

Continuity and Change in Labour Relations: Facing Facts

La continuité et le changement dans les relations professionnelles

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Article abstract

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Continuity and Change in Labour Relations

Facing Facts

H. Carl Goldenberg

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Continuity implies the existence of certain basic facts which must be faced when we think in terms of change because change in the area of labour-management relations cannot be effected in a vacuum. And the basic fact is that labour-management relations are human relations, that basic to the conduct of labour relations and the avoidance of industrial disputes is an appreciation of underlying human factors. They make for continuity in industrial relations systems because, whether we like it or not, both labour and management continue to be human. Being human, it follows that in a society where they enjoy freedom of expression and the right to bargain collectively for the determination of wages and working conditions, some conflict is inevitable because of divergent interests, personal ambitions and rivalries, an element of distrust, the need to save face and a variety of other human considerations.

Looking at some of the human factors underlying industrial unrest in recent years I give first place to rising expectations. More and more people want more and more of the good things in life. Industry encourages and intensifies their demands by mass advertising and the styles of living it portrays, for example, on television. Banks and finance companies encourage and facilitate the borrowing of money to attain those styles. Hence the enormous increase in consumer debt.

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Rising educational levels also increase the desire for more material goods. In this respect workers are no different from others, and they look to their trade union leaders to obtain for them the necessary means to satisfy their growing wants. As the younger generation takes over, the unions become more militant in their demands and the older leaders face rebellion if they do not seek to satisfy them.

A number of years ago, as mediator in negotiations affecting the plants of a major industry, I was discussing the union's monetary demands with the head of its negotiating team, a very reasonable person for whom I have high regard. Colour T.V. had just become popular and he said to me, in effect: "My members feel that they should be able to afford colour T.V. and, since they take their cars to work, they don't see why they should not be able to afford a second car for their wives to take the children to school and do their shopping during the day." I failed to get agreement and the workers struck for several weeks. After what I considered an appropriate interval, I brought the parties together again and effected a settlement. It was for little more than what had been offered to the workers before they struck. When I asked their leader how, in the circumstances, he could justify the strike, he said: "Look, there hadn't been a strike against this employer in twenty years and this company needs at least one strike in each generation." He felt, rightly or wrongly, that, in introducing changes in policies affecting its work force in the course of its operations, the company tended to neglect the human element and therefore required a periodic reminder of its importance.

The increasing demands flowing from the rising expectations of people, particularly in the period of inflation we have experienced, naturally created friction between labour and management with resulting industrial unrest. But it is not only disputes over money that have disturbed labour-management relations. There is, for example, the insecurity flowing from the fear of workers that they will be displaced because of technological change. Men trained in particular skills may find that such skills are no longer required because they are being replaced by machines. And they may be at an age when they can no longer be retrained or obtain new employment. It is the human anxiety for job security and fear of unemployment that lies at the root of some major industrial conflicts in recent years and threatens further and continuous serious unrest unless the problem is dealt with fairly. We have seen this in newspaper strikes and strikes in the postal services in Canada and the United States. Last month, West Germany, notwithstanding its record of harmonious industrial relations, saw almost all

of its newspapers cease publication because of a printers' dispute over the introduction of new computer technology which the printers felt threatened their jobs.

There is, fortunately, a growing realization in Canada that, before introducing changes which will displace or otherwise materially affect its workers, it is the responsibility of management to give adequate advance notice of the proposed changes, to consult and seek agreement with the union representing its employees on the best means of adjusting to the changes, and to provide for compensation and, where possible, retraining or relocation for the employees to be displaced. This is now provided for in major collective agreements and, to an increasing degree, by law. It is essential to adapt both law and practice to the human requirements of a changing industrial society. Insecurity does not help maintain the morale of the work-force on which good employer-employee relations depend.

