

WILL COOPERATION PRODUCE JOBS AND PROFITS IN THE FUTURE?

Comments by Kay McMurray, Director

Conference On

"AMERICA WORKS WHEN AMERICA WORKS"

Holiday Inn - Metrocenter  
Phoenix, Arizona

February 6, 1984

THANK YOU BOB...

AS I WAS LISTENING TO BOB BAKER MAKE THAT INTRODUCTION, I WAS REMINDED THAT SOMEONE ONCE SAID THAT MAKING AN INTRODUCTION OR MAKING A SPEECH WAS SOMETHING LIKE BEING A WOMENS' CLOTHING DESIGNER. YOU HAVE TO MAKE IT LONG ENOUGH TO COVER THE SUBJECT...BUT SHORT ENOUGH TO KEEP IT INTERESTING. SINCE THIS IS A LUNCHEON TALK AND WE STILL HAVE A LONG DAY BEFORE US, I'LL HAVE TO KEEP THAT ADAGE IN MIND MYSELF.

NEEDLESS TO SAY, I AM DELIGHTED TO BE HERE WITH YOU. I HAVE SOME PRIDE IN THE FACT THAT FEDERAL MEDIATION AND CONCILIATION SERVICE IS A CO-SPONSOR OF THIS MEETING ALONG WITH THE WESTERN STATES CHAPTERS OF THE INDUSTRIAL RELATIONS ASSOCIATION AND THE UNITED STATES DEPARTMENT OF LABOR.

IN LOOKING OVER THE PROGRAM, IT OCCURS TO ME THAT THIS IS A SUMMIT MEETING OF SORTS. THE TOPIC OF THE CONFERENCE IS OF GREAT IMPORTANCE TO EACH OF US INDIVIDUALLY AND PROFESSIONALLY AND IT IS OF VITAL IMPORTANCE TO OUR COUNTRY.

AS THE UNITED STATES RECOVERS FROM A DEVESTATING RECESSION AND ORGANIZES ITSELF TO MAINTAIN AND ADVANCE ITS ECONOMIC LEADERSHIP, MUCH WILL DEPEND ON HOW WE IN INDUSTRIAL RELATIONS RESPOND TO THE QUESTIONS AND CHALLENGES BEING PLACED BEFORE US BY THIS CONFERENCE. OUR SUCCESS IN RESPONDING TO THOSE QUESTIONS AND CHALLENGES WILL BE MEASURED IN THE WORLD MARKET; - IT WILL BE MEASURED IN TERMS OF JOBS - AND IT WILL BE MEASURED IN TERMS OF PROFITS. WE WILL BE TALKING ABOUT WORK, - THE OPPORTUNITY FOR WORK, - THE CHANGES IN THE NATURE OF WORK - AND THE OUTCOME OF THAT WORK FOR BOTH EMPLOYER AND WORKER.

AND, AT THE SAME TIME, WE MUST TALK ABOUT THE WAY WE RELATE TO ONE ANOTHER, INDIVIDUALLY AND ORGANIZATIONALLY, IN THE ACCOMPLISHMENT OF THAT WORK. BUT IT IS NOT ONLY THE SUBJECT OF OUR MEETING WHICH SUGGESTS THAT WE ARE ENGAGED IN A SUMMIT MEETING. WE ORDINARILY RESERVE THAT TITLE FOR MEETINGS OF PEOPLE WHO HAVE THE POWER AND THE CAPACITY TO DO SOMETHING ABOUT THE PROBLEMS BEFORE THEM.

I AM IMPRESSED THAT THIS CONFERENCE HAS ATTRACTED PEOPLE FROM ALL OVER AMERICA WITH THE POSITION, THE LEADERSHIP AND THE EXPERIENCE ALONG WITH THE CREATIVITY TO POINT THE DIRECTION TO A NEW, A FAIR AND AN ORDERLY WORLD OF WORK. THOSE OF YOU WHO HAVE TRAVELED TO ARIZONA MUST BE CONSCIOUS OF THE SPECIAL NEED FOR THIS MEETING AT THIS TIME IN THE INDUSTRIAL HISTORY OF OUR COUNTRY. YOU MUST SENSE THAT TOGETHER, YOU CAN SHAPE ANSWERS AND POINT DIRECTIONS WHICH THE REST OF AMERICA NEEDS AT THE MOMENT. I AM LOOKING FORWARD TO PARTICIPATING IN YOUR DELIBERATIONS.

