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# "The Jimmy Hoffa of Canada"
## Hal Banks and a Comparative Perspective on Union Corruption

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**ARTICLE**

# "The Jimmy Hoffa of Canada": Hal Banks and a Comparative Perspective on Union Corruption

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**Abstract:** This article compares the union careers of the US Teamsters Union leader James R. Hoffa and the head of the Canadian Seafarers International Union (SIU), Hal Banks. It focuses on the charges of union corruption that swirled around both men in the late 1950s and early 1960s. The article uses that comparison to consider the predominant understanding of union corruption in the United States, which posits a kind of American exceptionalism in regard to this issue. The similarities and differences between the cases of Hoffa and Banks provide a new consideration of the history of union corruption in Canada. This comparison also offers a new perspective on the divergence between unionization rates in the United States and Canada since 1964.

**Keywords:** racketeering, corruption, James Hoffa, Hal Banks, comparative, Teamsters, Seafarers

**Résumé :** Cet article compare les carrières syndicales du chef du US Teamsters Union, James R. Hoffa, et du dirigeant du Syndicat international des marins canadiens (SIU), Hal Banks. Il se concentre sur les accusations de corruption syndicale qui tournaient autour des deux hommes à la fin des années 1950 et au début des années 1960. L'article utilise cette comparaison pour examiner la compréhension prédominante de la corruption syndicale aux États Unis, qui postule une sorte d'exceptionnalisme américain à l'égard de cette question. Les similarités et les différences entre les cas de Hoffa et and Banks offre une nouvelle considération de l'histoire de la corruption syndicale au Canada. Cette comparaison offre aussi une nouvelle perspective sur la divergence entre les taux de syndicalisation aux États-Unis et au Canada depuis 1964.

**Mots clefs :** racket, corruption, James Hoffa, Hal Banks, approche comparée, Teamsters, Syndicat international des marins canadiens

In US labour history, James R. Hoffa came to embody the persistent problem of union corruption. He first attained this notoriety in 1957, when Robert F. Kennedy (RFK), the chief counsel of the US Senate's Select Committee on Improper Practices in the Fields of Labor or Management (better known as the McClellan Committee), made Hoffa the main target of the largest investigation ever into union corruption. In August of that year, RFK subpoenaed the Teamster leader to testify in a series of hearings on the infiltration of organized crime into New York City's labour movement. The McClellan Committee's

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hearings lasted two more years and exposed corruption in a range of US unions, but RFK devoted more time and energy to Hoffa and the Teamsters than any other union official or any other labour organization. The hearings transformed the largely unknown Hoffa into a notorious figure whose control over the International Brotherhood of Teamsters, one of the most powerful labour unions in the country, highlighted the danger that labour racketeering presented to the country.[1] A headline on the cover of *Life* magazine in 1959 summed up this message: "A national threat: Hoffa's Teamsters."[2]

The McClellan Committee hearings and the threatening image of Hoffa, which they promoted, left a lasting impression, establishing an enduring connection in the American public's mind between union power and union corruption. The *Wall Street Journal* demonstrated this link in a 1959 editorial titled "The virtue of Mr. Hoffa." It stated, "The difficulty in curbing labor union power thus far has been that the people have not clearly seen, or believed, the danger." Hoffa's notoriety, the *Journal* observed, solved that problem.[3] Three decades later the *Los Angeles Times* observed, "No union in America conjures up more negative images than the Teamsters."[4] The visceral reaction matters because for many Americans, Hoffa is the only labour leader whose name they recognize. And, as communications scholar William Puette has noted, "the Teamsters' notoriety is such that for many people in this country the Teamsters Union is the labor movement."[5] Hoffa's reputation thus taints the labour movement in general. True-crime books, documentaries, and films, such as Martin Scorsese's *The Irishman* (2018), have helped to maintain Hoffa's notoriety while at the same time reinforcing the image of an American labour movement historically rife with mob connections and corruption.

Although less well known today, Hal Banks was an equally notorious union leader in Canada and his career was often linked to Hoffa's. The *St. Louis Post Dispatch*, for instance, opined in 1963 that "Mr. Banks is said to have taken as his model for labor leadership James R. Hoffa, head of the Teamsters Union."[6]

1. David Witwer, *Corruption and Reform in the Teamsters Union* (Chicago: University of Illinois Press, 2003), 182–211; Paul Jacobs, "Extracurricular Activities of the McClellan Committee," *California Law Review* 51, 2 (1963): 296–310; Arthur M. Schlesinger Jr., *Robert Kennedy and His Times* (New York: Houghton Mifflin, 1978), 163–181; James Neff, *Vendetta: Bobby Kennedy versus Jimmy Hoffa* (New York: Little, Brown, 2015), 132–159.

2. "A National Threat: Hoffa's Teamsters," *Life*, 18 May 1959, cover.

3. "The Virtue of Mr. Hoffa," *Wall Street Journal*, 22 July 1959, 12.

4. Kenneth Turan, "'Hoffa': Negotiating a Complex Life," *Los Angeles Times*, 25 December 1992, D3.

5. William J. Puette, *Through Jaundiced Eyes: How the Media View Organized Labor* (Ithaca, New York: ILR Press, 1992), 38.

6. Peter Trueman, "Sympathetic towards Canada: US Press Comment on Labor Strife," *Toronto Star*, 11 November 1963, news clipping, image 1590, in Canadian Labour Congress: President Claude Jodoin's files, H-130, Library and Archives Canada (hereafter Jodoin Papers),

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The *New York Times* depicted the Canadian, Banks, as the more despicable of the two labour leaders: "The picture drawn of him in the exhaustive [Canadian] Government report makes the McClellan Committee's depiction of James R. Hoffa an almost saintlike one by contrast."[7] Sometimes referred to as "the Jimmy Hoffa of Canada," Banks was based in Montréal and led the Canadian Seafarers International Union (SIU) in the 1950s and early 1960s, which was the same era when the McClellan Committee made Hoffa and the Teamsters Union notorious.[8]

## Union Corruption: American Exceptionalism and a Comparative Approach

The notion of a Canadian Jimmy Hoffa offers an opportunity to reassess the history of union corruption in the United States by employing a comparative approach. In doing so, this article offers a reconsideration of some of the assumptions made by those who have written on this topic. Although the most recent generation of US labour historians have avoided the subject of union corruption, a significant body of scholarship on this problem dates back to an earlier era. In addition, scholars outside the field of labour history, like James Jacobs, have also recently addressed this topic.[9] The consensus offered by these scholars is that union corruption is a phenomenon distinctive to the United States. This is particularly true, they argue, in the case of labour racketeering, a term that refers to the involvement of organized crime in union corruption. John Hutchinson concluded his encyclopedic history of union corruption, published in 1970, by asserting, "Alone among its peers, the American labor movement has been accused of corruption in intolerable degree."[10] Or, as Jacobs, a legal scholar, puts it, "Labor racketeering is an important example of American exceptionalism. No other country has a history of significant

https://heritage.canadiana.ca/view/oocihm.lac_reel_h130/1130?r=1&s=1.

7. "Labor War on the Great Lakes" (editorial), *New York Times*, 16 October 1963, 44.

8. "Hal Banks, an American now head of the Canadian SIU, is sometimes called the Jimmy Hoffa of Canada." Drew Pearson, "Canadians Are Irked by US Labor Leaders' Interference," *Billings (Montana) Gazette*, 15 November 1963, 4. In 1986, the President's Commission on Organized Crime applied the label "the Canadian Jimmy Hoffa," to Johnny McGuire, a Montreal gang leader. Canadian observers quickly dismissed the legitimacy of this label. As an article by the Canadian Press agency explained, "intelligence sources in Montreal told the *Globe and Mail*, McGuire never had associations with labor and was nothing but a small fish darting around a circle of mob sharks. Despite his American-bestowed posthumous reputation, McGuire was just another hood eking out a living with Montreal's loose-knit, west-end gang, the sources said." "Montreal Mobster 'Small Fry,'" *Windsor Star*, 3 April 1986, 15.

9. David Witwer, "The Chapter Left Untold: Labor Historians and the Problem of Union Corruption," *Labor: Studies in Working-Class History of the Americas* 10, 2 (2011): 37–58.

10. John Hutchinson, *The Imperfect Union: A History of Corruption in American Trade Unions* (New York: E.P. Dutton, 1970), 389.

organized crime infiltration of its labor movement, and no other country has an organized crime syndicate with a power base in labor unions."[11]

Other observers, including Sydney Lens and Robert Fitch, have offered similar claims of a kind of US exceptionalism when it comes to the issue of union corruption; both tie the problem of corruption to the relative weakness of the labour movement in the United States. "The American labor movement is not only weaker than others," argues Fitch, "it's also a lot more corrupt." He continues, "In other advanced industrialized countries you don't find insignificant local leaders earning over half a million a year. Nor do you find whole unions run by crime families – not even in Sicily or Calabria."[12]

Lens and Hutchinson explain this exceptionalism by linking it to the dominance of business unionism in the United States. They argue that this narrow approach to framing union goals, with an emphasis on selling the members' labour at the highest price, leaves the US labour movement bereft of the kind of higher purpose and social engagement that has shaped union counterparts in other, comparable, Western democracies. According to Lens, "One of the unique features of the American labor movement is the marriage of business unionism and crime, known as labor racketeering."[13] Jacobs offers an alternative – but related – explanation. He essentially reverses cause and effect, blaming endemic corruption for the lack of union militancy and the

11. James B. Jacobs, *Mobsters, Unions and Feds: The Mafia and the American Labor Movement* (New York: New York University Press, 2006), xi.

12. Robert Fitch, *Solidarity for Sale: How Corruption Destroyed the Labor Movement and Undermined America's Promise* (New York: Public Affairs, 2006), 14. Although Fitch belongs to the group of observers who claim American exceptionalism on this issue, he differs from Lens and Hutchinson in that he does not link it to business unionism. Instead, Fitch blames the fact that American unions are given exclusive jurisdiction over particular workplaces, have exclusive bargaining rights, and at times have closed-shop contracts. Fitch, 15.

13. Sydney Lens, *The Crisis of American Labor* (New York: A.S. Barnes, 1961), 101. It should be noted that Hutchinson carefully qualifies his indictment of business unionism. His actual text on this matter follows: "It is hard to avoid the impression that, throughout the history of American labor, the most effective opposition to corruption has come from those for whom the labor movement was more than a service agency. But there is no precision here. There was no necessary causative relationship between business unionism and corruption, only a negative connection at worst. Perhaps it should be argued that in the presence of temptation or error the so-called business unionists could have used a stronger creed." Hutchinson, *Imperfect Union*, 372. For a different perspective on the source of union corruption and an example of a comparative approach, one might consult Howard Kimeldorf's *Reds or Rackets*, which compares the two types of longshoremen unions: one that emerged on the US West Coast waterfront versus its counterpart on the East Coast waterfront, focusing really on New York City versus San Francisco. A sociologist who ventured this one time into labor history, Kimeldorf offers a more sophisticated analysis of the sources for endemic union corruption than the usual explanation of business unionism. I found his study quite useful when I approached the history of corruption in the Teamsters Union. Howard Kimeldorf, *Reds or Rackets: The Making of Radical and Conservative Unions on the Waterfront* (Berkeley: University of California Press, 1988).

