agreement borrowed heavily from the 1944 Toronto plant agreement with respect to recognition, check-off, seniority and grievances. A step was added to the grievance procedure which involved the union's national office and the corporate head office. Paid time for members of each local's grievance committee was limited to 24 hours annually. Wages were raised five cents per hour retroactive to 1 August and a further five cents on the date of signing, subject to the approval of the War Labour Board. A night premium of five cents an hour was introduced for work undertaken between 6pm and 6am. The work week was set at 45 hours 'except at Hull and Montreal where it shall be considered to be 48 hours' with a minimum of 37.5 hours paid each week. The length of work day varied but was not to exceed nine hours. Two 10-minute rest periods per shift were introduced and meal breaks after five hours of work were required. Promotions were to be made on the basis of merit, departmental 'seniority being the governing factor where merit is equal'.

1947, December 22

This one-year agreement, covering eight plants, provided for across-the-board wage increases and reduced the work week to 44 hours (46 in Hull and Montreal). The maximum work day remained unchanged at nine hours and the guarantee of minimum hours was reduced to 36.5 hours. The minimum notice of layoff was set at 48 hours for all employees. Probationary periods for new hires were reduced from six months to three months.

1948, August 19

Across-the-board wage increases of 9.6 percent were the major change in this two-year agreement, which included a wage re-opener at the end of the first year. There was also an agreement to negotiate a consistent schedule of wage rates applicable to all jobs performed in the company's plants during the life of the contract. Minimum notice of layoff was extended to one day for every six months of seniority, with a minimum of two days' notice. A sick pay and welfare plan was introduced as part of the agreement.

1950, September 25

This two-year agreement provided wage increases of 7.4 percent in the first year and three cents per hour in the second for hourly paid employees. Weekly-rated male employees received increases of \$2.50 and weekly-rated females received \$2 increases. The agreement included a COLA which was uncapped and increase every three months by one cent per hour for every 1.3 point change in the DBS cost-of-living index. The work week was reduced to 42 hours (44 hours in Hull and Montreal) and the maximum work day became 8.5 hours. Compensation for work done on statutory holidays was raised to time and a half. The guaranteed weekly hours was reduced to 36 hours (36.5 hours in Hull and Montreal). Paid vacations for male and female employees were equalized giving all employees three weeks of vacations after 15 years of service.

1952, August 15

A two-year agreement increased hourly pay by five percent and increased weekly pay rates by 2.5 percent in the first year, with a wage re-opener in the second year. The COLA provision was omitted. Night premiums were increased from five to seven cents per hour. The work week was reduced to 40 hours in all locations, while the maximum work day remained 8.5 hours. In the provisions concerning seniority, merit was defined as the ability and aptitude to perform the required work 'satisfactorily' in place of 'efficiently': promotions were to be made on the basis of seniority when merit 'is sufficient'. Another new clause obliged the company to provide all tools required by employees.

1954, October 29

This two-year agreement provided a general wage increase of three cents per hour, retroactive to 1 August, a 3.5 cents per hour increase began on 1 December 1954 and a further three cents on 1 August 1955. The wage provisions also outlined the implementation of a nation-wide Job Rate System. The sick pay and welfare plan was amended to include higher benefit levels.

1956, September 19

This 19-month agreement provided general wage increases of nine cents per hour in the first year and five cents per hour in the second. There were also wage rate adjustments resulting from the establishment of the national job rate system, a description of which was appended to the agreement: the rates of female employees in several plants were increased by one cent per hour as were all the jobs rates at the Charlottetown plant. Night premiums were raised to nine cents per hour for work between 6pm and 6am. Overtime premiums were raised to double time after 16 continuous hours of work. Employees who were sent home for medical care when injured on the job became entitled to the pay for the balance of their scheduled shift. The agreement also introduced paid jury leave and guaranteed the reinstatement of employees returning from unpaid pregnancy leave within three months of delivery.

1958, August 19

The two-year agreement provided general wage increases of nine cents in the first year and five cents in the second. All females received an additional five cents per hour in the first year and females at three plants received special increases of between 1.5 and five cents per hour retroactive to 1 August 1958. The parties agreed to set aside three cents per hour in the second year to improve fringe benefits 'in a manner agreed upon'. The contract also re-introduced a COLA which paid one cent per hour for every 0.7 point increase in the CPI. The night shift premium was altered to pay 10 cents per hour for shifts beginning between 3pm and 3am. Premiums for regularly scheduled work on weekends were introduced; 10 cents per hour on Saturdays and 15 cents on Sundays. Double time was paid for all work in excess of 14 continuous hours. A ninth paid holiday was introduced with most locals choosing Boxing Day. A fourth week of paid vacations was added for employees with more than 25 years of service.

1960, April 13

The two-year agreement provided for general wage increases of six cents per hour at the beginning of each year and the COLA provision was omitted. Shift premiums were raised by two cents to 12 cents per hour. Saturday and Sunday premiums were doubled to 20 and 30 cents per hour respectively. Bereavement pay was introduced; eight hours of pay to attend the funeral of an immediate family member. In the second year of the contract employees became eligible for three weeks vacations after 12 years (previously 15).

