

# **The Effect of Labour Relations Laws on Union Density Rates: Evidence from Canadian Provinces**

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## **Abstract:**

We provide evidence on the potential for reforms in labour law to reverse deunionization trends by relating an index of the favorability to unions of Canadian provincial labour relations statutes to changes in provincial union density rates between 1981 and 2012. The results suggest that shifting every province's 2012 legal regime to the most union-friendly possible could raise the national union density by up to 7 percentage points in the long run. This effect appears driven by regulations related to the certification of new bargaining units, the negotiation of first contracts and the recruitment of replacement workers. The effects of reform are largest for women, particularly university-educated women employed as professionals in public services. Overall, the results suggest a limited potential for labour relations reforms to address growing concerns about labour market inequality.

*Keywords:* Labour relations legislation; union density rates; union-management relations

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