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marginalization of progressive, left-wing idealists in the ranks of organized labour's leadership. "With unions in the hands of militant unionists, not labor racketeers, the U.S. labor movement would have been more aggressive in organizing, more appealing to youth and intellectuals and stronger," he argues. "A more powerful, socialist-leaning labor movement might have had a significant impact on American politics."[14]

But despite these assertions of US exceptionalism, I have read no comparative studies that address this subject. In over two decades of making presentations on the history of union corruption, I have encountered plenty of ad hoc comments on the matter, almost always echoing the assessment provided by Lens. Such responses usually go something like this: "US unions have more problems with this issue because the unions here lack a strong link to left-wing political movements. That's why you don't see this issue emerge in a place like Germany." But no one has yet provided me with a study to confirm such assessments. Nor did Lens, Hutchinson, Fitch, or Jacobs offer any concrete evidence to back up their assertions. This article is an initial step in addressing that gap in the literature.

If one wants to conduct a comparative study of union corruption, then Canadian labour history offers a promising place to start, given Canada's geographic proximity to the United States and the many socioeconomic similarities between the two countries. While significant differences have since emerged between union density rates in the two countries, in the 1950s and early 1960s the levels of union strength (e.g. the percentage of organized workers) were quite similar in Canada and the United States.[15] Moreover, in the 1950s, the peak period for union corruption scandals in the United States, some 80 percent of Canadian union members belonged to US-based unions, such as the Teamsters.[16] If the key source of corruption in US unions was the predominance of business unionism in these labour organizations, then one would expect to find confirmation by looking at their Canadian affiliates. In

14. Jacobs, *Mobsters, Unions and Feds*, 260.

15. Barry Eidlin, *Labor and the Class Idea in the United States and Canada* (New York: Cambridge University Press, 2018), 5–7, 23–26; see also an earlier, influential comparative study: Seymour Martin Lipset and Noah M. Meltz, with Rafael Gomez and Ivan Katchanovski, *The Paradox of American Unionism: Why Americans Like Unions More Than Canadians Do But Join Much Less* (Ithaca, New York: ILR Press, 2004).

16. David Kwavnick, *Organized Labour and Pressure Politics: The Canadian Labour Congress, 1956–1968* (Montréal: McGill-Queen's University Press, 1972), 45–47; "Lakes Open Up—But for How Long?" *Business Week*, 28 March 1964, 125. Kwavnick gives the figure of 79.7 per cent in 1956, while *Business Week* lists it as 80 per cent, perhaps having rounded up. Kwavnick also notes that of the ten largest unions in the Canadian Labour Congress in this period, eight were international unions based in the United States. He includes in his statistical analysis the role of the unions in the public sector, noting that they were among the largest national unions (i.e. based in Canada, as opposed to the international unions, which were based in the United States). The National Union of Public Employees had the eighth largest membership in Canada in 1956.

this regard, it is worth noting that Banks led a Canadian affiliate of a US-based union, the SIU.

Because Hoffa and Banks were contemporaries this study will focus on evaluating their union careers and the charges of corruption that swirled around each man. Several important similarities existed between the two, including the fact that both had a public image that reflected the rough and tough masculinity associated with their respective unions. Both men also had criminal records, both were alleged to engage in thuggery and corruption, and both were targeted by special investigative bodies. But the differences between how each man's case played out also highlight important distinctions in context between Canada and the United States.

Comparing Banks' case to Hoffa's reveals what union corruption historically looked like outside the United States, in a country with similar labour organizations. The comparison gives us the chance to consider a number of relevant questions about union corruption in Canada: How did the pattern of corruption compare? And how did the responses – from unionists, the government, and society at large – match up? Does Banks' history undercut the assertions of the exceptionalism of US labour racketeering? And if so, why do we not encounter more accounts of corruption in Canadian unions? Or was Banks' case an anomaly, an outlier within a corruption-free Canadian labour movement? In other words, was he an exception that proved the rule? And if that is the case, why are Canadian unions less corrupt than their American counterparts, given the close links between the labour movements of the two countries?

This comparative study will begin with an overview of Hoffa's career, highlighting the allegations made against him as well as the response of the American labour movement and the US government. The focus of the article will then shift to review the history of Banks' rise and fall. I will compare his story to the patterns of union corruption and the government's response that played out at about the same time in the United States. I will close with some speculation about the significance of this comparative study.

## James R. Hoffa and Union Corruption in the United States

HOFFA BEGAN HIS UNION CAREER organizing a strike at a grocery store warehouse in Detroit in 1931, when he was nineteen years old, and he moved from there to become a local official in the Teamsters Union. Through the 1930s and 1940s he steadily climbed up the ranks of union leadership, and by 1952 he was elected to serve as one of the vice-presidents of the national union.[17] Along the way, he accumulated an extensive criminal record that consisted mostly of violations tied to conflicts on the union picket line. He made that record part of his public persona and would brag to reporters, "I got an arrest

17. Witwer, *Corruption and Reform*, 137–139.

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record as long as your arm." But as *Newsweek* noted in 1957, Hoffa "could also have boasted that he had never served an hour of jail time. For all his arrests (seventeen in Detroit alone), his record has only three convictions and his toughest rap was a $1,000 fine."[18] The fine stemmed from a no contest plea to a Sherman Anti-Trust Act violation in 1940 that involved organizing a cartel of Detroit waste-paper dealers, a charge that indicated Hoffa's involvement in criminal activity extending beyond picket line brawls. Further indications of such activity emerged when he was the subject of a special state-level anti-racketeering grand jury investigation in 1946.[19]

A series of congressional investigations put Hoffa into the national spotlight. In 1953 and 1954, two special subcommittees from the US House of Representatives conducted probes into racketeering that included hearings on Hoffa's Detroit Teamsters. These investigations linked Hoffa to organized crime figures in Detroit and Chicago and raised questions about the management of the union's benefit funds. The Senate's McClellan Committee investigation began in January 1957 and the Federal Bureau of Investigation (FBI) arrested Hoffa that March on bribery charges that stemmed from his effort to plant a spy on the committee's staff. No sooner had Hoffa been acquitted of those charges than RFK called him to testify over several days in August 1957 about his links to a notorious New York City Mafia leader, John Dioguardi. Kennedy portrayed Hoffa as a willing accomplice to organized crime figures who were moving to gain control over strategic unions, such as the Teamsters, in order to exert greater control of the nation's economy.[20] One newspaper headline summed up this theme: "Inquiry pictures Hoffa in racketeer alliance to control East Coast."[21]

These investigations did not stymie Hoffa's efforts to win election as Teamsters Union president in October 1957, but they did trigger a strong response from the AFL-CIO. The labour federation had formed an Ethical Practices Committee (EPC) in 1956, soon after the merger of the American Federation of Labor and the Congress of Industrial Organizations. Seeking to demonstrate organized labour's commitment to battling union corruption, the EPC responded to the revelations of the various congressional investigations by calling for the unions involved to take specific remedial measures. In the case of the Teamsters, the AFL-CIO insisted on Hoffa's removal from office.

18. "One Man's Vote," *Newsweek*, 30 December 1957, 20–21.

19. Thaddeus Russel, *Out of the Jungle: Jimmy Hoffa and the Remaking of the American Working Class* (New York: Alfred A. Knopf, 2001), 135–143; Witwer, *Corruption and Reform*, 130.

20. Arthur A. Sloane, *Hoffa* (Cambridge, Massachusetts: MIT Press, 1991), 42–52, 72–88; Witwer, *Corruption and Reform*, 160–163; Catherine Rios and David Witwer, *Murder in the Garment District: The Grip of Organized Crime and the Decline of Labor in the United States* (New York: The New Press, 2020), 180–189.

21. "Inquiry Pictures Hoffa in Racketeer Alliance to Control East Coast," *Morning Call* (Allentown, Pennsylvania), 1 August 1957, 1.

When the Teamsters refused, the AFL-CIO took the dramatic step of expelling its largest affiliate.[22]

The expulsion did little damage to the Teamsters or to Hoffa's popularity with his membership, who remained fiercely loyal to their embattled president. This loyalty belied assertions by his critics that Hoffa's union power rested on his "hoodlum henchmen" and the fear they inspired in union members.[23] *Time* magazine touched on such assertions in its depiction of his run for the union presidency in 1957 by branding delegates who supported him as "Hoffa's hairy-armed supporters."[24] A 1957 newspaper headline summarized this critique, referring to testimony in a McClellan Committee hearing in which a witness "Says that Hoffa used thugs in order to win elections."[25] But as most observers noted, Hoffa had no need to resort to such tactics to win elections within his union because his members saw him as a very effective leader who championed their interests. A news wire service profile of Hoffa in 1958 asserted, "To the Teamsters Union he heads, he is a champion fighter for what they deem their rights – a 'go for broke' guy whose code in labor ranks is a simple one: Always fight to win; treat your followers 'right,' and keep your word to them."[26] Hoffa took the goals of business unionism quite seriously. He worked assiduously to professionalize the Teamsters leadership, raising pay for officials but holding them accountable for meeting organizing goals and servicing the membership's needs. At the same time, he won contracts that steadily improved working conditions and wages.[27]

In the years that followed, frustrated by his inability to block Hoffa's election to the union presidency, Kennedy maintained his pursuit of the Teamster leader. The McClellan Committee's staff chased down every lead conceivable and Hoffa was called to testify several more times. The hearings came to a close in 1959, but a year later John F. Kennedy won election as US president and appointed his brother, Robert Kennedy, to be the Attorney General. RFK promptly formed a special unit within the Department of Justice, commonly referred to as the Get Hoffa Squad, whose goal was to win a criminal conviction against the Teamster president. The Squad's initial efforts, much like the pursuit of the McClellan Committee investigators, failed to achieve RFK's goal and Hoffa's ability to elude Kennedy's grasp became part of his legend.[28]

22. Rios and Witwer, *Murder in the Garment District*, 194–215; Hutchinson, *Imperfect Union*, 306–341.

23. "Heads on Their Shoulders," *Time*, 28 March 1960, 25.

24. "Hoffa for President," *Time*, 5 August 1957, 12.

25. "Says That Hoffa Used Thugs in Order to Win Elections," *Greenville (South Carolina) News*, 17 August 1957, 1.

26. "Hoffa Is Good Guy in Eyes of Union, Bad in Public's," *Chicago Defender*, 26 June 1958, 6.

