

CANADIAN PUBLIC SECTOR UNIONS AT THE CROSSROADS

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ABSTRACT

Since the 1960s, public sector unions have accounted for the lion's share of union growth in Canada. The rapid rise in public sector unionism was a response to the introduction of public sector bargaining laws and the expansion of public employment. The prospect for continued growth was challenged by the "retrenchment years" (1990s), a period in which governments and public sector employers (e.g., health care and education) engaged in massive restructuring and downsizing. This study reveals public sector unionism stagnated during the retrenchment years, with a number of major unions suffering membership losses. This was followed by a general rise in union membership and density in the postretrenchment years. In addition to examining the reasons why some unions experienced growth while others suffered losses, the study assesses the prospects for future union expansion.

The purpose of this study is to analyze public sector unionization in an era of restructuring and downsizing. Since the 1960s, public sector unions have accounted for the lion's share of union growth in Canada [1]. As described in the first section of the article, the growth pattern corresponds to the major stages of development of public sector collective bargaining [2]. The "expansionary years" (mid-1960s to the early 1980s) witnessed a rapid rise in public sector unionism in response to the introduction of public sector collective bargaining laws and the expansion of public employment. During the "restraint years" (1982-1990), a period marked by wage restraint laws and other restrictions on collective

bargaining, union growth continued, albeit at a slower rate. The “retrenchment years” (1990-1997) represented a period of escalating budget deficits and debt. This prompted governments and broader public sector employers (e.g., health care and education) to undertake massive restructuring and downsizing. The impact of retrenchment on public sector union membership and density has not been thoroughly examined. In addition, little attention has been focused on union patterns in the “postretrenchment year,” which began in 1998 [3].

The second section of the article analyzes the impact of the retrenchment and postretrenchment years on unionization. This includes an examination of:

1. overall public sector membership and density;
2. components of the public sector (e.g., the three levels of government and the broader public sector), and
3. the reasons why some unions experienced membership gains while others suffered losses. Specific attention is given to changes in union structure (e.g., mergers) and strategies (e.g., diversifying membership outside the public sector).

The final section of the article considers the prospects for future union growth in the public sector.

PUBLIC SECTOR BARGAINING: STAGES OF DEVELOPMENT

A forerunner of public sector bargaining was a system of employment relations known as “association–consultation.” In various parts of the public sector, employees had formed associations to consult with their employers over wages and other conditions. However, rising dissatisfaction with association-consultation (its narrow scope and the absence of a final dispute resolution mechanism) and social upheaval in the 1960s contributed to increased interest in collective bargaining. The removal of legal obstacles provided the impetus for the emergence of public sector bargaining [2].

The Expansionary Years (Mid-1960s to 1980)

The breakthrough legal development was the passage of the *Public Service Staff Relations Act* (1967), which extended collective bargaining rights to federal public servants.¹ The provinces followed the federal government’s lead by granting bargaining rights to their employees and to broader public sector employees such as teachers and nurses. As a result, “[b]y 1975, the rights of virtually all public employees to engage in collective bargaining were established and protected by law” [2, p, 423].

¹ Some public sector employees are covered by private sector legislation (e.g., municipal workers, other than police and firefighters, and civil servants in Saskatchewan). In 1964, Quebec became the first province to adopt a distinct public sector bargaining law.

There was an immediate response to the legal enactment. The pent-up demand for unionization was reflected in the surge in union membership. Although authoritative statistics on public sector unionization are not available for this period, it is estimated that public sector union membership increased from approximately 183,000 members in 1961 to 1.5 million members in 1981. Union growth was especially strong between 1969 and 1973, when public sector membership more than doubled (from 430,000 to 883,000 members). By 1981, the public sector share of total union membership reached 43.3 percent [4].

The explosion in union growth can be attributed to several factors [5]. First, the transformation of associations into unions and mergers took place in anticipation of legal changes. This facilitated the “association-union convergence” process. For example, virtually the entire federal public service was certified between 1967 and 1970. In some cases, statutory recognition was extended to unions (e.g., public servants and teachers). Second, the groundswell for unionization coupled with the relative absence of employer opposition to collective bargaining contributed to the rapid union expansion without the pitched organizing struggles more commonly experienced in the private sector. Economic expansion in the 1960s fueled the demand for public services (including the introduction of Medicare). Union expansion was sustained in the 1970s by the growth of public employment and the operation of union security clauses.