1962, April 19

General wage increases of six cents and 5.5 cents per hour were provided at the beginning of each year of this two-year agreement. Bereavement pay was increased to a total of 16 hours and the definition of immediate family was expanded to include father-in-law and mother-in-law. In the second year employees with 20 years of service became eligible for four weeks of vacations (previously 25 years). Provision of launderable outer work clothing became the responsibility of the company (previously provided to the employees at half cost).

1965, June 1

This agreement ended in March 1966, but was retroactive to 1 April 1964. General wage increases of six and five cents per hour were paid effective 1 April 1964 and 1965 respectively. In addition, all job rate increments were increased from 3.5 cents to four cents per hour effective 1 April 1965. Bereavement pay was increased from two days to three days pay. Employees with 10 years' service became eligible for three weeks vacations. The sick pay and welfare plan was described in the collective agreement: effective 1 April 1965, the company paid all premiums related to group life insurance (\$5000 per employee) and hospitalization (standard ward). A Major Medical Plan replaced the previous Medical-Surgical Plan: the new scheme covered 80 percent of medical expenses exceeding \$25 per year for an individual and \$75 for a family. Dependent coverage for females was only available when the employee was 'the sole support of her family'. The shared-cost sick pay plan paid male employees \$50 per week during the first four weeks of illness and \$55 per week thereafter in the last year of the contract; the plan paid approximately 25 percent less to female employees.

1966, September 22

The three-year agreement provided general wage increases of 25, 20 and 10 cents per hour effective 1 April 1966, 1967 and 1968, respectively. By the final year of the contract, base wages in the various plants ranged from \$2.59 to \$2.72 for males and from \$2.435 to \$2.58 for females. In addition, adjustments of three to five cents per hour were made to the job rates at plants with the lowest wage rates and for all skilled trades positions. The job rate increments were increased to 4.5 cents per hour in the second year and a COLA provision was introduced for the last six months of the third year. Double time was paid for work in excess of 13 hours a day (formerly 14) and for all work on paid holidays (previously time-and-a-half). Saturday and Sunday premiums were increased to 75 cents per hour. Vacations were increased such that an employee received three weeks of vacation after eight years' service, four weeks after 18 years and five weeks after 30 years.

The agreement included a new provision which allowed the union to grieve any contracting-out which 'represents a material change in practice and has adverse effects on present employees'. A labour-management health and safety committee in each plant was recognized 'to make recommendations on matters affecting the safety and health of employees'. Sick pay was increased by about 12 percent over the life of the agreement and life insurance coverage was raised from \$5000 to \$7000. An extensive 'plant closure' clause was introduced with a severance allowance schedule which based upon years of service. The contract also included a clause dealing with technological change that provided for 30 days notice and union-management discussions on implementation.

1969, April 1

This two-year agreement provided a general wage increase of 25 cents per hour in the first year (base rate increases ranging from nine percent to 10.5 percent) and 19.5 cents in the second year (base rate increase of 6.4 to 7.1 percent). The pregnancy leave provision was changed, dropping the one year of service eligibility requirement. The off-shift premium was raised from 12 to 15 cents per hour. Premiums for work on Saturday and Sunday, by regular employees, were changed from 75 cents per hour to time-and-a-half. In the second year, employees became eligible for three weeks vacations after six years' service (formerly eight years) and five weeks after 25 years (30 years). The vacation provisions were altered so that employees no longer had the option of accepting cash in lieu of vacation time. Sick pay was increased by about 13.5 percent for male employees and 16 percent for females. The severance pay scale outlined in the plant closure clause was raised by between 11.5 and 16 percent.

1971, April 1

This was a three-year agreement which eliminated sex-based wage rates, significantly improved pension benefits and introduced a COLA provision. Male base rates were increased by 29 cents per hour and female rates by 42 cents per hour (representing nine and 13.8 percent increases respectively) in the first year of the agreement. General wage increases of 27 and 28 cents were negotiated in the second and third years. The agreement also allowed for three wage rate adjustments in the third year triggered by increases in the Consumer Price Index. In the second year of the agreement, employees with 15 years' experience became eligible for four weeks' vacation (previously 18 years). Sick pay was increased by between \$5.50 and \$6.50 per week in each year, bringing the maximum rates to \$93.50 per week for males and \$82.50 per week for

females in the final year. Under the plant closure clause, the scale for separation allowances was increased by more than 20 percent for males and more than 60 percent for females, eliminating all sex-based differences. The new scale provided \$130 for employees with one year of service completed, \$755 for 10-year employees and \$2705 for 25-year employees. Contributory pension benefits were increased to \$1.50 per month for each year of service (from \$1). The newer non-contributory pension plan paid \$1.75 per month (from \$1.25) for future service by full-time employees under 65 years and all future full-time employees.

