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The « Cooperative Wage Study » and the Canadian Steelworkers
Le C.W.S. et les Métallurgistes canadiens

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Résumé de l'article

CWS* constitue une importante innovation dans la politique syndicale de salaire. En particulier, les métallurgistes ont insisté sur la parité des salaires entre usines et entre régions et ils ont fait porté leurs efforts sur l'uniformité des classifications des emplois en vue d'atteindre cet objectif.

Aux États-Unis, le programme CWS avait été élaboré grâce à un effort coordonné d'un grand nombre de compagnies et il avait été fortement appuyé par l'industrie. Mais au Canada, même si l'évaluation des emplois avait été originalement introduite par la compagnie Algoma, c'est le syndicat qui a stimulé l'adoption généralisée du CWS et exercé des pressions dans ce sens. Grâce à l'initiative syndicale, le statut de l'évaluation des emplois passa d'une affaire occasionnelle et largement volontaire à une demande explicite dans les négociations de contrats. Le syndicat trouva le programme si profitable qu'en moins de dix ans il fut étendu à à peu près toutes les unités de négociations des U.S.W.A. relativement aux emplois de production et d'entretien et même à quelques collets-blancs.

L'extension au Canada du CWS se fit sans la « domination » du syndicat américain. La participation du syndicat dans l'évaluation fut effectuée uniquement par des officiers canadiens qui firent rarement appel au bureau-chef international, à l'occasion d'objectifs et de besoins spécifiques de la section canadienne du syndicat.

Il est apparu que la politique de salaire des métallurgistes est basée sur une échelle de priorités — il est nécessaire d'établir un standard minimum satisfaisant avant d'éliminer les injustices et d'envisager l'élargissement de l'échelle des écarts entre les emplois, i.e. on considère plus important d'atteindre un niveau de vie « minimum » pour l'ensemble des membres que d'insister sur les écarts de salaire pour certains groupes de membres. Même là, l'établissement des premières ententes CWS résulta directement de plaintes d'hommes de métier au sujet du « rétrécissement de l'échelle des écarts », ce qui résultait du fait que l'union avait négligé depuis longtemps des groupes importants de spécialistes parmi les métallurgistes.

Le syndicat souligna que CWS établissait seulement l'ossature de la structure de salaire — le taux de base et les augmentations entre les « classes d'emplois » devaient encore demeurer l'affaire exclusive du processus proprement dit de négociation collective. Et en contraste avec la négociation explicite et évidente sur les taux de base et les augmentations, il y avait même des éléments de négociation « submergés » sur les classifications appropriées de l'évaluation des emplois. Il est donc tout-à-fait possible de combiner l'évaluation des emplois et la négociation collective, mais il est loin de la réalité de dire que l'évaluation des emplois constitue une sorte d'alternative à la négociation collective.

Il est peu évident que l'établissement du CWS a encouragé une plus forte « coopération » patronale-ouvrière au Canada ou une extension marquée de champs d'intérêt commun. En effet, le programme n'est pas un exemple de coopération patronale-ouvrière au sens strict, ce qui implique non seulement un effort conscient d'augmenter la productivité, mais aussi un changement fondamental dans les politiques et les objectifs des deux parties. De tels changements fondamentaux d'attitudes n'ont pas accompagné le CWS. Il n'y a pas eu de regroupement d'intérêts séparés et la plupart des compagnies regardent CWS comme un système dont le but unique est d'éliminer les injustices plutôt que comme un premier pas vers des relations plus harmonieuses. L'implantation du programme fut accordée à contrecoeur au syndicat (quelquefois après menaces d'action de grève); elle ne signifie pas un renversement global des attitudes patronales vers la participation du syndicat dans l'administration de l'entreprise.

* « Cooperative Wage System ».

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The « Cooperative Wage Study » and the Canadian Steelworkers

Ronald Bean

In contrast to a wealth of information relating to the techniques of implementing a job evaluation programme relatively little attention has been given to the industrial relations aspects of such a scheme or to conditions necessary for securing union participation in it. In this paper it is our intention to analyse the CWS joint union-management job evaluation programme adopted in the Canadian steel industry from the standpoint of union objectives in pressing for its installation, collective bargaining aspects of the evaluation and internal union membership reactions. At the same time it is hoped to throw more light upon the wage policies and practices of the United Steelworkers — usually recognized as the largest and most powerful industrial union in Canada, about which little systematic knowledge at present exists. *

It is well known that trade unions have been traditionally opposed to any methods of wage payment based upon job evaluation. Many of them still emit an immediate negative response at the very mention of the term « job evaluation ».