It is also difficult to maintain workers' morale in industries such as construction and mining, which are subject to a relatively high rate of accidents, and in those where the use of hazardous substances, such as toxic materials, endangers the health of the employees. We are all aware of accidents on construction sites in which workers have died because of inadequate safety measures. We have also been concerned by the stories of workers condemned to die of cancer because of the materials on which they work or the dust which they are forced to inhale. If the industries concerned face labour relations problems, these occupational hazards are important underlying factors whether or not they are an issue in a particular dispute. A worker who, rightly or wrongly, feels that his health or his safety are not matters of concern is little inclined to be a friendly ally. If governments will set proper standards and, with required cooperation by both unions and employers, will enforce health and safety regulations effectively, they will also improve the climate of industrial relations. This has now been recognized and the federal government and some provinces are planning to act accordingly.

Another factor which I have encountered in mediating disputes is the generation gap. The younger workers today tend to be more militant in their relations not only with the employer but also with their own leadership. They are frequently responsible for rejecting agreements negotiated by their union officers. Here too we find underlying human considerations. I cite one or two examples from my own experience.

In a dispute a few years ago in one of Canada's largest plants, I succeeded, after much effort, in effecting an agreement, although a minority of the union negotiating committee dissented. It was in the month of July. When the agreement was submitted to the membership for ratification, they rejected it and went on strike for about ten weeks. I was told that the younger workers were mainly responsible for the refusal to ratify. The reasons were twofold. First, there was a difference in attitude towards an increase in wages as against increased pensions. While the older workers were more interested in pensions, the younger workers, less concerned with future security, preferred immediate wage gains. Feeling that the agreement placed more emphasis on pension improvements than on wage increases, they voted against it.

The other reason reported to me for the refusal to ratify the agreement was not even an issue in the dispute. Under the seniority rules in the collective agreement, the longer-service employees had the preference in the choice of vacation schedules. The older workers could thus take their vacations in July and August, when the schools are closed, while the younger workers, with school-age children were forced to choose a time during the school year. This had apparently caused discontent and contributed to the rejection of the agreement negotiated in July because, by going on strike at that time, some of the younger workers would for the first time be able to enjoy an August vacation with their families.

I cite these as examples of human factors affecting a conflict which led to a strike, although the conflict in the end was not between the employer and the union but essentially between the younger and the older employees. The return to work after the strike was on the basis of only a minor change in the wage package of the agreement.

There are other factors which may affect the attitude of younger workers in particular, for example, job boredom resulting from monotonous and, to a degree, dehumanizing work. It is widely agreed that the monotony of the task on the assembly line is a major cause of absenteeism, alcoholism and high labour turnover. It tends to alienate the younger and better educated workers of today. They resent regimentation. Moreover, they are more mobile and less attached to the job as such than those who preceded them. They give vent to their frustrations in militancy and may even prefer an occasional strike to a settlement as a relief from the monotony of their jobs.

Enlightened employers in America and in Europe are now recognizing this problem and are seeking methods for "humanizing the

work place". I refer, for example, to experiments with what is called "group assembly", which provides each worker in the group with a greater variety of tasks and more opportunity to use his skills. In this context, a major Canadian corporation has been experimenting with a system in which employees are learning all the jobs in the mill and regularly switch jobs for variety. The program was initiated jointly by the employer and the union. To the degree that the group controls his own operations, the system is a form of "shop floor democracy". By making work more interesting and more challenging, the psychological causes of conflict, which are very important, can be reduced.

I have given illustrations of human factors which may affect industrial relations. Some could not be anticipated. There are others, however, which can and should be anticipated. For example, if negotiations are unduly prolonged, sometimes far beyond the expiry date of contracts, the delays will almost inevitably create problems. The longer the settlement of a labour dispute is delayed, the more inflexible and unreasonable the parties tend to become in the positions they have taken. Frustrating delays lead to irresponsible action. This is human nature. The parties for the time being seem to forget that a settlements has to be reached at some stage.

I have found that one of the reasons for such delays is the accumulation of grievances. If they are not settled during the life of the collective agreement, they come to a head when it has to be renegotiated. This does not make for a favourable climate. I recall negotiations in a plant with many employees in which I was asked to serve as mediator. Finding that they had gone into negotiation with almost 2,000 outstanding grievances, I refused to act until the larger part of these was resolved, particularly when I learned that more than 1,500 were in fact the same grievance. Within two or three days I was advised that all the grievances had been resolved and I then commenced my mediation. My task would have been easier if the grievances had not been allowed to fester over a period of months.