1974, April 1

This 26-month agreement provided general wage increase of 70 cents (an increase of between 13 and 17 percent) in the first year and 65 cents (10 to 13.5 percent) in the second. Job increments were increased from five to 5.5 cents, with a special 1.5-cent increment for maintenance and skilled trades. A COLA was in effect. The off-shift premium was increased from 15 to 20 cents per hour. One paid holiday was added in 1975 bringing the total to ten. Also in 1975, employees received three weeks vacation after five years of service (formerly six years) and five weeks after 22 years (25). Sick pay benefits based on sex were replaced with a job-class related provision. Three job class groups were defined and, in the second year of the agreement, maximum sick pay benefits would reach \$116, \$124, and \$132 respectively. The scale for severance pay resulting from a plant closure was increased by approximately 9.5 percent. Pensions benefits for service after April 1975 were raised to \$2.25 per month for every year of service (from \$1.75). A special pension supplement for those retiring between April 1974 and April 1978 paid \$2 per month for each year of seniority to a maximum of 30 years.

1976, July 23

An 11-month agreement with a general wage increase of 50 cents per hour (increases of 7.5 to 9.0 percent) retroactive to 1 June 1976. On the date of signing there was a 13 cent COLA fold-in and job increments were increased from 5.5 to 6.5 cents per hour. The COLA was discontinued. The off-shift premium was increased to 25 cents per hour. Sick pay benefits were raised by approximately 9.5 percent. Monthly pension benefits, under the contributory pension plan for service, were increased by \$1.75 per year of service before April 1958 and by \$1 per year of service after April 1958 and before December 1975. The monthly benefit for current service (non-contributory) was raised from \$2.25 to \$2.43. This agreement also introduced a two-day notice of termination provision for probationary employees.

1977, June 16

A 12-month agreement which provided general wage increases of 41 cents per hour (a 6.8 percent increase to the base rate) and a special three cents per hour increase at the Charlottetown plant. The agreement introduced a dental insurance plan which reimbursed employees for 80 percent of the cost for a wide range of dental care services and 50 percent for dentures, with a maximum payment of \$500 to each employee or dependent. Employees became eligible for two weeks vacations after one year of service (formerly three years). Company allowances for the purchase of work clothing and safety footwear were introduced and tool allowances were increased by 25 percent. The severance allowance scale, applied to plant closure, was increased by between 7.0 and 9.3 percent. Sick pay was also increased by between 7.0 and 9.5 percent. Noncontributory pension benefits were raised from \$2.43 per month for every year of service to \$2.60.

Monthly pension benefits under the contributory pension plan for service were increased by \$1.45 per year of service before April 1958 and by \$1.20 per year of service between April 1958 and December 1975.

1978, September 5

This 21-month agreement provided general wage increases of 60 cents per hour retroactive to 1 June 1978. In June 1979 there was another 60 cents per hour increase in wages and job class increments were increased from 6.0 to 6.5 cents. Six weeks of paid vacation were introduced for workers with more than 25 years of service. Starting in 1979, workers received four weeks vacation after 12 years of service (formerly 15) and five weeks after 20 years (22). Sick pay was increased by \$12 per week and the company-paid life insurance provided \$7000 in coverage regardless of age (formerly \$7000, reduced to \$6000 after age 55 and \$5000 after age 60). The separation allowance scale was increased by approximately eight percent. Pension benefits from the non-contributory plan were raised to \$3.50 per month per year of service in 1978 and to \$5 in 1979. An early retirement provision was introduced providing no actuarial reduction for retirement at age 63. Bereavement leave was extended to include three days of paid leave for the death of grandparents. The maternity leave clause was altered to allow the extension of the leave beyond three months after delivery if the employee is unable to return to work for medical reasons. Seniority rights would continue to accrue during this extended leave period.

1980, June 18

This two-year agreement provided general wage increases of 90 cents in the first year and 95 cents in the second. Job class increments were increase from 6.5 to 7.0 cents in the first year and to 7.5 cents in the second. Employees at the Charlottetown plant received a special 5.5 cents per hour increase, bringing their wages into line with other plants. The wage rates of some skilled mechanical trades were increased by six job brackets at the beginning of each year, representing additional wage increases for tradesmen of 42 cents in 1981 and 45 cents in 1982. Sick pay was increased by between 12 and 15 percent in each of the two years depending upon an employee's wage related benefit group. Pension benefits were increased to \$6 (from \$5) per month for every year of service to a maximum of 30 years in 1980 and \$7.40 in 1981. The age of early retirement with no actuarial reduction fell from 63 years to 61 years by the end of the contract.

