Labour relations law in Canada is complicated by the constitutional division of powers between the federal and provincial governments. With respect to labour matters, the jurisdiction of the federal Parliament extends over a relatively small number of industries, mainly navigation and shipping, banking, interprovincial and international transportation, broadcasting and certain other fields that are "declared by the Parliament of Canada to be for the general advantage of Canada or for the advantage of two or more provinces". Provincial governments have jurisdiction over labour matters in other segments of industry, including manufacturing, mining, construction and trades. The result is that there are 11 jurisdictions having authority over labour matters: the federal and each of the ten provinces. The territorial governments of the Yukon and Northwest Territories have similar legislative powers (although not exclusive). Ordinances dealing with employment standards, fair practices and apprenticeship have been adopted in both territories. Even with this division of authority, legislation has developed along reasonably consistent lines.

Three broad principles, developed over a period of more than a hundred years, are ingredients of the Canadian system of labour relations legislation. First, as a result of legislative changes beginning in the 1870s and modelled on earlier British legislation, the common law restraint on unions gave way to legal recognition of the right of employees to associate in union organizations. Second, legislation passed early in this century made provision for governmental conciliation services and made work stoppages unlawful until the conciliation procedure has been complied with. Third, based in large measure on developments in the United States, positive encouragement for the process of collective bargaining was embodied in legislation adopted in various Canadian jurisdictions in the 1940s.

In 1872, Parliament, following upon strike activity and the imposition of jail sentences on the union leaders, passed the Trades Union Act, which, like a British act of the previous year, removed from trade unions the common law liability for prosecution in restraint of trade. In 1876, the Criminal Law Amendment Act made peaceful picketing legal. Thus major legal obstacles to participation by employees in the activities of unions were removed.

Another step in the development of Canadian industrial relations law was the passage in 1907 of the Industrial Disputes Investigation Act, which laid the basis for the present system of compulsory conciliation. Initially, the system was applied only in specified public utilities, but the principle now has broad application. In 1925, the Act