27. Witwer, *Corruption and Reform*, 138–143, 153–155.

28. Neff, *Vendetta*, 226–229; Jack Goldsmith, *In Hoffa's Shadow: A Stepfather, a Disappearance*

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A newspaper article in 1961 explained how "Mr. Hoffa's supporters have discounted the relentless pursuit of him by the government … They are quick to point out that Mr. Hoffa has been accused time and again of various counts of misconduct, and each time has been exonerated." The article concluded, "If anything, Mr. Hoffa has emerged from these legal jousts a stronger person."[29] Even when RFK's Department of Justice finally did win two convictions against Hoffa in 1964, the Teamsters president remained popular with his membership. He was re-elected in 1966, and when he began serving his thirteen-year federal prison sentence in 1967, Hoffa did so as the nominal head of the largest union in the country.[30]

In fact, RFK had won a meaningless victory. In Hoffa's absence, the Teamsters was run by a corps of his former subordinates and regional-level leaders who owed loyalty to the jailed union president, and so very little about the administration of the union, or the management of its benefit funds, changed. If anything, the influence of organized crime grew because Hoffa's subordinates were less able to stand up to the Mafia than he had been. Indeed, when Hoffa disappeared in 1975, the apparent victim of a mob hit, it was assumed that the Mafia had eliminated him because it preferred to work with his more pliant successors.[31]

The central components of Hoffa's story highlight prominent aspects of how union corruption was viewed in the United States in the mid-20th century. His criminal record and ties to organized crime, neither of which he sought to hide, raised concerns for many observers about the ability of such a problematic figure to move into a leadership position in a powerful union. Those concerns were heightened by the series of high-profile investigations, especially the McClellan Committee hearings. The AFL-CIO sought to establish a distance between Hoffa's notorious reputation and the labour movement by expelling his union from the federation. However, that effort was undercut by the embattled Teamster president's remarkable popularity with his members, suggesting to critics of organized labour that amoral workers endorsed his criminal activities. A *New York Times* editorial in 1961 asserted that American union members were perfectly content "to ride along" with the notoriously corrupt Hoffa, because they accepted his "cynical conviction that anything goes so long as he keeps delivering higher wages and fatter benefits to his members."[32]

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*in Detroit, and My Search for the Truth* (New York: Farrar, Straus and Giroux, 2019), 98–117; Schlesinger, *Robert Kennedy*, 299–307.

29. Harold L. Keith, "Teamsters Hoffa Has Become a 'Symbol' to Laboring Folk," *Pittsburgh Courier*, 25 November 1961, A15.

30. Sloane, *Hoffa*, 312–325, 329–335.

31. Sloane, 335–349; Witwer, *Corruption and Reform*, 235.

32. The editorial was referring to James R. Hoffa. *New York Times*, 8 July 1961, 18.

Finally, Hoffa was depicted as a power-hungry dictator, whose ambitions for building the strategic reach of his union threatened national security. Thus, a 1961 newspaper op-ed piece bore the alarming headline "Hoffa's power in nation equals that of H-bomb." Columnist Lyle C. Wilson explained, "What Hoffa is believed to have in mind is an alliance of his Teamsters with all other U.S. transportation unions, land, sea and air. Such a concentration of union power would have no precedent here."[33] The *Cincinnati Enquirer* made a similar ominous claim: "A nation at the mercy of James R. Hoffa is frightening to contemplate, yet in recent weeks we have seen clear indications that the 'crown prince' of the Teamsters Union is aiming at just that."[34] An Arizona newspaper editorial in 1958, headlined "Hoffa is most dangerous man," simply asserted, "The most dangerous individual to the common safety, internally, of the United States today is James Hoffa, president of the Teamsters Union."[35]

## Hal Banks: A Case Study of Union Corruption in Canada

Some, but not all, of these themes emerged in Banks' story. He arrived in Canada in 1949 after previously serving as a union official in San Francisco, where he was closely tied to Harry Lundberg, the head initially of the Sailors Union of the Pacific and later of the SIU. An FBI report from 1953 summed up Banks' career in the 1940s by asserting that "Banks is known on the San Francisco waterfront as an active union organizer and 'goon,' and that he might be inclined to brag of his close friendship with Lundberg and to classify all opposition to him and his tactics as Communist Party inspired." Banks' criminal record revealed an arrest on a murder charge in 1937, for which he was acquitted, along with other arrests that included passing bad cheques, an illegal weapons charge, and burglary. He served time in San Quentin Prison for the burglary charge. Informants told the FBI that Banks went about his duties armed, typically carrying a blackjack or a gun, or both.[36]

The Seafarers International Union had sent Banks to Canada in 1949 at the request of Canadian shipping companies, who were hoping that the SIU could supplant the Canadian Seamen's Union (CSU), the dominant union of sailors on the Great Lakes. The CSU was a militant organization with ties to the Communist Party and it had been involved in a series of disputes with employers since the end of World War II. Canadian shipping companies wanted to replace the CSU with the American Federation of Labor–affiliated SIU, viewing

33. Lyle C. Wilson, "Hoffa's Power in Nation Equals That of H-Bomb," *Chicago Defender*, 7 May 1961, 8.

34. "Labor's Little Caesar," *Cincinnati Enquirer*, 13 August 1957, 4.

35. "Hoffa Is Most Dangerous Man," *Daily Star* (Tucson, Arizona), 23 August 1958, 20.

36. Memorandum to [name blanked out], Re: Harold Chamberlain Banks, 20 April 1953, [no serial number on the report]; FBI File on Harold Banks, received in response to Freedom of Information Act Request.

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the latter organization as a preferable bargaining partner. In 1949 they sent two representatives to meet with Lundberg, the SIU leader. Welcoming the opportunity to expand his union at the expense of the CSU, Lundberg dispatched Banks to Montréal and provided him with a large amount of money (by some accounts $100,000, by others $500,000) to fund this campaign.[37]

Under Banks' leadership, the SIU worked with the employers to oust the CSU from the Great Lakes shipping industry. The employers signed contracts with the SIU, and sailors who refused to switch unions lost their positions to replacement workers brought in by Banks. When the CSU set up picket lines to oppose this process, the SIU responded with violence. Banks had apparently used the money he had brought with him to import bands of strong-arm men who forced their way through the CSU picket lines and allowed the shippers to bring in the replacement crews made up of SIU members. At the same time, the SIU received assistance from the International Longshoremen's Association (ILA), which refused to unload Canadian ships in US ports unless the crews belonged to the SIU. By 1950, the SIU had supplanted the CSU.[38]

In the years that followed, Banks cemented his control of the Canadian SIU. Officially, his position evolved from that of an appointed administrator/trustee to the elected president of the Canadian SIU. His rise to power coincided with the emergence of a climate of intimidation within the union. Opponents, and potential opponents, ended up on a Do Not Ship list, which barred them from working in the shipping industry and thus drove them out of the union. This employer-abetted blacklist cut a wide swath through the Canadian shipping industry, allowing Banks to purge some 2,000 men from the workforce, which was a significant number, especially in light of the fact that the SIU membership was only 15,000.[39] Banks also benefitted from the menacing reputation that he and some of his associates in the union had. Members later told interviewers that a fear of violent retribution inhibited them from speaking out at union meetings.[40] One prominent union opponent disappeared and was presumed to have been murdered. Perhaps as result, Banks faced no serious electoral

37. William Kaplan, *Everything That Floats: Pat Sullivan, Hal Banks, and the Seamen's Unions of Canada* (Toronto: University of Toronto Press, 1987), 59–62; Jim Green, *Against the Tide: The Story of the Canadian Seamen's Union* (Toronto: Progress Books, 1986), 218–220; Gerald Samuel Swartz, "Hal Banks: The Rise and Fall of the Maritime Trade Union Leader in Canada" (MA thesis, University of Illinois, Urbana, 1969), 39–46 (the reference to $100,000 or $500,000 is from p. 44).

38. Kaplan, *Everything That Floats*, 62–74; Green, *Against the Tide*, 216–240; Peter Edwards, *Waterfront Warlord: The Life and Violent Times of Hal C. Banks* (Toronto: Key Porter Books, 1987), 17–26; Swartz, "Hal Banks," 47–50.

39. Kaplan, *Everything That Floats*, 73–75.

40. Swartz, "Hal Banks," 66–69.

opposition in the union and the resolutions put forward by his administration were always approved.[41]

But Banks based his leadership on more than fear. He cultivated a dedicated group of loyalists by making sure that prominent supporters in the union enjoyed tangible economic benefits in the form of steadier work and better-paid jobs.[42] And like Hoffa, Banks had the reputation of running a union that effectively championed the needs of its membership. As one study of Banks' career noted, "In so far as the shipping companies were concerned, Banks and the SIU were tough bargainers."[43] A critical magazine portrait of Banks in 1963 admitted that his support in the union rested to a significant degree "on the fact that, materially, he has done rather well by his membership." The article cited impressive economic gains including, for instance, a deckhand on a Canadian laker who earned in $315 a month in 1963 compared with the $189 a month he earned in 1953. Under Banks' leadership the SIU had set up a network of union halls in the various lake ports that "give a sailor in town a comfortable place to relax, get a shave, eat what one SIU public relations man … described as 'the best meal in town for half a dollar.'"[44] The Canadian SIU leader hired a corps of capable union administrators and held them to a standard of professionalism in fulfilling their duties. A study done by the Canadian Department of Labour concluded that the SIU had achieved significant economic gains for its membership.[45] Banks' ability to win those wage increases may have reflected the employers' desire to solidify the union's power.

In maintaining his grip on the leadership of the SIU, Banks also benefitted from the support of the employers, the top leadership of the Canadian labour movement, and the Canadian government. It was the employers, of course, who had first asked Lundberg to send them someone like Banks. A government investigation later suspected that at least some of the employers engaged in collusion with Banks and were making surreptitious payments to him, although nothing was ever proven.[46] During testimony under oath, one of Banks' former subordinates referred to a "sweetheart deal" between the SIU leader and Canada Steamship Lines (CSL).[47] And the government's report on

41. Kaplan, Everything That Floats, 76–79.

42. Swartz, "Hal Banks," 73.

43. Kaplan, *Everything That Floats*, 80.

44. Peter Gzowski, "Hal Banks: The Fight to Break Canada's Waterfront Warlord," *Maclean's*, 18 May 1963, 19.

45. Kaplan, *Everything That Floats*, 80.

46. Swartz, "Hal Banks," 82–84.

47. "'Sweetheart Deals' with CSL Laid to Banks by Sheehan," n.d., news clipping, image 276, Canadian Labour Congress: William Dodge's files (Executive Vice President and Secretary-Treasurer of the CLC), H-253, Library and Archives Canada (hereafter Dodge Papers), https://heritage.canadiana.ca/view/oocihm.lac_reel_h253/276?r=1&s=3.

