

# WEB-BASED LABOUR REFERRAL IN CONSTRUCTION AFTER THE PROHIBITION OF UNION HIRING HALLS IN THE PROVINCE OF QUÉBEC

## A 21<sup>st</sup> Century Panacea?

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# Outline

1. Elements of Context
2. Bill 33 & Hiring Practices in Construction
3. Methods
4. From Hiring Halls to the “Carnet de référence”
5. Performance Hypotheses
6. Results

# 1. Elements of Context

- In Québec, inter-union rivalries are a long-standing issue:
  - First international building trade locals established in the 1880's
  - Outside of Montréal, many construction workers join catholic unions
  - Conflicts arise in the 1960's, due to major projects blurring the territorial division of union representation and fueling mobility-related conflicts.
- These conflicts led to a unique labour relations regime (1968-today):
  - Mandatory union membership for all workers
  - Union pluralism
  - Provincial, multi-trade, sector-based collective bargaining
  - Administration of the CBA and employment policies by a quasi-public, jointly administered organization: the Construction Commission (CCQ)

## 2. Bill 33 (2011) & Hiring Practices in Construction

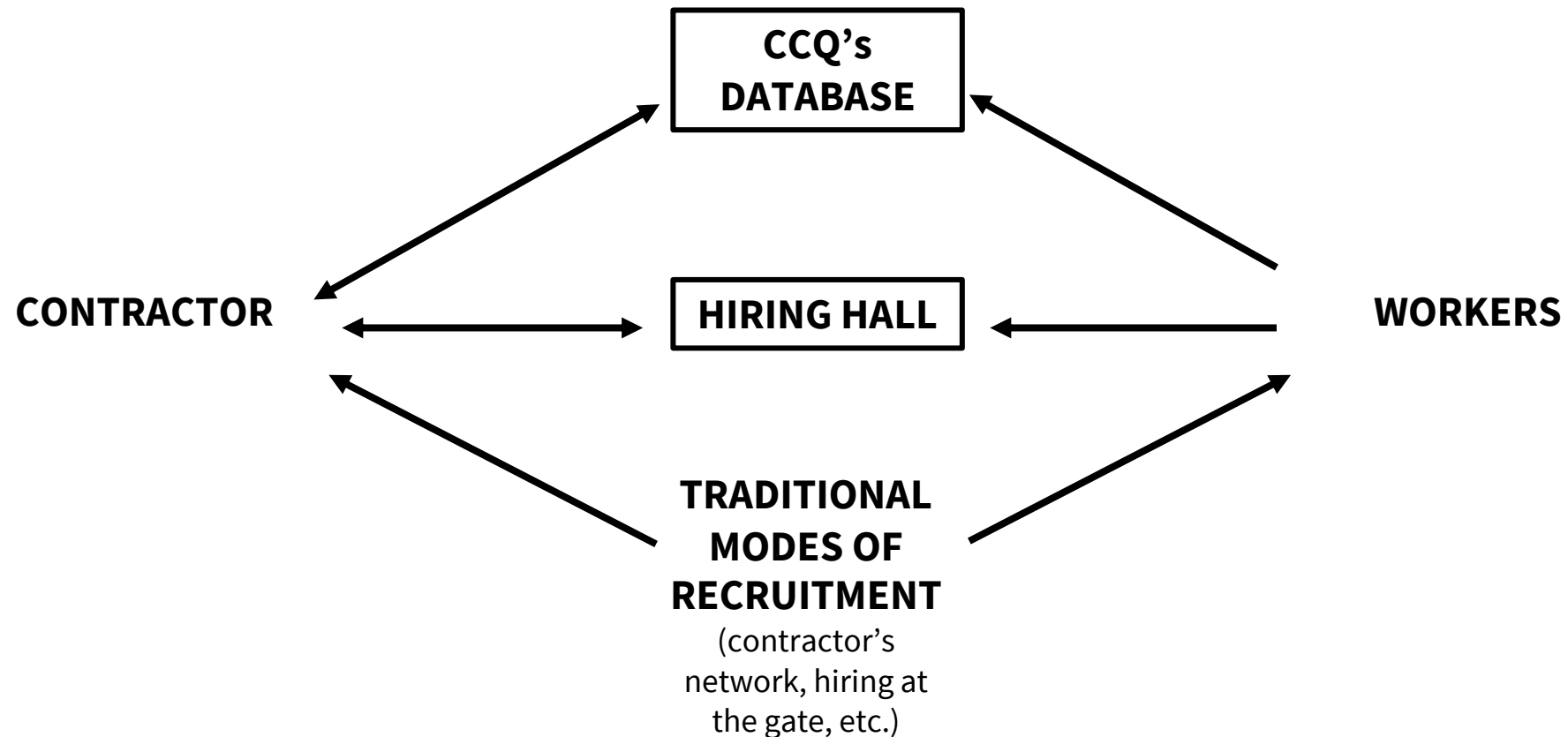
- Union hiring halls as a problem in Québec's construction industry
  - Closed shop banned in 1968, (gradually) replaced by plural unionism and mandatory membership to one State-recognized labour organization.
  - Use of hiring halls as a tool in interunion competition was a central topic of two public inquiries in Quebec (James Bay Dam, 1974-75; Gaspesia Papermill, 2004-5).
  - Proposed regulation of hiring halls (codes of conduct, government supervision) never enforced properly, and more recent subsections of *R-20 Act* regarding intimidation and discrimination deemed insufficient.
- In 2011, Québec's provincial parliament studied and adopted Bill 33, a major legislative piece at the heart of which was the prohibition of union hiring halls. The main goals of the legislator were:
  - To ensure plural unionism by preventing discrimination based on union membership
  - To protect contractors' right to manage in the hiring process
  - To offer an efficient labour market intermediary (LMI) to substitute for union hiring halls