1982, June 1

General wage increases of \$1.25 per hour at the beginning of each year of this two-year agreement increased the base wage rate to \$11.99 after 1 June 1983. Job class increments were increased from 7.5 cents to 8.0 cents per hour. Morning and afternoon rest periods were increased from 10 to 15 minutes and shift premiums were raised from 25 to 35 cents per hour. The agreement added an eleventh paid holiday and employees became eligible for four weeks vacations after 10 years of service (formerly 12). Life insurance coverage was increased from \$7000 to \$12,000 in the first year and \$15,000 in the second. Sick pay was increased by between 17 and 20 percent in th first year and 16 to 19 percent in the second. A new long-term disability pension was introduced paying \$1000 per month and a new hearing aid benefit paid 100 percent of the cost to a maximum of \$500. The severance pay schedule was increased by 30 percent. The monthly non-contributory pension benefits were increased to \$8.40 per year of service in the first year and \$9.40 in the second. Over the term of the agreement, benefits from the contributory pension plan were raised by \$2.50 for each year of service between 1948 and 1958 and by \$1.50 for each year of service

between 1958 and 1978. Retroactive to January 1981, the age for early retirement was reduced from 63 to 61 years.

1984, June 1

This 22-month agreement, settled following a work stoppage, included no changes in wage rates for existing employees. Wage rates for new employees were changed from nine cents below the base rate of \$11.99 to 75 percent of the base rate, increased by five percent every six months until full job rate is reached. The limit of 30 years of credited service was removed from the non-contributory pension plan, but the monthly benefit level was unchanged at \$9.40. In the case of plant closures, the early retirement was reduced to 60 years. The severance allowance scale was increased by approximately 26 percent and a supplemental separation allowance was introduced providing \$2500 plus \$125 per year in excess of 65 years when combining age and years of service.

1986, June 30

This two-year agreement provided general wage increases of 51 cents per hour in the first year and 52 cents in the second, bringing the base rate to \$13.02 by the end of the agreement. The dental plan was improved by including 50 percent coverage of the costs of crowns and bridges and increasing the maximum coverage from \$500 to \$1000 per year per individual. Long-term disability benefits were increased by 10 percent to \$1100 per month. Group life insurance was increased to \$20,000 in the first year and \$25,000 in the second. Monthly benefits from the non-contributory pension plan were increased by \$1 per year of service to \$10.40 over the life of the agreement. Benefits from the contributory pension were increased by 80 cents for all years of contribution between 1948 and 1978. A special early retirement supplement provided an additional \$500 per month to all employees 61 years of age or older who retired between June and October 1986.

Appendix B

The Modern Collective Agreement

By the mid-'70s the structure of the modern industrial collective agreement had taken shape. As Appendix A has shown, industrial collective agreements of the 1980s contain the accumulated results of the events set in motion in Oshawa in 1937. They cover a broad range of issues, some of which, at first glance, appear to have little to do with the employer-employee relationship. The three bargaining relationships described resulted in settlements that were often considered innovative at the time. However, industrial unions have been successful in establishing these innovative provisions in a great variety of bargaining units, both large and small.

This section provides an overview of the collective agreements typically found in Canadian industry today. A comparison with the first steps taken almost 50 years ago demonstrates how far the representation of industrial workers has come. For purposes of this analysis, the major parts of a modern industrial collective agreement may be categorized as follows:

Recognition	Employment Conditions	Employee Benefits
<ul style="list-style-type: none"> • union security • management rights 	<ul style="list-style-type: none"> • wages and hours of work • job security • income security • paid time off • occupational health and safety 	<ul style="list-style-type: none"> • retirement and disability pensions • health and accident insurance • other

Recognition

This category of provision was the cause of many early battles between industrial employers and CIO unionists but, over the years, legislation has reduced this conflict significantly. The two principal issues are union security and management rights.

Union security

1. Recognition and description of the bargaining unit

These clauses state the employer's recognition of the union as the exclusive bargaining agent of all employees in the unit described and may be more or less specific about the matters which are the subject of such bargaining. A typical unit would include all hourly-rated employees at a particular plant or mine 'save and except foremen, supervisors and persons above that rank'. In the early days, the industry's clerical workers were tacitly considered to be members of management. Nevertheless, the all-inclusive representation of hourly-paid workers constituted a stunning alteration in the nature of industrial relations. The duration of the collective agreement and procedures for initiating its renewal and amendment are spelled out in another clause.

2. *Provisions for the union collection or company check-off of union dues*

The union's aim is to establish a stable membership and financial base and to use the employer's administrative facilities for the collection of dues directly from wages. Today, compulsory dues payment by all persons in the bargaining unit is the most common arrangement but this was a difficult issue 50 years ago. Where employers were forced to concede the dues check-off, they bargained for the 'voluntary revocable' type. This meant the member was free to revoke his signed check-off authorization at any time, leaving the union vulnerable to the whims of the individual member and — perhaps more relevantly — to anti-union campaigns waged by the employer at the workplace.

3. *Union functions at the workplace*

These provisions cover the union's right to appoint stewards and members of various workplace committees. They cover the functions these persons are to perform — for example, the investigation of grievances or health and safety matters and provide for their wages to continue during performance of such duties. In modern agreements covering large workplaces, some of these appointments may involve full-time union duties at the workplace. The right of the union to post notices for the information of members at the workplace is usually spelled out in such provisions.

