

THE FUTURE OF INDUSTRIAL RELATIONS

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Introduction

Having spoken many times on various facets of the future of industrial relations, the author should have found it relatively easy to record in writing his thoughts on the subject. This has proven to be anything but the case. Indeed, the writing of this article has resulted in many misgivings and reservations.

In part, these misgivings and reservations stem from reluctance to play any part in the present cult of futurology, which has attracted so many incompetent or entrepreneurial charlatans. Even as an admitted amateur in this dubious art of crystal-ball gazing, one hesitates to risk association, let alone comparison, with some of the professional hucksters who have invaded the field.

Equally restraining is the all-encompassing nature of industrial relations and its tendency to represent a not-so-miniature microcosm of the society within which it operates. Canadian society, and thus its industrial relations system, are presently or potentially subject to so many deep and pervasive changes that even a partial listing of these on-going developments makes one wary of the hazardous business of forecasting beyond the immediate future. Among the shifting variables that give rise to the greatest uncertainty are the following: the future of Confederation, evolving international trade blocs and patterns, growing signs of isolationism in current United States economic and trade policies, the impact of the ecology movement, searching questioning about the viability of economic growth as a national objective, re-oriented life styles and attitudes toward work, women's liberation, growing government involvement in the economy, especially in the form of wage and price guidelines or controls, and general social restiveness. These and other ingredients of basic change make change itself about the only sound prediction.

Despite such uncertainty, this essay makes the heroic and

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perhaps unreal assumption that the fundamental nature of Canada's present socio-economic-political system will survive unchanged, and that trends resulting from forces such as those just mentioned will therefore take evolutionary rather than revolutionary forms. After little more than highlighting some of the general trends that seem to be in the works in the industrial arena, the essay will focus on a few key issues in collective bargaining that are now, or are likely to come, to the fore. In spite of the comparatively tame nature of these issues, they are, in themselves, enough to suggest the need for some significant revisions in the practice of collective bargaining, if not also in the laws that govern the process. These revisions are not so marked, however, as to suggest any basic change in the adversary nature of the present industrial relations system, desirable as such a change might appear to be at first glance.

I. Some General Industrial Relations Trends and Their Implications.

Barring any fundamental change in the socio-economic-political environment, "more of the same" may seem both an accurate and a sufficient prognostication in terms of Canada's over-all industrial relations system. Even within the existing framework, however, there are trends that illustrate the need for effective reforms and responses, both institutional and other.

On the union side, there are several developments that merit attention. The growth of unionism in the public sector is one such development. The potential growth of unions or pseudo-unions among professional and white-collar workers is another. Related to these and other developments is the almost inevitable restructuring that the labour movement must undergo if it is to respond effectively to the changing environment within which many of its members find themselves working and living. Reflecting in part the inadequate nature of this response to date, the continuing and conceivably even rising militancy of rank-and-file union members, as best evidenced by the incidence of their refusals to ratify collective agreements, is yet another development. Stemming from this and other pressures is the increasing difficulty unions are having in reconciling the competing claims and interests of different groups of their constituents. This problem, in turn, relates to the challenge to find more effective ways of balancing the needs for both democratic and responsible unions. In each of the aforementioned areas, existing institutions and laws will almost certainly have to be modified.

The ability of managements to cope with the more aggressive unions that now often confront them may be contingent on more

attention being given to the legal framework for such concepts as employer association accreditation and joint bargaining. Through such measures, individual firms may be able to achieve collectively a better balance between themselves and organized labour. This assumes, of course, that short-run expediency and pragmatism become less the hallmarks of management industrial relations strategies than they are today. It also ignores the other end of the industrial relations spectrum, where workers are unorganized, or weakly organized, and the employers' ability to underpay, if not exploit, is kept in check only by relatively nominal minimum wage and other protective labour standards legislation. More imaginative approaches are required in these areas, but except for various types of guaranteed income plans, which are being tried on an experimental basis here and there, little innovative thinking appears to be emerging.

Returning to the other end of the industrial relations spectrum, where labour, if anything, has too much power, one finds part of the explanation for the fact that collective bargaining is under increasingly severe attack. Almost forgotten in this assault is the fact that collective bargaining is such an integral part of Canada's total socio-economic-political framework that the one cannot survive without the other. None the less, public concern about lost time due to industrial conflict, and the allegedly inflationary nature of many of the settlements emerging from the process, could set in motion a political reaction of such magnitude as to negate the first and ultimately most vital interest in collective bargaining, that is, its preservation. Again, the failure to come up with imaginative and innovative new approaches stands out as a crying need, in the absence of which potentially grave developments are likely.

II. *Issues in Collective Bargaining.*

At the more mundane and prosaic level of the collective bargaining table, there are some new forces at work as well as the more traditional ones. To begin with the latter, it should be obvious that "more, more, more" is not going out of style. Quite the contrary, and how could it be otherwise in this acquisitive society, with rising expectations fed by advertisers and marketeers who are best characterized, in the present context, as merchants of discontent? The continuing struggle for a better share of the spoils of capitalism shows little sign of abating, and results in an inflationary treadmill to nowhere that is unduly and unfairly blamed, by both the ill-informed and the well-informed, on the labour movement. As already indicated, this is giving rise to a great deal of public disquiet that could get out of hand if governments in Canada persist in their failure to come up with viable anti-inflationary strategies.