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this investigation implicitly acknowledged a corrupt tie, referring to "Banks's special consideration for the CSL, as against other ship owners."[48] Whatever the nature of their private arrangements with Banks, shipping company executives praised Banks publicly for driving out the CSU and creating stable labour relations. As one executive told a reporter for *Maclean's* magazine, "He threw out the commies and got the ships sailing again."[49]

For its part, the Canadian Trades and Labour Congress (TLC) had bowed to pressure from the AFL in 1949 and expelled the CSU because of its communist connections. After some initial hesitation, caused by the strikebreaking activities of Banks' strong-arm crews against the CSU, the TLC allowed the new Canadian SIU to join the labour federation in 1950. In the years that followed, as the TLC merged with the Canadian Congress of Labour to become the Canadian Labour Congress (CLC), its leadership received alarming reports about Banks and the SIU but chose to take no action.[50] A newspaper article on testimony by Congress president Claude Jodoin in 1963 reported, "The CLC leader admitted that no investigation was ever launched by organized labour into the internal operations of the SIU even though he had heard rumors and complaints about the union."[51] In fact, Jodoin had access to more than just rumours and vague complaints. His papers as president of the CLC, available online at Heritage Canadiana, include a detailed report on Banks from Pinkerton's National Detective Agency, dated 13 August 1957. The report explored Banks' background in the United States, his criminal record, and in particular the details of a 1937 bar fight in which he killed a man. It was a strikingly brutal incident, summed up in a *Los Angeles Times* headline this way: "Sailor jailed on charge of kicking man to death."[52] The Pinkerton report seems especially relevant because that same month, August 1957, one of Banks' union opponents, Captain Henry Walsh, was brutally beaten at the SIU leader's behest.[53] The heads of the CLC had a very clear understanding of Banks' background and his conduct as SIU president. At a Congress convention in 1964, CLC leaders acknowledged by the late 1950s, "The Congress was thoroughly disgusted with the sort of organization the SIU had become and,

48. T.G. Norris, *Report of an industrial inquiry commission concerning matters relating to the disruption of shipping on the Great Lakes, the St. Lawrence River system and connecting waters (pursuant to section 56 of the Industrial relations and disputes investigation act)* (Ottawa: Queens Printer, 1963) (hereafter *Norris Report*), 144.

49. Sidney Katz, "Should We Kick Hal Banks Out of Canada?" *Maclean's*, 15 February 1955, 12.

50. Kaplan, *Everything That Floats*, 125–127.

51. "Jodoin Admits Error in Backing SIU Boss," *Times Colonist* (Victoria, British Columbia), 26 January 1963, 31.

52. W.A.M., "Investigation of Harold Chamberlain Banks," 13 August 1957, report for Pinkerton's National Detective Agency, image 130, Jodoin Papers, https://heritage.canadiana.ca/view/oocihm.lac_reel_h130/1130?r=1&s=1.

53. Edwards, *Waterfront Warlord*, 61–65.

in particular, with its leadership."[54] And yet, despite their disgust, they took no action.[55]

Their decision not to act against a flagrant case of union corruption may have partly reflected the limited authority that the CLC wielded over its affiliated unions, but it also reflected a political decision on the part of the Congress' leadership. In his perceptive analysis of the CLC's history in this era, David Kwavnick argues that based on the limited role played by the Congress, it is better seen as a kind of non-aggression pact among the affiliated unions, because it took action only in response to jurisdictional raiding. However, he also notes that historically the CLC's predecessor labour federations did intervene to undercut the CSU, the communist-affiliated maritime union that preceded the SIU.[56] In explaining why Canadian labour leaders moved against an affiliate associated with communism but not one linked with corruption, Kwavnick writes, "The essential difference between the gangsterism of the SIU and the communism of the CSU was that the latter posed an immediate threat to the legitimacy of the organized labour while the former, so long as it remained hidden from public view, posed no such threat."[57] Of course, that judgement reflected the biases of the liberal and social democratic leaders of the CLC, whose opinions enjoyed greater potency in the Cold War political context in which they operated.

It was not just that the CLC was looking the other way; despite what they knew, the leaders offered Banks vocal support in those years. In 1957, when Banks applied for Canadian citizenship, CLC leaders endorsed his application and publicly lavished praise on his stewardship over the Canadian SIU. After the citizenship court in Montréal was presented with evidence of Banks' criminal past in the United States and heard complaints about Banks from former SIU members, the CLC's Jodoin was one of several Canadian labour leaders who offered a strong response. Testifying just days after reading the alarming report from Pinkerton's detective agency, Jodoin countered concerns

54. Kwavnick, *Organized Labour*, 146.

55. In 1963, in the wake of the Norris Commission report, CLC officials defended their inaction by claiming that they lacked resources or power to act against an affiliated union except in the case of jurisdictional raiding. However, far from being complacent, CLC leaders argued that they acted promptly once they became aware of Banks' improper raiding activities. Ironically, internal correspondence between the CLC leaders and their legal counsel indicates just the opposite. When the CLC was preparing to suspend the SIU in 1960, their attorney wrote to inform them the CLC constitution did not grant authority to suspend an affiliate for jurisdictional raiding but did provide clear authority to do so in cases where an affiliate had become corrupt. For an example of the CLC's defence of its inaction, see William Dodge to Editor, *Montreal Star*, 11 June 1963, image 173, Dodge Papers; for correspondence with legal counsel on CLC's power to move against corrupt affiliates, see David Lewis to William Dodge, 15 May 1959, image 1191, Jodoin Papers.

56. Kwavnick, *Organized Labour*, 40–41.

57. Kwavnick, 165.

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expressed earlier in the court proceedings about Banks' record by saying, "As far as I am concerned Banks would be a very suitable citizen for our country." Jodoin dismissed claims of misrule in the SIU and asserted, "There is a background of interunion troubles behind all of this opposition." Jodoin's sentiments were echoed in the testimony of other labour leaders. "I think Banks has done a magnificent job for the SIU," claimed Louis Laberge, the head of the Montréal Trades and Labour Congress, "and deserves the thanks of all Canadian workers."[58]

The Canadian government played a similar role of abetting Banks' career as head of the SIU. In 1949, the Royal Canadian Mounted Police (RCMP) provided protection as the SIU sent in strikebreakers to replace CSU crews but then stood aside when squads of the axe-handle-wielding SIU men charged into the CSU pickets or fired shotguns into CSU picket lines.[59] In a private letter Banks wrote that April, he claimed, "we have the full co-operation of the police, and I have a permit to carry a gun."[60] The decision to decertify the CSU because of its alleged communist connections was an example of how the government supported Banks' career. Decertification of the CSU provided the shipping companies with legal coverage for unilaterally abrogating existing collective bargaining contracts with the CSU, and signing their employees into the SIU.[61] Indeed, in 1949 the Canadian Department of Labour had actively worked to facilitate Banks' efforts to supplant the CSU. Conversely, the Department studiously avoided taking any action in the years that followed as it received a steady stream of reports about racketeering in the SIU under Banks' leadership. Instead, in 1954 the Minister of Labour endorsed Banks by appointing him one of Canada's representatives to an International Labor Organization conference in Geneva, Switzerland.[62]

Even after the Conservatives replaced the Liberals in 1957, the Canadian government continued to avoid taking action against Banks. In 1959, the Minister of Justice received a lengthy report from the RCMP on the various abuses occurring in Banks' SIU. The government was told that, among other things, Banks had ordered an attack on a union rival. An RCMP superintendent wrote the Minister of Justice, "Criminal acts are being resorted to in connection with the activities of the SIU in such a way that the ordinary machinery of law enforcement cannot cope with them." He urged the minister to act. In his very detailed account of this history, William Kaplan writes, "If there was insufficient evidence to justify laying criminal charges, an industrial inquiry commission should have been appointed; there was more than

58. Leon Levinson, "Labor Chiefs Back Banks' Citizenship," *Montreal Gazette*, 17 August 1957, 1.

59. Green, *Against the Tide*, 227

60. Edwards, *Waterfront Warlord,* 24.

61. Kaplan, *Everything That Floats*, 70–71.

62. Kaplan, 82.

enough evidence to justify that." But, as Kaplan puts it, "for reasons that defy explanation" the Conservatives in power in Ottawa declined to call for such an investigation.[63]

The government's most overt form of support, however, related to Banks' problematic immigration status. It was a problematic status not only because of his extensive criminal record in the United States but also because he had been convicted in Canada in April 1952 on a charge of possessing 36,000 smuggled cigarettes. In 1949, when Banks came to Canada, immigrants with criminal records were regularly deported. Instead, in 1952 the government granted Banks Landed Immigrant status, allowing him to remain in Canada indefinitely. Applicants for this status had to complete an application form that normally included a question about having any criminal convictions; those with a criminal record were usually rejected. In Banks' case, the government dodged this problem by providing him with a version of the Landed Immigrant application form that did not include the standard question about a criminal record. Later, in 1954, when that criminal record became known, an immigration judge ordered Banks to be deported; however, the Minister of Citizenship and Immigration, Walter Harris, reversed that judge's decision.[64] In explaining that decision to a reporter, the minister made the political calculation behind the government's support crystal clear: "One factor in the decision to allow Banks to stay in Canada was his activity in ridding the waterfront of the communist-dominated CSU."[65]

Banks' downfall stemmed from his efforts to expand the jurisdiction of his union to include the licensed members of ship crews, the mates and the engineers, who had their own labour organizations. It was in the course of his efforts to achieve this goal that in 1957 Banks ordered the brutal beating of Captain Walsh, a leader in the Canadian Merchant Service Guild, the mates' labour organization. As elements within the unions of engineers and mates sought to resist Banks' takeover, they turned to the Canadian Brotherhood of Railway Transport and General Workers (CBRT) for support. The Canadian SIU and the CBRT were already in a dispute over which union would represent the workers on railroad ferry boats and who would staff portions of the newly completed St. Lawrence Seaway. By 1961, the CBRT was backing a newly chartered union of ship's engineers, the Canadian Maritime Union (CMU),

63. Kaplan, *Everything That Floats*, 103–104.

64. Green, *Against the Tide*, 220–221; Kaplan, *Everything That Floats*, 82–83.

65. Two details are not totally apparent from the text: (1) Harris claimed the authority to reverse the judge's ruling based on a provision inserted into the *Immigration Act* that allowed an immigrant's rehabilitation to be taken into account when considering his or her criminal record; (2) Harris reversed the judge's deportation order on the last day of his role as Minister of Immigration and Citizenship, before he moved over to be Minister of Finance. The quote explaining the government's rationale is from Harris' successor, John W. Pickersgill. Peter Newman, "Hal Banks: White Knight on a Cadillac," *National Post*, 16 October 1954, 21.