WHILE I REALIZE THAT UNTOLD NUMBERS OF PEOPLE HAVE MADE CONTRIBUTIONS TO THE ORGANIZATION OF THIS MEETING, I MUST TAKE A MOMENT TO COMMEND SOME OF THOSE PEOPLE WHOSE EFFORTS AND VISION WENT INTO THIS CONFERENCE:

HOPEFULLY, THE OTHERS, WHO ARE NOT NAMED, WILL REALIZE  
THE SENSE OF APPRECIATION AND SATISFACTION WHICH THEY  
RICHLY DESERVE.

P A U S E . . .

WE NOW HAVE ALL SEEN THE NBC WHITE PAPER, AMERICA WORKS  
WHEN AMERICA WORKS, WHICH HAS GIVEN THE TITLE TO THIS  
CONFERENCE. THAT FILM SERVES AS ONE KEYNOTE FOR OUR MEETING.  
OTHER SPEAKERS WILL ADDRESS SPECIFIC QUESTIONS RAISED BY  
THE FILM CONCERNING THE CONDITION OF WORK IN AMERICA.

IT IS CERTAINLY CLEAR TO ME, THAT WHILE THESE QUESTIONS  
ARE BEING RAISED AT A TIME WHEN THE ECONOMY IS GOING THROUGH  
A TRANSITION OF IMPROVEMENT, THE PROBLEMS BEING RAISED BY  
THE FILM HAVE DEEPER ROOTS. THEY WILL REQUIRE MORE SOLUTIONS  
THAN ARE CONTAINED IN AN ECONOMIC UPTURN. THE TASK BEFORE  
US IS LARGER THAN THAT.

P A U S E . . .

IT IS THE BEGINNING OF WISDOM TO DISCERN THE CONDITIONS AND THE CONCERNS OF OUR OWN TIME. IF WE ARE TO BE WISE AS WELL AS CLEVER IN THIS MEETING, WE MUST RECOGNIZE THAT THE CHANGES WE ARE EXPERIENCING IN THE WORKPLACE ARE NOT THE RESULTS OF THE RECENT TEMPORARY RECESSION. THAT RECESSION MAY HAVE BROUGHT OUT SOME OF THOSE PROBLEMS IN STARK RELIEF. BUT IT IS IMPORTANT TO REALIZE THAT THE SOURCE OF THESE PROBLEMS LIE IN DEVELOPMENTS WHICH ANTI-DATE THAT RECESSION. IT IS ESSENTIAL, THEREFORE, THAT WE NOT BE SEDUCED BY REPORTS OF ECONOMIC IMPROVEMENT AND IGNORE THE MORE IMPORTANT TASKS BEING POSED FOR US HERE.

I EXPECT THAT OTHER SPEAKERS WILL ADDRESS SOME OF THE MORE TECHNICAL ASPECTS OF THE CONFERENCE. THEY WILL SPEAK OF THE CAUSE AND EFFECT OF THE NEW TECHNOLOGIES AND ROBOTICS, - EDUCATION AND RE-TRAINING, - PLANT CLOSINGS, - WORKER DISPLACEMENT AND UNEMPLOYMENT, - PRODUCTIVITY AND QUALITY NEEDS, - INDUSTRY RELOCATIONS AND THE HUMAN CONSEQUENCES OF THESE CHANGES.

FOR MY PART, I WILL RESTRICT MY REMARKS TO THE OTHER SIDE OF THE CONFERENCE EQUATION, THE SUBJECT OF COLLECTIVE BARGAINING.

P A U S E . . .

WE HAVE ALL HEARD THE DIRE PREDICTIONS FOR COLLECTIVE BARGAINING. PEOPLE CITE THE DIMINISHING NUMBERS OF ACTIVE UNION MEMBERS AND THE GROWTH OF NON-UNION ENTERPRISES. OTHERS POINT OUT THAT THE APPEARANCE OF CONCESSION BARGAINING AND THE LOW LEVEL OF ECONOMIC SETTLEMENTS IN RECENT YEARS ARE HARBINGERS OF THE END OF THE UNIONS AND BARGAINING AS WE KNOW THEM. "THE UNIONS ARE GROWING WEAKER IN RESOLVE AND IN POWER," THEY WOULD SAY. "EMPLOYERS ARE REGAINING THEIR TRADITIONAL CONTROL OF THE WORKPLACE. THE RECENT RECESSION HAS PUT THE 'SKIDS' UNDER THE INDUSTRIAL RELATIONS SYSTEM WE HAVE HAD FOR HALF A CENTURY OR MORE AND THE DAY WILL SOON COME WHEN EMPLOYERS WILL AGAIN BE ABLE TO FREELY MANAGE THEIR ENTERPRISES."