The Restraint Years (1982-1990)

By the late 1970s, growth in public employment (and union membership) slowed. The restraint years posed additional challenges to public sector union expansion. In the early 1980s, a major economic recession and double-digit inflation rates led to the adoption of public sector wage restraint laws by the federal and provincial governments. Although these restraint laws were intended to lower wage expectations and combat inflation, they also restricted bargaining over noncompensation issues, the right to strike, and access to interest arbitration [3]. These restrictions were also aimed at curbing what some regarded as the “excesses” of collective bargaining (high wage settlements and strike activity in the preceding decade) and were a harbinger of more permanent and restrictive changes in public sector bargaining to come [6]. Over the remainder of the decade, wage settlements were moderate (even after restraints were removed), strike activity declined and public employment grew at a slower rate.

Despite the restrictive economic and political climate of the 1980s, public sector unionism continued to grow. It is estimated that public sector union membership increased by 47 percent between 1981 and 1992, reaching 2.2 million members or about 54.6 percent of total union membership. Growth patterns varied across components of the public sector. The largest membership gains were for nurses’ unions (more than 100 percent) and unions representing provincial and

municipal government employees (more than 50 percent). Only minimal gains were made in the federal public service. It is noteworthy that public employment remained an important source of union growth in almost all parts of the public sector, even though there was a marked slowdown in employment expansion after 1988. Another factor contributing to growth was union diversification. Some unions that traditionally represent government employees acquired new members in the private sector or expanded into other parts of the public sector (e.g., health care and education) [5].

The Retrenchment Years (1990-1997)

A major recession in the early 1990s heightened concerns over job security in the public sector. These concerns were magnified by the large budget deficits and accumulated debt levels being experienced by senior levels of government.

To a certain extent, the increased indebtedness was a response to the business cycle, with tax revenues falling and social welfare expenditures increasing as a result of the 1990-91 recession. In addition, the federal government's decisions to cap or reduce its transfer payments to the provinces and to change unemployment insurance regulations, reducing benefits, had the effect of off-loading some of the federal deficit to the provinces. . . . As a result most provinces saw their deficits more than double between 1991 and 1993, whether measured in absolute or relative terms. For example, the average provincial deficit increased from 1.4 per cent to 3.3 per cent of provincial GDP.

At the same time, more than a decade of government deficits and high interest rates generated mounting accumulated debt levels. . . . Provincial debts climbed steadily between 1988 and 1996, with big jumps between 1992 and 1994, reflecting the large deficits in that period. Although there was wide variation among provinces, the average debt increased from about 24 per cent to almost 37 per cent of GDP. The federal debt ratio was even higher, increasing from 50 per cent to 70 per cent over the same time frame [7, p. 3].

In response to the worsening fiscal situation, governments moved quickly to reduce public spending. This was achieved through massive restructuring, downsizing, and the adoption of new public management practices, e.g., redefining the role of government and pursuing alternative systems for the delivery of public services [8]. As well, governments increasingly relied on market forces (e.g., privatization and contracting out) [2]. These measures led to a sharp drop in public employment. For example, civil service employment at the federal and provincial levels fell by approximately 15 percent between 1991 and 1997 [9]. Staff reductions were also commonplace in the broader public sector.

It is noteworthy that 11 of the 15 senior governments in power in the 1990s relied on unilateral legislative action or a combination of legislation and hard

bargaining to implement retrenchment and restraint [7]. The most common legal infringements involved compensation restraints. However, unlike the wage guidelines of the preceding decade, these measures were far more restrictive and included wage freezes, wage rollbacks, the extension of collective agreements, and unpaid leaves of absence. Other laws imposed broader and permanent restrictions on public sector bargaining. These included weakening job security arrangements (e.g., limiting or removing protections against privatization and contracting out), imposing restrictions on the right to strike, and suspending access to interest arbitration or modifying arbitral criteria or the selection process for appointing arbitrators [3]. With bargaining restricted and public employment declining, public sector unions found themselves in a weakened position. During the retrenchment years, public sector wage settlements consistently lagged private sector settlements, and the decline in strike activity, which had begun a decade earlier, continued [3].

