Understanding Labour-management relations

A Changing Approach to Labour Relations?

On October 19, 1999, the negotiating team for General Motors of Canada walked into the Royal York Hotel’s Tudor Room and received a standing ovation from the Canadian Auto Workers (CAW) who were assembled there. The GM managers then applauded the workers. This type of behaviour is very unusual, particularly since CAW president Buzz Hargrove had said that CAW’s relationship with GM of Canada was the worst among the “Big Three” domestic automakers. But even Hargrove admits that the atmosphere was positive during the negotiations.

And, indeed, it was clear early in the negotiating process that something was different. GM’s first offer met the pattern of wages and benefits that the CAW had already negotiated with DaimlerChrysler Canada and Ford Motor of Canada. A cost of living allowance was also given, as were generous improvements in pensions. GM also agreed to drop its plan to contract out 1300 jobs (it was this issue that led to a 1996 strike). GM also settled hundreds of outstanding grievances at the Oshawa and St. Catharines plants. The two sides reached a tentative agreement seven hours before the deadline. A union official says it was obvious that GM was determined not to have another strike.

This turnaround comes on the heels of serious disputes between the CAW and GM of Canada. In 1996, 26,000 CAW workers went on strike and shut down all of GM’s Canadian operations. GM also experienced strikes at its Dayton, Ohio, and Flint, Michigan, plants in the late 1990s. All of this contributed to a continuing decline in GM’s stock price and its market share in North America. Those strikes apparently convinced both workers and management that they had to begin working together if GM hoped to become as efficient as Ford and DaimlerChrysler.

How were the improvements in union-management relations actually achieved? For one thing, GM’s chief negotiator, Al Green, spent a lot of time getting to know union boss Buzz Hargrove. The union and the company also spent a lot of time exchanging information about the business challenges each of them was facing. GM has more capacity than it has market share, and industry analysts say that it will have to close more manufacturing plants to bring its output in line with its market share. Another problem is increasing foreign competition from companies such as Honda and Toyota.

The union has potential problems, too. Although overall membership in the CAW has grown (because the union has merged with other unions and diversified into the airline industry), the number of unionized autoworkers has declined because the automakers continue to downsize. These declines in union membership at automobile plants are not being offset by increased union membership at auto parts makers.

Has a new era really dawned at GM of Canada? Some observers are skeptical. They think that the new, more cooperative approach will continue only as long as GM doesn’t have to make tough decisions. But tough decisions will be needed in the future. When the red-hot car market cools off, as it inevitably will, GM will be under considerable pressure to cut costs, and closing manufacturing plants will surely be considered. But what happens to the positive labour-management relations if a tough decision like that is made?
1. Explain why workers unionize.

2. Trace the evolution of and discuss trends in unionism in Canada.

3. Describe the major laws governing labour-management relations.

4. Describe the union certification and decertification processes.

5. Identify the steps in the collective bargaining process.

WHY DO WORKERS UNIONIZE?

Over 2000 years ago, the Greek poet Homer wrote, “There is a strength in the union even of very sorry men.” There were no labour unions in Homer’s time, but his comment is a particularly effective expression of the rationale for unions. A labour union is a group of individuals working together to achieve shared job-related goals, such as higher pay, shorter working hours, more job security, greater benefits, or better working conditions. Labour relations describes the process of dealing with employees who are represented by a union.

Labour unions grew in popularity in Canada in the nineteenth and early twentieth centuries. The labour movement was born with the Industrial Revolution, which also gave birth to a factory-based production system that carried with it enormous economic benefits. Job specialization and mass production allowed businesses to create ever-greater quantities of goods at ever-lower costs.

But there was also a dark side to this era. Workers became more dependent on their factory jobs. Eager for greater profits, some owners treated their workers like other raw materials: as resources to be deployed with little or no regard for the individual worker’s well-being. Many businesses forced employees to work long hours; 60-hour weeks were common, and some workers were routinely forced to work 12 to 16 hours per day. With no minimum-wage laws or other controls, pay was also minimal and safety standards were virtually nonexistent. Workers enjoyed no job security and received few benefits. Many companies, especially textile mills, employed large numbers of children at poverty wages. If people complained, nothing prevented employers from firing and replacing them at will.

