



STATEMENTS AND SPEECHES

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An address by the Minister of Labour, Mr. Milton F. Gregg, delivered at a Plenary Meeting of the 36th Session of the International Labour Conference, at Geneva, June 8, 1953.

....I do not want to make a speech in the formal sense. Instead, I should like to talk to you from a Canadian point of view about some of the things in which we have a common interest. One of the purposes for which the ILO was formed - now over a generation ago - was to have a forum for discussion of mutual problems in the labour field. I do not wish to undervalue the legislative and operational tasks the ILO has done so very well over the years, but this opportunity for discussion, I feel, remains one of its most important functions.

The formal documents adopted here - the conventions, the recommendations and the declarations - are the visible symbols of the urge to push on in the only kind of war we all like to fight: the war against poverty and social injustice. But of even greater importance than the documents is the spirit in which we meet here, the progress we make in understanding one another, in our hearts as well as in our minds, so that we may share ideas that will help us in this common effort that transcends all barriers of language, training and custom.

I know the ILO is experienced in methods to promote this common effort. Its reports and studies help each of us to appreciate the needs and aspirations of other member countries. Each year the Director-General gives us a review of the over-all world labour picture to keep us aware of how much needs to be done and also each year to focus our thoughts upon a specific task.

This year his special theme is productivity. Useful work was done on the question of productivity by a Committee of Experts last December. I share the Director-General's satisfaction at the success of that Committee in reaching agreement on important matters of substance. It is to be hoped that the Report will do much to dispel the uncertainties that often surround the subject - uncertainties on the part of labour or management that may cause either to be averse to useful changes; uncertainties on the part of governments that may cause them to sponsor policies that thwart rather than encourage increases in productivity.

As the Director-General points out, the question of productivity has different aspects in different countries, depending on such matters as the degree of industrialisation. In Canada our perspective is that of a country in the midst of rapid industrial expansion.

This industrial growth is one of the factors causing us in Canada to look abroad with keener interest. Much of the capital, much of the manpower, for the development of our resources has to come from beyond our borders. Canada has been getting from outside new investment capital at a great rate. We have also been getting from outside many new Canadian workers, and we hope to do so for many more years to come.

Much of our income in Canada comes from international trade. We are vitally concerned in measures that will keep trade flowing. We are firmly pledged to international co-operation in this field - through the study not only of tariff and monetary questions but also of the means whereby each country can maintain high employment and income levels.

The ILO's objective of reducing poverty in all parts of the world lies very close to our hearts. We still have much to accomplish ourselves in this direction. Furthermore, we know that we, as a nation, have everything to gain from the success of the ILO's objectives, not only within our own borders but in other countries as well. Thus, we give our support also to the imaginative plan known as technical assistance, and to other forms of aid devoted to raising productivity in areas and countries where there is special need for industrial development.

These things form part of the framework within which the question of productivity has to be studied. Within it, however, the Director-General has suggested that we discuss productivity in relation to welfare. This takes us, I believe, to the heart of the question. For the ILO through its debates and reports - in fact through its very existence - says to all of us who are concerned with productivity, not only "How can productivity be increased?" but also "For whose benefit do we seek to raise productivity? Who is to get the rewards?" This is a challenge to the conscience that cannot be ignored by any of us.

Such questions are not easy to answer. Though we would all agree that benefits should go as widely as possible to all who have a stake in an enterprise as well as to members of the community as a whole, there is much room for discussion as to the means by which this may best be done.

The discussion should not take place from any narrow viewpoint. Any attempt to determine the precise ratio in which rewards should accrue is not only doomed to failure but may even have an adverse effect on the size of the rewards themselves. The important thing is to strive to establish the general conditions whereby each group in the country may have confidence that it shares, equitably, directly or indirectly, in the general economic improvement. This applies also to the wider world community.

Productivity gains can only reach their maximum with the full consent of those engaged in the production processes. For this reason we must ever keep in mind the human factors involved.

Opportunities for economic improvement must be available not only for industrial enterprise but for every member of the community. In this regard, governments can assist greatly in creating a favourable climate for free enterprise, through their economic and social policies, through their provision of research facilities, of educational and training opportunities, together with skilled job-counselling and placement services, and in many other ways.

As a foundation upon which business and individuals can realise increased productivity, we feel it should be the over-all objective to establish a sound minimum level of economic security for all people. Social security measures should be steadily improved. The maintenance of a high level of employment and income should be our goal. By the same token, hand in hand with effective collective bargaining, there must be a solid body of protective legislation - for both workers and employers. Minimum wage legislation, workmen's compensation, unemployment insurance, factory inspection, protection of the health and safety of workers, in particular young workers and women, are part of this pattern.

Beyond these measures it is important to foster the kind of labour-management relations which will tend towards higher productivity and a fair distribution of its benefits. In this connection I share the view of the committee of experts that much depends on the existence of a free, strong and independent trade union movement able to take part in collective bargaining on an equal footing with employers or their organisations.

In Canada we have endeavoured to realise all these objectives. We have sought to maintain free opportunity for economic improvement and to widen its scope, to establish a basic level of economic and social security, and to foster healthy labour-management relations. But merely to make this general statement fails to tell of the many minor projects that have gone into the main effort.

For example, we have been doing some things lately to broaden the employment opportunities for certain groups who have particular problems - such as disabled workers, female workers and older workers. We are co-ordinating in a national programme the efforts to rehabilitate disabled workers.