The Postretrenchment Years (1998-Present)

The collective bargaining fortunes of public sector unions have not improved significantly in the postretrenchment years. Despite sustained economic growth and the elimination of budget deficits by most senior governments, there was a concerted effort by government and public employers to remain fiscally vigilant and consolidate the gains they had made during the retrenchment years. Although the urgency to restructure and downsize had abated, limiting compensation gains and maintaining balanced budgets remained a priority. Accordingly, there was continued use of hard bargaining strategies and resort to legislation when required. Even though the context was less constrained than during the retrenchment years, public sector unions continued to struggle at the bargaining table. In particular, unions failed to achieve appreciable wage catch-up, despite favorable economic conditions and a rise in strike activity in support of those demands [3].

RECENT PATTERNS OF UNION GROWTH

This section explores recent patterns of union membership and density. As noted above, public sector unions showed resilience during the restraint years as they continued to grow in a period when collective bargaining was restricted. Although unions did not benefit from a more favorable legal environment, as they did during the expansionary years, the rise in public employment was a prime factor in union expansion. However, in the 1990s, the climate for public sector bargaining darkened considerably, and the prospect for union expansion was constrained by restructuring and downsizing.

Efforts to analyze patterns of public sector membership and density are limited by the lack of a “consistent and all-encompassing” time series [10, p. 39]. There

are several sources that offer some assistance in assessing patterns of public sector unionization. The Statistics Canada Labour Force Survey (LFS) provides figures on overall union membership and density, as well as a breakdown by components of the public sector and occupational categories. A special LFS was conducted in 1984, and annual surveys have been conducted since 1997 [10, 11]. Although the LFS does not include most of the retrenchment years, union statistics compiled under the Corporations and Labour Unions Returns Act (CALURA) offer some assistance in bridging the gap. Owing to differences in survey techniques,² CALURA reports higher density rates than the LFS and other household surveys. Nevertheless, the trends in density rates are broadly similar [10]. A third source is the *Directory of Labour Organizations in Canada* (DLO) compiled by Human Resources and Social Development Canada [12]. The annual directory provided membership figures for individual unions and, once aggregated, these data allowed researchers to estimate public sector union membership [4, 5]. Unfortunately, the DLO is no longer published and, as a result, annual membership figures for public sector unions are available only in an abbreviated form, i.e., for unions with 30,000 or more members [12, 13].

Overall Patterns of Public Sector Unionization

Table 1 provides the LFS statistics on public sector union membership, the public sector share of total membership, and density rates for 1984 and 1997-2004. Between 1984 and 2004, public sector union membership rose by more than 50 percent, or 2.7 percent annually. Despite these gains, it appears likely that membership growth abated during the retrenchment years, since union growth between 1984 and 1997 averaged only 2.0 percent annually compared to just over 3 percent after 1997. This inference is supported by the 2.1 percent decline in the union density rate between 1984 and 1997. This appears to indicate that the drop in union membership was greater than the decline in public employment during the retrenchment years. Whereas the density rate climbed after 1997, this represented little more than a restoration of the rate that existed in 1984. These figures also tend to confirm previous findings that suggested public sector unionization was at or near the saturation level in the 1980s [4].

There is another reason for believing most of the gains in union membership between 1984 and 1997 took place prior to the retrenchment years. As noted above, an earlier study based on aggregating the membership of individual public sector unions, estimated that public sector unions grew at an annual rate of 4.3 percent between 1981 and 1992 and represented 54.6 percent of total union

² Among the differences between the LFS and CALURA is that the latter relies on a reference period (December 31 versus weighted weekly averages) and involves a census of all unions with 100 or more members (as opposed to a sample of households without regard to union size) [10].