Unions appeared and ultimately prospered because they constituted a solution to the worker’s most serious problem: They forced management to listen to the complaints of all their workers rather than to just the few who were brave (or foolish) enough to speak out. The power of unions, then, comes from collective action. Collective bargaining is the process by which union leaders and managers negotiate common terms and conditions of employment for the workers represented by unions. Although collective bargaining does not often occur in small businesses, many mid-size and larger businesses must engage in the process, which we will discuss in more detail later in this chapter.

The Canada Labour Code is a comprehensive piece of legislation that applies to the labour practices of firms operating under the legislative authority of parliament. The code is composed of four major sections:

**Fair Employment Practices**

This section prohibits an employer from either refusing employment on the basis of a person's race or religion or using an employment agency that discriminates against people on the basis of their race or religion. These prohibitions apply to trade unions as well, but not to non-profit, charitable, and philanthropic organizations. Any individual who believes that a violation has occurred may make a complaint in writing to Labour Canada. The allegation will then be investigated and if necessary, an Industrial Inquiry Commission will be appointed to make a recommendation in the case. (Since 1982, fair employment practices have been covered by the Canadian Human Rights Act; they are also covered by the Canadian Charter of Rights and Freedoms.)

**Standard Hours, Wages, Vacations, and Holidays**

This section deals with a wide variety of mechanical issues such as standard hours of work (8-hour days and 40-hour weeks), maximum hours of work per week (48), overtime pay (at least one and a half times the regular pay), minimum wages, equal wages for men and women doing the same jobs,
vacations, general holidays, and maternity leave. The specific provisions are changed frequently to take into account changes in the economic and social structure of Canada, but their basic goal is to ensure consistent treatment of employees in these areas.

**Safety of Employees**

This section requires that every person running a federal work project do so in a way that will not endanger the health or safety of any employee. It also requires that safety procedures and techniques be implemented to reduce the risk of employment injury. This section requires employees to exercise care to ensure their own safety; however, even if it can be shown that the employee did not exercise proper care, compensation must still be paid. This section also makes provisions for a safety officer whose overall duty is to assure that the provisions of the code are being fulfilled. The safety officer has the right to enter any federal project “at any reasonable time.”

**UNION ORGANIZING STRATEGY**

A union might try to organize workers when a firm is trying to break into a new geographical area, when some workers in a firm are members and it wants to cover other workers, or when it is attempting to outdo a rival union. In some cases, a union might try to organize workers for purposes other than helping a group of employees to help themselves.

Management often becomes aware of a union organizing effort through gossip from the company grapevine. In 1999, management at Honda of Canada’s Alliston, Ontario, plant and at Toyota Canada’s Cambridge, Ontario,
plant learned that the CAW had launched organizing drives at their plants. The CAW distributed leaflets at plant gates and contacted groups of workers inside the plant as part of its organizing drive.\textsuperscript{5}

When management discovers that an organizing drive is underway, it may try to counteract it. However, management must know what it can legally do to discourage the union. In Quebec, McDonald’s has been the target of union organizing drives at several of its restaurants. In 1998, the McDonald’s restaurant in St. Hubert closed when it appeared that the Teamsters union might be successful in getting certified as the bargaining agent for the employees. Critics immediately called for a government investigation into the possibility of unfair labour practices on the part of the company.\textsuperscript{6}

\textbf{Certifying a Union: An Example}

Suppose that a union is trying to organize employees of a Manitoba company. If it can show that at least 50 percent of the employees are members of the union, it can apply to the Manitoba Labour Board (MLB) for certification as the bargaining agent for the employees.