Such problems and the related delays could be minimized if labour and management were in communication with each other in their day-to-day relationship rather than limiting such communication to the time when they meet as adversaries across the bargaining table to negotiate the renewal of an agreement. On-going consultation during the life of the agreement can serve to reduce tensions and narrow the area of conflict by resolving contentious issues in advance of formal contract negotiations.

As an example, there is an experience of Ontario Hydro. After the settlement of a bitter strike in 1972, a Joint Committee on Relationships consisting of senior Hydro and union officials was set up with the objective of removing unnecessary conflict and improving relationships in general before the next set of negotiations. The experiment worked. In 1975 the parties succeeded in renewing their collective agreement peacefully before its expiry. The experiment avoided crisis bargaining with its accompanying posturing and confrontation.

This is an example, amongst others, that where there is a will, responsible management and responsible unions can adapt the collective bargaining process to a cooperative approach which avoids confrontation and its consequences. But this must be achieved by the parties themselves. It requires goodwill and mutual trust which are not always present and cannot be imposed by law. Legislation does not change attitudes.

Those who look to law for a solution will find that laws alone cannot solve the problems flowing from the conflicts of interests that give rise to industrial disputes. Problems in industrial relations are basically human problems: they are not legal problems. Too often laws are enacted in this area which cannot be enforced and legislation which is not enforceable serves only to bring the law into disrepute.

I happened to be in England a few years ago during a dockers' strike and one morning read in a newspaper the complaint of a docker who was courting imprisonment by defying the law. These are his words: "We have been standing here in all good faith, trying to break the law for three bleeding weeks, and every time just when we think we're for it, the lawyers mess it up." That speaks for itself insofar as concerns the effectiveness of law alone as a cure for industrial conflict.

It was the dockers' attitude of defiance that led a distinguished British jurist, Lord Devlin, to say that: "The case of the Five Dockers has jolted Britons out of the comfortable assumption that reform is achieved simply by passing an act of Parliament pleasing to 51 percent or more of the nation and then handing it over to the courts to enforce with the aid of incantations about the rule of law." Lord Devlin's comment has been confirmed by Canadian experience.

Now, in saying that laws are not a cure for industrial conflict, I am not suggesting that they are not necessary to restrict the exercise of the rights of both unions and employers. In an age of big business and its counterpart, big unions, each in a position to wield great

economic power, the exercise of such power, whether by unions or business, is properly a matter of public concern and calls for appropriate protection by law against its abuse. I say, however, that in aiming to prevent abuse of power, laws in themselves will not solve the underlying conflicts of interests in industrial relations. In the words of a leading authority, Professor Kahn-Freund of Oxford University: "Conflicts of interests are inevitable in all societies. There are rules for their adjustment, there can be no rules for their elimination."

Considering the basic fact that labour-management relations are human relations, I know of no cure-all for settling all industrial disputes peaceably. Simplistic solutions, of which there are many, will not do. Nor, for example, can we easily transplant to a diverse country like Canada the institutions on which "co-determination" is based in West Germany. We must have regard to the differences in our trade union structures, in the authority of employers' associations, and in collective bargaining practices. Nor should we forget the background in Germany. At the end of World War II, the Occupying Powers wanted to prevent the resurgence of the powers of the industrial magnates — the Krupps and the Thyssens — who had cooperated with Hitler. Hence, they promoted "co-determination" to strengthen the powers of the workers as a countervailing force, although neither the United States nor the United Kingdom would stand for this at home.

We must also remember that Canada is part of the North American economy. A very large proportion of our work force is organized in international unions with headquarters in the United States and some of our major industries are controlled by American multinational corporations. These are factors which must be faced when we consider change in our industrial relations system.

Let me cite an instance of the influence of multinationals. I was a member of the committee which settled the long, bitter and violent strike at United Aircraft in Montreal a couple of years ago. For many months the sole remaining issue was the union's demand for acceptance of the Rand Formula which is provided for in many collective agreements and which Quebec's most recent labour legislation now makes compulsory. The parent company in the United States would under no circumstances permit its subsidiary in Quebec to accept it. It did not want to set a precedent for its American operations. The final settlement made no provision for the Rand Formula.