Employers encountering these proposals for the first time in the 1930s and '40s regarded them as an outrageous trespass on their property and a threat to their proper authority. Some retain that attitude in the '80s, but the number of workplace union activities sanctioned by collective agreement has grown substantially to embrace such functions as health and safety representatives and committees, job evaluation committees and union counselling of employees with drug or alcohol addiction problems.

4. *Union functions beyond the workplace*

These provisions deal with leaves — usually without pay — for workers elected to attend union conferences and constitutional conventions, or those selected to participate in union education seminars. They may also provide more extensive leaves for temporary or full-time employment with the union or a labour central body, or for workers elected to full-time office in the local or central headquarters of the union.

The CIO unions saw these and the workplace functions as essential requirements of worker emancipation and greater control by workers over their environment and their lives. To most employers of the 1930s and '40s, and many still, they were intrusions of a foreign element into their exclusive domain.

Management Rights

Management rights provisions are the obverse side of union recognition. They include union and employer assurances that there will be no strike or lockout during the term of the collective agreement, and they commonly identify subjects of managerial authority where management's prerogatives are exclusive, subject only to the limitations specifically imposed by the collective agreement. Examples are: the operation of the enterprise and the types of processes to be used; hiring, firing, transfer and demotion of employees; and judgment of their qualifications. In the view of the CIO unions, erosion of this untrammelled power was an essential precondition for enhancement of worker dignity. The workplace is

still nowhere near as democratic as other aspects of Canadian life, but the inroads over the years have been many and significant.

Employment Conditions

This category is comprised of wage rates and hours of work, paid time off, job security, income security and occupational health and safety.

Wage Rates and Hours of Work

1. Overtime pay and other types of premium pay

In many modern agreements, overtime is designated as voluntary on the part of the employee. Before industrial unions, employers were free not only to compel overtime work but to pay normal wages — or less — for the extended workday or workweek. This was one of the most important CIO breakthroughs in early agreements. The goal achieved was time-and-a-half, and it has remained the standard, but now, premium pay may rise to double time for excess overtime work and premiums are commonly applied to work performed on paid holidays or normal days off. Agreements now also require employers to distribute overtime work opportunities in a non-discriminatory fashion. Though of less importance, shift premiums, which provide small increments in wage rates for work performed on an afternoon or a night shift, are a widespread feature of industrial agreements.

2. Shift schedules, rest periods, etc

Shift work has been the subject of many occupational health studies. In workplaces that require a great deal of shift work, it is common to find details of shift schedules and a minimum notice of shift change in an attempt to minimize the stress associated with shift work as far as possible. Rest periods — usually two per shift — and meal breaks without loss of pay have also become standard.

3. Job evaluation and incentive pay

Some agreements provide for union participation in job evaluation - defining the relationships of jobs to each other within the bargaining unit for pay purposes. Union interest in this process stems from World War II controls on wage increases in both the U.S. and Canada. General increases were controlled, but elimination of individual and group inequities was not. The same instruments have been used to attack gender-based inequities.

4. Profit and productivity sharing

Most employers trying to avoid unionization chose the 'tough' response, the firing or intimidation of union activists. Some, however, decided to invite the workers to become - in a limited sense co-owners of the business through the initiation or extensions of profit-sharing schemes. It was not a significantly successful stratagem in the 1940s, but employer-initiated profit-sharing schemes did resurface in collective bargaining at later times. Employer profit-sharing proposals were accepted by some American union groups around the time of the 1982 recession. Profit-sharing was proposed by one company in Canadian basic steel bargaining in 1983-84, but was not included in the renewed collective agreements.

Two decades earlier, productivity sharing plans enjoyed considerable, though short-lived, acceptance in the U.S. steel industry, but failed to excite much interest in Canada. Employer motives for both types of plans have less to do with the promotion of worker capitalism than with the desire to have flexible and predictable labour costs. Canadian unions strongly resisted employer demands for wage concessions during the recession of the '80s. Under profit-sharing, worker incomes would have been adjusted downward automatically to accompany declines in corporate net income.

The negotiation of **paid holidays** and annual **vacations** was another CIO bargaining innovation. Hitherto, public holidays declared by the civil authority might be observed by an employer, but his workers received no pay for the day. Compared to Europe, where a one-month annual paid vacation has been the norm for some time, North American contracts have lagged behind. Vacations now generally increase according to the employee's length of service. Furthermore, in some industries, periodic extended vacations or sabbaticals and vacation bonuses have been added. For example, in the steel industry, the extended vacations arose from a productivity sharing scheme called the Savings and Vacation Plan, which became popular in the U.S. during the 1960s. In Canada, the unions ignored the elaborate productivity scheme but adopted the periodic sabbatical idea as bargaining policy. Vacation bonuses were originally introduced on a differential basis to encourage childless workers to select winter vacations, thus leaving the summer school vacation period available for workers with children. More recently, the bonus has tended to become a universal benefit attached to all vacations.