THAT IS WHAT SOME PEOPLE ARE THINKING THESE DAYS.  
I AM NOT SO SURE THAT IS TRUE.  
I AM SURE THAT THE LOSS OF COLLECTIVE BARGAINING AND  
THE INDUSTRIAL RELATIONS SYSTEM WE HAVE DEVELOPED WOULD  
BE AN INCOMPARABLE LOSS.

I AM ALSO SURE THAT IT WILL NOT HAPPEN.

ONE PROBLEM WE ALL HAVE IS THAT WE ARE TRAPPED BY THE  
INFLUENCE OF THE PAST. OUR TRAINING AND OUR EXPERIENCE  
IS A PRODUCT OF THAT PAST. IT IS DIFFICULT FOR US TO  
UNDERSTAND WHAT IS HAPPENING WHEN THINGS BEGIN TO CHANGE  
AROUND US AND CREATE SITUATIONS WHICH DO NOT SQUARE WITH  
OUR EXPERIENCE OF THE PAST. WE VIEW CURRENT PROBLEMS AS  
CONTINUATIONS OF PROBLEMS WE HAVE DEALT WITH BEFORE AND  
WE EXPECT THAT OLD SOLUTIONS SHOULD CONTINUE TO WORK FOR  
US. AND WHEN SOME OF THE APPROACHES WE HAVE USED BEFORE  
BEGIN TO PRODUCE RESULTS WE DON'T EXPECT, WE ASSUME THEY  
ARE NO LONGER EFFECTIVE OR VALUABLE.



CURRENT DEVELOPMENTS IN COLLECTIVE BARGAINING CERTAINLY DO NOT SQUARE WITH OUR PREVIOUS EXPERIENCE. BUT THAT DOES NOT MEAN THAT COLLECTIVE BARGAINING IS AT ALL OBSOLETE. I BELIEVE THAT COLLECTIVE BARGAINING IS LIKE DEMOCRACY ITSELF. TO PARAPHRASE WINSTON CHURCHILL, IT HAS COUNTLESS FAULTS AND PROBLEMS BUT IT IS BETTER THAN ANY OTHER SYSTEM WE MIGHT HAVE.

COLLECTIVE BARGAINING HAS, IN FACT, PERFORMED QUITE WELL DURING THE RECENT DEVESTATING YEARS OF RECESSION. AT A TIME WHEN EXTRAORDINARY PRESSURES WERE PUT ON IT BECAUSE OF THE ECONOMY, NEW FORMS OF COMPETITION, NEW METHODS IN THE WORKPLACE AND RISING UNEMPLOYMENT, TO NAME BUT A FEW, THE BARGAINING PROCESS DID QUITE WELL.

CONCESSION BARGAINING, WHICH CONTINUES EVEN TODAY, WAS BARGAINING WITH THE BENEFITS OF NEGOTIATIONS GOING THE OTHER WAY. THAT WAS A NEW EXPERIENCE. IT WAS ALMOST INEVITABLE, GIVEN THE ECONOMIC CONDITIONS FACED BY INDUSTRY AND THE RECOGNITION BY MANY UNIONS OF THOSE PROBLEMS.

IN MANY INSTANCES, CONCESSIONS WERE ACHIEVED AFTER /  
MANAGEMENTS SHARED THE NATURE OF THE PROBLEM AND THE  
CONDITION OF THE ENTERPRISE WITH THE UNIONS. IN OTHER  
INSTANCES, SOME MANAGEMENTS REVERTED TO POWER BASED  
NEGOTIATIONS. THEY USED POSSIBILITIES OF PLANT CLOSINGS  
OR MASSIVE LAYOFFS TO INFLUENCE UNIONS TO ACCEPT CONCESSIONS.  
ON THE OTHER HAND, WE HAD MANAGEMENT AND UNIONS, WORKING  
FROM THE SAME INFORMATION AND USING A HISTORY OF SOUND AND  
RESPONSIBLE LABOR RELATIONS, AGREEING TO TAKE STEPS WHICH  
THEY AGREED WERE NECESSARY FOR THE EXISTENCE AND THE  
COMPETITIVENESS OF THE ENTERPRISE. IN OTHER INSTANCES,  
EFFORTS TO GAIN CONCESSIONS WERE BASED ON LABOR RELATIONS  
TACTICS REMINISCENT OF THE BARGAINING OF THE THIRTIES.  
IN THE FORMER INSTANCE, CONCESSION BARGAINING WAS SUCCESSFUL  
IN MAINTAINING A POSITIVE RELATIONSHIP BECAUSE IT WAS BASED  
ON SOUND PRINCIPLES AND POSITIVE EXPERIENCE BETWEEN THE  
PARTIES. IN OTHER CASES, STRAINED AGREEMENTS WERE REACHED  
WHICH HAVE SOWN THE SEEDS OF FUTURE DIFFICULTIES.