Table 1. Public Sector Unionization—1984, 1997-2004

Year	Membership (000s)	Public sector as a % of total membership	Density rate
1984	1,466	42.2%	71.8%
1997	1,850	52.6%	69.7%
1998	1,851	51.8%	71.1%
1999	1,885	53.0%	70.7%
2000	1,947	52.4%	69.9%
2001	2,017	53.2%	71.0%
2002	2,092	53.8%	72.5%
2003	2,159	53.5%	72.0%
2004	2,251	55.1%	72.3%

	Membership growth	(annual)	Change in density rate % point
1984-97	26.2%	2.0%	-2.1%
1997-04	21.7%	3.1%	+2.6%
1984-04	53.5%	2.7%	+0.5%

Sources: 1984 and 1997-2003 [11]; a special tabulation for 2004 was provided by Statistics Canada.

membership in 1992 [4]. This is well above the 2 percent annual growth rate found in the LFS for 1984-1997. Further, the public sector share of total union membership remained below that estimate of the earlier study until 2004. Indeed, Table 1 illustrates that unionization recovered slowly from the effects of the retrenchment years and did not improve appreciably until around 2000.

Finally, the stagnation in public sector unionism during the retrenchment years appears to be confirmed by CALURA figures for government unions (i.e., federal and provincial government employees). Between 1990 and 1995, membership in these unions rose by a modest 3.9 percent or less than 1 percent annually. Additionally, between 1993 and 1995, membership in unions in educational services, health and social services, and government services was stagnant. The density rates declined in each sector except for government services, a sector that experienced a more substantial decline in employment [14]. As indicated below, the density rate gain in government services was confined to local government.

Membership and Density by Component and Occupation

Although disaggregated figures on public sector unionization from the LFS are limited to the period 1997-2004 (see Table 2), they reveal important differences in union patterns within the public sector. First, there were large membership increases in health care and education (31.1 and 20.7 percent, respectively). At the same time, the density rates in these sectors recorded only modest gains (about 1 percent) as a result of strong employment growth in both components. Public administration grew at one-third to one-half the rate of those components. Within public administration, there was substantial variability, ranging from a 4 percent decline in local government employment to robust growth at the federal government level (30.7 percent). The density rate increased at all levels of public administration, including a robust 5 percentage points in local government. The latter result indicates that the decline in employment exceeded the drop in union membership in this sector [10].³

These results are consistent with the historical pattern of public sector unionization, namely that membership gains are positively associated with employment growth. In particular, the sectors recording the largest gains in membership also experienced significant increases in employment. Where employment losses exceeded membership losses, as was the case in local government, the density rate rose.

Although disaggregated membership figures are limited for the period prior to 1997, the available evidence reveals that union stagnation and decline were closely linked to a decline in public employment. Public sector unions continued to grow until the early 1990s. Civil service employment at senior governments fell by 14 to 15 percent between 1991 and 1997, with most of the losses coming between 1993 and 1997. The cutbacks resulted from transferring jobs from “the civil service jurisdiction to another level of government or agency” or contracting them out to the private sector [7, p. 29]. A different pattern existed elsewhere in the public sector. Between 1990 and 1997, there was employment growth in education (8.6 percent), health and welfare (17.2 percent), and local government (22.5 percent) [16]. One factor contributing to the robust employment gains in local government was the downloading of services to municipalities by senior governments. The fiscal crisis experienced by senior governments during the retrenchment years did not filter down to the municipal level until years later. As a result, local governments initiated employment reductions after 1997, whereas senior governments began hiring additional staff as their fiscal position improved.

The occupational dimension of public sector unionization is broadly similar. There were membership gains for support staff (health), nurses, and educators.

³ It is estimated that union density rates also fell between 1991 and 1998 in components of the public sector, except for health and social services [2, 15].

Table 2. Public Sector Membership and Density by Component and Occupation, 1997-2004

	Union members		Union density		Change 1997-2004	
	1997 (000s)	2004 (000s)	1997 (%)	2004 (%)	Members (%)	Density rate (% point)
Component						
Local admin.	175	168	59.1	64.1	-4.0	+5.0
Provincial admin.	159	171	70.7	71.4	+7.5	+0.7
Federal admin.	176	228	66.1	69.9	+30.7	+3.8
Public admin.	510	567	64.7	68.4	+11.2	+3.7
Education	598	722	68.2	69.0	+20.7	+0.8
Health/social assistance	623	817	52.6	53.6	+31.1	+1.0
Occupation						
Support staff (health)	82	145	50.8	57.0	+76.8	+6.2
Nursing	173	208	78.1	80.2	+20.2	+2.1
Technical (health)	109	106	61.6	59.5	-2.8	-2.1
Teachers and professors	388	465	75.4	75.2	+19.8	-0.2

Sources: 1984 and 1997-2003 [11]; a special tabulation for 2004 was provided by Statistics Canada.