The number of paid holidays commonly provided in collective agreements has increased from as few as four in the 1940s to 11 or more in 1987. Additional personal paid days off for birthdays or at the individual's discretion are features of some recent agreements. All these provisions are intended to increase the recreational time available to the worker without loss of income. The CIO aim was to make the hourly-paid worker more nearly equal in these respects to the salaried managerial employee whose annual salary was not usually affected by various approved absences from work.

Job Security

Job security clauses usually take up the most space in modern collective agreements. They are concerned with protecting the worker's right to his or her job and ensuring that the degree of such protection increases with the individual's length of employment. Job security provisions also aim to enhance the opportunity for employees with the necessary ability to receive training or promotion in accordance with length of employment. Job security subjects in modern collective agreements may include: seniority; promotion and job posting; layoff and recall; preservation of bargaining unit work; apprenticeship rules; discharge and discipline; grievance and arbitration procedures; and no discrimination.

1. Seniority

Seniority clauses describe how length of employment is accumulated and terminated. For instance, they establish a probationary period to allow the employer to assess a new employee and to dismiss the probationer who is found to be unsuitable. Following the probationary period the employee acquires seniority usually with retroactive effect to the date of hiring. Seniority clauses also define — and may place limits on the number of — part-time and temporary jobs in the bargaining unit. Related provisions explain how an employee's seniority applies in cases of layoff and recall to work at the end of a layoff,

and to promotion or transfer to fill vacancies in higher paying or otherwise more desirable jobs. The compulsory posting of job vacancies in advance, so that employees may make application, further enhances the possibility for the worker to seek advancement. The seniority clause does not eliminate discrimination since workplace developments regularly require its exercise. Discrimination on the basis of seniority, among those who have the ability to the work, simply replaces arbitrary forms of discrimination previously common in the workplace such as those based on age, politics, friendship or enmity, bribery, union or anti-union activity or membership, sex, or nepotism.

2. Preservation of bargaining unit work

The collective agreement further promotes job security by requiring that managerial employees do not perform work normally done by a member of the bargaining unit, except in cases of emergency or for the purpose of training. Many agreements limit the extent to which the employer may hire outside contractors to perform work which could be done by workers in the bargaining unit.

3. Apprenticeship rules

Trainee tradespersons undergoing apprentice training in industry were sometimes used by employers to procure skilled work at cut rates and thus threaten the job security of journeymen. The devices used were: employment of a high ratio of apprentices relative to journeyman tradespersons; manipulation of apprentice pay rates; delays in the completion of the apprenticeship period; and the replacement of finished apprentices with fresh trainees. The unions overcame this problem by negotiating set apprentice-to-journeyman ratios; establishing fixed durations for training and defining wage rate progression for apprentices from the starting rate to the full rate for the trade.

4. No discrimination

The protection provided by the seniority provisions is usually given positive reinforcement by a clause which forbids the exercise of discrimination in any manner on certain specified grounds. While the original General Motors agreement listed only union membership and activity in this category, modern agreements usually include race, colour, ethnic origin, and sex, and many have added political affiliation and sexual preference. These clauses quite often enjoin the union along with the employer since it is conceivable that a union officer or steward could abuse seniority or grievance procedures in a discriminatory manner.

5. Grievance procedure

From the passage of PC 1003 in 1944, it became mandatory that every collective agreement provide a procedure for resolving labour management disputes arising within the term of the agreement, without resorting to strike or lock-out. This regulation was designed to avert disruption of wartime production, but such provisions were already part of CIO bargaining policy and had been implemented in agreements like the 1937 Oshawa settlement without legislative sanction. The grievance procedure was certainly one of the more dramatic intrusions of the union into the workplace introduced by the CIO in its earliest confrontations with Canadian employers.

Grievance procedures vary in complexity and in the number of steps or stages leading up to final and binding arbitration. Their purpose, however, is always the same: to enforce the terms of the collective agreement as they apply to individuals, groups of workers, or to the union itself by means of a mechanism built into the agreement. A typical procedure aims to have the disputed matter settled where it begins (for example, between the affected worker and his or her immediate supervisor), or if no resolution is possible there, by reference up to the next level where a union steward or grievance committee representative might meet with a divisional superintendent or branch manager, and so on until the employer's highest industrial relations authority and the union's counterpart — perhaps the grievance committee and a full-time union representative attempt a resolution. Failure at this level takes the matter to final and binding arbitration, where an impartial outside arbitrator or tribunal is asked to hear the arguments, study the agreement, and issue a decision. Time limits are provided at each stage to prevent delay

Income Security

Prior to the advent of the CIO, 'hourly-paid' employees were those whose employment could be dispensed with at any time. They comprised the vast majority of industrial workers, and payment by the hour emphasized the tenuous nature of their employment. Seniority, no discrimination and other job security clauses in collective agreements made a fundamental improvement to the hourly-paid worker's security of employment. There remained the issue of income security.