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and supplied replacement crews when SIU members were called off ships that employed members of the CMU as engineers.[66]

As this jurisdictional contest became increasingly violent, Jodoin and the CLC turned against Banks. In 1960, the CLC suspended the Canadian SIU for its jurisdictional raiding activities. As violent incidents occurred in various Great Lakes ports, concern mounted within the CLC. Jodoin wrote a formal letter to the Canadian government in May 1962 requesting a full-scale investigation into the "whole matter of the structure, policy, operation and finances of the SIU of Canada." When the government failed to respond, and in the wake of a particularly brutal beating of a CBRT official on 16 June, the railroad union staged an unauthorized shutdown on one of the locks of the St. Lawrence Seaway, threatening to block this vital avenue of commerce until the government heeded its concerns.[67]

In response, the government announced the creation of a special commission of inquiry, what became known as the Norris Commission. The public probe stretched over months of highly publicized hearings in late 1962 and early 1963. One-hundred and eighty-seven witnesses testified, including Banks and his union associates, as well as a range of other labour leaders and some employers. The commission issued its findings in July 1963. The 318-page report included a scathing denunciation of Banks and a call for the creation of government trusteeship over the SIU and the other Canadian maritime unions. Parliament followed this recommendation by passing the Trusteeship Act in October 1963. The law imposed a three-year government trusteeship over five maritime unions, which included about 15,000 members in total.[68]

Meanwhile, in early 1964 Banks was convicted on conspiracy charges stemming from the beating he had ordered against Walsh in 1957. The SIU leader jumped bail and fled to the United States, where he went into hiding. His conspiracy conviction was not an extraditable offence, but in 1967 the Province of Ontario filed a perjury charge against Banks for giving false testimony before the Norris Commission – and perjury was an extraditable offence. FBI files indicate the Bureau was reluctant to become involved in efforts to track down Banks, but it did eventually, tracing him to a SIU-owned yacht docked at the Brooklyn waterfront. Despite his arrest, Banks continued to resist extradition, with his attorney offering a range of legal arguments to contest the proceeding. In March 1968, US Secretary of State Dean Rusk, despite the recommendations of his legal advisers, sided with Banks. It was a highly unusual decision. The last time a US secretary of state had denied a Canadian request for extradition was in 1837, after the leader of the Upper Canada revolt, William Lyon Makenzie, had fled to New York. Although Banks had successfully evaded Canadian justice, his career as a powerful union official had come to an end.

66. Kaplan, *Everything That Floats*, 89–110.

67. Kaplan, 110–112.

68. *Norris Report*; Kaplan, *Everything That Floats*, 113–146.

He had no solid position within the SIU in the United States and the top officials in the union blocked his efforts to obtain a leadership role. The Jimmy Hoffa of Canada ended up on the San Francisco waterfront, slipping into old age and ornery obscurity, and passed away in 1985.[69]

## Comparing Hoffa's and Banks' Cases

THOUGH THE TWO MEN led labour organizations that were almost opposite in size, news media accounts at the time highlighted apparent similarities between Hoffa and Banks, indicating the tropes through which union corruption was commonly covered. They both led unions in the transportation sector and their critics warned that both men schemed to build union alliances that would allow them to stage strikes that could paralyze commerce. In 1958, *Newsweek* warned, "Control of everything that moves – on land, on sea, and in the air. That's Jimmy Hoffa's target for tomorrow."[70] The Norris Commission's report put forward a similarly dire warning and cited Banks' proposal of an alliance with other transportation unions, including Hoffa's Teamsters. "This is a constantly recurring theme with Banks," the report asserted, "and indicates his dream of power."[71] Elsewhere the report referred to assistance that Banks had already received from the ILA, the Marine Engineers Beneficial Association, and the main US branch of the Seafarers Union. According to the commission, this de facto labour federation was part of an "effort to maintain one-man lawless rule over shipping on the Great Lakes" and was "a threat to our democracy of the gravest kind."[72] The *Montreal Star*'s account of the report explained to readers that the "waterfront overlord Banks" was "nurturing a terrifying dream of power as president of the 14,000 member Seafarers International Union." According to the paper, "Mr. Justice Thomas G. Norris today urged the Federal government to snatch Canada's industrial shipping lifeline from the lawless grasp of a Jimmy Hoffa–Hal Banks Alliance."[73]

That quote, however, highlights one difference between the two union leaders: the nightmarish scenario ascribed to Banks' ambitions involved an American threat to Canada. As a dictator, Banks would rule at the behest of

69. Kaplan, *Everything That Floats*, 146–156; Edwards, *Waterfront Warlord,* 161–199. Regarding FBI reluctance, a cablegram to the FBI office in Ottawa in August 1964 included the following notation: "Bureau will conduct outstanding inquiries through NYO [FBI Field Office in New York City] but is most reluctant to accept any further investigation looking towards establishing the subject's whereabouts here." Cablegram to Ottawa, [author's name blanked out], August 27, 1964, [no serial number], Hal Banks FBI File.

70. "Jimmy Hoffa's New Grab," *Newsweek*, 14 July 1958, 27.

71. *Norris Report*, 274.

72. *Norris Report*, 281.

73. "Norris Brands Banks 'Lawless Man,' Urges Federal Control of Ship Union," *Montreal Star*, 15 July 1963, 1.

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US-based unions. According to an editorial in the *Montreal Star*, "The terrorism which finally brought about the investigation, Justice Norris declared in his report, was of much more sinister import than an interunion struggle with no holds barred. It was incidental to a determined effort to make Banks the *figurehead master* [emphasis mine] of the Great Lakes for the SIU, the International Longshoremen's Association, and the Teamsters Union. A combination hard to improve for undesirability." Banks also stood for an American threat to the orderly and lawful nature of Canada's labour relations system. Newspaper denunciations of Banks included references to the Norris Commission's warning about the emergence in Canada of the corrupt style of US labour relations recently exposed by the McClellan Committee hearings. "At this moment James Hoffa, president of the International Brotherhood of Teamsters, has more power in the United States than President John F. Kennedy, if he chooses to exert it," claimed the Toronto *Globe and Mail*. "Is Canada to submit to this sort of underworld domination?"[74]

Both men faced allegations of using non-democratic methods – violence and intimidation – to establish and maintain their leadership. But in both cases, those charges were tempered by an acknowledgement that the members in both the Teamsters and the Canadian SIU had benefitted from strong collective bargaining agreements. If Hoffa's popularity with Teamsters members was legendary, it is also true that observers were struck by the support that Banks enjoyed from his union's rank and file, even after the Norris Commission report.[75]

News media accounts emphasized the relatively high pay both men received, and reporters lavished attention on the opulent offices from which the two men conducted union business. In an article that described Hoffa's executive suite at the Teamsters headquarters, *Time* referred to it as the "Teamsters marble and glass palace in Washington."[76] Inside that palace, according to *Newsweek*, "The indirect lighting played gently on the soft wall-to-wall carpeting in the halls and offices. The view past the tasteful draperies through the bronze-framed floor-to-ceiling picture windows afforded a spectacular springtime vista of the newly grown lawns, blooming dogwoods, and bubbling fountains surround the Teamsters' neighbors: The U.S. Senate Office Building and the Capitol."[77] Press accounts noted that Banks had located the SIU headquarters in the heart of Montréal's financial district, on St. James Street, far from the city's gritty port. In a *Maclean's* magazine profile of Banks, his office is described this way: "It's about twenty-five feet square, contains wall-to-wall

74. "No Time for Fear" (editorial), *Globe and Mail*, 1 August 1963, 6.

75. "Marchers Roar Out Demands," *Montreal Star*, 22 October 1963, 1; Wilfred List, "Trusteeship of SIU Could Founder on Rank, File," *Globe and Mail*, 22 October 1963, B5.

76. "On the Leash," *Time*, 3 February 1958, 15.

77. "Labor Hoodlums Rule On," *Newsweek*, 12 May 1958, 23.

beige broadloom and is liberally scattered with chrome-and-leather furniture. Banks sits behind a sixteen-foot circular Hollywood-style executive desk."[78] The magazine reported that Banks had a salary of $20,000 a year but also received $20,000 in expense money from the union.[79] By 1961, Hoffa's salary from the Teamsters was $75,000, higher than any other union leader in the United States.[80] These details helped to build a picture of working-class leaders who had taken on the vestiges of business executives and in so doing disguised the working-class roots of their power.

At the same time, these journalistic accounts tended also to linger over physical descriptions of the two men, using language that emphasized a quality of barely contained menace. Thus, a description of Banks in the *Toronto Post* noted his six-foot height and "bear-like shoulders" and described his eye colour with this suggestive phrase: "His light blue eyes rest on you with a glance as straight as a rifle barrel."[81] Magazine articles on the shorter (five foot five) Hoffa described him as a "squat, thick-shouldered man," or a "sawed-off tough guy."[82] The description of Hoffa's gaze employed similarly weighted phrasing. An article in *Newsweek* informed readers that Hoffa "grins easily" but "when he talks about his union or his numerous enemies – his eyes are wintry cold."[83] These accounts conveyed the idea that beneath their polished exteriors, and despite their stately offices, these powerful union dictators were dangerous brutes, implying they should not be entrusted with authority over a strategic aspect of the transportation sector.[84]

Like the McClellan Committee hearings in the United States, which had occurred from 1957 to 1959, the Norris Commission produced scandalous revelations about union misrule and thuggish violence. But there were significant differences between the two sets of hearings, including the history of their origins. In the United States, business groups such as the National Association for Manufacturers had promoted a large-scale congressional probe as a way to raise public concerns about union power. For its part, the AFL-CIO viewed the McClellan Committee with wary suspicion that evolved into outright hostility as it became increasingly clear that the hearings focused solely on union improprieties and were serving the purposes of anti-labour forces.[85] In

78. Katz, "Should We Kick," 42.

79. Gzowski, "Hal Banks," 16.

80. "Hoffa Loses a Round," *Newsweek*, 28 August 1961, 22.

81. Newman, "Hal Banks," 21.

82. William Brink, "Driving for Power," *Newsweek*, 10 July 1961, 57; "Looking Down the Road," *Newsweek*, 18 December 1961, 33.