The exception was technical health-care workers, whose membership fell by nearly 3 percent. Membership gains and density growth were especially strong among support staff in health care. The membership gain of more than 75 percent exceeded the large increase in employment for this occupation (57 percent) and hence contributed to the increase in the density rate. Despite strong gains in membership for nurses and educators (teachers and professors), their density rates moved in opposite directions, depending on whether membership gains kept pace with growth in employment.

Membership in Major Unions

Table 3 (Panel A) provides membership figures for major public sector unions, i.e., unions with 40,000 or more members in 1990. Although most of these unions grew between 1990 and 2004, there were some notable exceptions. The Alberta Teachers' Association suffered the steepest decline, losing about one-quarter of its

Table 3. Public Sector Union Membership—Selected Years

Panel A: Major Unions							
Unions	1990 (000s)	1994 (000s)	1998 (000s)	2004 (000s)	% change 1990-04	Peak year	% change peak to '04
Canadian Union of Public Employees	376.9	409.8	489.3	535.0	+41.9%	2004	none
National Union of Public and General Employees	301.2	307.6	309.0	337.0	+11.9%	2004	none
Public Service Alliance of Canada	162.7	167.8	142.3	153.0	-6.0%	1993	-10.6%
Social Affairs Federation	94.6	94.7	97.0	101.0	+6.8%	2002-03	-0.2%
School Board Teachers Federation	75.0	78.0	82.6	81.0	+8.0%	1997-99	-1.9%
Ontario Nurses' Association	52.1	50.2	40.0	48.0	-7.9%	1991	-13.4%
Canadian Union of Postal Workers	46.0	51.0	52.9	54.0	+17.4%	1999-00	-1.5%
Ontario Secondary School Teachers Federation	43.3	48.7	49.5	53.0	+22.4%	2001	-1.9%
Alberta Teachers' Association	42.5	45.4	30.9	32.0	-24.7%	1994	-29.5%
Quebec Federation of Nurses	41.5	45.0	47.5	50.0	+20.5%	2004	none
Quebec Government Employees Union	40.0	45.5	47.8	43.0	+7.5%	1996-98	-10.0%
Source: [12, 13].							
Panel B: Membership Estimates by Type of Union							
Unions	1986 (000s)	1994 (000s)	1998 (000s)	2002 (000s)	Percent change		
					1994-02	1986-02	
Teachers' unions	276.8	404.6	404.6	390.1	-3.6%	+40.9%	
Nurses' unions	78.1	166.5	166.2	172.8	+3.9%	+121.3%	
Source [2].							

members. Both the Public Service Alliance of Canada (PSAC), the largest union in the federal public service, and the Ontario Nurses' Association also experienced losses (6.0 and 7.9 percent, respectively).

As revealed in both Panel A and B, these three unions fared poorly compared to other unions in their respective segments of the public sector. Consider, for example, union membership changes among unions representing other government workers. The Canadian Union of Public Employees (CUPE), which represents municipal workers, increased its membership by 41.9 percent. Part of the reason for the union's success is that it also has a strong presence in health care and education, which represent a growing share of its overall membership [3, 4]. As well, the National Union of Public and General Employees (NUPGE), which is the dominant union among provincial government employees, grew by 11.9 percent by broadening its jurisdiction to include workers in other parts of the public sector as well as the private sector. The Quebec Government Employees Union also had a higher membership in 2004 than it did in 1990.

