



STATEMENTS AND SPEECHES

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CANADIAN LABOUR AND A FREE WORLD

Notes for an address by the Minister of Labour, Mr. Milton F. Gregg, at the Convention of Canadian Congress of Labour, Toronto, September 23, 1952.

There is no need to tell this audience of realistic workers that we are living in a troubled world, a world of tensions, in which in some places the doctrine of force is gaining ground.

On the other hand it could be a world for a greater richness of life for all people in all lands. That is what we should like to make it. The part we have to play calls for steadfast patience and for clear understanding both of our own situation and that of peoples in other lands.

There are just a few things I should like to talk about in relation to our position as a growing world power and also in relation to the inter-dependency of some of the social and economic factors within our own country.

I am not going to tell you that you must not strike. It seems that in the not-very-distant past some remarks of mine were taken to mean that I was asking labour for a no-strike pledge. I did not ask it then and I do not ask it now.

I am going to exercise my right,....to speak forthrightly as one Canadian to other Canadians, all of whom have a deep concern and an abiding love for our country.

Two years of bitter fighting in Korea, with the Communist disregard for an honest approach to a peace settlement, have added to our knowledge of what we can expect of the men of the Kremlin.

It has also brought into sharp focus our now greater responsibilities for helping to maintain the powerful defences of freedom which still remain in the world.

Coinciding with that development is the rapid expansion of our country's great resources, which could unleash mighty forces - forces that could guarantee the more abundant life for millions, if they could be used for peaceful purposes.

Our task has been one of superimposing on the development of our own country our share of the international

"pool for freedom". It is a big share - of that common defence of our right to live as God intended all mankind should live. That burden of responsibility largely falls on the free NATO and Commonwealth countries. To let down our guard now would only be to invite aggression.

All this does mean the taxing of ourselves, to pay the insurance premiums for our survival.

All this brings in its train another factor, old in human relations. In a moral sense we cannot escape the obligation that we are "our brothers' keepers".

And so here we are in the midst of a conflict of ideas for the possession of men's minds.

I do not need to elaborate to you that in this struggle, the welfare and living standards of us all are intimately linked with the welfare of workers everywhere.

And so we have joined with other free nations to demonstrate that our democratic standards of living can offer good rewards in man's age-old pursuit of his right to happiness and freedom.

We are co-operating with the peoples of many under-developed countries in programs of social and economic betterment. At the same time, so long as our opponents maintain their belief in armed aggression, we must be prepared to defend with arms the principles in which we believe. That two-fold obligation cannot be carried out without cost to every one of us.

It has given me cause for pride that the labour movement of Canada has demonstrated its awareness of this complex international problem and has assumed additional international responsibilities.

The International Confederation of Free Trade Unions, which you helped to bring into being, is making a valuable contribution to that policy by endeavouring to improve living and working conditions in many lands.

The ability of this nation to meet the rigorous demands of its world commitments, its own armament program, its resources development program and its social security program and at the same time, maintain basic individual freedoms, is literally on trial. Not a little effort and sacrifice are required. This is true of all groups within Canada. You and I see its application perhaps most clearly in the field of labour-management relations. Both labour and management have frequently been told that they must exercise "restraint". But what do I mean by "restraint"?

I want to say emphatically that it does not mean any abrogation of the right to strike or any break in the rights of free collective bargaining.

It does mean, however, that collective bargaining must be carried out by both labour and management with the fullest possible understanding of the issues, and their effect on the industry involved and upon the community and the nation as a whole. It means, further, that the best possible use should be made of all facilities for settling differences.

Collective bargaining should be freely carried on, between labour and management, with the least possible interference by government. But where differences reach a crucial stage the protection of the public interest may make it necessary for the government to provide tested procedures designed to assist the parties in arriving at a settlement. This is a major function of the conciliation provisions of our collective bargaining legislation.

The freedom implicit in this legislation imposes a direct responsibility on labour, management, and also the government, for the effective functioning of the law. The record shows that the good faith of management and of labour has been an essential element in the success of Canadian conciliation procedures.

What is the record? The vast majority of collective agreements are renewed each year without strike action. More than 6,000 collective agreements are on file in the Department of Labour. In 1951, over 5,700 agreements were negotiated or renegotiated peacefully over the bargaining table.

Although the record on the whole has been good, the procedures established under the legislation have not always worked out as intended. This has led some to suggest that the conciliation machinery should be changed radically or even abolished altogether.

The criticisms have generally concentrated on the lengthy delays, shifting of responsibility for final decisions from labour and management to conciliation boards, and the postponement of real bargaining until after a board's decision.

But perhaps fewer of the difficulties would arise if we paid more attention to the spirit and intent of the legislation.

All parties, management, labour and government administrators, might well examine their own record from time to time to see if they have paid enough attention to the spirit and intent of the legislation. Speaking now only of the labour side, if there have been lengthy or unwarranted delays in the functioning of the conciliation machinery, I ask you to consider if there have not been some delays on the part of union officers. Have your own representatives, most of whom, I know, are busy men, been called away on other work, to attend a convention or take care of a pressing situation elsewhere? If a conciliation board seems to take a long time to render its report, after coming into a dispute without an intimate prior knowledge of the issues, is it possibly because the trade union negotiators with our without similar intent on the part of management, have shifted responsibility to the conciliation board for recommendations or decisions rather than to get down to serious and genuine collective bargaining on the issues.