With respect to the position of international unions in Canada, we are aware that in the case of industries controlled by multinational

corporations, they seek to establish standardized conditions in the United States and Canada to reduce the advantage available to the corporations of being able to shift production emphasis from one country or region to another. It is clear that our union structures do not provide the centralized institutions which are at the base of "co-determination" on the West German model.

It is of interest to note that "co-determination", however appealing, is now beginning to show that it too is not a cure-all. In West Germany the unions have withdrawn from the "concerted action" programme under which representatives of government, employers, unions and other economic interests have been meeting to decide on economic strategy. The reason is that the unions have been losing control of their members who are now in a fighting mood. Hence, the printers' strike which I have mentioned, and the threatened strike of metal workers, a sector involving 3.6 million employees. More recently the workers at Volkswagen authorized their union to call the first organized strike in Volkswagen history.

Now, while I believe that we must be realistic in our approach to labour-management problems, it should not be concluded that I see no purpose in attempts to promote consultation between government, labour, business and representatives of other economic interests. On the contrary, I think that dialogue and consultation are essential in the best interests of all parties and, therefore, in the public interest. We are facing increasingly complex economic problems and slower economic growth which will inevitably affect rising expectations. This will call for increasing responsibility on all sides. If either of the partners in industrial relations refuses to face facts, the public will call for the imposition of responsibility by government. I do not see this as a solution because government cannot create the goodwill and mutual trust which are essential to a peaceful relationship. For this the parties must rely on their own efforts. Nonetheless, where a conflict threatens the health, safety or security of the community, it is the duty of government representing the public interest to intervene for its protection.

And so, accepting the fact that in human relations conflicts of interests will continue to arise and that no change will provide a cure-all or panacea, I conclude that we must look to honest dialogue, a spirit of compromise and, above all, a sense of responsibility to produce more civilized results. Whether or not we have attained the required degree of civilization, time alone will tell.

La continuité et le changement dans les relations professionnelles

Les relations professionnelles sont des relations humaines. Elles constituent donc un élément de continuité dans le domaine des relations de travail parce que travailleurs et administrateurs continuent d'être humains. Aussi, dans une société où les uns et les autres jouissent de la liberté d'expression et du droit de négocier collectivement, des conflits sont inévitables à cause de la diversité des intérêts, des ambitions et des rivalités personnelles, de certains éléments de méfiance, du besoin de sauver la face et diverses autres considérations humaines.

Parmi ces facteurs humains, le premier en importance, c'est l'accroissement des aspirations des travailleurs qui veulent de plus en plus augmenter leur consommation poussés dans cette voie par la publicité et les facilités de crédit, par l'élévation du degré d'instruction chez la jeune génération, ce qui la rend plus exigeante. La période d'inflation actuelle, au surplus, a pour effet d'accentuer ces aspirations.

Mais ce ne sont pas uniquement les demandes pécuniaires qui créent des frictions entre le capital et le travail. Il faut y ajouter l'insécurité qui découle de la crainte des travailleurs d'être déplacés par les changements technologiques. Ce manque de sécurité et la crainte du chômage sont à l'origine de plusieurs conflits industriels des plus graves. Heureusement, qu'au Canada, tant dans les conventions collectives que dans les lois, on s'efforce de mettre au point des mesures permettant aux employés de s'ajuster aux changements. D'autre part, il est difficile de garder le moral des travailleurs dans certaines industries, comme celle du bâtiment et des mines, où le taux des accidents est élevé ou dans certaines autres où la manutention ou la manipulation de produits dangereux mettent en danger la santé des travailleurs.