In marked contrast to the Alberta Teachers' Association, the other major teacher unions experienced strong membership gains between 1990 and 2004. For the Ontario Secondary School Teachers' Federation (OSSTF) and the School Board Teachers in Quebec, membership rose by 22.4 and 8.0 percent, respectively. As shown in Panel B, there were no overall gains for teacher unionism between 1994 and 1998 and overall membership fell by 3.6 percent by 2002.⁴ Variability in membership is also evident for nurses' unions. Whereas membership in the Ontario Nurses' Association (ONA) fell by 7.9 percent, the Quebec Federation of Nurses grew by 20.5 percent. Overall, nurses' unions experienced a gain of 3.9 percent between 1994 and 2002 (even though there was a modest decline between 1994 and 1998).

The membership trend for larger unions between 1990 and 2004 obscures temporal changes in union membership. For example, most of the major unions experienced a decline in membership in at least one year between 1990 and 2004, and several unions suffered losses in as many as four years. Probing further, Panel A shows the peak membership year for each public sector union and compares it with 2004. Two findings are noteworthy. First, membership peaked for all but three unions prior to 2004. In other words, in 2004, membership was below the peak year for eight of the 11 public sector unions. Second, the percentage difference between peak year and 2004 membership represented a sizable drop-off in membership, as half of them experienced a double-digit decline.

Summary

What do these results signify about union membership and density during the retrenchment and postretrenchment years? To begin with, unions continued to

⁴ The latest available estimate for teacher unions and nurses' unions is 2002.

grow until the early 1990s. This was followed by a period in which most major unions representing government employees, teachers, and nurses suffered membership losses or membership stagnated. The exception to this pattern was CUPE, the union with the broadest public sector constituency. The postretrenchment period saw a rise in unionization for most major unions, although membership levels in 2004 for most of them were below the peak levels reached in previous years.

CONCLUSIONS AND DISCUSSION

It can be safely said that public sector unions did not wither away during the retrenchment years. Although economic and political conditions were unfavorable to union expansion, public sector unions were able to tread water during this period and demonstrated a modest rebound during the postretrenchment years.

With the onset of the retrenchment years, unionization was not able to benefit from the factors that facilitated union growth in the earlier periods. During the expansionary years, the explosion in public sector union membership and density was fueled by the introduction of enabling bargaining laws and significant increases in public employment. Gains were achieved through new organizing, statutory recognition of some unions and collectively bargained union security arrangements. A more restrictive legal environment during the restraint years limited opportunities for further expansion. Nevertheless, public employment continued to expand, albeit at a slower rate, and many public sector unions made gains through organizing, union security provisions, and mergers.

By the early 1990s, it was recognized public sector unions would be hard-pressed to sustain their impressive membership gains. There were several reasons for this. First, public employment growth slowed beginning in the late 1970s, and there were major recessions in the early 1980s and 1990s. Second, there was little likelihood that the generally liberal legal approach to public sector labor relations taken in the 1960s and 1970s would continue. On the contrary the wage restraint laws of the early 1980s marked the beginning of a more restrictive legal framework. Third, the speed and magnitude of union expansion in the two preceding decades suggested public sector unionization was at or near the saturation point. It was unclear whether there was much room to improve the density of rate of approximately 70 percent. Fourth, relative to the private sector, public sector union expansion had not been particularly arduous or difficult. Favorable bargaining laws, employment growth, and the relative absence of employer opposition made the transition from association-consultation to collective bargaining almost seamless.

Yet, “growth without struggle” posed a major challenge. As public sector unions moved “from the ‘organizing and growth’ stage of development to a ‘mature collective bargaining’ stage,” there were questions about whether they could “consolidate and rationalize their organizational structures and become

more effective economic and political voice mechanisms'' [5, p. 20]. It was further recognized that if public sector unions were to become more effective and expand, they would have to restructure (e.g., mergers), diversify their membership, establish interunion alliances and devise strategies to recruit new members. Given the limited opportunities for expansion within the public sector, they would have to recruit in the private sector, particularly in areas such as the service sector.

Our results indicate there were two important factors shaping union membership trends during the retrenchment and postretrenchment years. First, consistent with past patterns, employment growth figured prominently as most, but not all, unions in education, health and welfare, and municipalities recorded membership gains in the retrenchment years. Conversely, the contraction in employment among senior governments led to membership losses or stagnation. The rise in public employment in the postretrenchment years was generally associated with union growth in most components, with the notable exception of local government.