83. Brink, "Driving for Power," 57.

84. Puette, *Through Jaundiced Eyes*.

85. Rios and Witwer, *Murder in the Garment District*, 147–150, 202–203.

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Canada, however, the CLC had demanded the government inquiry that became the Norris Commission, with the CBRT staging an illegal job action to force the government's hand.[86]

In the McClellan Committee proceedings, Hoffa and other union witnesses could only respond to questions, not ask any themselves; nor could they call their own witnesses in order to put forward their version of events. But in the Norris Commission the SIU was an equal participant, able to call witnesses and to question and cross-examine witnesses called by the other side. The CBRT played a similar role in the Norris Commission hearings, putting forward a case about the improper activities of the Canadian SIU in its jurisdictional dispute.[87]

Moreover, the leadership of the CLC had reached a firm understanding with the government that the scope of the Norris Commission would be strictly limited to Banks' leadership of the SIU. They specifically wanted to avoid unleashing an aggressive, open-ended union corruption probe of the type that was all too common south of the border. This position was made clear in the minutes of the CLC's 31 July 1962 Executive Council meeting, which occurred soon after their request for the creation of a government inquiry that would become the Norris Commission: "The Officers were fully aware that there were serious implications in this inquiry, but this was a calculated risk they had to take. The Officers, however, had made it plain to the Labour Minister Starr that this request for an inquiry *was not to be construed as opening the door for investigations such as the McClellan Commission* [*sic*] *in the United States* [emphasis mine] and Mr. Starr had assured the Officers that it was not the intention of the Government to do this."[88]

In fact, the Norris Commission investigation remained firmly focused on establishing abuses under Banks in the Canadian SIU; it avoided bringing in evidence of corruption that went beyond that mandate. As the minutes from the CLC Executive Council indicate, Canadian labour leaders trusted their political allies in the Liberal Party to control the scope of the investigation. The mode of the Canadian investigation would also have provided reassurance, since it took the form of an independent commission of inquiry with a relatively narrow mandate: specifically, to probe the disruption of shipping on the Great Lakes that had been caused by the activities of Banks' SIU. The appointment of a prominent jurist, Thomas G. Norris, to lead the commission provided further assurance of the non-political character of this investigative commission.[89]

86. Kaplan, *Everything That Floats*, 113–144.

87. Kaplan, 113–144.

88. Executive council minutes quoted in Kwavnick, *Organized Labour*, 153.

89. Kaplan, *Everything That Floats*, 112–115.

The narrow focus and depoliticized character of the Norris Commission was quite different from the McClellan Committee, which as a congressional investigative body was by definition political. In creating this select committee, the Senate had assigned equal membership to both the Republican and Democratic Parties, but the Democratic members included senators from the southern wing of the party who were hostile to organized labour. This group included the committee's chairman, Senator John L. McClellan, a powerful and conservative southern Democrat.[90]

McClellan's chief counsel, RFK, may not have been anti-labour, but he was politically ambitious and had worked hard to ensure that he would lead what one journalist predicted was "potentially the most sensational congressional probe in 1957."[91] Kennedy would have been keenly aware of the political benefits of this probe. As the *New York Times* explained, "It is generally recognized at the Capitol that a labor investigation, properly conducted, would yield political 'pay dirt' for two to four years."[92] Achieving that "pay dirt," however, meant conducting an expansive investigation, one that could generate headline-worthy news stories, and one quite dissimilar from the Norris Commission's probe. Thus, although the McClellan Committee devoted a great deal of time and energy to Hoffa and the Teamsters, it also exposed abuses involving a range of other unions. In doing so, the McClellan Committee's staff followed up leads provided by journalists, union dissidents, and previous investigations, as well as the investigative priorities of the senators who oversaw the probe, several of whom hoped to use the probe to tarnish labour's image and win new restrictions on union power.[93]

The Norris Commission, in contrast, looked solely at the Canadian SIU. The probe's only window onto other unions came when it compared the SIU's administrative structure and expenses to those of the CLC and the CBRT, the railroad union that had pushed the creation of the Norris Commission. The goal of those comparisons was to demonstrate how Banks had violated the norms of union governance. However, given the arbitrary nature of the

90. Michael Pierce, "John L. McClellan, the Teamsters, and Biracial Labor Politics, 1947–1959," in Robert H. Zieger, ed., *Life and Labor in the New South* (Gainesville: University Press of Florida, 2012), 45–75; Witwer, *Corruption and Reform*, 186–87.

91. Willard Edwards, "Senate Groups Clash on Labor Rackets Probe," *Chicago Tribune*, 8 January 1957, 16.

92. Joseph Loftus, "Rackets Inquiry a Political Plum," *New York Times*, 11 January 1957, 16.

93. For an overview of the investigative process by the committee's chief counsel, see Robert F. Kennedy, *The Enemy Within* (New York: Harper and Brothers, 1960). For a recent account of this investigative process, see Rios and Witwer, *Murder in the Garment Industry*, 161–189. The political goals of conservative members of the McClellan Committee are explored in Witwer, *Corruption and Reform*, 186–198.

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comparison, it remains unclear just how singular Banks and the SIU were in terms of such norm violations.[94]

It is worth pondering what the Norris Commission might have found had it looked at other unions where the dynamics of collective bargaining, and the casual nature of employment, would have created an opportunity for patterns of abuses similar to what existed in the Canadian SIU. Although the McClellan Committee never formally developed such an analysis, the wide scope of its inquiry, and the pattern of abuses it uncovered, made it clear that corruption tended to emerge in particular kinds of settings, such as in big-city construction unions. Similar structural factors might be expected to have fostered similar patterns of corruption in Canada.

In fact, some evidence suggests that such patterns existed in Canada. The Cliche Inquiry in the mid-1970s and later the Charbonneau Commission in the 2010s both found corruption in Montréal's construction unions.[95] The Charbonneau Commission emerged in the wake of a massive probe of the Mafia in Montréal that had revealed the role of organized crime in the city's construction industry. Québec's premier created the commission in 2011 and the investigation, including a series of high-profile hearings, continued into 2014, culminating in a 1,741-page report issued in 2015.[96] The Charbonneau Commission uncovered systematic patterns of corruption in the construction industry, including bid rigging on public projects and kickbacks to politicians and political parties. Testimony during the hearings exposed close ties between one of the businessmen at the centre of this web of corruption, Antonio Accurso, and Michel Arsenault, the head of the Québec Federation of Labour (Fédération des travailleurs et travailleuses du Québec, or FTQ). Under Arsenault's leadership, the union's Solidarity Fund, which managed $10 billion in union assets, provided strategic financing to Accurso's business ventures.[97] During his testimony before the Charbonneau Commission, Arsenault was asked about his relationship with Accurso and about wiretapped conversations

94. *Norris Report*, 263–268.

95. Andy Riga, "Two Whistleblowers' Takes on the Charbonneau Commission," *Montreal Gazette*, 25 November 2015, https://montrealgazette.com/news/local-news/asdf; Monique Moise, "FTQ's Arsenault Lied about Bribe, Witness Says," *Montreal Gazette*, 8 October 2013, 2; Katherine Wilt, "Former Union Boss Admits Going on Vacation Paid for by Accurso," *Montreal Gazette*, 5 November 2013, 4; Mathew Hagan, "The Man Who Told Quebec the Truth," *Maclean's*, 1 July 1975, https://archive.macleans.ca/article/1975/7/1/the-man-who-told-quebec-the-truth; Joseph MacSween, "Cliche Inquiry," *Montreal Gazette*, 26 April 1975, 10; Irwin Block, "Kingpin Desjardins Labelled 'Danger to the State,'" *Montreal Gazette*, 7 May 1975, 10.

96. William Marsden, "RCMP Refuses to Hand Over Project Colisee Tapes," *Montreal Gazette*, 20 March 2012, A8; Sidhartha Banerjee and Peter Rakobowchuk, "Quebec Corruption Inquiry Comes to an End," *Toronto Star*, 15 November 2014, A9; Graeme Hamilton, "Corruption Extensive in Quebec, Inquiry Finds," *National Post*, 25 November 2015, A8.

97. Daniel LeBlanc, "Charbonneau Commission 'Untouchable,'" *Globe and Mail*, 2 September 2014, A6.

in which he acknowledged the influence that organized crime wielded over the FTQ-Construction Union. The head of that union, Jocelyn Dupuis, had close ties to members of the Hells Angels as well as to Reynald Desjardins, a prominent Mafia figure.[98] According to the Charbonneau Commission's final report, "The testimony revealed that a prominent Montréal mafia figure introduced himself as the 'boss' of the general manager of FTQ-Construction."[99] According to some journalists, a similar pattern of organized crime influence apparently exists in Toronto. Allegations have been made that officials in two of the most important unions in Toronto's construction industry, the Carpenters and the Laborers, have a history of mob ties.[100]

It seems possible that similar types of corruption and mob influence existed in previous decades, just as they did in the United States, where such patterns were exposed and publicized by the McClellan Committee and other mid-20th-century racketeering probes. But in Canada, in this era, there was only the Norris Commission; its narrow focus on the SIU, to the exclusion of other unions, meant that it was guaranteed to produce no such revelations of corruption beyond Banks' Seafarers Union.

In a similar vein, the Norris Commission investigators avoided presenting evidence that might link Banks to corruption that extended beyond organized labour. Despite the commission's suspicions that some of the shipping companies had a special arrangement with Banks, there does not seem to have been any effort to pursue that matter. McClellan Committee investigators regularly went through the books and records of companies that dealt with corrupt union officials, looking for evidence of illicit payments.[101] There is no record of the Norris Commission investigators doing the same. Nor was the Norris Commission willing to expose corruption in the political sector. When investigators found evidence of Banks making payments to a member of Parliament from Nova Scotia and Liberal Party leaders in Québec, they worked to keep it out of the hearings.[102]

98. Allen Woods, "Union Had Ties with Bikers, Mafia, Says Former Executive," *Toronto Star*, 2 October 2013, A6; Les Perreaux and Tu Thanh Ha, "Ex-Labour Leader in Wiretap Crosshairs," *Globe and Mail*, 28 January 2014, A3.

99. *Report of the Commission of Inquiry on the Awarding and Management of Public Contracts in the Construction Industry*, vol. 3, *Schemes, Causes, Consequences and Recommendations*, n.d., online translation by Bob Mackin, Scribd, accessed 22 November 2021, https://www.scribd.com/document/342552195/Volume-3-of-the-Charbonneau-Commission-report-in-English.

100. Adrian Humphreys, "War of the Unions: Scuffles, Raids, Mobsters and Lawsuits," *National Post*, 19 December 2014, https://nationalpost.com/news/canada/war-of-the-unions-mobsters-fights-on-construction-sites-raids-and-lawsuits-these-arch-rivals-just-cant-get-along.

101. Rios and Witwer, *Murder in the Garment District*, 174–175.

102. Maurice Wright to Judge Thomas G. Norris, 29 April 1963, image 235, Dodge Papers.

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The Norris Commission still produced shocking revelations, but thanks to the behind-the-scenes agreement between the government and the CLC, those revelations had to do only with the SIU, while the McClellan Committee probe had ranged across numerous unions and uncovered endemic corruption in cities across the country. As a result, the Norris Commission's findings did not cast the same wide shadow of disrepute across the Canadian labour movement as the McClellan Committee had done to US unions. In the United States, the reputation of organized labour plummeted. On Labor Day in 1957, *Time* magazine observed that in the wake of the McClellan Committee's probe "the role of unionism in a peace-time economy was called into question as rarely before." According to the magazine, the McClellan Committee's revelations had led to a "historic change in the political climate in which organized labor lives and breathes."[103] The Canadian labour movement faced no such shift in the political climate that it faced.

Another difference between the American and Canadian inquiries was in the role played by organized crime. Especially after the New York State Police stumbled upon the Apalachin Mafia conference in November 1957, the McClellan Committee devoted a significant proportion of its hearings to exploring the links between corrupt union leaders and organized crime figures. Indeed, this was one of the central themes in the committee's denunciation of Hoffa – that he had served as a conduit for organized crime to seize control over a strategic component of the labour movement.[104] The Norris Commission hearings, by contrast, did not include any revelations regarding organized crime or any allegations of Banks having mob ties. This omission occurred despite the fact that Banks' fellow union leaders believed such ties existed. A true-crime account of the SIU leader asserts that Captain Walsh, Banks' union rival, "had heard how close Banks was to members of the mob in Montreal's East End." Walsh believed that Banks could draw on his ties to the East End Mob to have him beaten.[105] Similarly, the term "racketeering," which litters the McClellan Committee reports, makes scant appearance in the Norris Commission report.

