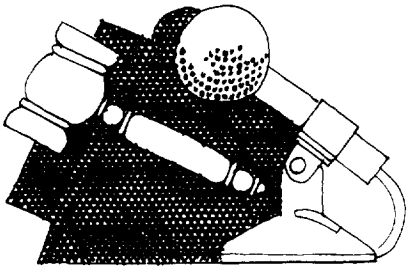

Conventions

First Industrial Relations Congress of the Americas

HENRY P. GUZDA

Indicative of the global trend toward economic cooperation among nations, representatives of labor, management, the public sector, and academia from the northern and southern hemispheres met in Quebec City, Canada, for the first Industrial Relations Congress of the Americas. The program was divided into four sessions, and the specific issues addressed were the future of unionism, the role of management in the industrial relations process, employment security in the Americas, and the role of government in labor relations.

Held in an elegant 19th century structure, the Hotel Chateau Frontenac, the conference seemed to mirror its environs. Just as the walled fortress of historic old Quebec differed from the steel, glass, and concrete edifices of the new city, the industrial relations systems of Canada and the United States, in a macroeconomic sense, differed from that of Latin America. The highly industrialized northern nations wrestled with problems of union density, innovative collective bargaining contracts, shop-floor control of new technology, employee involvement in managerial decisionmaking, and similar advanced concepts. With few exceptions, representatives of Central and South America lamented that trade unionism in their respective nations concentrated on the establishment of political democracy, not industrial democracy.

While the comparative systems of Canada and the United States are basically the same, several congress participants underscored the differences. Canadian labor representatives reiterated that the labor relations model shared by the two nations had some components that differed. Shirley Carr, president of the Canadian Labour Congress, specifically warned multinational corporations not to bring their American labor relations concepts into Canada. She also chastised academics from both countries for condoning theoretical models based on U.S. experiences that were not applicable in Canada.

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Les resumes: the abstracts

In the first session, Professors Dion Gerard of Laval University and Herbert Gerard of the University of Montreal compared trade unionism in Canada and in the United States. They noted that trade unions in Canada have fared better than their U.S. counterparts, with membership rates hovering around 37 percent since 1975, while American rates have edged downward to 17 percent. The Gerards, however, cautioned that Canada's stable membership rates resulted primarily from union growth in the public sector. Private-sector percentages of union members have declined from 20 percent to 25 percent of the nonagricultural work force. And, they added, Canadian trade unions may soon see their relative stability decline like that experienced in the United States.

Richard B. Freeman of Harvard University and author of *What Do Unions Do?* commented on the future of U.S. trade unionism. He painted a rather grim picture relating that if current trends continue, unionization in the private sector might account for only 5 percent by the year 2000, and that we could experience "ghetto unionism"—unions consisting of special workers concentrated in select industries. Freeman also said that changes in labor law could bring about a union rate of 10 percent; but to stabilize union density, even at that rate, unions would have to organize 0.5 percent to 0.8 percent of the work force annually, far above the current 0.1 percent rate. He also stated that abolishment of the National Labor Relations Act and enactment of works council legislation might strengthen the labor movement.

Professor Gonzalo Falabella, of Chile, viewed unionism in Latin America more optimistically. "The shift of manufacturing to third world nations with cheap labor costs will increase employment prospects," he stated, "but labor's challenge will be to organize these workers while taking care not to upset fragile economic, social, and political balances."

The role of management

In the second session, Professors Laurent Belanger and Michel Audet of Laval University spoke of the emerging new industrial relations system. They contended that management hierarchies must give way to new human resource policies based on employer-employee relationships. A sociotechnical mode of management will, in their opinion, replace the Tayloristic modes that exist in the United States and Canada.

Professors David Lewin and Casey Ichniowski of Colum-

bia University addressed the question, "Is the new human resource management in the U.S. really new, and is it only nonunion?" Despite the publicity given to human resource management, and its influence on nonunion firms, Lewin and Ichniowski argue that there has been little research on implementation of human resource management. Their findings suggest that most nonunion firms have not adopted new systems. In fact, unionized firms have adopted innovative concepts (for example, quality of worklife) at a faster pace than nonunion ones. In conclusion, they contend that segmenting the new management model along rigid union-nonunion lines is inappropriate.