# 3. Methods

- Realist Evaluation (Pawson & Tilley, 1997): A Theory Driven Approach
  - What works, for whom, under what circumstances and why?
  - “Context-Mechanism-Outcomes” (C-M-O) configurations
  - Interviewees as experts in the testing and refinement of hypotheses
- The Case Study
  - Civil engineering and roadbuilding subsector
  - Qualitative data
  - Interviews with two types of end-users:
    - Representatives from all labour associations (8 semi-structured interviews)
    - Contractors (11 semi-structured interviews)
  - Both the operator of the system (CCQ) and the workers using it had to be left aside, for related reasons.

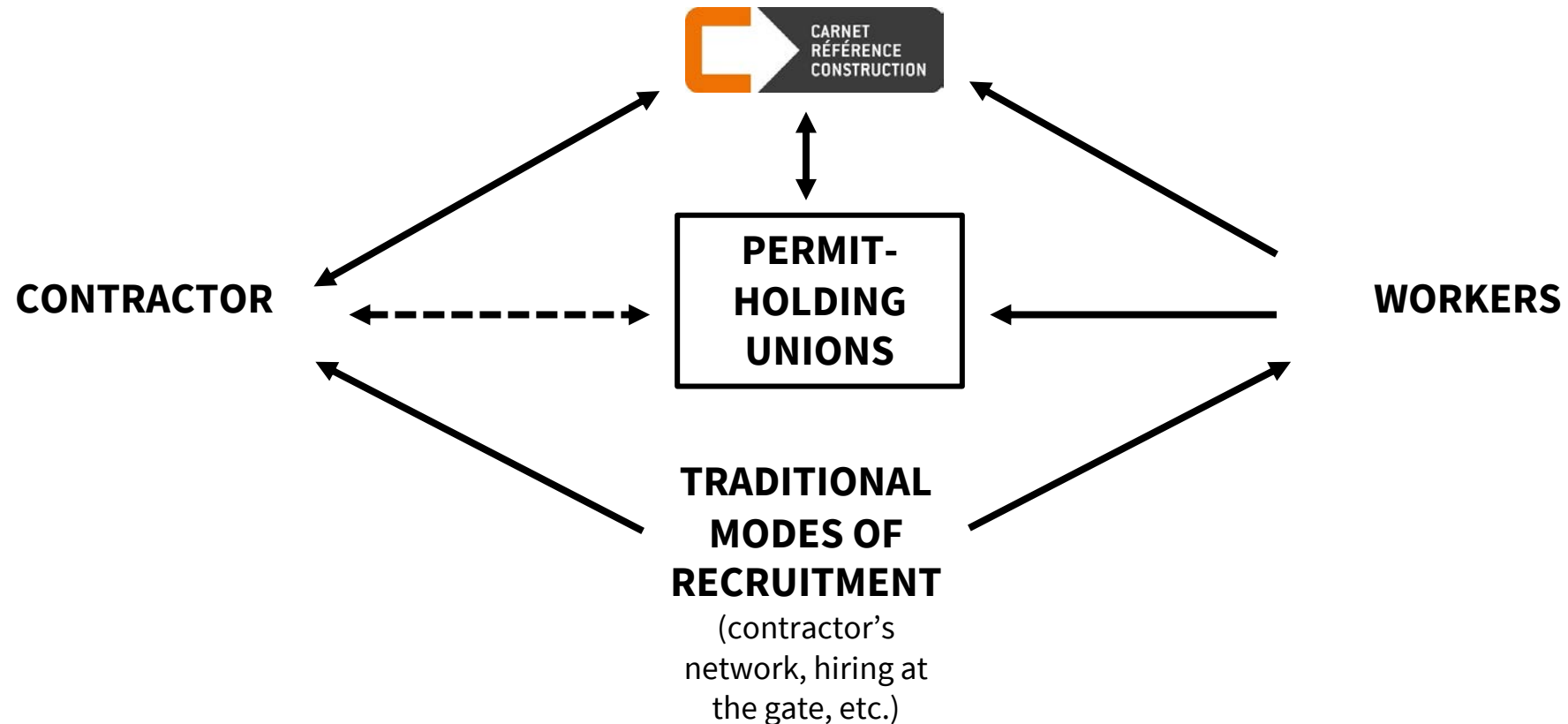
## 4. From hiring halls to the “carnet de référence”