Payment by the hour meant that even unavoidable absence from work meant a concomitant loss of income. Absence due to illness or family emergency often meant severance of employment, but always meant lost wages. By contrast, salaried managerial employees, whose employment was deemed to be fixed for a longer term, usually maintained their regular earnings during authorized absences. The CIO set about correcting this disparity by negotiating maintenance of both seniority and wages during absence due to illness. Employers often chose to have this cost underwritten in the form of disability income insurance. The amounts seldom equalled the wages foregone, and their duration depended upon the vicissitudes of bargaining, but a degree of income security was established for the hourly paid. Compensation for loss of employment, or severance pay, was another CIO attempt to bring greater security and respectability to the hourly worker.

The income maintenance provisions in modern agreements address a far broader range of issues. To disability wage continuance plans or disability income insurance have been added: long-term disability income insurance, advance notice of termination and pay in lieu of notice, bereavement leave with pay, witness and jury duty pay, supplemental unemployment benefits, supplements to workers' compensation benefits, maternity and family leave, cost-of-living adjustments (COLA) and various forms of wage rate retention (*eg*, consequence of a layoff, or due to technological change).

1. Long-term disability insurance

Terms vary from one agreement to another, but this form of insurance usually provides a guaranteed monthly income for life or until recovery or attainment of age 65, comprised of a total of insurance plus amounts from private disability pensions and public benefits to which the individual may be entitled. It applies after short-term disability income benefits have expired.

2. *Notice of termination, pay in lieu of notice and severance*

These terms are self-explanatory. In most Canadian jurisdictions, minimum versions of these CIO innovations have recently become mandatory under employment standards legislation.

3. *Bereavement, witness and jury pay*

Most collective agreements now require the employer to maintain the worker's earnings during such absences. Bereavement leaves are subject to limitations (three days plus travelling time is fairly standard).

4. *Workers' Compensation 'make-up'*

The employer agrees to make up the difference between the disabled worker's temporary Workers' Compensation benefits and the applicable normal earnings.

5. *Supplemental Unemployment Benefits (SUB)*

This is a more complex form of benefit because its establishment by the UAW in the 1950s required amendments to the *Income Tax Act* to permit employer contributions from pre-tax dollars. Benefits are paid out of a fund created by employer contributions and added to Unemployment Insurance Commission weekly benefits to reach a minimum percentage of the unemployed worker's normal earnings. Duration, while the SUB fund lasts, commonly varies with seniority.

6. *Maternity and Family Leave*

These provisions reflect the growth in female participation in the workforce and the strong feminist response to the resulting job security problems. It was not an original plank in the CIO's bargaining platform. Although recent improvements in employment standards laws have addressed the job security issue, in part, with respect to maternity leave, unions have taken up the question of income maintenance during such leave and the extension of the principle to cover emergency family leaves and paternity leaves to permit fathers to assume parenting duties. This group of issues, together with employer participation in the provision of daycare facilities, is still in an emerging phase on the Canadian collective bargaining scene. It is a typical CIO issue in the sense that it seeks to resolve an inequity, *ie*, the penalty paid by workers because of the apparent incompatibility of parenting and job responsibilities.

7. *Rate Retention*

These clauses are intended to delay abrupt and disruptive losses of income brought about by a worker's demotion to a lower-rated job; an event which often occurs in the course of the seniority-related 'bumping' that accompanies a layoff. The aim is to maintain the worker's former rate of earnings during an adjustment period of several months. This protection may consume all or some of the time remaining before a scheduled general wage increase becomes effective or until the collective agreement is due for renegotiation. Rate retention clauses often form part of more elaborate provisions linked directly to the effects of technological change within the workplace.

8. *Cost-of-Living Allowances*

A wide variety of COLA clauses provide periodic increases in pay according to rises in the cost of living as measured usually by the consumer price index. The COLA provision — waggishly dubbed 'the clause that refreshes' — is another byproduct of World War II wage controls. Wartime conciliation boards had the right to recommend its adoption in certain circumstances and it was retained, in many cases, after controls were lifted. The overall popularity of COLA tends to wax during periods of strong inflation and wane at other times.

9. *Occupational Health and Safety*

Because the responsibility for adherence to the rudimentary health and safety laws of the 1940s was placed solely in the hands of the employers, they initially refused to concede any share to the upstart industrial unions. As with so many of its policies, the CIO pursued health and safety issues both in the political arena and at the bargaining table. Progress was slow on both fronts.

Nevertheless, important gains were made at the bargaining table well before fundamental legislative amendments were first enacted in the 1970s. Beginning in the mining industry, the unions bargained successfully for representation at inquests into workplace fatalities, union-appointed and union-trained workplace representatives paid by companies, the union right to examine accident locations and to be present during government inspections. In the early 1970s, the United Steelworkers initiated a substantial annual contribution by INCO to medical research into occupational health and safety issues. Projects are selected by a joint union-management team. Today, the legitimacy of union involvement in workplace health and safety is conceded by all but a few die-hard employers. Indeed, the CIO's descendants have developed what are arguably the most effective educational responses to occupational health and safety problems.

