

NEWSLETTER

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PARIS CONFERENCE -- A SECOND LOOK

The recent conference in Paris on workers' participation was an important link in increasing international contacts and understanding on the subject of workers' control.

The first major international conference on the subject was held in Dubrovnik, Yugoslavia in December 1972 and while few attended both the Paris and Dubrovnik meetings, some comparisons can be made.

The Dubrovnik meetings represented the high-point in research and writings on the Yugoslav system of workers' self-management thus it is not surprising that over half the articles in the six volumes published dealt with the Yugoslav system.

Most of the participants at Dubrovnik were academics and a surprising number of the Yugoslav papers were

based on empirical research. This was a particularly surprising and welcome development for a communist country. In contrast, the Paris conference saw fewer academics and more activists. Indeed, at times the conference seemed torn as to which direction it should take -- activism vs. research.

The Yugoslav delegation again was quite large but this time in Paris very few scientific papers were given from Yugoslavia, reflecting the increased difficulty in conducting new research there.

One success of Paris was the enormous increase in attendance by international delegates but this led to a problem of less ease of contact between the delegates.

Alan Whitehorn

T.V. PROGRAMME ON INDUSTRIAL DEMOCRACY

On January 31st, the Ontario Educational Channel programme "Education of Mike McManus" presented a discussion of industrial democracy featuring Gerry Hunnius, associate professor of social science at Atkinson College, York University and editor of WORKERS' CONTROL, a book of readings on industrial democracy, and John Crispo, professor of management studies at University of Toronto. Both seemed to show little initial enthusiasm for the concept - aspects of which they felt were being introduced by management to placate workers and undercut the unions. Crispo and Hunnius argued that Canadian workers are more concerned with bread-and-

butter issues than they are in asserting greater control over the workplace.

Hunnus warned the workers to beware of innovations introduced by management, and Crispo agreed that unions would be right to be suspicious. Quality of worklife programmes have been introduced by management they pointed out.

Little time was spent on possible political aspects. Hunnius did say that West Germany clearly demonstrates that industrial democracy does not inevitably lead to socialism. In fact,

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SOCIALISM AND THE EVOLUTION OF INDUSTRIAL DEMOCRACY

Workers' participation in ownership and management has been part of socialist thinking for the best part of a century.

In Britain leading socialists advocated Guild Socialism as a means of industrial self-government through workers-controlled guilds (a theory originated by E.J. Penty in 1906) which held that the objective should be control of industry rather than political reform.

In France and other Latin American countries, syndicalism made considerable impact as a plan for re-organizing society and as a strategy for revolutionary action. Most syndicalists believed the state should be abolished and trade unions should take over control of production and of government.

Forms of industrial democracy are operative in Germany and Yugoslavia. Neither situation has much meaning for Canada. In Germany workers' councils may have helped the country's remarkable recovery. On the other hand they may also have produced a docile working force which is getting a smaller percentage of the GNP than Canadian workers.

So far none of the advanced industrial countries which have had Labour or Social Democratic governments has given priority to industrial democracy in terms of giving "workers of every kind and skill . . . significant decision-making power in every aspect of the economy".

In Canada, the brain-trusters of the CCF - the precursor to the NDP - did give some thought to the subject. Variations of industrial democracy appear in the CCF REGINA MANIFESTO, 1933, the League for Social Reconstruction's SOCIAL PLANNING FOR

CANADA, 1935, Lewis and Scott's MAKE THIS YOUR CANADA, 1943, and Oliver's SOCIAL PURPOSE FOR CANADA, 1961. None of them detail their ideas to the extent that, for example, G.D.H. Cole did with his book GUILD SOCIALISM.

The proposal put forward by the 1935 CCF brain-trust in SOCIAL PLANNING FOR CANADA, of a Special Division of Labour in the federal Department of Labour to encourage better employee-management relations, has been and is being tried. Labour-management committees have been encouraged for many years. They have been looked on by unions with suspicion, however.

The New Democratic Party programme puts little emphasis on any form of industrial democracy except the collective bargaining process itself.

It is essential that any future policy discussions in this area as in others be based not on "vague talk" but facts. For example, are we talking about industrial democracy impinging on a capitalist structure? If so, for what purpose . . . , to make workers happier within the structure, or to undermine or replace it? Are we talking about it only under a socialist government? Or are we talking about it under any government, but only with reference to public enterprises?