This reaction has stemmed from the beliefs that job evaluation attempts a «mechanical» substitute for human judgement, that many evaluation systems are incomprehensible to employees working un-

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* This article is concerned with the CWS job evaluation programme introduced into Canada from the USA in 1951. It is based upon an empirical study carried out at McMaster University, Hamilton, Ontario.

der them and, more significantly, that job evaluation tends to restrict collective bargaining. [1]. During the early 1940's the steelworkers' union in the United States whilst accepting such reservations had nevertheless come to appreciate the need for some systematic method of handling the mass of wage « inequity » grievances which were at that time a continual major source of dispute within the industry. There were gross wage discrepancies for similar jobs in single plants and throughout the various mills of different companies. Consequently, in 1945 the union agreed to accept the new CWS job evaluation scheme devised for the industry by a group of the larger steel companies and to participate in its installation. [2]

The Background in Canada

During the early war years there is no doubt that employees in Canadian steel like their counterparts in the United States were dissatisfied both with the internal wage structure within a particular plant and with the rates prevailing as between different plants within the industry. [3] However, unlike the situation in the US steel industry where inequity claims and grievances had accumulated so rapidly that they came to present the biggest single problem confronting the companies and the union in their every-day relationship — [4] in Canada the problem of intra-plant inequities did not become a major articulated issue in industrial relations until some years later. Two reasons for this are apparent. In the first place the Canadian section of the union had more immediate bargaining priorities. The steelworkers' own newspaper *Steel Labor* rarely mentions the problems caused by internal plant inequities during the war years. Its main interests centered upon the effort to raise the basic wage rate of its members, the achievement of which might have been unnecessarily delayed and complicated by bargaining on specific « out-of-line » rates, and then upon eliminating the geographical differential between the union-organized steel companies. [4a]. An article in

(1) See the three articles « Job Evaluation: What It Is and How It Works », *American Federationist* (July, August, September, 1947).

(2) One of the important reasons for union acceptance of CWS was that it permitted the systematic pursuit of the same set of values that had influenced wage determination in the industry in the past. For a comprehensive account of the development of CWS in the United States see J. Stieber, *The Steel Industry Wage Structure* (Cambridge Mass.: Harvard University Press, 1959).

(3) See *Labour Gazette* (Ottawa: King's Printer) XXXIX (1939), 1140; XL (1940), 664; XLIII (1943), 1122.

(4) STIEBER, *op. cit.*, p. 11.

(4a) *Labour Gazette*, XLI (1941), 372-381.

1941 was headed « Decent Wages — Labor's No. 1 Problem in Canada », and commented upon the urgency of « the job of establishing a new and higher wage level which will provide a reasonable standard for the basic steel industry of the Dominion »[5]. Again, it was not until the later war and postwar years that there was an all-out drive for maximum production in the steel industry coupled with an uneven rate of expansion and increased mechanization. Some of the larger companies expanded their steel facilities enormously with government aid during the war, after little or no increase in the previous thirty years [6]. And during the immediate (pre-1947) and later postwar period annual steelmaking capacity was boosted, extensive improvements made to rolling mill facilities including the replacing of hand processes by automatic equipment, and the range of products greatly extended [7]. Such widespread changes, eliminating old jobs and creating new ones, could therefore be expected to produce new problems concerning wage rates and rate relationships, and to accumulate any existing wage rate dislocations.

However, the developments in the industry during the war years do form a background for the introduction of CWS in the 1950's, containing necessary conditions for the eventual stimulus and assimilation of the programme. Three factors in particular deserve emphasis. Firstly, the fact that in the early years of union organization in steel the problem of inequities was recognized [8] and that the sustained high rate of steel production in the war and postwar economy, together with the accelerated rate of mechanization of some operations, would tend to heighten any existing imbalance between wage rates and to contribute to a dispersion of earnings among workers doing approximately the same kind of work in different plants, and even within the same plant itself. Secondly, the period saw the extension of unionization and its acceptance throughout much of Canadian basic steel, [9] thus providing the security which a union requires before it will embark upon a joint programme with management. In this respect most studies of union-management « cooperation » have emphazised that union recognition and acceptance is a condition-prece-

(5) *Steel Labor* (Indianapolis: Canadian Edition), VI (October, 1941), 7.

(6) W. KILBOURN, *The Elements Combined: A History of the Steel Company of Canada* (Toronto: Clarke and Irwin, 1960), p. 167.

(7) LUCY MORGAN, *The Canadian Primary Iron and Steel Industry* (Ottawa: Royal Commission on Canada's Economic Prospects, 1956), pp. 9-10.