THAT IS NOT TO SAY THAT ANY OF THE CONCESSION BARGAINING WE HAVE EXPERIENCED IN THE LAST SEVERAL YEARS HAS BEEN 'CAVE IN' BARGAINING BY ANYBODY. IT HAS ALL BEEN HARD BARGAINING. IN MOST CASES, THE UNIONS HAVE EMERGED FROM THOSE NEGOTIATIONS WITH ITEMS THEY NEEDED IN THE FORM OF MAINTENANCE OF COST OF LIVING INCREASES AND BENEFITS AS WELL AS COMMITMENTS TO JOB RETENTION OR CONSULTATION ON PLANT CLOSINGS OR RE-TRAINING AND THE LIKE.

SO, FOR THOSE WHO MAY HAVE THOUGHT THEY WERE WITNESSING THE FIRST SHUDDERS OF A DYING SYSTEM OF COLLECTIVE BARGAINING, I SAY THAT BARGAINING IS ALIVE AND IT IS WELL. BUT IT IS PRODUCING DIFFERENT RESULTS, REFLECTIVE OF THE TIME.

P A U S E . . .

I'D LIKE TO PAUSE FOR A MOMENT AND CONSIDER JUST WHAT THE END OF COLLECTIVE BARGAINING AND OUR CURRENT SYSTEM OF INDUSTRIAL RELATIONS MIGHT MEAN. WE SHOULD REFLECT FOR A MOMENT ON THE HISTORY OF THE INDUSTRIAL RELATIONS PROCESS IN OUR COUNTRY AND REALIZE HOW FAR WE HAVE COME WITH IT.

MANY OF US IN THIS ROOM ARE OLD ENOUGH TO RECALL SOME OF THE LABOR EVENTS OF THE THIRTIES AND THE FORTIES. RECALL THE RELATIONSHIPS WHICH EXISTED AMONG THE PARTIES IN THOSE EARLY DAYS. DR. PHILLIP ROSS, A NOTED LABOR HISTORIAN, IN A PAPER WRITTEN FOR THE PRESIDENT'S COMMISSION ON VIOLENCE, STATED THAT THE UNITED STATES HAS HAD ONE OF THE BLOODIEST LABOR HISTORIES IN THE WORLD. WHILE HE WAS TAKING THE ENTIRE HISTORY OF OUR COUNTRY INTO PERSPECTIVE, IT REMAINS THAT OUR CURRENT COLLECTIVE BARGAINING AND INDUSTRIAL RELATIONS SYSTEM HAS COME A LONG WAY. IT IS ONE OF THE MOST VALUABLE RESOURCES WE HAVE. WITH ALL ITS FAULTS, IT IS ONE OF THE BEST OF OUR FREE DEMOCRATIC INSTITUTIONS WHICH, BY DEFINITION, INVOLVES EVERYONE CONCERNED WITH THE BARGAINING ISSUES. IT SERVES US WELL AS A MEANS OF CLEARLY IDENTIFYING DIFFERENCE BETWEEN EMPLOYERS AND EMPLOYEES AND ALLOWING THE PARTIES TO DEAL WITH THEM IN A REGULARIZED WAY.

I WOULD SUGGEST THAT THOSE WHO WOULD LOOK FORWARD TO THE END OF THAT SYSTEM HAVE NOT REALLY CONSIDERED THE FINAL RESULT OF THEIR HOPES. THEY HAVE NOT REALLY CONSIDERED HOW THEY WOULD DEAL WITH THOSE DIFFERENCES AND DIFFICULTIES BETWEEN WORKERS AND MANAGEMENT WHICH ARE OFTEN, INEVITABLE. PERHAPS THEY HAVE FORGOTTEN THE DAYS WHEN PEOPLE, WITH NO OTHER MEANS OF EXPRESSION FOR THEIR CONCERNS AND NEEDS AND INTERESTS HAD TO TURN TO VIOLENCE AND SABOTAGE AND WILDCAT WORK STOPPAGES.

P A U S E . . .

FORTUNATELY ALL OF THAT IS NOT REALLY IN THE CARDS. THE FACTS ARE THAT MOST EMPLOYERS AND UNIONS FULLY UNDERSTAND THE VALUE OF COLLECTIVE BARGAINING. AS JIM MITCHELL, FORMER LABOR SECRETARY UNDER PRESIDENT EISENHOWER ONCE PUT IT, THE BEST THING A MANAGEMENT INDUSTRIAL RELATIONS PRACTITIONER CAN HAVE IS A SOUND AND RESPONSIBLE UNION ON THE OTHER SIDE. IT IS INTERESTING TO NOTE THAT HE MADE THAT COMMENT WHILE SERVING AS INDUSTRIAL RELATIONS OFFICER FOR A NEW YORK COMPANY DURING A SERIOUS STRIKE IN THE EARLY FIFTIES.