A problem may arise regarding the right of different types of workers to join or not join the union. For example, supervisors may or may not be included in a bargaining unit along with nonmanagement workers. The \textbf{bargaining unit} includes those individuals deemed appropriate by the province. The MLB has final authority in determining the appropriateness of the bargaining unit. Professional and nonprofessional employees are generally not included in the same bargaining unit unless a majority of the professional employees wish to be included.

Once the MLB has determined that the unit is appropriate, it may order a \textbf{certification vote}. If a majority of those voting are in favour of the union, it is certified as the sole bargaining agent for the unit. The “It’s a Wired World” box describes how unions are using the Internet to achieve their goals.
Types of Unions

The two basic types of union are craft and industrial unions.

Craft unions are organized by crafts or trades—plumbers, barbers, airline pilots, etc. Craft unions restrict membership to workers with specific skills. In many cases, members of craft unions work for several different employers during the course of a year. For example, many construction workers are hired by their employers at union hiring halls. When the particular job for which they are hired is finished, these workers return to the hall to be hired by another employer.

Craft unions have a lot of power over the supply of skilled workers because they have apprenticeship programs. A person who wants to become a member of a plumber’s union, for example, must go through a training program. He or she starts out as an apprentice. After the training, the apprentice is qualified as a journeyman plumber.

Industrial unions are organized according to industries, for example, steel, auto, clothing. Industrial unions include semiskilled and unskilled workers. They were originally started because industrial workers were not eligible to join craft unions. Industrial union members typically work for a particular employer for a much longer period of time than do craft union members. An industrial union has a lot of say regarding pay and human resource practices within unionized firms.

The local union (or local) is the basic unit of union organization. A local of a craft union is made up of artisans in the same craft in a relatively
small geographical area. A local of an industrial union is made up of workers in a given industry or plant in a relatively small geographical area. Thus, plumbers in a local labour market may be members of the local plumbers' union. Truck drivers and warehouse workers in that same area may be members of a teamsters' local.

The functions of locals vary, depending not only on governance arrangements but also on bargaining patterns in particular industries. Some local unions bargain directly with management regarding wages, hours, and other terms and conditions of employment. Many local unions are also active in disciplining members for violations of contract standards and in pressing management to consider worker complaints.

A **national union** has members across Canada. These members belong to locals affiliated with the national union. There are many national unions in Canada, including the Canadian Union of Public Employees, the National Railway Union, and the Canadian Airline Pilots Union. About two-thirds of unionized Canadian workers belong to national unions.

An **international union** is a union with members in more than one country. One example is the United Steelworkers of America, made up of locals in the United States and Canada. About 30 percent of unionized workers in Canada belong to international unions.
An independent local union is one that is not formally affiliated with any labour organization. It conducts negotiations with management at a local level, and the collective agreement is binding at that location only. The University of Manitoba Faculty Association is an independent local union. Less than 5 percent of unionized workers in Canada belong to independent local unions. Table 10.2 lists the 10 largest unions in Canada.

**Union Structure**

Just as each organization has its own unique structure, so too does each union create a structure that best serves its own needs. As Figure 10.2 shows, however, there is a general structure that characterizes most national and international unions. A major function of unions is to provide service and support to both members and local affiliates. Most of these services are carried out by the types of specialized departments shown in Figure 10.2.

**Officers and Functions**

Each department or unit represented at the local level elects a shop steward—a regular employee who acts as a liaison between union members and supervisors. For example, if a worker has a grievance, he or she takes it to the steward, who tries to resolve the problem with the supervisor. If the local is very large, the union might hire a full-time business agent (or business representative) to play the same role.

Within a given union, the main governing bodies are the national union (or international union when members come from more than one country) and its officers. Among their other duties, national and international unions charter local affiliates and establish general standards of conduct and procedures for local operations. For example, they set dues assessments, arrange for the election of local officers, sanction strikes, and provide guidance in the collective bargaining process. Many national unions also engage in a variety of political activities, such as lobbying. They may also help coordinate organizing efforts and establish education programs.
COLLECTIVE BARGAINING

Too often, people associate collective bargaining with the signing of a contract between a union and a company or industry. In fact, collective bargaining is an ongoing process involving not only the drafting but also the administering of the terms of a labour contract.

