Beyond Wages

Union Investment in Below Market-Rate Housing

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Introduction

Labour unions have historically contributed to affordable housing, yet their contemporary role in below-market housing development has received limited attention since the 1970s. As housing costs rise across Canada and the United States, unions increasingly frame affordability as a core worker issue. This research examines what unions say about housing and what they actually do, analyzing whether their practices align with their stated commitments.

Research Questions

How are unions engaging in below-market housing development today?

How do unions frame housing affordability—as a social issue, a worker issue, or an investment opportunity?

To what extent do union actions align with their stated commitments?

How does national context (Canada vs. U.S.) shape union capacity to deliver affordable housing?

Research Methods

This study employs a qualitative, comparative research design using systematic content analysis to examine how unions articulate and implement their housing activities. Data collection relied on publicly available grey literature—union publications, municipal planning documents, pension reports, and media coverage.

Analysis followed a multi-stage coding process, combining deductive codes derived from the research questions with inductive themes emerging from the dataset. Four precedent cases were selected based on clear union involvement, sufficient documentation, and the presence of below-market housing. Cross-case comparison enabled identification of shared patterns and contextual differences across national settings. This approach provides a rigorous, transparent framework for assessing how unions translate housing rhetoric into practice within varying institutional and policy environments.

Key Points

1. A Gap Between Rhetoric and Practice

Many unions articulate strong commitments to housing affordability, but their projects often fall short of these stated goals. This gap reflects several structural constraints. Market pressures, rising land costs, construction inflation, and competition with private developers push projects toward financial viability rather than deep affordability.

Most unions are not housing developers. They rely on external partners, which can dilute affordability goals or shift priorities toward project feasibility.

Overall, unions' stated commitments to affordability are often constrained by the same forces shaping the broader housing system.

2. National Context Shapes Union Behaviour

Unions' housing activity is deeply shaped by their political and institutional environments. In Canada union-led affordable housing remains rare. In the United States there is a more robust institutional infrastructure supports union pension investment in housing, particularly through the AFL-CIO Housing Investment Trust. These long-standing financial tools enable unions to participate in large-scale, mixed-income and affordable projects.

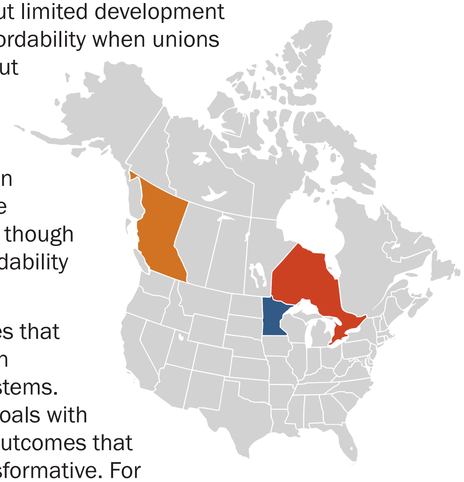
3. Unions Are Underutilized Actors in Housing Systems

Despite their potential, unions remain an underleveraged force in affordable housing. They possess significant assets, such as pension funds and investment arms capable of financing substantial development. They also have political power, which can be used to influence in municipal, provincial/state, and federal policy.

But they often lack development capacity and clear mandates. Few unions have in-house expertise to lead projects or navigate complex financing models.

Conclusion

This capstone examines how labour unions in Canada and the United States frame and act on housing affordability, comparing the BCGEU, LiUNA , and the AFL-CIO. While unions increasingly describe housing as a central worker issue, their ability to deliver affordable outcomes varies widely. Canadian cases reveal strong rhetorical commitments but limited development capacity, resulting in reduced affordability when unions act as first-time developers without sustained public support. In contrast, the AFL-CIO HIT shows how institutionalized pension-fund investment tools can enable unions to participate more consistently in housing provision, though often within market-defined affordability frameworks.



Overall, the analysis demonstrates that unions operate within, rather than outside, financialized housing systems. Their interventions blend social goals with financial constraints, producing outcomes that are incremental rather than transformative. For planners, unions represent underutilized but consequential housing actors whose impact depends heavily on policy pathways, public subsidy, and institutional capacity. Effective collaborationcan better align union investment with long-term, equitable housing goals.

Future research should examine how these partnerships can strengthen unions' capacity to support durable, worker-centred housing.

LiUNA Local 837 (Hamilton, ON)

Project: 186 Hunter Street E

Rhetoric: "The many LiUNA-financed construction projects create opportunities for the development of local talent in construction (The Bay Observer, 2022)."

Action: 227-unit project with 25% below-market units, required for municipal funding.

Key Themes:

- Union member economic benefit
- Pension-driven development
- Affordability as secondary or incentivized

BCGEU (Burnaby, BC)

Project: Lower Mainland Office Building

Rhetoric: "...The affordable rents are being created by the land lift from the up zoning (Crawford, 2022)."

Action: 292-unit mixed-use project with onsite union offices; originally 50% below-market but reduced to 30% after funding shortfalls.

Key Themes:

- Housing as worker issue
- Project as "proof of concept" for non-profits
- Combination of advocacy and development

AFL-CIO & HIT (Minneapolis, Minnesota)

Project(s): Seward Towers & 260 Ladder

Rhetoric: "For me, it's a double-bottom line. You're investing union pension funds into creating union jobs and affordable housing across the country [Chris Coleman, AFL-CIO HIT chairperson] (AFL CIO Minnesota, n.d.)."

Action: Creation and preservation of below market-rate apartments.

Key Themes:

- Multi-goal oriented: returns + union jobs + affordable units
- Consistent state-level advocacy for public investment
- Longstanding institutional model