Canadian Megatrends

Unionization rates falling



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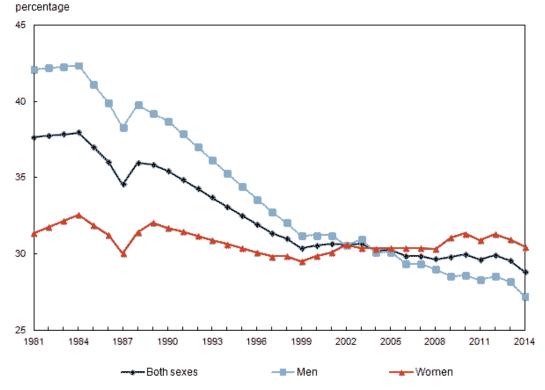
Unionization rates falling

CANADIAN 🍁 MEGATRENDS

The Canadian trade union movement grew out of the industrialization of the economy at the end of the 19th Century. At that time, unions were predominately a male domain and remained so until the 1960s. Today, a union member is slightly more likely to be a woman, and working in an office, school or hospital, while factory workers, miners and other blue collar trades have seen their union membership fall over the past quarter century.

The decline in the unionization rate is not a recent phenomenon. In Canada, most of the decline took place in the 1980s and 1990s. Since Statistics Canada began measuring unionization through household surveys, the rate of unionization has fallen from 37.6% in 1981 to 28.8% in 2014. Trends differ by sex, however.





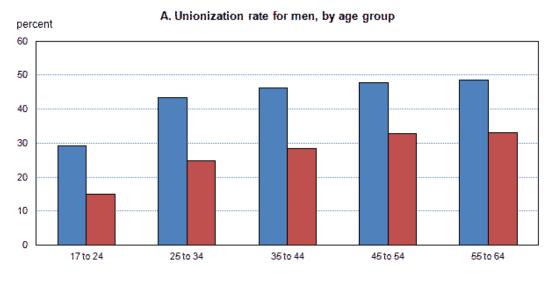
Sources: Statistics Canada, Labour Force Survey, 1997 to 2014; Labour Market Activity Survey, 1986 to 1990; Survey of Union Membership, 1984; Survey of Work History, 1981.

Statisticians generally measure union activity in two ways: unionization rate and coverage rate. This Megatrend uses the unionization rate because longer trend data are available for these rates.

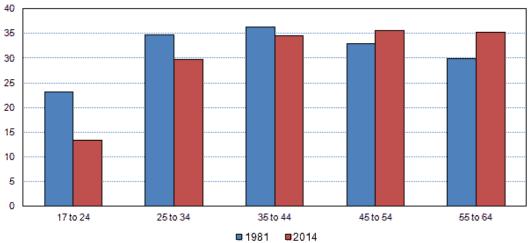
Rates fall among men, young workers

The decrease in the unionization rate was most evident among men, falling from just over 42% in 1981 to 27% in 2014, a decline of almost 15 percentage points. The largest decrease—8 percentage points—took place in the 1990s. On account of this decline, the unionization rate of men in 2014 was 2 points below the rate for women, whereas in 1981, it was almost 11 percentage points higher. During the same period, the unionization rate for women was relatively stable, varying between 30% and 32%.

Chart 2 Unionization rate by sex and age



B. Unionization rate for women, by age group



Sources: Statistics Canada, Survey of Work History, 1981; Labour Force Survey, 2014.

The fall in the unionization rate was greatest among young workers. The rate for men decreased for every age group, but was especially pronounced in the 25-to-34 and 35-to-44 age groups. The unionization rate for young women also decreased, but to a lesser extent, mainly because the declines in the 1980s and 1990s were offset by gains in the 2000s. Conversely, older women were the lone group to see their rate increase between 1981 and 2014: up 4 percentage points for the 45-to-54 age group and 7 percentage points higher for the 55-to-64 age group.

Employment shifts

percent

One reason for the decline in the unionization rate for young men was the employment shift from industries and occupations with high unionization rates, such as construction and manufacturing, to industries and occupations with lower rates, such as retail trade and professional services. The increase in the unionization rate for older women may be explained by their concentration in industries with a high unionization rate, such as health care and social assistance, education services and public administration.

From 1999 to 2014, public sector unionization rates grew from 70.4% to 71.3%. Private sector rates fell from 18.1% to 15.2% over the same years.

However, employment shifts were not the sole reason for changes in the unionization rate. For example, among men aged 25 to 34, employment shifts were behind less than half of the total decrease in the unionization rate from 1981 to 1998. This means that changes *within* industries and occupations also played a role.

Rates have fallen in all provinces. In 2014, Alberta had the lowest unionization rates, 20.3%, while Quebec and Newfoundland and Labrador, at almost 36%, had the highest rates.

Definitions

Unionization rate: the number of employed individuals who are union members as a proportion of the total number of employed individuals within a defined framework (enterprise, occupation, economic sector, etc.).

Coverage rate: the proportion of employed individuals, both union members and non-unionized employees, covered by a collective agreement.

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Resource persons

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