If industrial democracy has not taken root in 100 years, why is it particularly relevant today? Does it not put the emphasis in the wrong place? Should not socialists today be putting the emphasis on making better use of leisure than on better use of work time?

excerpted from "Issues of Industrial Democracy: Old and New", paper for the Ontario Federation of Labour political education committee by Morden Lazarus - Managing Editor, Co-operative Press Associates, Toronto.

NDP LEADER WRITES ON INDUSTRIAL DEMOCRACY

The following is an excerpt from THE LIBERAL RIP-OFF, by Edward Broadbent, federal leader of the New Democratic Party of Canada.

I have attempted to make clear that the power of the modern corporation is now the central impediment to social progress in Canada. No matter where we turn it is private corporate power (whether foreign or domestic) which is seen to shape our lives. Who plans and executes the vast majority of our nation's investment decisions? Who decides what is to be produced and at what price? Who determines what kind of scientific research we do? Who is responsible for industrial pollution? Who perpetuates the myth through advertising that man was made to consume and woman was made to serve man? Who is legally responsible to a few shareholders and effectively responsible to no one? The answer to all these questions is, of course, corporate directors.

It is time we now candidly acknowledged that this is the case. It is time to admit that if we are to create a civilized Canada, we must first do something about corporate power. I want to raise certain further questions about such power, primarily by focusing on the places of work

themselves, but also suggesting the need for broader community involvement.

The central element of work in industrial Canada is still the relationship between capital and labour, between the few who own our industries and the many who work for them. In Canada today it remains that when the working man faces his boss, whether in the form of owner or manager, he does not do so as an equal. . . .

It has been largely through the trade union movement that the worker has reached his present level of self-respect and independence.

Yet, despite these tangible benefits, Canada's unionized workers, not to mention the majority who are not union members, are not in a position of equality with their employers. . . .

So long as this situation and this attitude prevail, it is a mockery to assert, as many do, that management and labour are "partners in industry". . . .

The history of the trade union movement in Canada can be seen as an attempt by our workers to break down the barriers to equality. . . .

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NEWSLETTER

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One need not be a cynic to suggest that if we are to wait for the moral impulses of management we might as well wait for the second coming. If moral obligation were sufficient we would never have needed trade unions in the first place: we would not have needed minimum wage laws: we would not have needed the Canada Pension Plan. . . .

The unilateral power bestowed on the owners of industry by the residual rights principle has meant that thousands of Canadian workers and citizens in the community have been badly treated. . . .

For many years, and in one sense ever since its inception, the trade union movement has been attacking the basic premise supporting management rights: that the simple (and largely accidental) fact of property ownership provides moral authorization for exercising far-reaching power over others. . . .

Unions are moving beyond their traditional role as the opponents of management to an insistence that they have an effective prior voice in areas hitherto regarded as the prerogatives of management. They are moving beyond their important defensive role, as protectors of the workers, to an active role, bringing with the collective bargaining process conditions related to the making of crucial decisions about production, about the allocation of capital, about the nature and price of products and about the distribution of profits. . . . In short, they are representing their members not only as workers but also as citizens: they are concerned not only with important economic needs - higher wages and larger pensions - but with the whole range of human needs.

The resolutions supporting such trade union action passed at the 1969 convention of the New Democratic Party in Winnipeg and at the 1970 Canadian

Labour Congress convention in Edmonton can be seen therefore as a simultaneous recognition of traditional union opposition to managerial "rights" and as encouragement for the future extension of what is in reality democratic control in corporate decision-making. . . .

Within trade unions, political parties of the left, and citizens' groups, industrial democracy will almost certainly develop as one of the central issues of the 1970's. . . .

Finally, I want to stress that industrial democracy as it relates to the work place is not an empty academic catch-phrase but a term to describe the involvement of the worker in his working life. . . . It is concerned with democratic rights and human goals of self-respect and self-realization, with the ideal of personal fulfillment that is at the heart of socialism. The central human problem of modern industrialism is the alienation of the worker from his work.

The solution, of course, is power: the worker must have the power to participate effectively in all the decisions that affect his working life just as he now has democratic rights in the political process. The present state of reformed industrial autocracy, although a marked improvement over the past, still assumes a high degree of powerlessness in the working man. It leaves him in a state which is neither degraded nor emancipated: a semi-contented dependent, subject to the decisions of others, and interested in those decisions only negatively, as possible threats to his own well-being. . . .