Reaching Agreement on the Contract’s Terms

The collective bargaining process begins with the recognition of the union as the exclusive negotiator for its members. The bargaining cycle begins when union leaders meet with management representatives to agree on a new contract. By law, both parties must sit down at the bargaining table and negotiate “in good faith.” When each side has presented its demands, sessions focus on identifying the bargaining zone. This process is shown in Figure 10.3. For example, although an employer may initially offer no pay raise, it may expect to grant a raise of up to 6 percent. Likewise, the union may initially demand a 10 percent pay raise while expecting to accept a raise as low as 4 percent. The bargaining zone, then, is a raise between 4 and 6 percent. Ideally, some compromise is reached between these levels and the new agreement is submitted for a ratification vote by union membership.

Sometimes, this process goes quite smoothly. At other times, however, the two sides cannot—or will not—agree. The speed and ease with which such an impasse is resolved depend in part on the nature of the contract issues, the willingness of each side to use certain tactics, and the prospects for mediation or arbitration.

Contract Issues

The labour contract itself can address an array of different issues. Most of these issues concern demands that unions make on behalf of their members. In this section we will survey the categories of issues that are typically most important to union negotiators: compensation, benefits, and job security. Although few issues covered in a labour contract are company sponsored, we will also describe the kinds of management rights that are negotiated in most bargaining agreements.

![Diagram](image_url)

Figure 10.3
The bargaining zone.
First, note that bargaining items generally fall into two categories:

- **Mandatory items** are matters over which both parties must negotiate if either wants to. This category includes wages, working hours, and benefits.

- **Permissive items** may be negotiated if both parties agree. For example, a union demand for veto power over the promotion of managerial personnel would be a permissive bargaining item.

Neither party may bring illegal items to the table. For example, a management demand for a nonstrike clause would be an illegal item.

### Compensation

The most common issue is compensation. One aspect of compensation is current wages. Obviously, unions generally want their employees to earn higher wages and try to convince management to raise hourly wages for all or some employees.

Of equal concern to unions is future compensation: wage rates to be paid during subsequent years of the contract. One common tool for securing wage increases is a **cost-of-living adjustment (COLA)**. Most COLA clauses tie future raises to the **consumer price index (CPI)**, a government statistic that reflects changes in consumer purchasing power. The premise is that as the CPI increases by a specified amount during a given period of time, wages will automatically increase.

**Wage reopener clauses** may also be included. Such a clause allows wage rates to be renegotiated at preset times during the life of the contract. For example, a union might be uncomfortable with a long-term contract based solely on COLA wage increases. A long-term agreement might be more acceptable, however, if management agrees to renegotiate wages every two years.

### Benefits

Employee benefits are also an important component of most labour contracts. Unions typically want employers to pay all or most of the costs of insurance for employees. Other benefits commonly addressed during negotiations include retirement benefits and working conditions.

### Job Security

Job security is an increasingly important agenda item in bargaining sessions today. In some cases, demands for job security entail the promise that a company will not move to another location. In others, the contract may dictate that if the workforce is reduced, seniority will be used to determine which employees lose their jobs.

### Other Union Issues

Other possible issues might include such things as working hours, overtime policies, rest period arrangements, differential pay plans for shift employees, the use of temporary workers, grievance procedures, and allowable union activities (dues collection, union bulletin boards, and so forth).

### Management Rights

Management wants as much control as possible over hiring policies, work assignments, and so forth. Unions, meanwhile, often try to limit management
rights by specifying hiring, assignment, and other policies. At one Daimler-Chrysler plant, for example, the contract stipulates that three workers are needed to change fuses in robots: a machinist to open the robot, an electrician to change the fuse, and a supervisor to oversee the process. As in this example, contracts often bar workers in one job category from performing work that falls within the domain of another. Unions try to secure jobs by defining as many different categories as possible (the Daimler-Chrysler plant has over 100). Of course, management resists this practice, which limits flexibility and makes it difficult to reassign workers.