I AM PERSONALLY CONVINCED THAT OUR SYSTEM OF COLLECTIVE BARGAINING AND INDUSTRIAL RELATIONS IS ONE OF OUR MOST IMPORTANT FREE INSTITUTIONS. I BELIEVE THAT WE MUST REMAIN COMMITTED TO THAT PROCESS, MAINTAIN ITS VITALITY AND CONSTANTLY RESHAPE IT TO DEAL WITH THE PROBLEMS WE SUBMIT TO IT. SIMPLY PUT, WITHOUT THAT SYSTEM, WE HAVE NO OTHER VEHICLE FOR BOTH SIDES TO DEAL EFFECTIVELY WITH THOSE PROBLEMS OR EACH OTHER. WITHOUT THAT FRAMEWORK, WE DO NOT HAVE A MEANS OF ENLISTING THE POSITIVE AND SYSTEMATIC INVOLVEMENT OF EVERYONE IN AN ENTERPRISE IN SOLVING THE INEVITABLE PROBLEMS WHICH ARISE AND AFFECT EVERYONE.

AND THERE ARE OTHER SIGNS OF THE CONTINUING VITALITY OF THE PROCESS. TEN YEARS AGO, ONE HEARD ONLY RARELY OF LABOR MANAGEMENT COOPERATION. IN THE LAST SEVERAL YEARS, WE HAVE SEEN A GROWTH OF COLLABORATIVE RELATIONSHIPS BETWEEN LABOR AND MANAGEMENT WHICH SOME HAVE TERMED A MINOR REVOLUTION.

NOW, IT IS A RARE DAY IN WHICH ONE OR THE OTHER LABOR REPORTING SERVICES DOES NOT CARRY NEWS OF SOME LABOR MANAGEMENT RELATIONSHIP WHICH HAS FORMED A COMMITTEE OR A PROGRAM TO COLLABORATE ON THE SOLUTION OF SOME PROBLEMS OF MUTUAL CONCERN.

THE DEVELOPMENT OF THESE COLLABORATIVE EFFORTS HAVE NOT OCCURRED BY ACCIDENT. THEY ARE A SIGN OF THE MATURITY OF THE RELATIONSHIP OF THE PARTIES WHERE THEY ARE OCCURRING.

P A U S E . . .

IT IS INTERESTING TO ME, REFLECTING ON THIS ASPECT OF LABOR RELATIONS, THAT LABOR MANAGEMENT COOPERATION IS NOT EVEN MORE WIDELY USED. IN SPITE OF THE YEARS OF OUR AGGREGATE INDUSTRIAL RELATIONS EXPERIENCE, MANY OF THE PARTIES STILL VIEW COLLECTIVE BARGAINING AS ONLY A POWER RELATIONSHIP.

AT FMCS, WE HAVE A TECHNICAL ASSISTANCE PROGRAM WHICH IS INTENDED TO HELP THE PARTIES IMPROVE THEIR RELATIONSHIP.

THAT PROGRAM, IN ITS VARIOUS FORMS, IS ONLY EFFECTIVE WHEN WE THE PARTIES ARE BROUGHT TO A POSITION OF IMPROVED COMMUNICATIONS, - OF ACCEPTANCE OF THE OTHER SIDE AS HAVING LEGITIMATE GOALS, - AS RESPONSIBLE PARTICIPANTS IN THE PROCESS. WE ARE SUCCESSFUL WHEN WE ASSIST THE PARTIES IN UNDERSTANDING THAT COLLECTIVE BARGAINING NEED NOT ONLY BE A POWER RELATIONSHIP BUT A PROBLEM SOLVING MECHANISM FOR BOTH SIDES. MY POINT, IN CITING THIS EXPERIENCE OF OURS, IS TO UNDERSCORE THE FREQUENCY IN WHICH THE PARTIES DO NOT UNDERSTAND THIS FULLER POTENTIAL OF THEIR RELATIONSHIP.

I AM A STRONG ADVOCATE OF LABOR MANAGEMENT COOPERATION. I SUGGEST THAT IT IS ONE OF THE MEANS WE HAVE OF DEALING WITH SOME OF THE PROBLEMS BEING SURFACED AT THIS CONFERENCE. THE REASON I AM SO STRONGLY IN FAVOR OF THE USE OF ANY OF THE COLLABORATIVE PROCESSES BY THE PARTIES IS BECAUSE THEY ARE BASED ON THE VERY SAME PRINCIPLES OF SOUND RELATIONSHIPS WHICH ARE ESSENTIAL FOR THE CONTINUED EFFECTIVENESS OF THE COLLECTIVE BARGAINING PROCESS ITSELF.