(8) See *Labour Gazette*, XLIII (1943), 59.

(9) H. A. LOGAN, *Trade Unions in Canada* (Toronto: Macmillan, 1948), p. 619.

dent of any such scheme [10]. Finally, the Algoma Steel Corporation which was to be the prototype and testing ground for CWS in Canada had some prior experience of union-management cooperation [11] and even some (limited) experience in joint union-management job evaluation, [12] providing a precedent for the establishment of CWS. It is, however, doubtful whether this experience gained at Algoma would have stimulated further attempts at joint job evaluation without the particular pressures and attitudes present in 1951, when the first agreements were reached for CWS installation in a Canadian company.

Introduction of CWS

It is somewhat surprising that during the postwar years the steelworkers in Canada had little knowledge of the implications and results of the CWS programme in operation in the United States. It would appear that international union headquarters in Pittsburg gives advice and guidance on policy matters only when they are specifically requested by the steelworkers in Canada, thus preserving the collective bargaining autonomy of the Canadian section of the union [13]. The result was that it had not proffered any detailed information regarding its CWS programme. It was only after the union in Canada had taken the initiative and sent a committee to inspect CWS arrangements in the United States that an extension of the programme to Canadian steel became an imminent possibility. The immediate pressure upon the union to adopt some such programme came from the increasingly vociferous complaints of craftsmen and tradesmen within the union who had for some years been suffering a relative narrowing of their skill differentials, in part a consequence of the union's longstanding policy, already noted, of pressing for flat-rate wage increases for all grades of labour (in order to raise the base rate) rather than of special consideration for skilled craftsmen. Such action on the part of a union has been observed in many similar situations. Reder contends that « it has been argued that the tendency of industrial unions to insist upon equal cents per hour increases for all

(10) See S. H. Slichter, *Union Policies and Industrial Management* (Washington: Brookings Institution, 1941), p. 562.

(11) H. J. WAISGLASS, *A Case Study in Union Management Cooperation* (University of Toronto Library. Unpublished M. A. Thesis, 1948), pp. 70-80. This study is concerned with the experience of wartime joint committees at Algoma.

(12) R. BEAN, « Joint Union-Management Job Evaluation in the Canadian Steel Industry », *Relations Industrielles*, vol. 17, avril 1962, p. 117.

(13) Compare Paul H. Norgren, « The Labor Link Between Canada and the United States », *Industrial and Labor Relations Review*, IV (October, 1950), 46.

grades of workers has been a major cause of the reduction of occupational differentials ».[14] Therefore at this time maintenance men and skilled craftsmen were showing signs of becoming an important pressure group within the United Steelworkers. [15]

Thus in 1951, some years after the beginnings of the programme in the US, CWS job descriptions and classifications were commenced at the first Canadian company, Algoma, [16] whose management had itself been continually pressing for job evaluation as the only basis for resolving the longstanding problems of wage rate dissatisfactions and inequity claims by the union. [17] But only the CWS job evaluation scheme was acceptable to the union i. e. after its inspection of procedures in the US industry the union maintained that it must be permitted to participate in any evaluation plan adopted and that unilateral action by management must give way to negotiation at all stages of the programme.

Union Participation in CWS

At the commencement of a CWS programme in a new plant, the company and the union local each provide a full-time (three men) committee to work on job descriptions and classifications. The management committee initially submits each description and proposed classification to the union comittee for ratification. The union regards this duty as « very serious work » and informs its local committees that « the work of the Job Classification Committee will constitute what is probably the most important undertaking ever embarked upon by your Local Union ». [18] As a result, the representatives for this committee from the bargaining unit are not elected but are appointed by the union's industrial engineering department after consultation with the president of the local. In this case

(14) M. W. REDER, *Labor in a Growing Economy* (New York: John Wiley, 1957), p. 375.

(15) At Algoma maintenance workers were one significant pressure group whose militancy was felt throughout the whole of the union. Since CWS was established there several of these workers have risen to become important figures in the union's hierarchy, including W. Mahoney, former electrician and the union's National Director in Canada.

(16) See *Labour Agreement* between Algoma Steel Corporation Ltd., and Local Union 2251, U.S.W.A. (May 1, 1951), and *Agreement on Procedure for Job Classification* ... (February 22, 1952).

(17) R. BEAN, *The « Cooperative Wage Study » and Industrial Relations* (McMaster University Library. Unpublished M.A. Thesis, 1961), pp. 66-67.