When Bargaining Fails

An impasse occurs when, after a series of bargaining sessions, management and labour fail to agree on a new contract or a contract to replace an agreement that is about to expire. Although it is generally agreed that both parties suffer when an impasse is reached and action is taken, each side can employ several tactics to support its cause until the impasse is resolved.

Union Tactics

Unions can take a variety of actions when their demands are not met. Chief among these tactics is the strike. Strikes triggered by impasses over mandatory bargaining items are called economic strikes, even if they occur over noneconomic issues such as working hours. Most strikes in Canada are economic strikes. The strikes by National Hockey League players in 1992, by major league baseball players in 1994, by Canada Safeway workers in 1997, by Quebec nurses in 1999, and by B.C. forestry workers in 2000 were largely over economic issues.

During a strike, workers are not paid and the business is usually unable to produce its normal range of products and services. During this time,
the union may try to convince the general public that the company is being unfair. When Canada Safeway workers went on strike in Alberta in 1997, they were very successful at convincing the general public not to shop at Safeway. So many people refused to cross the union's picket lines that sales at some Safeway stores fell by as much as 70 percent.7

After a strike is over, employees may exhibit low morale, anger, increased absenteeism, and decreased productivity. In these situations, care must be taken to improve communications between management and workers.8

Strikes may occur in response to an employer's unfair labour practices. A firm that refuses to recognize a duly certified union may find itself with a striking workforce and having to explain its refusal to the provincial labour relations board. Such strikes are rare, however.

Not all strikes are legal. The Ontario primary and secondary school teachers strike in 1997 against the province of Ontario was illegal because the teachers had not gone through the necessary steps prior to going out on strike. The teachers voluntarily returned to work after striking for only two weeks. Nurses in Quebec and Saskatchewan also carried out illegal strikes in 1999. Sympathy strikes (also called secondary strikes), where one union strikes in sympathy with strikes initiated by another labour organization, may violate the sympathetic union's contract. Wildcat strikes, strikes unauthorized by the union that occur during the life of a contract, deprive strikers of their status as employees and thus of the protection of labour laws.

Unions are more reluctant to use the strike weapon than they used to be. There are several reasons for this: more and more workers are in profit-sharing plans and therefore receive a portion of company profits, workers' own shares of the company's stock and their personal payoffs are tied to the success of the company, union membership continues to decline, strikes are bad publicity and hurt union efforts to recruit new union members, and technology and globalization mean that companies can easily displace highly paid but low-skilled workers.9

As part of or instead of a strike, unions faced with an impasse may picket or launch a boycott. Picketing involves having workers march at the entrance to the company with signs explaining their reasons for striking. A boycott occurs when union members agree not to buy the product of the firm that employs them. Workers may also urge other consumers to shun their firm's product. Another alternative to striking is a work slowdown: Instead of striking, workers perform their jobs at a much slower pace than normal. A variation is the "sickout," during which large numbers of workers call in sick.

Management Tactics

Management can also respond forcefully to an impasse. To some extent, lockouts are the flip side of the strike coin. Lockouts occur when employers physically deny employees access to the workplace. Lockouts are illegal if they are used as offensive weapons to give the firm an economic advantage in the bargaining process. They might be used, for example, if management wants to avoid a buildup of perishable inventory or in similar circumstances. The lockout is not widely used, but almost half of the 1998–99 NBA season was lost when team owners locked out their players over contract issues.10

As an alternative to a lockout, firms faced with a strike can hire temporary or permanent replacements (strikebreakers) for the absent employees. When players in the National Football League went out on strike during the 1987 season, the team owners hired free agents and went right on playing. In 1992, National Hockey League owners planned to use minor
league hockey players if they could not reach an agreement with striking NHL players.