P A U S E . . .



THE SUCCESS OF LABOR MANAGEMENT COOPERATION OR MATURE COLLECTIVE BARGAINING IS NOT AT ALL AUTOMATIC. BOTH OF THEM DEPEND ON A RELATIONSHIP AND AN EXPERIENCE OF TRUST. BOTH OF THEM DEPEND ON AN UNDERSTANDING AND ACCEPTANCE OF OF THE OTHER SIDE AS RESPONSIBLE. AND BOTH OF THEM REQUIRE A HISTORY OF FULFILLED COMMITMENTS. THAT DOES NOT MEAN THAT THERE WILL NOT BE DIFFERENCES IN MEANS AND OBJECTIVES AMONG THE PARTIES. THERE CERTAINLY WILL CONTINUE TO BE DIFFERENCES WHICH WILL BE THE SUBJECT OF NEGOTIATIONS AT THE BARGAINING TABLE. AND THERE WILL CONTINUE TO BE AREAS OF MUTUAL CONCERN WHICH CAN BEST BE ADDRESSED THROUGH ONE OF THE COLLABORATIVE MECHANISMS. IT IS THIS VIEW OF BARGAINING WHICH I AM SUGGESTING TO YOU AS THE MEANS OF ADDRESSING MANY OF THE PROBLEMS WE WILL BE DISCUSSING HERE IN PHOENIX.

P A U S E . . .

I WOULD LIKE TO ADD AN ADDITIONAL DIMENSION TO WHAT I HAVE SAID. IT OCCURS TO ME THAT THE BARGAINING PROCESS AND OUR AMERICAN INDUSTRIAL RELATIONS SYSTEM IS, AT THE BOTTOM LINE, A HUMAN INVENTION. THERE IS NOTHING INEVITABLE ABOUT IT.

COLLECTIVE BARGAINING AND OUR ENTIRE INDUSTRIAL RELATIONS SYSTEM WAS INVENTED AND DEVELOPED BY PEOPLE LIKE YOURSELVES. IN THE YEARS SINCE BARGAINING FIRST SAW THE LIGHT OF DAY, THE PARTIES HAVE TRIMMED AND SHAPED THE PROCESS TO MEET THE NEEDS AND THE PROBLEMS THEY HAD.

P A U S E . . .

THE TIME HAS NOW COME FOR THE PARTIES TO AGAIN PAY ATTENTION TO THE CURRENT NEED FOR CHANGES IN THEIR INDUSTRIAL RELATIONS SYSTEM AND THE COLLECTIVE BARGAINING PROCESS.

P A U S E . . .

THIS CONFERENCE WILL NOT BE SUCCESSFUL IF EACH OF US LEAVES WITH ONLY INCREASED KNOWLEDGE AND INCREASED CONCERN ABOUT CHANGES OCCURRING IN THE WORK OF AMERICA. IT WILL BE SUCCESSFUL ONLY IF WE LEAVE WITH THE RESOLVE TO TAKE THESE MATTERS UP IN THE BARGAINING PROCESS. AND THAT MEANS THAT WE MUST CHANGE, EVEN RE-INVENT, THAT BARGAINING PROCESS TO ACCOMMODATE THESE NEW CHALLENGES AND PROBLEMS.

WHAT ARE SOME OF THOSE FORCES WHICH WILL IMPACT ON COLLECTIVE BARGAINING?

SOME OF THEM PERTAIN TO THE ECONOMY. BECAUSE OF THE PRESSURES OF COST AND COMPETITION, MOST FIRMS ARE REORGANIZING THEMSELVES AND THE WORKFORCE TO WORK MORE EFFICIENTLY. THEY ARE CONSIDERING MAJOR CAPITAL INVESTMENTS WITH ATTENDANT DECISIONS ABOUT LOCATION OF THE WORKSITE, NEW EQUIPMENT AND NEW WORK DESIGN. THESE, TO NAME A FEW, MAY AFFECT WHERE AND HOW WORK IS PERFORMED, THE SKILLS NEEDED, THE SIZE OF THE LABOR FORCE AND COMPENSATION QUESTIONS.