(18) *Handbook for C.W.S. Committees* (Toronto: U.S.W.A. Department of Industrial Engineering, Undated), p. 1.

democratic procedure gives way to the further union objective of administrative efficiency in view of the ever increasing complexity of the wage issue, and this in turn gives rise to greater dependence upon staff specialists within the union. The members of the CWS committees are selected for their plant experience and knowledge of technical operations, their collective bargaining experience and the adequacy of their general education, including ability to perform routine arithmetical calculations.

In the early years of the programme no difficulties were encountered in finding men sufficiently well qualified to serve on the committees in the larger steel plants. The only problem was that of persuading suitable men to accept the responsibilities which committee membership involved over the many months required to complete an evaluation. Often considerable persuasion was needed before they would accept appointment i.e. the office sought the man. However, in the smaller plants more serious problems of committee recruitment were presented. It was found that in small plants which also paid low wages the average educational attainments of the workforce were comparatively low. If the hiring policies of these companies led also to a high proportion of the workforce consisting of immigrants from Eastern European countries, unfamiliar with the language and unacquainted with the structure of the industry then these problems were intensified. But suitable committee representatives were always found eventually. Indeed, union experience would seem to indicate that in the past few years the original reluctance to serve on the committees has given way to considerable competition among local members to be appointed to one, in that the valuable technical and administrative experience thereby gained may enhance an employee's prospects of promotion within his own company [19] after the evaluation is completed.

Extension of CWS

In view of employee gains from CWS at the early plants in which it had been installed by the mid 1950's — in terms of the elimination of wage inequities, the re-establishment of higher tradesmen's differentials, and the upward adjustment of entire plant wage structures, [20] the union

(19) Compare Toimi E. Kyllonen, « Social Characteristics of Active Unionists », *American Journal of Sociology*, LVI (May, 1951), 530. « Active union members... tend to represent the cream of the crop from management's point of view ».

(20) See Bean, « Joint Union-Management Job Evaluation... », *op. cit.* p. 123 for a more detailed account of union (and management) gains from CWS.

soon began to encourage more locals to press for CWS provisions in their collective negotiations. But it dit not pursue a vigorous all-out drive to « sell » CWS to the locals. In the first instance representatives of the industrial engineering department visited locals at the latter's request. And after listening to the union officials, the members, still retaining their right of local self- determination, could reject CWS and continue to secure their wage gains in « across-the-board » increases for all grades of labour rather than allow the more skilled and responsible jobs to obtain higher proportionate rates as a result of the job evaluation. One reason why CWS has sometimes been rejected concerns internal political pressures within the local. If the president or other influential officials discover that their own particular jobs in the plant are likely to receive a low classification under CWS then may advise their membership to reject the entire programme.

On the other hand cases have arisen of a local particularly anxious to install CWS which has been advised by the union that other policy objectives should receive priority. For instance, where the base rate in a plant is unduly low in comparison with the rest of the industry, to press for a CWS agreement would mean that part of any wage increase the company might be prepared to offer would be used in establishing the cents increment, (i. e. the differential range) between labour grades and « job classes » rather than being devoted exclusively to base rate increases. [21] In such a situation the raising of the base rate for *all* employees would be considered a more important priority of an industrial union with a large proportion of its members possessing only the lower levels of industrial skills than the establishment of CWS with its accompanying differentials for the higher labour grades.

CWS Conformity and Union Objectives

It is significant to notice that whenever a new plant decides to adopt the CWS procedures the local union committee does not carry out its share in the evaluation unaided. Every step of the way until the new rate structure is agreed the union's industrial engineering staff representatives are available for consultation with the committee, assisting and revising in both the negotiating and administrative aspects of the programme. In this way the industrial engineering department is enabled to perform a further vital function from a union viewpoint of acting as a

(21) *Ibid.*, p. 120.

central agency for ensuring conformity and consistency with standard CWS practices throughout the locals. [22] This department is used as a centralized consulting bureau by the locals and, in turn, it keeps a tight check upon each local's administration of the programme. Ever since the initiation of CWS in Canada the union considered it essential to maintain consistency of job classifications as between the various plants. [23] It was the intention of the United Steelworkers to fit CWS into its overall wage policy in the hope that the programme would help realize some of the objectives of a union in which « wage uniformity and setting basic wage goals as key points in national policy have . . . become principles of action. [24] One reason for this attempt at uniformity of job classifications, apart from the prevention of new inequities arising, was to further the union aim of securing inter-regional wage parity, thereby eliminating the geographical wage differentials which had become so apparent in Canadian basic steel. [25] As the union has expressed it, in respect of differentials between the various geographic areas « Canada presents a kind of « crazy guilt » with workers in Newfoundland, the Maritimes and the Prairie Provinces away below those in Central Canada and the West Coast. » [26] In order to eliminate these differentials by means of the CWS programme both parity of « job classes » for similar jobs across the country together with parity of base rates and increments in each plant would be necessary. As a result of union pressure for uniformity of job classifications in all plants where the programme was applied widespread parity of « job classes » was indeed achieved. But, from discussions with union officials, it would appear that the union had no real reason to hope