In extreme cases, management may simply close down a plant if they cannot reach agreement with the union. In 1997, Maple Leaf closed its Edmonton hog processing plant when the workers went on strike. This cost 850 workers their jobs. Ipsco Steel of Regina is expanding its operations, but not in Canada, because it feels that Canada’s labour laws are too restrictive. The company is constructing new steel mills in U.S. states where workers can opt out of a union.11

More and more firms are contracting out work as a way to blunt their unions’ effects. Instead of doing all the assembly work they used to do themselves, many firms now contract out work to nonunion contractors. This lessens the impact the unions can have and results in fewer union workers.

Employers’ associations are especially important in industries that have many small firms and one large union that represents all workers. Member firms sometimes contribute to a strike insurance fund. Such a fund could be used to help members whose workers have struck. They are similar in purpose to the strike funds built up by unions.

Employers are also increasingly using what unions refer to as “union-busting” consultants. These consultants assist management in improving their communications with the shop floor. They help management identify and eliminate the basic pressures that led to the pro-union vote in the first place.

The same law that grants employees the right to unionize also allows them to decertify. Decertification is the process by which employees legally terminate their union’s right to represent them. A labour dispute over job security and safety that arose at Goldcorp Inc.’s gold mine near Red Lake, Ontario, led to a strike involving 100 workers that began in June 1996. The strike was settled in April 2000 when workers agreed to decertify their union in return for severance pay that was four times the rate mandated by Ontario law.12 The first union ever at a McDonald’s outlet was certified in 1998 in B.C., but decertified by its members in 1999.

Decertification campaigns do not differ much from certification campaigns (those leading up to the initial election). The union organizes membership meetings, house-to-house visits, and other tactics to win the election. The employer uses meetings, letters, and improved working conditions to try to obtain a decertification vote.
Labour Relations at Canada Post

Relations between Canada Post and the Canadian Union of Postal Workers (CUPW) have been troubled for nearly two decades. Canada Post wants to introduce technological improvements in the way work is done, and this action will reduce the number of employees it needs. CUPW has vigorously opposed these ideas from the start. During 1997, the long-simmering dispute between workers and management heated up again as the two sides tried to sign a new collective agreement.

Bargaining dragged on for many months without much progress. A mediator was then appointed in the hope that he could get the disputing parties to reach an agreement and avert a strike. But after a few days of talks, the mediator concluded that the two sides were not willing to bargain seriously, and he gave up. CUPW then went on strike, and its 45,000 members began walking the picket line.

Tensions were high, and during the strike CUPW workers delayed some commercial airline flights by preventing cargo and food from reaching the planes. They also snarled traffic in some locations, and picketed Preston Manning’s official Ottawa residence to show their displeasure. Manning’s Reform party viewed the postal service as “essential,” and thought that strikes should not be allowed in essential services.

About two weeks after the strike started, the Liberal Minister of Labour, Lawrence MacAuley, introduced back-to-work legislation that forced the postal workers to return to work. The imposed agreement gave the workers a 5.15 percent wage increase over three years (they had been hoping for a 10 percent increase over two years). The legislation also levied fines of $1,000 per day against workers who defied the back-to-work order. Union leaders could be fined up to $50,000 per day, and CUPW could face fines of up to $500,000 if it defied the back-to-work order.

MacAuley said he felt compelled to introduce the legislation since so many Canadians were suffering during the labour dispute. Many businesses and charities, for example, were being hurt by the strike since they could not carry on their usual activities without mail service. While MacAuley scolded both Canada Post and CUPW for failing to reach a new agreement, the Reform party criticized the Liberal government for not having acted sooner.

CUPW immediately condemned the legislation, and promised large-scale civil disobedience if the workers were forced back to work. Darrell Tingley, CUPW president, claimed that the Canadian Direct Marketing Association was putting pressure on the government to get the postal workers back on the job.

