



Briefing Note

Commission for Labor Cooperation

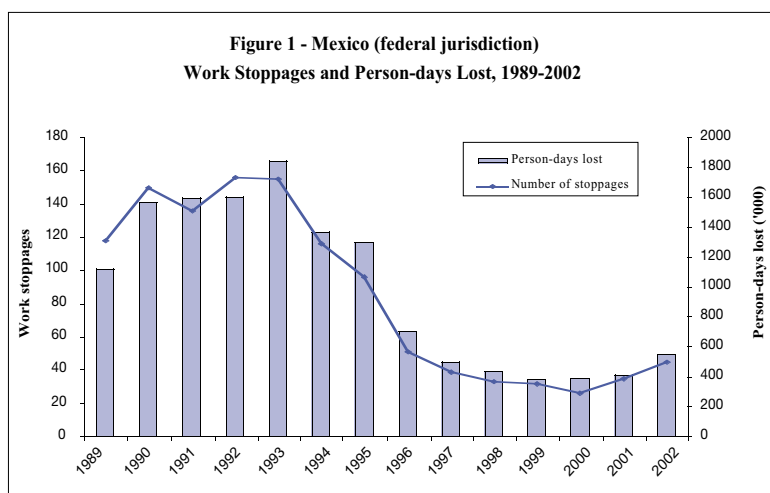
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WORK STOPPAGES IN NORTH AMERICA

Recent data indicate that the general downward trend in work stoppages in North America evident since the beginning of the 1990s is continuing. Despite some fluctuations, all three countries have seen the number of work stoppages, the number of workers involved, and the “volume” of work stoppages (i.e., the total number of person-days lost due to work stoppages), decline significantly. This briefing note describes the decline in work stoppages in Canada, Mexico, and the United States during the 1990s and early 2000s and summarizes the factors that have been identified in the scholarly literature as likely reasons for this decline.¹

Between 1989 and 2002, Mexico saw a steady decline in work stoppages (see figure 1).² In the 1990s, Mexico recorded an annual average of 96 strikes in the federal jurisdiction, involving an average of 36,000 workers each year and resulting in an annual average of 1.1 million person-days lost. The first three years of the 2000s saw the annual average number of federal-jurisdiction strikes fall to 35, with an average of just 35,000 workers involved and an average of 451,000 person-days lost each year. Although the overall trend was clear, the 1990s actually began with a small rise in the number of strikes, due in part to union opposition to the restructuring and privatization that was taking place in state-owned firms in this period. Following the 1994-1995 peso devaluation, there was a steep and steady drop in work stoppages until 2000, after which a very slight increase occurred in 2001 and 2002.

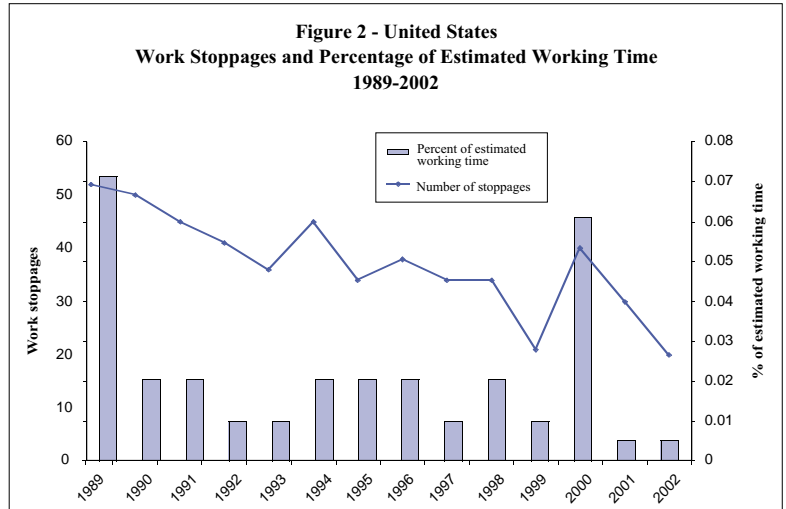
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In the United States, the trend in work stoppages between 1989 and 2002 generally mirrored that of Mexico (see figure 2). In the 1990s as a whole, there were an annual average of 38 major strikes, involving an average of 280,000 workers and an average of 4.5 million person-days lost per year. Working time lost as a percentage of total potential working time in the 1990s averaged just 0.016% during the decade. In the first three years of the 2000s, the United States saw an average of just 30 work stoppages each year, and an average of 182,000 workers involved. The annual average number of person-days lost, however, spiked to 7.4 million in 2000-2002, and the percent of estimated working time accounted for by work stoppages rose slightly to 0.023%. This departure from the general trend was the result of a small number of particularly large and long strikes. In 1989, a coal miners' strike lasted nearly the entire year, which accounted for more than 90 percent of the 16.9 million person-days lost that year due to work stoppages. In 2000, strikes by