Industrial democracy is not a minor matter of contemporary policy but a long-run issue which is central to the task of building a Canada in which people pursue civilized lives. . . .

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Social democracy is our goal, and the essential element of social democracy is the liberation of industrial man. We must not take refuge in the rhetoric of modern conservatives who say political democracy is sufficient.

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NEWSLETTER NEEDS REPORTERS

Increasingly, the task of reporting the news about industrial democracy ought to fall upon the readership of NEWSLETTER. Ours ideally is an active and participatory readership. News of conferences and local experiments in participation are welcome. Without your contributions NEWSLETTER will fail in its goal of being more than just the writings of a few informed activists.

FINANCIAL DONATIONS APPRECIATED

A number of readers have enclosed special donations to NEWSLETTER. We wish to thank particularly Jacque Mansell, Morden Lazarus and Roy Adams.

LETTERS OF CONGRATULATIONS RECEIVED BY NEWSLETTER

Letters of encouragement to the editors of NEWSLETTER have been widespread and come from as diverse sources as Dame Margaret Cole in London, England, author of books on the British Labour Party; Carlyle King, former president of the Saskatchewan Co-operative Commonwealth Federation (CCF); and John Crispo, professor of management studies at the University of Toronto. All comments are appreciated.

WORLD CONGRESS OF SOCIOLOGY MEETING IN SWEDEN.

At the regular meeting of the World Congress of Sociologists in Upsala, Sweden in August a number of panels will be devoted to the subject of industrial democracy. For details contact: Steven Deutsch
Labour Education and Research
Center
University of Oregon
Portland, Oregon.

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Are you actively involved in some aspect of industrial democracy, as a participant, student, teacher, etc.?

If so, please indicate the nature of your involvement:

Check here if you would like to be considered a member of CANADIANS FOR A DEMOCRATIC WORKPLACE in addition to receiving NEWSLETTER.

PAPERWORKERS UNION PRESENTS PAPER ON INDUSTRIAL DEMOCRACY

A background paper and policy recommendations on Industrial Democracy by the Canadian Paperworkers Union was prepared for the Second National Policy Conference of the Union held in Toronto, November 21-25, 1977. It "is based in large measure on the findings" of an investigative mission undertaken by a delegation from the Union's Executive Board which "travelled to Europe in the Spring of 1977 to observe industrial relations practices in Sweden and West Germany." In addition, the Union undertook research to augment the delegation's findings.

Both at the beginning and the end of the paper, it is emphasized that the industrial relations systems of Sweden and West Germany cannot be examined in isolation from the rest of the social, economic and political activity of these nations. Only if we are willing to work toward changes in Canadian social, economic and political structures will it be possible to introduce a Canadian version of industrial democracy. The members of the delegation noticed in particular the "almost unbelievable degree of commitment to social harmony or, in the language of Sweden and West Germany, commitment to the social partnership which has evolved through the last three decades."

The paper sketches in the history of the Swedish and German experiences. In spite of the close relationship between the labour movement and the Swedish Socialist Party, the industrial relations system in that country has not relied on legislation. Instead, bilateral arrangements between unions and management formed the basis until quite recently when the Swedish parliament introduced far-reaching legislation. "As a result of this legislation, the structure and nature of industrial democracy in Sweden today is

probably more advanced than that of any other nation in Europe." This legislation provides that unions can request an agreement with the employer on virtually any matter pertaining to the operation of the business. Not only that, but until resolution of a dispute concerning working hours and methods, equipment, training, industrial safety, work study, transfer and promotion, and discipline, the union's view shall prevail.

It was also obvious to the delegation members that the central labour body of industrial unions "exercises a good deal more influence and is a more powerful body" than its Canadian counterpart. Because of the high degree of commitment to the social partnership Swedes enjoy a comparatively stable economy with virtually no unemployment.

In Germany, the role of the trade unions was not as clear due to the system of works councils. Unlike Sweden, the German system has been based on complex and extensive legislation. Although employers have tried to separate the works councils and the unions they have not been successful. German union leaders pointed out that if American companies viewed Germany as a union free haven they would be in for a rude surprise.

On the negative side, it must be stated that shareholders still have the final say on supervisory boards. It is these boards which appoint managers. It will be sometime before the impact of new German legislation regarding these supervisory boards is clear, however. The Germans seemed to feel that their system was superior to the Canadian since worker representatives were on the supervisory boards.

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QUALITY OF WORKLIFE "GIMMICK" OR "A NEW WAY"?