THERE ARE ALSO QUESTIONS ARISING OUT OF DEREGULATION FOR SOME FIRMS, NEW COMPETITION FROM OVERSEAS AND NEW PRODUCT AREAS. CERTAINLY THERE WILL BE SHIFTS IN WORKING SECTOR, WITH THE SERVICE SECTOR EXPECTED TO GROW MOST OF ALL. ALL OF THESE FACTORS MUST GENERATE PROBLEMS WHICH, SOONER OR LATER WILL ARRIVE ON THE BARGAINING TABLE.

THE WORKFORCE IS CHANGING. BY THE END OF THE CENTURY, WE WILL HAVE A POPULATION OF OVER TWO HUNDRED FIFTY MILLION PEOPLE. MORE PEOPLE WILL BE SEEKING JOBS. AMONG THEM, THERE WILL BE MORE WOMEN IN THE WORK FORCE, MORE MINORITIES AND MORE OLDER PEOPLE. THAT WILL AFFECT THE NATURE OF THE ISSUES BEFORE BARGAINERS. NEW WORKERS ENTERING THE WORKFORCE WILL BE BETTER EDUCATED AND WILL HAVE DIFFERENT EXPECTATIONS AND DIFFERENT CAPACITIES AND THEIR PREDECESSORS. AMONG OTHER THINGS, THE NEW WORKERS WILL BE LOOKING FOR INCREASED PARTICIPATION IN DECISION MAKING AND WILL HAVE INCREASED TECHNICAL CAPABILITY. IN ADDITION TO THAT, WORKERS WILL BRING NEW VALUES AND PRIORITIES WITH THEM.

AGAIN, THE ISSUES WHICH THESE CHANGES GENERATE MUST BE DEALT WITH AT THE BARGAINING TABLE.

WE ARE ALL MORE THAN AWARE OF THE IMMINENT APPLICATION OF SOME OF THE NEW TECHNOLOGIES INTO THE AMERICAN WORKPLACE. AS THESE NEW MACHINES AND NEW PROCEDURES ARRIVE IN THE WORKSITE, THEY WILL MEAN DIFFERENT THINGS TO DIFFERENT PEOPLE. TO SOME, THEY WILL MEAN HIGHER PRODUCTIVITY AND QUALITY, NEW PRODUCT POSSIBILITIES, LOWER UNIT LABOR COSTS AND THE LIKE. FOR OTHERS THEY WILL MEAN JOB OBSOLESCENCE, CHANGING WORK RULES, A DIFFERENT KIND OF LABOR COMPETITION, NEEDS FOR NEW SKILLS AND NEW OPPORTUNITIES. AGAIN THESE CHANGES WILL BE ACCOMPANIED BY NEW SETS OF QUESTIONS AND NEEDS APPEARING AT THE BARGAINING TABLE.

WHAT ALL THIS MEANS FOR MOST OF US HERE, IN ADDITION TO WHAT I HAVE ALREADY SUGGESTED, IS THE NEED TO EVOLVE NEW STRUCTURES FOR BARGAINING AND INDUSTRIAL RELATIONSHIPS TO COPE WITH THESE NEW ISSUES.

THEY ALSO WILL REQUIRE THE DEVELOPMENT OF NEW RELATIONSHIPS BETWEEN LABOR AND MANAGEMENT SO THAT THEY CAN EFFECTIVELY DEAL WITH THESE ISSUES WHILE MAINTAINING A PEACEFUL RELATIONSHIP.

P A U S E . . .

BY WAY OF CLOSING MY REMARKS, I WANT TO SUGGEST ON ON POSSIBLE AREA OF RESTRUCTURING BARGAINING WHICH MAY SERVE AS AN EXAMPLE.

GIVEN THE IMPENDING CHANGES AMONG MANAGERS AND AMONG THE UNIONS AND WORKERS, WE SHOULD REALLY BEGIN TO THINK ABOUT THE BARGAINING PROCESS AS A PROBLEM SOLVING AND PLANNING MECHANISM.

ONE FAULT OF THE OLD APPROACH TO BARGAINING IS THAT THE PERIOD OF TIME WHICH USUALLY CONCERNS THE PARTIES AT THE TABLE IS THE TERM OF THE CONTRACT. TRADITIONALLY, WHEN WE BARGAINED OVER WAGES AND BENEFITS, WE NEEDED TO FOCUS ON THE PERIOD WHEN AGREEMENT OVER THESE ISSUES WOULD BE IN FORCE.

THE TYPE OF ISSUES WE HAVE BEEN DISCUSSING HERE WILL HAVE LONGER RANGE EFFECTS THAN THE CONTRACT TERM. AS A RESULT, THE PREVIOUS PERIOD OF CONCERN OF BARGAINERS, ONE OR TWO OR THREE YEARS IS TOO SHORT A SPAN OF CONCERN. BY ANY STANDARD, THAT IS A VERY SHORT PROBLEM SOLVING OR PLANNING PERIOD.