screen actors and communications workers accounted for 19.2 million days or 94 percent of the year's person-days lost (BLS 2001).

In Canada, the overall trend in 1989-2002 was the same as in the United States and Mexico, though with more fluctuations. In the 1990s, Canada had an annual average of 394 work stoppages, involving an average of 195,000 workers each year and an annual average of about 2.3 million person-days lost. Working time lost due to work stoppages as a percentage of total estimated working time averaged 0.07% in the 1990s. In the three years beginning the decade of the 2000s, the number



Definitions and Data Sources

Definitions. In Canada and the United States, the number of *work stoppages* includes all strikes and lockouts in existence during the year in question, whether beginning in that year or earlier; in Mexico, the number of stoppages includes only those strikes beginning in the year. Data for Canada include all stoppages involving one or more workers and lasting 10 days or more. Data for Mexico include all strikes, but do not refer to lockouts. Data for the United States include all work stoppages involving 1000 or more workers and lasting at least one full day or shift.

The number of *workers involved* and the number of *person-days lost* are defined differently in the three countries. In Canada, the data include all workers directly affected by the stoppage. In Mexico, data for workers involved refer only to union members directly involved, whereas the data on person-days lost include all of the employees in the affected firm. In the United States, the data include all employees of the same employer who are idled due to the stoppage.

Person-days lost as a percentage of estimated total working time is calculated by dividing the number of person-days lost by an estimate of the total number of potential working days in a year. In Canada, potential working days is calculated as 250 days multiplied by the number of non-agricultural paid workers. In the United States, potential work days is calculated by multiplying average employment (excluding private household, forestry and fishing employees) by the number of days typically worked by most employees in the period (i.e., excluding weekends and Federal holidays). No figures are presented for Mexico because the number of person-days lost is only available for industries under the federal jurisdiction.

Sources. Canada: Data on work stoppages, workers involved, person-days lost, and person-days lost as a percentage of estimated working time are from the Workplace Information Directorate of Human Resources Development Canada, as reported in “Chronological Perspective on Work Stoppages” (<http://labour-hrhc.gc.ca>; 16 April 2003). These data are collected through the monitoring of expiring collective agreements and other information of which HRDC becomes aware.

Mexico: Data on work stoppages, numbers of workers involved, and person-days lost for industries coming under federal jurisdiction are from the Secretaría del Trabajo y Prevision Social, “Negociaciones Colectivas de Jurisdicción Federal,” table V1.1.1 (http://stps.gob.mx/01_oficina/05_cgpeet/302_0114.htm; 14 May 2003). To arrive at “total” figures, these data were added to data on the number of work stoppages and workers involved for industries coming under local jurisdiction, from Instituto Nacional de Estadística, Geografía e Informática, *Estadísticas sobre Relaciones Laborales de Jurisdicción Local*, Cuaderno núm. 11, Edición 2002 (Aguascalientes, 2002). Both the federal and local data are based on information provided by conciliation and arbitration boards; the data on local jurisdictions is not complete for all years.

United States: Data on work stoppages, workers involved, person-days lost, and person-days lost as a percentage of estimated working time are from the Bureau of Labor Statistics (<http://www.bls.gov>; 18 June 2003). These data are collected by monitoring expiring collective agreements and surveys of workplaces that have been affected by work stoppages.

of strikes and lockouts fell to an annual average of 351 with an annual average of 178,000 workers involved and an annual average of almost 2.3 million person-days lost. Working time lost due to work stoppages as a percentage of total estimated working time averaged 0.067% in these three years. An exception to the general downward trend occurred in 1996 and 1997, especially as regards the percent of estimated working time lost to work stoppages (see figure 3). In those years, a number of large strikes occurred in the public sector, along with a strike by the Canadian Auto Workers against General Motors Canada (Gunderson, Hyatt and Ponak 2001). Another minor deviation from the overall trend occurred at the end of the 1990s, when the number of strikes and lockouts rose slightly, before falling again in the last three years.