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(22) The practice of the Canadian section of the union in maintaining a high degree of centralization in its collective bargaining policy has been noted in S. Jamieson, *Industrial Relations in Canada* (Ithaca, New York: Cornell University Press, 1957), p. 72.

(23) So concerned is the union with CWS consistency and uniformity that in one steel-fabricating plant at Milton, Ontario where machinists had been initially classified by the company's committee into Job Class 17, the industrial engineering department felt compelled to persuade its own local committee at the plant that it should accept only Job Class 16 for these workers, with its correspondingly lower rate of pay. Machinists at other plants had been classified into Job Class 16 and, in the interests of consistency, the local did comply with the union's request — albeit not without a considerable volume of vocal protest.

(24) LOGAN, *op.cit.*, p. 254.

(25) In 1952, the year when many companies first accepted CWS, the earnings differential in basic steel, which to a large extent reflects wage rate differences, among the three provinces for which statistics are available, is shown by the Average Weekly Earnings of Wage-Earners in Primary Iron and Steel: Ontario, $70.49, Quebec, $63.20, Nova Scotia, $59.44. See *Earnings and Hours of Work in Manufacturing, 1952* (Ottawa: Dominion Bureau of Statistics), pp. 18-19.

(26) *Steel Labor*, XVI (January, 1951), 3.

that CWS procedures would lead to base rate wage parity. After all, it is only *relative* wage rates which are set by the CWS programme — the base rate and the standard increment between « job classes » i. e. *absolute* wage rates are still determined by collective bargaining. [27] It is of course true that CWS job evaluation highlighted inter-plant and inter-regional wage differentials and by ruling out their defence on the basis of job content opened the way, in this respect at least, to full parity of wage structure throughout Canadian steel. Thus, in many years since the implementation of CWS there has been fairly close, although not absolute, parity of wage rates among the major basic steel companies. [28]

It is clear that the union hoped to use CWS as a lever with which to press its claims for regional wage parity and, even, for international parity with rates in the US steel industry.[29] In attempting to encourage its locals to press for CWS the union stressed that « once a rational (wage) structure is arrived at, the job of narrowing the differentials between Canadian and U. S. rates in the skilled classifications can really be tackled.» [30] Moreover, in the 1952 CWS agreement at the Steel Company of Canada base rate parity was established (and subsequently lost). [31] But even here mere base rate parity was specious parity, if the parity objective was to be at all meaningful, in that the *rest* of the wage structure was graduated less steeply than in the US industry.

Differences from CWS in the United States

In Canada it is notable that the union attempts to ensure uniformity in all aspects of the CWS programme. Whereas, in the United States « while there was a high degree of uniformity in the agreements of companies using the CWS manual, there were also significant differences », and « wide variation is found among steel companies and even between plants of the same company in the job descriptions of occupations with the same job title and classification », [32] Probably the best generalization

(27) BEAN, *op.cit.*, p. 120.

(28) See, for instance, *C.W.S. in United Steelworkers of America Contracts in Canada* (Toronto: U.S.W.A., 1960, Typewritten).

(29) « Most important (CWS) establishes the principle of parity in the rates as between workers in the Canadian and United States steel industry, and paves the way towards the achievement of this objective in full ». *Steel Labor*, XVII (September, 1952), 1.

(30) *Steel Labor*, XVII (January, 1952), 7.

(31) *Labour Gazette*, LII (September, 1952), 1166.