Un autre problème, qui est souvent à l'origine des conflits, c'est le conflit des générations. Les jeunes travailleurs d'aujourd'hui ont tendance à se montrer plus militants, plus radicaux, non seulement dans leurs relations avec les employeurs, mais aussi avec leurs dirigeants syndicaux. Ils sont souvent responsables du rejet d'ententes de principe conclues par leurs dirigeants. Ces conflits peuvent se manifester de diverses manières: débat au sujet de l'accent à placer sur les majorations de salaire ou l'amélioration des régimes de retraite, débat sur le choix de la période des vacances, déshumanisation du travail qui a tendance à aliéner les travailleurs plus jeunes et plus instruits, plus mobiles et moins attachés à leur emploi.

Ce sont là quelques illustrations de facteurs humains qui peuvent affecter les relations professionnelles. On ne peut pas tous les prévenir, mais il est possible d'en prévenir certains. Ainsi, si les négociations se prolongent indûment, les délais créeront inévitablement des problèmes qui conduisent parfois à des actes irresponsables. Si les parties s'efforçaient de communiquer régulièrement entre elles au lieu de ne se rencontrer qu'en adversaires à la table de négociation, on en arriverait plus facilement à la réduction des tensions et à la limitation des conflits.

D'un autre côté, il ne faut pas s'imaginer que les lois seules peuvent résoudre les problèmes résultant des conflits d'intérêts qui conduisent aux grèves. Les problèmes de relations professionnelles sont fondamentalement des problèmes d'ordre humain et non pas d'ordre juridique. Toutefois, dire que les lois ne sont pas un remède aux conflits de travail ne signifie pas qu'elles ne soient pas nécessaires pour régler l'exercice des droits. À une époque où les grandes entreprises et les grands syndicats dominent, chacun dispose d'un énorme pouvoir économique dont l'exercice est une affaire d'intérêt public, et il est important que la loi puisse en réprimer les abus. Cependant, il faut retenir que, en visant à empêcher l'abus de pouvoir, les lois ne régleront pas les conflits d'intérêts dans les relations professionnelles. Dans toutes les sociétés, les conflits d'intérêts sont inévitables. S'il peut y avoir des règles pour les régulariser, il ne saurait y en avoir pour les éliminer.

Lorsque l'on considère que les relations de travail sont des relations humaines, il n'y a aucune panacée permettant de régler tous les conflits industriels d'une façon pacifique. Il n'existe pas de solutions simplistes. Par exemple, on ne saurait y réussir en transplantant au Canada des institutions comme le régime de cogestion de l'Allemagne de l'Ouest pour la simple raison que la structure des syndicats, l'autorité des associations d'employeurs et les mécanismes de négociations collectives diffèrent. Nous devons toujours avoir présent à l'esprit que le Canada fait partie de l'économie nord-américaine, que la grande majorité des syndicats sont américains, que la majorité de nos industries sont contrôlées par les multinationales des États-Unis. Ce sont là des facteurs à considérer quand on songe à changer notre système de relations de travail. La cogestion, tout attirante qu'elle soit, n'est pas un remède à tout. En Allemagne, les syndicats commencent à en revenir de crainte de perdre de l'emprise sur leurs membres. Sans doute, tout en étant réaliste, il ne faut pas, d'autre part, exclure le dialogue et la consultation entre les divers agents économiques qui restent essentiels dans le meilleur intérêt de toutes les parties et du public. Des problèmes économiques complexes et un ralentissement de la croissance ne peuvent qu'affecter les aspirations nouvelles. Toutes les parties doivent faire preuve d'un sens des responsabilités plus aigu et, si les partenaires dans le domaine des relations professionnelles refusent d'envisager froidement les faits, l'opinion publique se tournera vers l'État, quoiqu'il faille retenir que l'État ne peut imposer ni la bonne volonté ni l'entente mutuelle essentielles à des relations de travail pacifiques. Les parties doivent compter sur leurs propres efforts, ce qui ne saurait empêcher le gouvernement d'intervenir lorsque la santé et la sécurité de la collectivité sont en cause.

En résumé, il faut prendre pour acquis que, l'homme restant l'homme, les conflits d'intérêts persisteront et qu'il n'y a pas à cela de panacée, ce qui ne saurait exclure un dialogue honnête, un esprit de compromis et un sens des responsabilités qui sont la garantie de résultats plus civilisés.