- Before Bill 33...



## 4. From hiring halls to the “carnet de référence”

- After Bill 33...



## 5. Performance hypotheses

- H1. By providing a list of candidates independent of union affiliation, CCQ's Carnet offers an alternative source of workers to contractors, thus reducing their dependence on a specific union.
- H2. By distributing workforce requests to all permit holders in relevant trades, CCQ's Carnet offers alternative sources of workers to contractors, thus reducing their dependence on a specific union.
- H3. By limiting the scope of discussions between contractors and unions, and by making violations subject to heavy fines, the new regulation reduces the risk of intimidation and encroachment on contractors' right to manage.
- H4. By requiring that contractors submitting a request through CCQ's Carnet declare the exact number of workers needed, the new regulation reduces the risk of additional unnecessary hirings being forced upon a contractor by a union.
- H5. By requiring that contractors submitting a request through CCQ's Carnet declare the exact qualifications needed, the new regulation reduces the risk of irrelevant hirings being forced upon a contractor by a union.

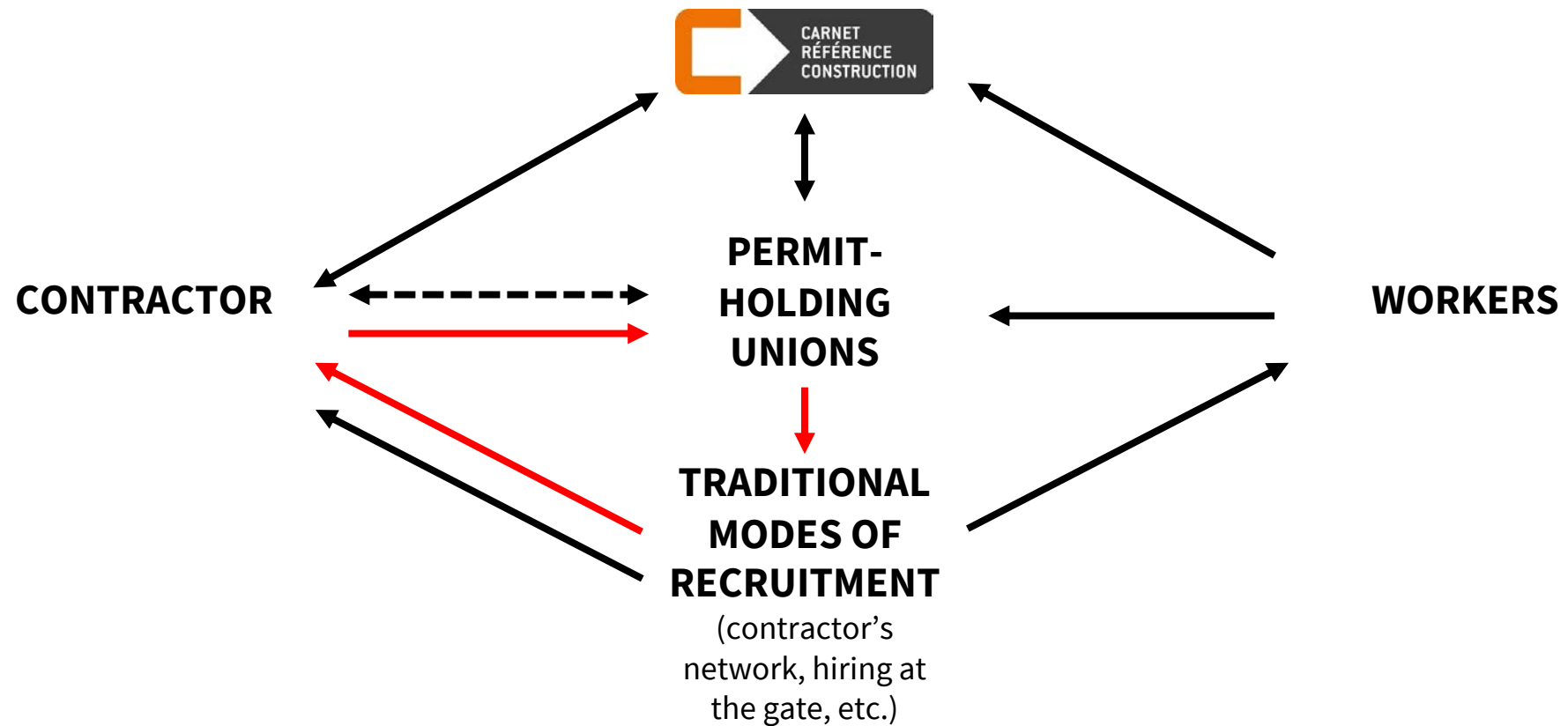


# 6. Results

- H1a The Carnet relies on workers to complete their own profile and keep it updated. The information is often incomplete or inaccurate, making the lists unreliable.
- H1b The Carnet relies on workers to communicate their availability. The information is often inaccurate, making the lists unreliable.
- H1c The Carnet doesn't allow workers to be specific about their qualification, making it difficult for contractors to make a choice based on the list.
  
- H2a In some building trades and geographic areas, a union is in a position of *de facto* monopoly (e.g. boiler maker: 99.8%) or quasi-monopoly (e.g. plumber: 84.5%; pipe fitter: 87.7%) making it very difficult or impossible for a contractor to get a list from more than one permit-holding union.