Cooperative Activities

When it became evident that the CIO unions were not going to disappear like their predecessors, and after the two sides had tested one another in strike situations, some **joint activities** in support of common goals were attempted. The simplest of these endeavours are mid-term or in-term meetings of the union and employer. They permit informal exchange of data and opinions outside the tense atmosphere of collective bargaining and sometimes lead to the resolution of persistent problems. Such accommodations are more likely to be reflected in an exchange of 'letters of understanding' than in formal contract language. Where their applicability remains unchanged, these letters may be updated during contract renewal negotiations and appended to the collective agreement.

In some instances, joint committees to deal with productivity improvement within corporations or industries have enjoyed considerable longevity. Recent trade and economic difficulties have brought a number of industry-wide joint bodies into existence to confront the common problems of foreign competition, poor markets and technological change. The Canadian Steel Conference is the most recent example. Textile employers and unions have been engaged in such exercises for more than a decade. Some unionists believe these joint ventures to be simple co-optation of worker representatives; others see them as reflections of a maturing industrial relations environment. The former group argues that

employers only consult unions when the industry is in trouble and breaking the union is deemed an unlikely alternative. The latter believe employers are offering long overdue recognition. Both are probably right.

Some of these joint institutions have been initiated by governments. Examples are the Joint Consultative Committees promoted by Labour Canada and the Quality of Work Life (QWL) program backed by Ontario's Davis government. Both have been implemented in some instances, but neither has proven popular.

Since the arrival of the CIO, public policy has progressed toward fairer protection of workers' rights to organize and bargain collectively. Canadian governments are given, nevertheless, to bouts of anguish over the intrinsic untidiness of the so-called adversary system which governs Canadian industrial relations. Like Mackenzie King, they long for labour-employer harmony in the single-minded pursuit of economic progress, and they seek the philosopher's stone in the apparent discipline and conformity of the Japanese industrial scene. It continues to elude them.

Employee Benefits

This category — often called 'fringe benefits' — includes pensions plans, health and life insurance, and other forms of employee benefits not directly connected with the workplace. In part, their existence began with World War II wage controls. Employers seeking legal means to attract and retain needed workers in a tight market, advertised fringe benefits which were not subject to controls. The establishment of employee pension plans was made easier and cheaper by the dominion government's provision of low cost annuities. The dominion annuities formed the foundation of many of today's employee retirement plans.

1. Health Insurance

The social democratic leaders of the CIO/CCL believed in universal, government-run retirement and health plans, and since both were anathema to the traditional parties, the CIO unions began solidifying and extending the private system through collective bargaining. When the Saskatchewan CCF, under T.C. Douglas, formed the first socialist government in North America in 1944, it inaugurated a public hospital insurance scheme. The Saskatchewan plan was ultimately inspired by Britain's Beveridge Report, but its handiest private sector model was the network of medical and hospital insurance schemes being advanced by CIO bargaining.

The negotiated system grew rapidly throughout the first 30 years of the CIO/CCL's existence in Canada until it was overtaken by Saskatchewan's adoption of full medicare in 1962 and the subsequent extension of the system across Canada under the aegis of a federal cost-sharing initiative. This CIO political goal having been realized, the movement proceeded with drug, dental and other forms of medical insurance with a similar long-term political policy in mind. Their efforts met the enthusiastic support of the insurance companies eager to expand business in that segment of the health care field which remained in the private sector.

It is a rare collective agreement today which does not provide employer-paid premiums for insurance covering employees and their dependents against the costs of prescription drugs, prescription glasses, hearing aids and dental treatment. Also commonly covered are the premiums for group term life insurance on the employee, including accidental death and dismemberment benefits, and group permanent life insurance for retirees. Health insurance coverage is often also provided to retired employees.

2. Pensions

Progress in pension negotiations has been dynamic but less uniform. The greatest progress has been realized in bargaining with major employers where economies of scale are available in the provision of employee benefits. In heavy industry, non-contributory, defined benefit pension plans are the most common. Many feature provisions for unreduced early retirement pensions after a minimum of 30 years service or attainment of some age and service combination. For early retirees, there are usually supplemental pensions designed to replace public pensions during the period between the individual's early retirement date and age 65 when Old Age Security pensions and full Canada Pension Plan benefits become available.

The negotiated pension plans have proven to be the most effective means of offsetting layoffs of younger employees in severe employment cutbacks due to technological change. Older employees with greater seniority are encouraged to take early retirement to create job vacancies for younger workers who would otherwise be displaced. Pensions and health insurance are treated in greater detail in Chapter 5.

New employee benefit schemes have begun to make their appearance at the bargaining table. The Canadian Automobile Workers Union (CAW) has initiated a members' legal assistance plan funded from employer contributions. CLC-affiliated unions in Quebec have organized a workers' investment fund, created by payroll deductions and aimed at helping to encourage both economic success and a greater degree of local ownership of Quebec-based businesses.



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