

The recent successfully completed round of negotiations between Chrysler and the unions on both sides of the border is viewed as a positive indication that the two unions have not chartered a separate course in reaching settlements with Chrysler. Although details of these settlements are not available it is understood that the benefits obtained maintain equivalent wage and benefit provisions of the previous agreements. This should help to overcome some of the apprehension in the industry over having a separate union on each side of the border particularly as the settlement in Canada was concluded first with minimum disruption to production. The Chrysler settlements may also influence the pattern of contract negotiations in the automobile industry in the future.

This labour scene should be viewed against projected demand for North American type vehicles by 1990 and the resultant overcapacity of assembly and parts production facilities. An increasing share of total North American demand will be met by imports from Japan or other off-shore sources or from production in North American facilities of the Japanese automobile companies. It is likely in this market situation that the UAW in the United States will have less allegiance to the Canadian union than in the past and will no doubt bring pressure on the U.S. administration and the motor vehicle companies to maintain maximum production facilities in the United States.

The Motor Vehicle Manufacturers' Association (U.S.) point to the apparent growing disparity between the approach to equal pay for equal work provisions between the United States and Canada and cite recent proposed legislation by