In recent issues of the CIVIL SERVICE REVIEW (Winter 1976, Summer 1977) Tom Dinan has raised some important points about a serious issue - the "quality of work life". Dinan asks: is "quality of work life" a gimmick or is it a new way?

The danger, it seems to me, is that it could very well be a gimmick if workers are not mindful of certain questions. Before we proceed, however, it is best to explain Dinan's meaning of "quality of work life". Quality of work life is, first of all, a response to the growing problem in the work place. The problem concerns the growing specialization, routinization and bureaucratization of work that is steadily eroding employee morale which, in turn, is resulting in absenteeism and low productivity. Quality of work life is a method of analyzing work that would, if successful, increase human productivity and, simultaneously make work more satisfying through the restructuring of work and organizations. Employees would be organized toward self-regulation and self-organization. This would give employees a greater responsibility and voice in improving their work life.

In his second article Dinan gives examples of quality of work life. One example is the Swedish National Civil Service. The Swedish example highlights some limitations of the quality of work life. Within the Swedish civil service central government agencies have moved to co-participation in decision-making. Employees, initially, have welcomed these moves. However, and this is important, their participation has been limited to staffing and promotional decisions. Efforts are being made to involve

more employees in more participation. In reference to this end, and the quality of life in general, certain questions must be asked. What limits, if any, will be put on worker participation and democracy? What decisions will employees be allowed to make? If there is greater productivity will it mean more pay or, perhaps, fewer jobs? What will be the response of labour? What will be the response of management? Could management, if problems arose, try to retrench to old patterns of authoritarian organization? These questions should be addressed by anyone who discusses the topic. They are, unfortunately, usually ignored.

Dinan's articles are well written and very informative. He knows his subject well. However, he does not consider these questions in any detail. Dinan is, if anything, too optimistic about the potentialities of the "quality of work life" and not aware enough of its possible shortcomings.

J.P. Blanc

Investment in Industry is recognized as affording a right to share in corporate control. Capital and Management receive representation on this basis. If Capital and Management are so entitled, why not Labour also?

- William Lyon Mackenzie King

A BRITISH REPORT ON INDUSTRIAL DEMOCRACY

A committee, under the chairmanship of Lord Bullock, presented its report on the Inquiry on Industrial Democracy for Britain's Department of Trade, January 1977. Under the terms of reference presented to Parliament in August 1975, the committee was to consider how industrial democracy in the control of companies could be extended by means of representation on the boards of directors. When the committee members were announced in December 1975, there was a fairly even balance among members from industry, unions and universities.

As might be expected, the members found their own interests too diverse to reach a common ground in the course of their year-long task. In his dissenting note Mr. N.S. Wilson, a solicitor, states that while he recognizes the need for employee representation as "beyond challenge" he also feels that there is genuine hostility to the concept on the part of many managers and relative apathy on the part of many workers. Wilson prefers that the shareholders clearly retain control of boards of directors. He is opposed to the majority of the committee who argued for legislation whereby employee representatives would be equal to shareholder representatives. In Wilson's view such legislation "would be far in advance of public opinion at large."

In their **minority** report, the three business representatives typify those who like to talk about "bottom lines" and extol the virtues of "a profitable and competitive private sector." Like colonial administrators of African countries, the **businessmen** underestimate the intelligence of those whose affairs they administer.

They speak condescendingly of how it would be "unwise to impose 'democracy' on those who are unwilling or unready to accept it." They fear that the introduction of worker representation on boards of directors would only represent "the thin edge of the wedge" opening the way to Trade Union worker control.

The majority opinion indicates great confidence in Britain's workers "to assist in raising the level of productivity and efficiency in British industry - and with it the living standards of the nation. The problem confronting Britain then is how to best draw out the workers' energies and skill to anything like their full potential." Only by giving the workers a real and not a sham or token share in decision-making will this goal be achieved.

The commissioners, like most of the witnesses, felt that in the complex companies of today power of control has passed from the shareholders to professional management. For this and other reasons it is necessary for the British government to enact legislation introducing employee representation on company boards. This would permit the adaptation necessary to "an increasing rate of social and economic change" in the future. Just as political democracy was extended in the 19th century so too should industrial democracy in the 20th.