Second, there have not been widespread changes in union organization and strategy to facilitate the growth of public sector unions. A careful review of union membership patterns indicates that unions with a broader membership base experienced more growth than unions confined to a single component or occupational base. Consider, for example, the three largest government unions: CUPE, NUPGE, and the PSAC. One of the keys to CUPE's strong growth has been its ability to diversify beyond municipal government to become a major union in health care and education, as well as to recruit new members elsewhere in the public sector (e.g., day care and other social services) and the private sector (airlines). It has also broadened its base through mergers with university and other hospital unions. As well, it has gained new members through certification votes for consolidated bargaining units created as a result of the amalgamation of municipalities, health-care institution, and school boards. To a lesser extent, NUPGE grew through mergers and expansion into other components of the public sector and the private sector. It nevertheless remains the dominant union among provincial governments. The PSAC has not fared as well. It remains the largest union representing federal government employees, but is the least diversified of the government unions.

The situation for occupational unions such as teachers and nurses is mixed. Overall, their membership has not changed appreciably since 1994. The experience of individual teacher and nurses' unions varies considerably, with some experiencing big gains and others major losses in membership. Although there is some evidence of membership diversification, e.g., OSSTF has bargaining rights for other school board employees, e.g., support staff, teachers' aides, and professionals such as psychologists, most have not moved beyond their occupational base. The wide variation in membership patterns among individual unions reflects regional differences in the political environment, government austerity measures, and, in the case of teachers, demographic factors.

It appears public sector unions experienced a midlife crisis during the retrenchment years. As economic, political, and legal conditions changed, they assumed a defensive position. Their primary focus was on fighting government legislation and minimizing job losses for current members, rather than on recruiting new members. With their bargaining rights severely restricted by unilateral legislative action and their political voice weakened by the political shift to the right and the introduction of tough fiscal policies, public sector unions were, for the most part, unable to effectively respond to restraint, restructuring, and privatization. In some cases, public sector unions acquiesced because they were unable to mobilize their members to oppose government policies. In other cases, they successfully mobilized their members, but were unable to sustain inter-union alliances or coalitions of unions and community groups opposed to government policies [17]. Despite these setbacks, public sector unions had some successes. These included union participation in labor adjustment plans that relied on attrition and buyout packages rather than layoffs. Some unions were also able to minimize the effects of privatization through successor rights or by organizing private contractors [18].

The potential for future union expansion within the public sector is limited. In all likelihood, collective bargaining will be restricted as governments and public employers continue efforts to consolidate their gains from the retrenchment years through fiscal vigilance, the adoption of new public management practices and, when necessary, resort to legislative fiat and hard bargaining. Even favorable demographic changes, e.g., an aging population and a rising demand for medical services, may not facilitate union expansion if employers restrain expenditures through contracting out of lower-skilled jobs to nonunion private firms [18].

The last major frontier for union expansion remains the private service sector. Yet, as was observed a decade ago, “public sector unions (or coalitions of public and private sector unions) have not responded in any significant way to this challenge” [5, p. 44]. Even where membership gains have been made in the private service sector, they have not kept pace with employment growth [1, 19]. Whereas some public sector unions have made incursions into the private sector, often through mergers, and some private sector unions have made inroads in the public sector (e.g., the United Steelworkers of America organized 5,000 support staff at the University of Toronto), inter-union alliances to spur service sector organizing are lacking. Union rivalry, occasionally sparked by the turmoil surrounding restructuring, has also been a problem, as evidenced by private sector union raids in the public sector [18, 20]. In addition to being divisive, raids have not led to net gains in membership.

The organizing challenge for public sector unions is the same today as it was before the retrenchment period. Future union growth will likely depend on establishing and sustaining effective inter-union alliances. Although little progress has been made in this regard to date, the situation is not entirely bleak. A case in point is the recent and notable joint campaign mounted by NUPGE and

the United Food and Commercial Workers Union to promote the right of Wal-Mart employees to unionize across Canada [21]. It remains to be seen whether this will prove to be a harbinger of things to come or another isolated attempt to develop an innovative organizing strategy.

ENDNOTES

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