Scholars have offered several explanations for the downward trend in work stoppages in recent decades. Some suggest that work stoppages generally decline during periods of recession and economic stagnation (e.g., Gunderson, Hyatt and Ponak 2001). In Canada and the United States, data reveal that this was the case during the recession of the early 1990s. In 1992, both countries recorded what were then record lows for the number of work stoppages in a single year. Canada recorded 404 work stoppages with 2.1 million person-days lost, while the United States recorded 41 major work stoppages with 3.9 million person-days lost. In Mexico, the years immediately following the 1994-1995 peso devaluation saw a sharp decline in strike activity. In the federal jurisdiction in Mexico, there was an annual average of 138 strikes between 1989 and 1994, with an average of 1.5 million person-days lost (see table 1). Since 1995, save a very minor recent upswing, the number and volume of strikes have declined precipitously, in both the federal and local jurisdictions (see table 1).

Another reason often cited for the decline in strike activity in recent decades is the increasing competitive pressures in the global economy. This process has weakened the bargaining power of



unions, while fostering a more cooperative environment among unions, employers, and governments (Locke, Kochan, and Piore 1995; López Buitrón 2002, 3-8; Fernández 2002, 26-30). In this environment, strikes by unions and employer lockouts are discouraged, and an emphasis is placed on greater utilization of alternative dispute resolution techniques. Moreover, the decline in work stoppages in North America in recent years is part of a continuing downward trend on a global level. It is estimated that the percentage of working time lost due to work stoppages is now at less than one-tenth of 1 percent worldwide (Aidt and Tzannatos 2003).

Notes

1. Because of definitional and other methodological differences (see “Definitions and Data Sources”), it is impossible to compare the absolute level of work stoppages between Canada, Mexico, and the United States in a meaningful way. Accordingly, this note focuses exclusively on *trends* in each of the three countries; these trends are more comparable than are the levels because there were no major changes in the data series in any of the countries over the time period in question (1989-2002).

2. The data cited in this paragraph are for industries coming within the federal jurisdiction. When data for industries coming within state-level jurisdictions are added in (see table 1), the overall trends remain the same.

References

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Table 1. Work Stoppage Statistics, 1989-2002

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Canada														
Number of stoppages	627	579	463	404	381	374	328	330	284	381	413	379	381	292
Workers involved ('000)	445	270	253	150	102	81	149	281	258	244	158	143	221	169
Person-days lost ('000)	3701	5079	2516	2110	1517	1607	1583	3351	3610	2444	2443	1657	2204	3033
Percent of estimated working time	0.15	0.02	0.01	0.09	0.05	0.06	0.05	0.11	0.12	0.08	0.08	0.05	0.07	0.09
United States														
Number of stoppages	52	50	45	41	36	45	34	38	34	34	21	40	30	20
Workers involved ('000)	454	200	412	383	184	322	207	275	351	387	80	397	102	47
Person-days lost ('000)	16996	5926	4584	3989	3981	5022	5771	4889	4497	5116	1996	20419	1151	660
Percent of estimated working time	0.07	0.02	0.02	0.01	0.01	0.02	0.02	0.02	0.01	0.02	0.01	0.06	0.005	0.005
Mexico – Total														
Number of stoppages	875	820	574	633	629	588	577	461	395	278	257	173	254	
Workers involved ('000)	70	69	79	107	48	48	31	25	29	27	61	70	37	
Mexico - Federal Jurisdiction														
Number of stoppages	118	150	136	156	155	116	96	51	39	33	32	26	35	45
Workers involved ('000)	58	49	65	91	32	27	12	11	9	11	50	60	23	23
Person-days lost ('000)	1121	1570	1599	1601	1843	1370	1303	702	500	436	384	390	414	550

Notes and sources : see text box.