Instead, the central theme of the Norris Commission's denunciation of Banks involved the spectre of lawlessness – in particular, the lawless style of US labour relations as revealed by recent union corruption scandals there. "If any one thing is demonstrated in this Inquiry," the final report asserts, "it is how lawlessness (including in this term disregard of the rule of law, of constituted authority, and contractional obligations) begets lawlessness." A central indictment of Banks was that he "has bludgeoned his way into power and seeks to maintain it by violent and lawless means." The report warned that Banks planned to bolster his power by forging alliances with other US-based

103. "Labor Day, 1957," *Time*, 2 September 1957, 11.

104. Witwer, *Corruption and Reform*, 198–204.

105. Edwards, *Waterfront Warlord*, 64.

transportation unions, the Teamsters and the ILA, depicted as "lawless [union] elements who are almost out of control in the United States." The end result, the Norris Commission report warned, "would be the establishment in Canada of the lawless labor situations with which the New York Harbor Commission and the McClellan Committee have had had to deal."[106]

The Norris Commission underlined this image of a kind of alien invasion of union lawlessness by explicitly comparing Banks to Hoffa (along with Adolph Hitler and Joseph Stalin). "Banks is capable, decisive, egocentric, intolerant and ruthless. He is the stuff of the Capones and the Hoffas of whom the dictators, throughout history, from the earliest men to the totalitarians, Hitler and Stalin, are prototypes."[107] News media coverage reinforced the Norris Commission's claim of a similarity between the two cases. A *Maclean's* story on the Norris Commission hearings asserted that they provided a "picture unlike anything revealed in Canada before, reminiscent in many ways of the picture of U.S. Teamster boss Jimmy Hoffa that came out of the hearings of Senator John McClellan's committee on improper activities in the labor and management fields a few years ago."[108]

This kind of language suggests that another difference between the cases of Banks and Hoffa involved the role of Canadian nationalism in bolstering the reaction against the SIU leader. An article in *The Reporter* asserted that American officials "believe the campaign against the Seafarers in Canada draws it strength partly from a new nationalism" that was making itself felt in a range of different ways. "In Canada's labor movement, this spirit has been reflected in hostility between some of the all-Canadian unions and those like the SIU which are affiliated with labor organizations based primarily in the United States."[109] Syndicated labour-beat columnist John Herling noted that "Mr. Banks has crystallized anti-U.S. sentiment."[110]

A more strident version of this theme emerged in an editorial in *Maclean's* entitled "The best new reason for living in Canada: We can still beat thugs like Hal Banks." The editorial depicted Banks as a nefarious American import. "Of the good and bad the United States has contributed to Canada, the worst may well be Harold C. Banks, by title the president of the Seafarers' International Union of Canada and by calling a hoodlum." The editorial portrayed the US labour relations system as rife with corruption, asserting that "James Hoffa has more imitators in the unions and entrenched rackets than John Kennedy has in nightclubs." US reformers, like RFK, who "might have muzzled Hoffa and the rest of Hal Banks's American prototypes," the piece claimed, had been

106. *Norris Report*, 299–300.

107. *Norris Report*, 296.

108. Gzowski, "Hal Banks," 16.

109. William J. Eaton, "The Battle of the Great Lakes," *The Reporter*, 21 November 1963, 40.

110. *John Herling's Labor Letter*, 19 October 1963, 2.

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stymied by special interests and congressional road-blocks. "In Canada, by contrast, the lines of power are more clearly drawn." The editorial concluded by using the American comparison to urge support for the Norris Commission's call to impose a government trusteeship over the Canadian maritime unions. "Even though a bigger country can apparently do little about bigger hoodlums, there is no reason why we cannot devise ways to use our more direct voice in government to rid ourselves of our own."[111]

Depicting Banks as an insidious American import had two important political implications. It allowed Canadian observers to avoid considering the possibility that the abuses he engaged in were indicative of broader problems within the Canadian labour movement. A long article in *The Nation* observed, "Many Canadians think Canada is fairly pure compared to the United States. Whether it is true or not, they tend to think of the States as a place where cracked skulls, attempted murder and organized mayhem are almost routine."[112] The shocking revelations of thuggish violence and union abuses uncovered by the Norris Commission would have threatened that self-image, except for the fact that they were linked to a man whom William Dodge, secretary-treasurer of the CLC, labelled as "the ugliest of the ugly Americans."[113] And depicting Banks as a representative of a tainted US labour movement helped justify support for the government trusteeship called for by the Norris Commission. Initially many Canadian labour leaders had viewed the proposed trusteeship with some concern because it represented a dramatic new level of government intrusion into labour affairs. But support grew in the face of strident and impolitic statements from US labour leaders, who denounced the proposal and insisted that all Canadian officials in US-based (international) unions oppose it.[114] As *The Nation* aptly put it in describing the response to these efforts, "Nothing works quite like Americans to unite the Canadian peoples."[115] The CLC's Dodge responded to the AFL-CIO's opposition to the trusteeship by asserting that the Canadian labour movement "shall never capitulate to gangster-type trade unionism … whether or not it receives the blessing of the AFL-CIO, or any other foreign labor movement."[116]

With the CLC's support, the Canadian government implemented the trusteeship and, in so doing, encouraged the perception that Canada was more

111. "Editorial: The Best New Reason for Living in Canada: We Can Still Beat Thugs like Hal Banks," *Maclean's Reports* 76, 15 (10 August 1963), 4.

112. Harry Bruce, "Great Lakes Labor War: A Canadian View," *The Nation*, 9 November 1963, 300.

113. "Ugly American Label Pinned on Hall, Banks," *Globe and Mail*, 14 November 1963, news clipping, image 1588, Jodoin Papers.

114. Kwavnick, *Organized Labor*, 155–165.

115. Bruce, "Great Lakes Labor War," 298.

116. "Ugly American Label."

willing, and politically better equipped, to tackle the problem of union corruption. It was a perception that a *Maclean's* editorial had touted with the headline "The best new reason for living in Canada." The *US News & World Report* echoed this comparison in an article entitled "When Canada's Liberals crack down on unions." The article explained, "When it comes to getting tough with labor unions, Canada's Liberal Government now is going beyond anything ever attempted by a Republican or a Democratic Administration in the U.S."[117] The contrast with Hoffa's case appeared dramatic. By 1963, the US authorities had failed to either convict Hoffa or remove him from the presidency of the nation's most powerful union. No one in the US government was suggesting taking such dramatic action as imposing a government trusteeship over the Teamsters or any of the other unions denounced by the McClellan Committee, and if they had, the AFL-CIO would have strongly opposed such a move.[118] By contrast, the Canadian unions supported this dramatic government intervention, suggesting a difference in how the two countries approached union corruption. According to this view, Canadians were less tolerant of corruption and more willing to take dramatic action to correct it. As the *US News & World Report* phrased it, "The Canadian way is to move in and take over."[119]

Except that the Canadian government, and Canada's labour movement, had in fact tolerated and even abetted Banks' leadership over the SIU for years.[120] This tolerance was linked to Banks' role in driving the left-wing CSU from the Canadian waterfront. Their inaction also appears to reflect a relative indifference to Banks' autocratic methods, to evidence of financial improprieties in the union, or to other abuses, such as making sailors pay kickbacks in order to get job assignments. Had Banks not moved to expand his union's jurisdiction, it seems quite possible that he would have retained the support of the government and the CLC. Even after the Norris Commission report, one is struck by the half-hearted nature of the government's pursuit of Banks, which pales in comparison to RFK's ruthless campaign to bring down Hoffa.[121]

Indeed, Hoffa's case reminds us of the prevalence and intensity of union corruption investigations in the United States. By the time of the McClellan

117. "When Canada's Liberals Crack Down on Unions," *US News & World Report*, 4 November 1963, 88.

118. On the AFL-CIO's opposition to government trusteeships, see "Lakes Open Up," 125.

119. "When Canada's Liberals Crack Down," 88.

120. Kaplan, *Everything That Floats*, 102–103.

121. The government's decision to charge Banks with conspiracy to commit assault, which was not an extraditable offense, seemed a significant decision to many observers. After Banks fled to the United States, the Canadian government did not follow up by indicting him with an extradictable offense; instead, it was the Province of Ontario that acted in 1967, in the face of the federal government's apparent foot-dragging. "Labor Leader Hal Banks," *Ramparts*, 15 June 1968, 15–16; Edwards, *Waterfront Warlord*, 161–174; Kaplan, *Everything That Floats*, 174–188.

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Committee hearings, Hoffa had already been the target of two congressional investigations and a special state-level anti-racketeering grand jury probe. Such probes were very much a part of the US political landscape, with over a dozen congressional investigations of labour racketeering occurring from 1948 to 1960. At the same time, the Eisenhower Justice Department vigorously pursued union corruption and labour racketeering cases. These government probes, in turn, often came in response to journalistic exposés of union corruption, such as Malcolm Johnson's influential series in the *Brooklyn Sun* on racketeering in New York's waterfront. Ever since Westbrook Pegler had won a Pulitzer Prize for his sustained journalistic campaign against union corruption, a talented and well-connected group of reporters had followed his lead.[122] Those probes overshadowed, and outlasted, the series of Red Scare–era probes in the 1940s and early 1950s that focused on the alleged communist connections of some union leaders.

It is fair to wonder if Banks' career would have ended much sooner had he been forced to operate in the United States, where the level of scrutiny was more severe. One wonders, too, whether other union leaders in Canada engaged in similar types of abuses as Banks but managed to stay under the radar. One sign that Banks was more than an anomaly comes from the fact that the abuses associated with his leadership over the SIU continued long after he was gone, in the years after the government's trusteeship had run its course.[123] Another sign is the revelations produced in later decades by the Cliche and Charbonneau investigations.

## Conclusion

What I am asserting as a conclusion here is that the comparison of Hoffa's and Banks' careers does not necessarily clarify whether corruption was more prolific in US unions; instead, it highlights the way in which US unions faced a much greater level of scrutiny on this issue than their counterparts in Canada. The situation is akin to other contexts where increased allocation of law enforcement leads to higher arrest rates, suggesting a difference in the prevalence of criminal conduct that is more apparent than real. Accounts of the juvenile delinquency crime wave of the 1950s, or crime rates in inner-city neighbourhoods with a minority population, refer to this

122. David Witwer, "The Racketeer Menace and Anti-Unionism in the Mid-Twentieth Century US," *International Labor and Working-Class History*, no. 74 (Fall 2008): 124–147; Witwer, "The Heyday of the Labor Beat," *Labor: Studies in Working-Class History of the Americas* 10, 2 (2013): 25–29.