MY SUGGESTION IS THAT THE PARTIES EXTEND THE TIME OF THEIR CONCERN IN NEGOTIATIONS. CERTAINLY, THEY SHOULD DEAL WITH SHORT TERM ISSUES SUCH AS WAGES AS THEY HAVE IN THE PAST. BUT BEYOND THAT, THEY SHOULD BEGIN TO THINK OF THE BARGAINING TABLE AS A FORUM FOR DEALING WITH PROBLEMS WHICH ARE JUST NOW APPEARING AND WHICH WILL AFFECT THE COMPANY AND THE WORKERS FOR SOME TIME TO COME.

WE WILL BE TALKING ABOUT THE NEW TECHNOLOGIES AND THE LABOR RELATIONS IMPLICATIONS OF THEIR INTRODUCTION INTO THE WORKPLACE FOR THESE SEVERAL DAYS. WE ALL REALIZE THAT THE INITIAL BARGAINING DISCUSSIONS ABOUT THE EFFECTS OF TECHNOLOGICAL INNOVATION WILL ONLY BE THE TIP OF THE ICE BERG.

WE KNOW THAT THIS WILL BE A BARGAINING ISSUE FOR SOME TIME TO COME. AND WE KNOW THAT WE CAN'T REALLY DEAL WITH THIS ISSUE IF WE LUMP IT TOGETHER WITH THE SHORT TERM ISSUES. NO ONE CAN ARRIVE AT A SATISFACTORY AGREEMENT OVER SUCH AN ISSUE DURING THE FINAL DAYS OF A CURRENT AGREEMENT. BY THEIR NATURES, THESE TYPE ISSUES REQUIRE MORE TIME AND MORE THOUGHT THAN THAT.

MY SUGGESTION THEN IS THAT YOU, AS THE ARCHITECTS OF FUTURE BARGAINING, BEGIN TO THINK ABOUT HOW BARGAINING PROCESS ITSELF CAN BE ADAPTED TO PROVIDE THE FORUM YOU NEED.

I AM SUGGESTING, IN THIS ONE EXAMPLE, THAT YOU CONSIDER SEPARATE PHASES OF BARGAINING, ONE FOR SHORT TERM ISSUES SUCH AS WAGES AND BENEFITS AND ANOTHER FOR LONG TERM ISSUES. HOW MIGHT THAT WORK??? ONE POSSIBILITY IS THAT YOU IDENTIFY THESE LONG TERM ISSUES WELL IN ADVANCE OF THE CURRENT EXPIRATION OF YOUR CONTRACT AND INITIATE EARLY DISCUSSIONS TO FORMULATE SOLUTIONS TO BE AGREED UPON DURING THE FINAL NEGOTIATIONS.



ANOTHER POSSIBILITY WOULD BE TO USE ONE OF THE COLLABORATIVE PROCESSES TO CREATE A FORUM OF CONTINUING NEGOTIATIONS TO DEAL WITH ISSUES ARISING FROM THE INTRODUCTION OF THE NEW TECHNOLOGIES. SUCH AN APPROACH WOULD DEPEND ON THE MATURE AND RESPONSIBLE RELATIONSHIPS WE HAVE BEEN DISCUSSING.

P A U S E . . .

HAVING SAID ALL THAT, I REALIZE I HAVE NOT REALLY RESPONDED TO PROGRAM TOPIC, 'WILL COOPERATION PRODUCE JOBS AND PROFITS IN THE FUTURE?' THAT IS A QUESTION WHICH CAN BE ANSWERED ONLY BY THE PARTIES. BUT I CAN ANSWER THE QUESTION TO THIS EXTENT: UNLESS THE PARTIES LOOK TO THE BARGAINING PROCESS AND ADAPT IT TO DEAL WITH THE CURRENT AND FUTURE ISSUES WHICH COME TO THE BARGAINING TABLE, AND UNLESS THEY ADOPT SOME FORM OF COLLABORATIVE APPROACH TO THEIR COMMON PROBLEMS, THEY WILL NOT BE ABLE TO ANSWER THE QUESTION EITHER. TOGETHER, USING THESE PROCESSES, THEY HAVE PRODUCED PROFITS AND JOBS IN THE PAST. TOGETHER, ADAPTING AND USING THESE PROCESSES, THEY CAN PRODUCE THE JOBS AND PROFITS THEY BOTH WANT AND NEED IN THE FUTURE.

P A U S E . . .

I LOOK FORWARD TO SHARING THE REST OF THIS CONFERENCE  
AND YOUR DELIBERATIONS WITH YOU.

THANK YOU.....