We are seeking to learn more about the role of the older worker. We have come to see that compulsory retirement at a fixed age, even with a fair pension, is not always the desirable objective.

We have just obtained the approval of Parliament to establish in our Federal Labour Department a women's bureau, whose task it will be, in conjunction with existing agencies, to study and advise upon employment conditions and opportunities for women workers.

To ensure fair opportunities for certain other groups, we have now passed federal legislation which forbids discrimination, on the part of employers or unions, against any person on account of race, national origin, colour or religion.

We have been steadily widening the range of our social security legislation. The most recent addition came only a few days ago by an amendment to our Unemployment Insurance Act. This enables workers during unemployment "benefit" periods to continue to receive benefit even though they may become incapacitated by illness or accident.

These activities all bear upon the question of productivity, both in fostering the kind of social and economic climate in which productivity gains can be made, and in seeking to ensure that the largest possible number of our citizens may share in its rewards.

It is my view that one of the greatest hopes for continued gains in productivity lies in the field of industrial relations. I agree with the Committee of Experts that the responsibility for action to raise productivity in each establishment rests primarily with management. But, as the Committee goes on to say, the success of such efforts depends on the active co-operation of workers, which can only be achieved through good labour-management relations.

I have already stated my belief in the importance of free and independent labour unions. One of the significant phases of Canadian economic life in the past ten years has been the rapid growth in the number of unions and in union membership.

In Canada the emphasis in collective bargaining has been largely on economic issues and the objectives have, for the most part, been sought directly without government intervention. This is true even though Canadian labour and management leaders are in frequent and close touch with governments - federal, provincial and municipal. Both have been extremely active in making their views and desires known to government authorities.

The focal point in labour-management activities in Canada has been the collective agreement. The agreement is normally signed between a single local union on the one hand and a single employer on the other. Many cover only a dozen or so workers, although a few agreements cover thousands of men and women in large and far-flung enterprises.

These collective agreements set forth the rules of conduct to which both parties are committed as long as the contract is in force. At regular intervals - usually once a year - these rules are re-examined, both parties indicate the changes they believe should be made, and the contract is renegotiated.

Our labour legislation makes clear our reliance on collective bargaining as the normal channel for employer-employee relations.

The purpose of this legislation is to establish orderly procedures to aid labour and management in those cases where they, by themselves, are unable to reach an agreement. The Government exercises no form of pressure as to what the specific contents of a collective agreement should be. It offers every possible assistance through the certification of collective bargaining units and through

conciliation procedures. But its main endeavour is to encourage the parties to reach their own agreement. Our legislation provides that, once an agreement is reached, the parties must refrain from a strike or lock-out during its term. Thus, we find that freely negotiated decisions, crucial to our economic welfare, are being made in thousands of separate agreements, each attuned to the needs of a particular project and community, and each contributing its part to a complex national economic pattern.

This system which has evolved in Canada obviously has an important bearing on the question of productivity. For, as the Director-General points out, higher productivity is likely to be the result of fair decisions on an enormous number of questions which affect both labour and management. When the worker, through joint consultation machinery, is able to invoke the grievance and other clauses in his contract to maintain his rights, he is in a more secure position, and this in itself is usually conducive to improved productivity.

I think, too, that many employers today realise that the collective agreement has rich potential value to management as well as to labour. Management is becoming more keenly interested in human relations and in factors that make for satisfaction on the job, and hence for good production.

On the other hand, more unions today are taking into consideration to a greater extent the problems of the economy as a whole, of their industry, of their community and of their enterprise as well as their own position. It is in this spirit that we may begin to feel confident that our human as well as our material resources are being more fully developed and utilised to the advantage of all.

There are clear indications of the success of this system in Canada during the post-war years. New resources are being opened up on our frontiers with the aid of our mid-twentieth-century "pioneers". These modern adventurers are moving in by aeroplane and bulldozer, instead of by canoe and covered wagon as in the days of our ancestors. At the same time, several of our older industries, particularly manufacturing, are experiencing a rapid growth.

In these new resources developments, as well as in the expansion of established economic undertakings, the relations between labour and management have been, on the whole, constructive and harmonious. Gains in productivity have occurred and have been distributed in higher business returns, in increased real earnings and in more leisure time. This is a tribute to both employers and unions.

The success of collective bargaining at the level of the plant and local union is a wholesome alternative to the doctrines of the early revolutionaries. Whereas they envisaged constant conflict, to be resolved through an overthrow of the economic system, we see this freedom for sections of our economic community to gather for constructive discussion, to put forward their views openly and fearlessly, and to reach mutually acceptable

compromises as the very basis of our Canadian society. Free and frank discussions carried on in an organised way, which we know today as collective bargaining, are tangible expressions of our democratic life.

It has been argued that economic systems such as ours contain such inherent contradictions that eventually they must perish. To me the evidence of recent years plainly indicates that we have a flexible rather than a rigid system, which, if utilised with integrity and good will, can adjust itself to meet any problems that may arise and, at the same time carry us forward in the traditions of freedom.

I would not want you to think that the objectives I have indicated in labour-management relations have been fully realised in Canada or even that their desirability has been approved by everyone there. They are, however, reflections of an encouraging attitude that seems to be emerging in our Canadian society. It is not something the Government has imposed on our people. It is something that is finding its own growth in a spirit of compromise and under the urge of freedom.

It is this same spirit that we in Canada see in the ILO. We are proud to continue our association with this world-wide organisation. Through it we see much hope for the years to come.

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