

fall. Specification of the outputs within that range, however, is determined by the goals, values and power of the actors within the system.

The environmental systems which have significant conditioning effects on the industrial relations system include the following: (a) the ecological system, (b) the economic system, (c) the political system, (d) the legal system, and (e) the social or cultural system. Let me now discuss each of these briefly, and in discussing each I will use only a few examples by way of illustration.

By the ecological system, I mean the physical surroundings in which man finds himself and the way in which he adjusts to these surroundings. For example, the natural resources of a country or region will have an impact on the inputs of the industrial relations system, inasmuch as they determine the structure of industry and the kinds of rewards that can be made. Also, climatic conditions will have an effect on the industrial relations system. For example, the climate in Canada is such that it closes our inland ports and slows down construction activities for a good part of the year. This, in turn, will lead the actors in these industrial relations systems to seek high rewards during the active season.

The economic system, comprising the product market, labour market, money market and technological innovation, also conditions the inputs of the industrial relations system. As mentioned previously, a period of high economic activity is a