I have posed these questions for your consideration just to point up my request to you for full and whole-hearted utilization of collective bargaining and conciliation procedures.

Our labour codes may not be perfect either in the federal or provincial jurisdictions, but they are the best that have so far been devised either here or elsewhere.

Your suggestions as to improvements will be welcomed in Ottawa, and I feel sure, in provincial capitals. But in the meantime, let us not look to more machinery (we can have too much of it), nor yet to the scapping of what we have. Let us keep our present machinery in good repair and, like good craftsmen, make the best possible use of it.

But the conciliation machinery will not fill its role, nor will collective bargaining generally work for the good of us all, unless we are prepared to dig deeply into the facts surrounding our problems.

In an expanding economy, practically everyone agrees that the standard of living of the people can and should rise over a period of time, but no one has developed a formula to determine just how much the standard of living should rise and when.

Real earnings are dependent broadly speaking on the nation's productivity, which may vary from time to time and from industry to industry.

Productivity, which is often measured statistically in terms of output per man-hour, is affected by many things. It is affected by technical improvements in production methods and by a host of human factors, such as management's efficiency, the energy and skill of workers, and the character of union-management relations. It is also affected by the level of our national output and by shifts of resources and manpower from industry to industry.

In addition to productivity, earnings are dependent on a complex set of relations within the plant, industry and economy. These include the state of the markets both domestic and external, the cost of raw materials, and other factors affecting cost-price relationships.

These relations, whether they are confined to the industry or plant, or extend beyond, are, I am sure we will all agree, frequently highly complicated. I do not intend to discuss them at any length on this occasion, but I mention them since it is important that they be understood and appreciated in collective bargaining, particularly during our current preparedness program.

At a time when our defence budget during a single fiscal year is in excess of two billion dollars, we must prevent any serious maladjustments in our economy that would interfere with the attaining of both our civilian and defence objectives.

Inflationary pressures have not proved to be quite as serious as they threatened to be, but the possibility of inflation still remains with us. This possibility means we must be constantly on our guard to see that the factors which tend to encourage inflation are kept in check.

This is not a matter for government action only. When the possibility of inflation is present, national policies can be frustrated to a considerable extent by unwise action on the part of private individuals or organizations. For example, unnecessary spending by consumers could rapidly revive the danger of inflation. Unwise investment by business could have a similar effect. Unreasonable increases in prices or in wage-rates could also contribute to this same tendency.

It is because of these dangers that I feel the fullest possible knowledge of all relevant factors is required in collective bargaining whether or not the issues under discussion revolve specifically around wages.

I have been pleased to see during recent years a tendency in collective bargaining toward a freer exchange of facts. This is one of the reasons I have confidence in our collective bargaining system.

Careful study of the economic facts in any given situation can help to reduce areas of disagreement and thus aid in finding a settlement.

Fortunately there has been in recent years, a great increase in economic research, by trade unions, by employers, by universities, and by government departments. The gaps in our economic knowledge, while they are not likely ever to be completely filled, are getting smaller.

The Department of Labour, as you know, has for some years collected information on wage rates, working conditions, employment and unemployment, collective agreements, and other subjects important to labour. The principal results of this research are printed in The Labour Gazette and in special reports.

At present the Department is extending its research into several important fields related to those I have mentioned. Naturally, we wish to make our research as useful as possible. We therefore welcome suggestions from those who are working in the labour field as to which problems it would be most useful to investigate. Many useful suggestions have been received from organized labour in the past, with regard for example, to the development of the Unemployment Insurance Program and other social security measures.

I look forward to the continuance of the constructive relationships between trade unions and the Department of Labour which have assisted our efforts in the past.

In my talk, so far, I have been discussing some of the problems which arise in collective bargaining as a result of differences in interest between the parties to bargaining. In this field, as in the relations between countries, I think we often over-stress differences and ignore areas in which mutual interests can be developed.

The interests of labour and management are not always the same but I think both parties often neglect large and important areas of mutual interest. For example, both sides gain from increased productivity, for the welfare of both fundamentally depends on the productiveness of the whole enterprise. The presence of numerous labour-management production-committees in Canadian industry is evidence of the existence of these areas of mutual interest in which both parties working together can make constructive contributions.

The real genius of a democratic society is its ability to work out mutually beneficial solutions to issues involving conflicting interests.

Perhaps we are now at the stage in the field of industrial relations when this skill can be developed to a much greater extent, because I think we have now outgrown the heritage of bitterness which, at one time, was associated with the organization of unions.

The possibility of a constructive solution to many of the issues which tend to divide labour and management depends on our success in adapting our collective bargaining behaviour and legislation to this end.

It also depends, I believe, on the development of a fuller recognition by both parties that they are mutually dependent on the economic welfare, not only of the individual enterprise for which they may work, but on the healthy functioning of the whole Canadian economy.

I think I know sufficiently well the aims, the character and the capacity of this Congress to be sure that this week in Toronto will mark a step forward towards the betterment of living for all Canadians.

In that task I wish your Convention great success.

S/A