123. "CLC Doesn't Plan Inquiry Into SIU," *Calgary Herald*, 13 December 1974, 59; "Stonewalled on SIU Jelinek 'Packs It Up,'" *Ottawa Citizen*, 13 December 1974, 51; "Ontario Slow on SIU," *Ottawa Journal*, 24 May 1975, 5.

pattern.[124] Another way of stating this point is to note that we tend to find corruption when we allocate significant resources to looking for it, and the decision of whether to allocate those resources, or where to allocate them, is a political one. Opposition to organized labour in the United States had encouraged union corruption probes as far back as the 1890s and the success of this tactic encouraged repetition. The repetition of that tactic in turn confirms stereotypes of US unions as corrupt, which makes subsequent corruption investigations more likely.

A larger point to consider in this regard is whether the different treatment of union corruption in Canada is linked to the divergent paths of organized labour in the two countries, which some scholars have argued began in the 1960s. These scholars note that union density rates in both countries were running on parallel tracks from the 1930s until 1964. In 1956, for example, the rate of union membership stood at 33 per cent in both countries, and then in both countries the rate slipped down to 29 per cent by 1964. At that point, their paths went in different directions, with US unions entering the current period of decline while the Canadian labour movement enjoyed a robust resurgence, fuelled by government support for public-sector unionism, which grew dramatically in these years.[125]

Whether or not that divergence is more apparent than real has been the subject of scholarly debate. Some researchers have emphasized the problematic nature of union density statistics in Canada, as well as the way that growth in public employee unionism masked a decline in union membership rates for private employers, a pattern that paralleled the decline in the United States. These scholars argue that public employee unions should be excluded from consideration in comparing the US and Canadian unionization rates. Without the growth in public employee unionism, these researchers have asserted the prevailing pattern is a convergence of unionization rates for the United States, Canada, and other advanced Western economies, all of which are being affected by similar market forces.[126] Critics of the convergence argument note that excluding public employee unionists means leaving out a quarter of Canada's workforce and thus creates a skewed perspective. Moreover, they argue that even if the private sector alone were to be considered, the rate of union decline in the United States was dramatically greater than what occurred in Canada's private sector.[127]

124. James Gilbert, *A Cycle of Outrage: America's Reaction to the Juvenile Delinquent in the 1950s* (New York: Oxford University Press, 1986); Elizabeth Hinton, *From the War on Poverty to the War on Crime: The Making of Mass Incarceration in America* (Cambridge, Massachusetts: Harvard University Press, 2016).

125. Lipset and Meltz, *Paradox of American Unionism*, 1–9, 44–47.

126. Leo Troy, "US and Canadian Industrial Relations: Convergent or Divergent?," *Industrial Relations* 39, 4 (2000): 695–713.

127. John Godard, "Do Labor Laws Matter? The Density Decline and Convergence Theory

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Those scholars who emphasize Canada's divergence from the United States offer a range of explanations as to why the two countries followed different paths. For instance, in *The Paradox of American Unionism*, Seymour Martin Lipset and Noah M. Meltz cite the Canadian government's greater acceptance of organized labour and the lower degree of hostility to unions on the part of the political right and the business community in Canada. Their generalization has been challenged by other scholars who point to evidence of strong anti-union sentiment among Canadian employers. For instance, one survey of Canadian union leaders in the mid-1980s reported, "Most labour leaders don't think employers accept the legitimacy of unions."[128] But other supporters of the divergence model argue that the existence of a more union-friendly legal environment for Canadian unions had less to do with the lack of employer opposition than with Canada's parliamentary system. The desire to win working-class votes, combined with more effective party discipline, limits the ability of virulent anti-union forces in Canada to achieve the same sorts of legislative victories as their American counterparts. In the United States, southern Democrats in Congress have consistently sided with their Republican counterparts to vote for or oppose legislation in ways that were inimical to American unions. According to this interpretation, organized labour in Canada enjoyed a more favourable political environment than what existed in the United States. As Peter G. Bruce put it, the resulting "stronger labor laws, rather than more favorable attitudes," were "a more important source of Canada's greater union growth."[129]

In comparing the legal environments facing organized labour in the United States and Canada, these scholars acknowledge the fact that in the Canadian system, provincial-level legislation plays a predominant role, with federal labour laws applying to only about 10 per cent of the workforce.[130] In order for Canadian governments to use inquiries into corruption as an anti-union strategy, provincial governments would usually have to initiate them. But even allowing for provincial variations, these scholars depict a pattern of labour regulation more favourable to unions. As James B. Atleson states, "Canadian federal and provincial statutes are more supportive of union organization and generally provide more effective remedies." He specifies the key aspects of this favourable legal environment by citing the provincial labour laws in Ontario, Canada's largest and most industrialized province and home to over a third of the country's union members: "In Ontario … judicial review is limited, unions may be certified without elections, and the burden of proof is placed

Revisited," *Industrial Relations* 42, 3 (2003): 458–492.

128. Troy, "US and Canadian Industrial Relations," 707.

129. Peter G. Bruce, "Political Parties and Labor Legislation in Canada and the US," *Industrial Relations* 28, 2 (1989): 124–134, 116.

130. Bruce, 123.

on management in discrimination cases, a development that would be considered extremely radical in the United States. Ontario also permits strikers to reclaim their jobs for up to six months after the beginning of the strike, even if replacements hired in the interim must be let go."[131]

Atleson goes on to observe, "But if Canada's laws are generally more effective, more pro-organization, we have to ask how that situation arose."[132] Like Bruce, Atleson emphasizes the importance of the political environment in Canada, particularly the emergence of the New Democratic Party, which created pressure on the Liberal Party to demonstrate its support for organized labour. He also lays great importance on the public image of Canadian unions, which were seen as vigorous champions of the working-class in the 1960s. As Atleson points out, "Unions tend to grow and expand when they are seen as active protectors and militant representatives of employees."[133] This militant image, in turn, according to Atleson, tends to inhibit efforts by the state to impose restraints on union power.

But if in the 1960s Canadian unions assumed the mantle of militant champions of the working-class, Atleson notes that the opposite pattern existed in the States. He refers to the "parade of union officials before congressional committees in the late 1950s" and "the Kennedy-Hoffa wars." Atleson speculates that the notorious scandals associated with Hoffa and the Teamsters "have affected the way Americans think of unions" – in particular, "the feeling that union corruption is rampant."[134] He does not make this observation about the effect of corruption scandals a central part of his argument; indeed, he is reluctant to credit too much significance to public opinion, acknowledging that polling data reveals that "approval of unions is not higher in Canada."[135] However, because he emphasizes the importance of the militant image of Canadian unions in this era, his observations that unions in the United States were tarred with a very different image in that same period seems significant, even though he never pursues the topic.

Other scholars writing about the divergence of American and Canadian unions have also referred to the corruption scandals of the mid-20th century. Lipset and Meltz noted in passing the fact that this period of decline for US unions began in the wake of the "revelations of union racketeering and corruption" that emerged in the late 1950s. However, beyond that one sentence,

131. James B. Atleson, "Law and Union Power: Thoughts on the United States and Canada," *Buffalo Law Review* 42, 2 (1994): 484–485.

132. Atleson, 485.

133. Atleson, 497.

134. Atleson, 486.

135. Atleson, 487.

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their study makes no further reference to this issue.[136] Like Atleson, they do not pursue this angle.

The most recent comparative study, Barry Eidlin's *Labor and the Class Idea in the United States and Canada*, makes absolutely no mention of the subject of corruption. Eidlin explains the divergence between the US and Canadian labour movements by emphasizing two developments that led to a distinctive Canadian labour regime (i.e. a set of government rules and practices more favourable to union organization and collective action). Eidlin argues that this happened because in the United States the Democratic Party co-opted the labour movement during the New Deal, and in the years that followed organized labour lost its class identity and took on the role of a special interest group. In Canada, on the other hand, neither the Liberal nor the Conservative Party co-opted organized labour; instead, both parties often adopted a coercive stance toward unions that helped foster a stronger class identity for the union movement. Eidlin further asserts that organized labour in Canada adopted a more militant stance in the 1960s and 1970s than its US counterpart, and that militance in turn pushed the government to adopt a more friendly labour regime in an effort to quell working-class dissent and maintain industrial peace.[137]

For Eidlin, the crucial historical episode in this history was the McCarthy-era Red Scare, which "left an indelible impression on American political culture" but which, he asserts, had far less impact in Canada.[138] In particular, McCarthyism drove an enduring "wedge between labor and the left" in the United States, draining American unions of the militant associations that played such a pivotal role north of border, cementing their vulnerability as nothing more than another special interest, and one that would receive limited attention from the Democratic Party.[139]

The story of Banks' career in Canada appears to belie Eidlin's claim about the limited impact of Red Scare–era anticommunism north of the border. Indeed, the support Banks received from the CLC and the Canadian government reflected the potent role of anticommunism, since they were willing to overlook his corruption in order to purge an allegedly communist-affiliated CSU from the Great Lakes.

Moreover, the fact that Eidlin makes no mention of the union corruption issue is curious, since it was an issue that played out in congressional hearings and spectacular prosecutions that closely followed and then eclipsed

136. Lipset and Melzt, *Paradox of American Unionism*, 44.

137. Eidlin, *Labor and the Class Idea*, 61–105, 158–245.

138. Eidlin, 197.

139. Eidlin, 196. Eidlin sums up this line of argument about the role of the Red Scare this way: "In the United States, labor's abandonment of political independence in favor of an alliance with the Democratic Party, combined with the Cold War isolation from the Left and social movements, encouraged it to think of itself and act as an interest group" (pp. 212–213).

the Red Scare of the early 1950s. The scandalous revelations of these high-profile probes dramatically affected the public image of organized labour in the United States. The shadow that corruption scandals cast over the union movement left the American public skeptical of the movement's intentions. It fostered an image of unions as a special interest (and a greedy special interest at that), which was precisely the political vulnerability that Eidlin places at the centre of his argument. Similarly, corruption functioned as a wedge issue that divided US unions from their liberal supporters in the Democratic Party. Many of the Democrats who voted for the Landrum-Griffin Act in 1959, a law that limited union power, were elected with labour support. But in wake of the McClellan Committee hearings, these same Democrats felt the need to vote for a bill that was touted as an anti–union corruption measure.[140]

Perhaps we should consider the corruption scandals in the US and the limited impact of Banks' case as both symptom and cause of the divergent paths of organized labour in the United States and Canada. The more hostile political environment in the United States led to a distinctive pattern of union corruption probes that did not occur in Canada, where organized labour was better politically positioned. The resulting scandalous revelations in the United States bolstered anti-union forces who were able to push through new limitations on union power. Those same revelations would also have helped American conservatives to resist efforts to facilitate union organizing, along the lines of legislation passed in Canada, which provided approval for practices such as the card check-off system for winning union certification. What I am suggesting here is that perhaps union corruption has played a more central role in the history of the different fates of unions in Canada and the United States than has previously been appreciated.

140. Rios and Witwer, *Murder in the Garment District*, 233.

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