(32) STIEBER *op. cit.*, pp. 77, 126.

that can be made of the administrative differences between CWS in Canada and the USA is that a much tighter centralized control is kept by the union in Canada over its local's CWS committees and that the programme is administered in all its aspects with much greater consistency across Canada than in the United States. [33]

Another important difference relates to the emphasis from the beginnings of the programme in Canada placed upon the settlement of disputes arising from the CWS classifications in a plant by two referees, skilled in industrial engineering, from the union and management respectively, rather than by resort to formal arbitration procedure. There was both a desire and a procedure for internal accomodation between union and management rather than resort to imposed third-party decision making in the event of job description or classification disputes, and this was applied with great consistency throughout all CWS steel plants in Canada. In the United States this « referee procedure » was not usual in CWS agreements. Considerable variation in dispute procedure existed. « Dispute classifications were transmitted from the plant to the union-company joint committee, where one existed. In some companies ... the agreements provided no recourse beyond the joint committee, which was supposed to « resolve » the dispute. Other agreements ... included provision for arbitration in the event that the joint committee could not reach agreement. » [34] The Canadian union felt that the referee procedure was preferable to arbitration. Only if the two referees could not reach agreement, which was rarely the case, [35] was resort had to the arbitration process. The union's reasoning was based upon the novelty of the CWS programme in Canada and the consequent difficulty of securing experienced personnel to serve as intelligent arbitrators. In the union's view it was essential for the development of the programme across the country that internal consistency of descriptions and classifications should be maintained as between firms. An arbitrator inexperienced in CWS evaluation, who might resort to a mere « splitting of the difference » between the parties, might inadvertently sabotage this desired consistency between the various plants. Irrespective of the partiality of an arbitrator the tech-

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(33) See *Handbook for C.W.S. Committees*, ... p. 1. The handbook is intended to help CWS Committees « *to maintain uniformity in the application of the C.W.S. Programme* so that the results achieved will reflect the greatest possible benefits » (Italics added).

(34) STIEBER, *op. cit.*, pp. 79-80.

(35) In the Steel Company of Canada there were 2,700 job categories described and classified without any reference to arbitration at all.

nicalities of CWS might well be beyond him and he might make an award, which however equitable, could prove an unfortunate precedent.

Job Evaluation and Collective Bargaining

In spite of the emphasis on conformity with standard CWS job classifications it is admitted by the union and some companies that bargaining on classifications does take place. The fact is that under any job evaluation procedure reliance is still placed upon opinion in job classifications and differences may arise in a specific case. Under CWS particular jobs may fall on the dividing line between two « job classes » and it is then a matter of judgment as to which classification they should receive. In such instances management committees at the Steel Company of Canada, for instance, gave themselves the benefit of the doubt and submitted the lower classification of the two to the union committees for review. Some other companies have admitted to the writer that they deliberately submit low classifications to the union as a matter of policy — one said it submits on an average of one « job class » lower than it believes the jobs merit. The union was well aware of this and warned that « the classifications submitted must be checked . . . (as) the Company will, in some cases, attempt to submit the classifications as low as possible, sometimes to the point of throwing the job out of line with other jobs ». [36] The union committee tended likewise, on occasions, to give itself a little bargaining latitude in the proposed classifications.

Part of the explanation of this resort to bargaining over classifications would seem to lie in the administrative procedures of CWS. The attempt to eliminate inequities in a plant was not carried out by means of a single joint union-management committee in which the two sides unified their separate interests. Rather the usual bargaining structure was preserved with two distinct committees, a management one for submitting classifications, and a union one for reviewing and amending them. The propensity to bargain would thereby be encouraged and not restrained.

Internal Union Repercussions

On the whole employee reaction to CWS seems to have been favourable in spite of the fact that the programme often meant a considerable readjustment of wage rate differentials for a particular group of workers

(36) *Handbook for C.W.S. Committees*, . . . p. 17.

within a plant. But the fact that relative gains by employees differed is hardly surprising. To have kept every employee in the same relative wage position would have necessitated straight « across-the-board » increases, not on inequities programme. By way of example the following table shows the prevailing hourly wage rates for trade and craft jobs in a basic steel plant in Hamilton on March 31, 1953, and the « job classes » and rates for the same jobs on April 1, 1953, the effective date of CWS implementation at this plant.

WAGE RATES FOR TRADE AND CRAFT

JOBS BEFORE AND AFTER CWS IN A HAMILTON STEEL PLANT

Job	*March 31st Rate ($)*	*April 1st (CWS) Rate ($)*	*CWS Job Class*
Blacksmith	1.83	1.99½	15
Boilermaker	1.83	1.99½	15
Carpenter	1.83	1.91½	13
Armature Winder	1.83	1.95½	14
Wireman	1.83	2.03½	16
Shop Electrician	1.83	1.95½	14
Machinist	1.83	2.03½	16
Pipefitter	1.83	1.91½	13
Welder	1.83	1.95½	14
Instrument Repairman	1.845	2.03½	16
Roll Turner	1.89	1.99½	15