On December 4, 1997, the defiant postal workers grudgingly returned to work. Tingley suggested that postal workers disrupt normal Canada Post activities by purposely misdirecting business mail, and by sending mail through the system without stamps. Canada Post president Georges Clermont said that it was unbelievable that the postal workers would listen to advice like this, because it would mean hurting Canada Post’s customers—the very people who are responsible for the workers having jobs in the first place. Clermont said the workers who followed Tingley’s suggestions would be disciplined. But Tingley said that Canada Post could expect a campaign of workplace defiance for the remainder of the three-year agreement.

CASE QUESTIONS

1. When the postal workers went on strike, many businesses and charities were hurt. Is this an argument for abolishing the right to strike for postal workers? Should postal workers have the right to strike? Defend your answer.

2. What is mediation? Why do you think mediation was not effective in this situation?

3. Read newspaper accounts of the postal strike and the events leading up to it (consult papers dated November 15 through December 5, 1997). How do these accounts illustrate how the collective bargaining process works?  


Teamwork or Dirty Work?

To proponents, it's a chance for Canadian firms to increase productivity and become more competitive in global markets and for workers to use their brains as well as their backs. But to opponents, it's just another management attempt to speed up production at the expense of workers' jobs, earnings, and health. It's the latest in Japanese imports: the team concept.

Actually, the idea of using teams of workers trained in all phases of constructing a product is not original to Japan. British, Swedish, and American firms have experimented with the team concept for over 40 years.

In a traditional assembly line, an individual worker performs only one specified task. Over the years, the worker builds up seniority and is then allowed to apply for better-paying or easier jobs in the company. Assembly-line workers, in turn, are supervised very closely by first-line managers.

In contrast, the team concept breaks down job distinctions. All members of a team are "cross-trained" to perform every necessary function to produce a good or service. Teams also solve minor problems as they arise. Individuals who show the most leadership within the team—not necessarily those with the most seniority—are promoted.

These radical departures disturb both managers and workers in many companies. First and foremost on the minds of both groups is the issue of power. Managers in industries such as automobiles and steel—which are trying hardest to institute teamwork—are accustomed to giving orders and having them carried out. The need to share power and ask for suggestions instead of issuing commands is difficult for many managers. First-line managers are particularly likely to resist such changes since, under the team concept, fewer such managers are needed.

On the other side of the fence, some workers perceive the team concept as transferring responsibility but not authority. In many places, team managers dictate the problem to be solved and the parameters for solving it. Teams may be in a position of choosing to increase production either by using less safe methods or by rejecting fewer flawed pieces.

Part of this problem no doubt stems from differences between Japanese and Canadian workers. Japanese workers do not expect a voice in management and the teamwork system devised in Japan makes no provision for it. To get Canadian workers to "buy into" working harder for their employers, companies have had to face worker demands for greater input into management. Any shift of this kind will take years to effect.

Even the job rotation aspect of the team concept has been called into question. Some workers like the chance to change assignments: "I used to switch jobs for half a day with one of my buddies just because we were bored. [Job rotation] makes the day go by faster." But others disagree sharply: "Being able to do six monotonous jobs is no more fulfilling than being able to do one."

Although some labour unions support the team concept when management is willing to link it to guarantees of job security, a very vocal minority sees it as another in a long series of union-busting attempts by industry. The Canadian Auto Workers, for example, opposes teamwork partnerships between labour and management. In particular, it dislikes the fact that unions are being forced to bid against each other for jobs. It points to General Motors' decision to close a more productive non-team plant and keep open a less productive pro-team plant.

CASE QUESTIONS

1. What are the differences between the new team concept and the old assembly-line concept?

2. What problems might a company encounter when it tries to implement the team concept?

3. Can labour and management ever really be a team, or is there a fundamental difference in goals between workers and managers?

4. Is the team concept simply a gimmick to allow management to get more work out of workers or to "bust" unions? Even if it is a gimmick, might there be advantages for workers? 🌟