Ian McClymont

FRENCH GROUP REQUESTS
INFORMATION FROM NEWSLETTER
READERS ON INDUSTRIAL DEMOCRACY

NEWSLETTER has received a request from the Centre International de coordination des Recherches sur l'Autogestion (CICRA) for brief notes on: existing research and teaching groups, documentation centres, seminars, colloquia, research projects in progress, recent or announced publications and any pieces of information on worker self-management. Please send any relevant information to:

Centre International de Coordination
des Recherches sur l'Autogestion,
Maison des Sciences de l'Homme,
54 bd. Raspail,
75270 Paris CEDEX 06.

CALL FOR PAPERS ON SELF-MANAGEMENT
FOR CONFERENCE IN COLORADO

An interdisciplinary conference on self-management and economic democracy in Red Feather, Colorado is being held October 19-22, 1978. Papers may be of any length but must be shortened for delivery to take no more than 20 minutes reading time. Proposals of about three pages in length for papers and about six pages for symposia will be considered, and writers will be notified of decisions by July 1, 1978. Deadline for submissions is June 1, 1978.

Papers and proposals should be typed and two copies sent to:
Dr. Raymond S. Pfeiffer,
Philosophy Department,
Delta College, University Centre,
Michigan 48710
Home phone: (517) 613-7794.

T.V. PROGRAMME . . . continued from page 1

at present it seems to support capitalism. Unfortunately, McManus seemed poorly favoured to draw out his guests. There was too much of the "after you Alphonse" response rather than any perceptive analysis of industrial democracy and how it has been implemented. It was only toward the end of the show that either guest showed much enthusiasm for the subject. This occurred when the situations in West Germany and

Sweden were compared. Hunnius favoured the Swedish example while Crispo favoured the German. Neither Yugoslavia nor Canada were mentioned.

In their concluding remarks, both guests agreed that the introduction of industrial democracy would not do away with unions in Canada but would transform them.

Ian McClymont

PAPERWORKERS. . . continued from page 6

With respect to pensions, and sickness and accident insurance, German workers were doing well. Although the delegation felt that employee contributions of 9 1/2% to the pension plan and between 8-9% for accident and sickness insurance were high, it was pointed out that German workers take home 70% of gross earnings.

The paper concludes by asking the paperworkers whether they want the union to pursue a change in the relationship with their employers. Confrontation could be replaced by a more harmonious relationship in

which the workers would be more directly involved in company affairs. However, it would be necessary for the workers to realize that new responsibilities would accompany new powers in decision-making. This would entail an expansion of the union's Research and Educational facilities so that workers "sharing in the joint decision-making process could do so in an informed and intelligent manner."

Ian McClymont

NEW BOOKS ON INDUSTRIAL DEMOCRACY

Now available is a publication by the Ithaca Work Group entitled **DEMOCRACY IN THE WORKPLACE: READINGS ON THE IMPLEMENTATION OF SELF-MANAGEMENT IN AMERICA**. This publication is available for \$5 from Strongforce Publications, 2121 Decatur Place, N.W. Washington, D.C. 20008, U.S.A.

Canadian authors have also been active. John Crispo, professor at the Faculty of Management Studies at the University of Toronto has announced a forthcoming book that is based on his research during his sabbatical year. A tentative title for the work is **INDUSTRIAL DEMOCRACY IN WESTERN EUROPE: ITS RELEVANCE FOR CANADA**.

The editors of **THE LABOUR GAZETTE** have announced that some of the articles published during the past three years in **THE LABOUR GAZETTE** will be reprinted in an edited book. A tentative title is **A NEW ROLE FOR LABOUR: INDUSTRIAL DEMOCRACY TODAY**.

The appearance of so many new books is indicative of the interest in the subject both in Canada and abroad.

Alan Whitehorn

NON-CANADIAN ORGANIZATIONS
PUBLISHING ON INDUSTRIAL DEMOCRACY

A number of readers have written and asked about organizations in other countries which are publishing materials on industrial democracy.

The Association for Self-Management is an American organization and is located at 1414 Spring Road, N.W. Washington, D.C., 20010, U.S.A.

Another American organization is the Federation for Economic Democracy located at IGP Suite 306, 2100 M. St., N.W. Washington, D.C., 20063, U.S.A.

In Britain, The Institute for Workers Control can be contacted by writing to Bertrand Russell House, Gamble St., Nottingham, NG7 4ET, Great Britain.

UPCOMING CONFERENCE ON
INDUSTRIAL DEMOCRACY

Atlanta, Georgia in ^{June} July is the tentative location and date for the 4th International Conference on Self-Management.

Typed by Suzanne Hayward.

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