- H2b In a situation of labour shortage, it is more difficult for a contractor to get more than one list in which a sufficient number of candidates are included.
  
- H3a The fines included in the new regulation have a deterrent effect on many union representatives but not all of them.
  
- H4a When a union is in a position of monopoly or quasi-monopoly, a contractor can still be coerced into hiring more workers than requested, by declaring it as a result direct hiring or other traditional modes or recruitment, which are still allowed under the new regulation.
- H4b In some cases, a contractor will simply contact a union without submitting a request to the Carnet, and declare hirings as a result of a traditional mode of recruitment, which are still allowed under the new regulation.
  
- H5a As long as there is competition between two or more permit-holding unions, the requirements regarding the qualifications needed encourage permit holders to submit only the name of workers whose qualifications meet the needs of the contractor.
- H5b With the shortcomings of the Carnet regarding the information about workers' qualifications, the contractor is the only real judge of the relevance of referrals received from the Carnet, making the control of prohibited practices more difficult.

## 6. Results

- Bypassing the new regulation...



# Conclusions

- What can we learn from this case study?
  - A web-based LMI is only as good as the information it can relay.
  - In construction, the need for specific information regarding the precise qualifications and speciality of candidates, especially in mechanical trades (e.g. electricians, plumbers-pipe fitters, boilermakers) is greater than in other good-producing industries.
  - Results confirm previous findings about “membership-based” and “job sites type” LMIs (Benner et al. 2003, Autor 2008), as well as hiring through personal networks.
  - Given the temporary and transitional nature of construction projects, timing is an issue, so information regarding availability is critical.