In the case of skilled jobs, therefore, it is evident that the introduction of CWS meant a good deal of variation in relative gains. In this particular plant the number of rate levels was increased from three to four. Of the eleven jobs listed, nine had stood at the lowest rate level ($1.83) for the group prior to CWS, whereas only two (carpenters and pipefitters) remained at the lowest rate ($1.91½) for the group after CWS. In the widening of the differential range for the group, two of the jobs (wiremen and machinists) were upgraded by three job classes i. e. from the lowest to the highest rate level for the group and, with the exception of the two jobs left at the lowest CWS rate for the group, the remaining jobs were upgraded by the equivalent of one or two « job classes ». The upgrading of these jobs came about as a result of a comparative job content analysis with « responsibility » and « skill » being the main differentiating factors. [37] The result was a significant redistribution of differential advantages within the group. This is demonstrated by the fact that roll tuners, formerly the highest rated tradesmen of the group,

(37) BEAN, *The « Cooperative Wage Study » and Industrial Relations*, pp. 171-172.

were to be surpassed under CWS by instrument repairmen, machinists and wiremen, the latter two jobs being formerly among the lowest rated of the group.

Differing relative gains by employees meant that some complaints would be inevitable and the union did receive some sporadic complaints from vocal minorities who had fared less well from the evaluation than other groups. [38] In order to minimize any dissatisfactions the union decided to present only the finally agreed classifications of a job to an employee rather than inform him what his « job class » was likely to be whilst the evaluation was being carried out, and the union committee at a plant was instructed that it « must not permit itself to be pressured for any reason by any group or individual ». [39] But the fact that no one could be made worse off financially as a result of the programme, [40] together with the advance publicity accorded the programme and the detailed explanations given to locals prior to the installation of CWS meant that complaints were kept to a minimum. There was no « flood of complaints to the international office » from union members as had occurred in the US. [41] It would appear that the operation of the programme in Canada has been characterised by a remarkable absence of « griping ». This is to be explained by the attention devoted in Canada to advanced preparation of locals for CWS, the great consistency of job classifications across the country, and the leisurely procedure with which the programme was carried out. In this latter connection, the union insisted that members involved in CWS classifications should continue to receive full wages from their companies, thereby ensuring that committeemen would not feel the need to complete the classifications hastily in order to avoid loss of earnings. On the other hand in the US « the original classifications were negotiated under considerable pressure from both sides » and « steel companies and the international union were in a hurry to agree on classifications. » [42]

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(38) See the case of derrick operators at a Hamilton plant, *ibid.*, p. 105.

(39) *Handbook for C.W.S. Committees,* . . . p. 19.

(40) No employee was to receive a reduction of earnings by virtue of the implementation of the scheme. So long as the present incumbent held his job and his current rate of pay was higher than the CWS classified rate, then he continued to receive the higher rate.

(41) STIEBER, *op. cit.*, p. 95.

(42) *Ibid.*, p. 137.

Summary

The conclusions of this paper may be briefly stated :

1 — CWS represents an important innovation in union wage policy. In particular the Steelworkers' emphasis upon inter-plant and inter-regional wage parity has been noted together with attempts at consistency of job classifications to further this aim.

2 — In the US the CWS programme had been developed by a coordinated effort on the part of a large number of companies and had wide industry support. But in Canada, although job evaluation had originally been broached by the Algoma company, the pressure and stimulus for the widespread adoption of CWS came entirely from the union. Union initiative changed the status of job evaluation in the industry from that of an unusual and largely voluntary affair to an explicit demand in its contract negotiations. The union found the programme so successful that in less than ten years it was extended to cover almost all U. S. W. A. bargaining units for production and maintenance jobs and even for some white-collar workers.

3 — There was no question of US union « domination » in the extension of CWS to Canada. The union's part in the evaluation was carried out solely by Canadian officials with only infrequent contacts with the international head office, in response to the specific needs and objectives of the Canadian section of the union.

4 — It has been shown that the Steelworker's wage policy is founded upon a scale of priorities — a satisfactory minimum standard must be established before the removal of inequities and widening of the differential spread between jobs is contemplated i. e. the attainment of some « minimum » living standard for the entire membership is considered more important than wage differential considerations for certain sections of the membership. Even so, the establishment of the first CWS agreements was a direct result of complaints of « shrinking differentials » by tradesmen, as a result of the long term neglect by the union of important skilled groups within the Steelworkers.