In addition to "more, more, more" in terms of wages and fringes, unions will continue to demand less, less, less in terms of actual working time. Besides more statutory holidays and longer vacations, the shorter work week will spread. More interesting will be the pressure for more flexible working schedules and shared jobs. Ultimately, the result will undoubtedly be something like an individualized work day, week, month, year and even career. As greater preference is shown for more leisure, premium pay for holidays will also come to the fore as a general demand. In addition, employers may be pressed to provide recreational facilities in much the same way that company-sponsored child-care facilities are now under active consideration. Although some of these trends will present administrative and legal problems, none of these problems should prove insurmountable.

Similar observations would seem to apply to the concept of cafeteria-style packages of wages, benefits and hours. Since individual preferences are bound to vary in these respects, increasing choice and flexibility will be hard to avoid. Despite management, and sometimes union, resistance to these trends, they are likely to prove too irresistible for existing institutions and laws to halt.

In addition, more comprehensive and elaborate private social security systems will continue to be negotiated. If cradle-to-grave security is not provided by the state, it will come in the form of thousands of little islands of private social security, many of which are already in being. Eventually, of course, the state will move into more and more of these areas, as it already has in such fields as medicare, and with the same interim problems of assimilation and integration.

In one form or another, income and job security issues will periodically come to the fore. In the event of continuing general unemployment at the levels recently experienced, these issues will naturally remain more contentious than they otherwise would. If full employment is achieved and maintained, such issues will be confined to cases where a major job contraction or total plant shutdown is anticipated. In either event, these issues are bound to strain the collective bargaining process, which, in and of itself, cannot really be expected to cope with the problems involved.

Other potential challenges will probably find the existing collective bargaining system equally accommodating in the long run. Two such challenges come readily to mind. One is the challenge to humanize work itself through everything from job design and engineering to semi-autonomous work groups and other forms of industrial democracy. Thus far, North American unions have virtually ignored the nature of work itself, except in the sense of an undesirable symptom of industrial life requiring higher wages and reduced hours by way of compensation. As a result of union

neglect, a few unorganized firms are the pace-setters in coming to grips with this problem. Eventually, however, unions will have to face up to the challenge and, despite the fact that management will resist on the grounds of invasion of an area of traditional management rights, some accommodation will be realized. This may then become the springboard for broader forms of industrial democracy, or workers' participation in management, which, although fraught with dilemmas and problems, is gradually moving ahead in many Western European countries.

Another Western European development that will doubtless eventually have a challenging impact here is the notion of asset formation. Somewhat akin to profit-sharing, but entailing workers' sharing in what might be termed a broader piece of the capitalist action, the gradual growth of labour's portion of share-holdings, on an individual and collective basis, is a noteworthy development in Western Europe. As in the case of profit-sharing, however, the lead will likely be taken in this field by non-union firms. This is indication enough that these concepts are hardly very radical, let alone incompatible with the existing economic order.

III. *Some Legal Implications.*

Barring any revolutionary changes of the kind implied earlier, this assessment of the future of industrial relations leads to a disappointing conclusion from the point of view of those who favour radical reform through law. Although existing legislation in the field of industrial relations is quite inadequate, the changes required are really mild and modest by any revolutionary standard. The need for these changes has been well documented elsewhere and requires no elaboration here.

Of all the changes that might be stressed, perhaps one deserves most emphasis. Although seemingly a contradiction in terms, the basic challenge to the present collective bargaining system may be the necessity to individualize it. Not only the results, but also the process itself, are going to have to be tailored more to the individual union member and his or her particular aspirations, needs and problems. A significant start has been made in this direction in those jurisdictions where the obligation of fair representation has been imposed on unions. In some jurisdictions, there has also been some halting movement in the direction of a bill of rights for union members. Provided these requirements are interpreted sensibly, they could provide the basis for reconciling the rights of the individual union member and the collectivity that is the union itself.

Beyond this intriguing challenge, there is need for more effective ways to balance the competing public interests in collective

bargaining. Based as it is on the adversary system, the collective bargaining process poses difficult problems for those charged with protecting the public interest. However, since this challenge requires more political statesmanship than legal draftsmanship, it hardly suggests a major problem in law. Indeed, law probably should continue to play as minimal as possible a role in the collective bargaining process.

Whether this will be the case is debatable. For reasons already stated, public opinion is giving rise to pressures in the other direction. Through misguided legislation, Canadian society could quite conceivably witness the undoing of the present industrial relations system, and thus of one of the foundations of the only socio-economic-political system in which something approaching the rule of law has survived. Despite its faults, the collective bargaining process plays such an integral and vital part in Canada's present way of life that a cost-benefit analysis would doubtless reveal its costs to be far outweighed by its benefits.