Commenting on a management process unlike that of the North Americans, Professor Luis Aparicio-Valdez, of Peru, said that labor relations in South America are characterized by state authoritarianism. While management practices are changing, and new human resource management models are being accepted, traditional political and social conflicts between labor and management still prevail.

Job security in the Americas

The third session concentrated on a broadly discussed topic: job security. Professsor Noah Meltz of the University of Toronto said that only about 20 percent of employees in major Canadian bargaining units have broad-based employment security. But, almost all employees covered by collective bargaining agreements have some seniority provisions for layoffs, and half have advance notice of layoffs.

Malcolm Lovell, former Under Secretary of the U.S. Department of Labor, presented a comprehensive examination of job security. He defined employment security as a guarantee for workers "to have continuity of work opportunity throughout the years (they) wished to be employed." This did not mean that one job would be guaranteed, he added, because the changing nature of the economy and workplace will force workers to be flexible and change jobs throughout their working lives. Lovell said that public and private concerns had to cooperate and renew efforts to assist the economically disadvantaged if employment security is to become a reality for all citizens.

Professor Francisco Zapata, of the College of Mexico, discussed employment security in terms of unemployment insurance. The unemployment rates plaguing Mexico, he said, have shifted emphasis to job creation rather than job security.

Commentators were basically in agreement with the panelists, except for Louis Laberge, president of the laborers union of Quebec. He stated that innovative concepts such as work sharing, pay-for-knowledge, and gain sharing can be worthwhile only if jointly administered by both labor and management.

The role of the state

In the last session, the state's role, Jeffrey Sack and Tanya Lee, labor relations experts from Toronto, cited union membership percentages in Canada compared to those of the United States. They contended that a stagnant system mandated by America's obsolete National Labor Relations Act and employer campaigns to thwart organization drives were the major causes of the problem. They also attributed Canadian union strength to a government that while not intrusive has sought, at least, to protect labor union power. The role of the state, they said, should be to encourage trade union participation in decisionmaking at both the workplace level and the strategic planning level.

Professors Thomas A. Kochan and Robert B. McKersie, of the Massachusetts Institute of Technology, Sloan School of Management, described the U.S. Government's role in labor relations and suggested that it adopt some of the practices mentioned by Sack and Lee in their presentation. Government should encourage industry to embrace human resource management and develop labor policy to diffuse and institutionalize the various innovations in union-management relations. Specifically, they called for labor law reform to break the legal barriers that inhibit employee participation in the workplace. Kochan and McKersie also warned of the possibility of economic crisis unless the United States shifts to a more integrated labor, human resource, and economic strategy for the Nation.

Professor Hector Lucena, of the University of Carabobo, in Venezuela, discussed the historic tendency of the state in Central and South America, the military in particular, to act as a coercive and destructive force in labor relations. Political, social, and economic changes are occurring at a rapid pace, he said, but modernization and reform in industrial relations would be more effective if they occurred within a more democratic system.

Fernand Morin, industrial relations scholar at Laval University; Jeff Rose, president of the Canadian Union of Public Employees; Alberto Rimoldi, a banking executive from Argentina; and Steven I. Schlossberg, director of the Washington, DC, branch of the International Labour Organization, all applauded democratic contributions to strengthen labor movements. The three agreed that comparative state governments should promote corporative partnerships between capital and labor. Schlossberg commented that government activities in this area should be expanded if the United States is concerned about worker participation and industrial democracy.

ALTHOUGH THE CONGRESS met on August 23–25, the official program concluded on August 26. Postcongress workshops were conducted on August 27. Workshop programs paralleled the agenda of the earlier program, focusing on industrial relations practices, technological and workplace changes, and state roles in the process. The emphasis was on change and the integration of interdependent world markets and world economies. Although national labor relations policies differ, the new industrial relations concepts—employee involvement, innovative compensation packages, and labor-management cooperation—will become integral parts of democratic industrial relations. □