5 — The union stressed that CWS set only the framework of the wage structure — the base rate and increments between « job classes »

were still to remain the exclusive concern of the collective bargaining process proper. And, in contrast to explicit and overt bargaining on base rates and increments, there were even elements of « submerged » bargaining over appropriate job evaluation classifications. It is therefore quite possible to combine job evaluation and collective bargaining, and to imply that job evaluation is some sort of *alternative* to collective bargaining is very wide of the mark. [43]

6 — There is little evidence to suggest that the establishment of CWS has encouraged further union-management « cooperation » in Canada or a marked extension of areas of joint interest. Indeed, the programme is not an example of union-management cooperation in the strict sense which implies not only a conscious effort to raise productivity but also a fundamental change in policies and goals by both parties. Such fundamental changes in attitudes did not come about under CWS. There was no pooling of separate interests and most companies regard CWS as a single purpose device designed to eliminate inequities rather than as the first step towards more harmonious relations. The installation of the programme was granted as a reluctant concession to the union (sometimes only after threatened strike action) ; it did not involve a wholesale reversal of managerial attitudes towards union participation in the administration of the enterprise.

C.W.S. ET LES MÉTALLURGISTES CANADIENS

CWS * constitue une importante innovation dans la politique syndicale de salaire. En particulier, les métallurgistes ont insisté sur la parité des salaires entre usines et entre régions et ils ont fait porté leurs efforts sur l'uniformité des classifications des emplois en vue d'atteindre cet objectif.

Aux Etats-Unis, le programme CWS avait été élaboré grâce à un effort coordonné d'un grand nombre de compagnies et il avait été fortement appuyé par l'industrie. Mais au Canada, même si l'évaluation des emplois avait été

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* « Cooperative Wage System ».

(43) Compare *Job Evaluation* (Geneva: International Labour Office, 1960), pp. 17-19.

originalement introduite par la compagnie Algoma, c'est le syndicat qui a stimulé l'adoption généralisée du CWS et exercé des pressions dans ce sens. Grâce à l'initiative syndicale, le statut de l'évaluation des emplois passa d'une affaire occasionnelle et largement volontaire à une demande explicite dans les négociations de contrats. Le syndicat trouva le programme si profitable qu'en moins de dix ans il fut étendu à à peu près toutes les unités de négociations des U.S.W.A. relativement aux emplois de production et d'entretien et même à quelques collets-blancs.

L'extension au Canada du CWS se fit sans la « domination » du syndicat américain. La participation du syndicat dans l'évaluation fut effectuée uniquement par des officiers canadiens qui firent rarement appel au bureau-chef international, à l'occasion d'objectifs et de besoins spécifiques de la section canadienne du syndicat.

Il est apparu que la politique de salaire des métallurgistes est basée sur une échelle de priorités — il est nécessaire d'établir un standard minimum satisfaisant avant d'éliminer les injustices et d'envisager l'élargissement de l'échelle des écarts entre les emplois, i.e. on considère plus important d'atteindre un niveau de vie « minimum » pour l'ensemble des membres que d'insister sur les écarts de salaire pour certains groupes de membres. Même là, l'établissement des premières ententes CWS résulta directement de plaintes d'hommes de métier au sujet du « rétrécissement de l'échelle des écarts », ce qui résultait du fait que l'union avait négligé depuis longtemps des groupes importants de spécialistes parmi les métallurgistes.

Le syndicat souligna que CWS établissait seulement l'ossature de la structure de salaire — le taux de base et les augmentations entre les « classes d'emplois » devaient encore demeurer l'affaire exclusive du processus proprement dit de négociation collective. Et en contraste avec la négociation explicite et évidente sur les taux de base et les augmentations, il y avait même des éléments de négociation « submergés » sur les classifications appropriées de l'évaluation des emplois. Il est donc tout-à-fait possible de combiner l'évaluation des emplois et la négociation collective, mais il est loin de la réalité de dire que l'évaluation des emplois constitue une sorte d'alternative à la négociation collective.

Il est peu évident que l'établissement du CWS a encouragé une plus forte « coopération » patronale-ouvrière au Canada ou une extension marquée de champs d'intérêt commun. En effet, le programme n'est pas un exemple de coopération patronale-ouvrière au sens strict, ce qui implique non seulement un effort conscient d'augmenter la productivité, mais aussi un changement fondamental dans les politiques et les objectifs des deux parties. De tels changements fondamentaux d'attitudes n'ont pas accompagné le CWS. Il n'y a pas eu de regroupement d'intérêts séparés et la plupart des compagnies regardent CWS comme un système dont le but unique est d'éliminer les injustices plutôt que comme un premier pas vers des relations plus harmonieuses. L'implantation du programme fut accordée à contrecoeur au syndicat (quelquefois après menaces d'action de grève); elle ne signifie pas un renversement global des attitudes patronales vers la participation du syndicat dans l'administration de l'entreprise.