

## The Future of the Collective Agreement Act

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## THE FUTURE OF THE COLLECTIVE AGREEMENT ACT

### *An opinion on the role of this law and its projected improvements*

The Bulletin of Industrial Relations has many times in the past discussed the Collective Agreement Act and has dealt with its origins, its principles and its realizations.

To-day, I would like to consider its future and for that purpose clarify the function of the law and the contemplated amendments.

In the course of the last few years the Minimum Wage Act has been amended and the Labour Relations Act has been added to the Statutes. This is all to the good provided that the implementing of the new measures does not relegate to the background a law which, because of the value of its principles and the regard for co-operation and social peace which inspired its inception, should not be brushed aside.

To understand clearly the scope of the projected amendments it is necessary first of all to recall the special role which the Collective Agreement Act has played since 1934 and that which it is called to fulfil in the future.

### *I — The special function of this law*

Since coming into force in 1934 the Collective Agreement Act has proved the most efficient measure for raising the working conditions of the employees in the Province which had fallen so low during the depression years. It was, actually, the only law capable of surmounting the great obstacle to the betterment of wages, that is, the competition between employees over the livelihood or the pay of the worker. It caused this competition to disappear by imposing on an entire industry the wages, working hours and apprenticeship conditions embodied in the clauses of a contract approved by a group of employers and workers of this industry.

To-day, this competition over wages being less strong, the need is less felt, in some circles, for recourse to the generalized collective agreement. However, should another period of depression oc-

cur where competition in wages is again the rule if the collective generalized agreement no longer existed the workers and the employers would fall into the same state of competition and disruption from which they suffered in 1933.

I will not dwell on the fact that the Collective Agreement Act counts about 97 enactments to its credit in the Province and regulates the wages of 225,000 workmen; this is only a fact and not a special characteristic of the law. On the other hand, we cannot too much dwell on the following points :

1) No legislation secures greater protection to wage-earners due to the fact that the agreement with juridical extension covers all the workers of an industry without exception. Also, the parity committee, charged with the application of the law, has the power to verify the pay-list, to require reports from the employer, to demand, under oath if need be, information from the employer and the employee, to appeal in favour of the wage-earners without asking their authorisation and even if they renounce their rights. No measure could give more or even begin to.

2) The parity committees are not limited to the material interests of their members but also occupy themselves with the intellectual interest of the employers and the employees of an industry. It was the parity committees which, with the help of the Minister of Labour, formed apprenticeship commissions organized by virtue of the Apprenticeship Assistance Act. And I do not think I am making a mistake in affirming that without these parity committees there would perhaps exist not one single such Commission in the Province. These Apprenticeship Commissions have obtained, to-day, un hoped for results in that they have succeeded in training competent employees for industry as it is found in 1948, that they have contributed to raising the intellectual level of the workers and that they have put into practice among us the principle which wills that the professional training of the employees pertains, first of all, to the industry before falling into hands of the State.

3) We would point out besides that where a generalized collective agreement is put into effect the industry can only with difficulty be dominated or persecuted by an organization direc-

*N.B.—This article was sent to us by a person who possesses an extensive experience in the application of Quebec's labour legislation. We believe that he brings up extremely important points and we invite readers who are interested to send us their comments.*

ted by communists. The parity committee actually is composed of representatives of different workers' associations as well as the representatives of the employers' associations. To form a parity committee is to divorce, in almost all cases, an industry from communist influence. And here it is without doubt opportune to recall that last year, without the timely and energetic intervention of a parity committee aided by workers' and employers' associations, one of our best industries counting more than 98% Catholics would be, to-day, directed by the sordid hands of a communist leader.

## II—Suggested modifications

The few facts mentioned above prove that the Collective Agreement Act has its own proper role and seem sufficient to demonstrate that it is absolutely important to give this law our most careful attention. If we want it to continue to play the part which it has filled up to date it behooves us to study with a will the proposed amendments with a view to preserving its place and its prestige.

It would be advisable first of all, to give attention to all the suggested amendments that aim at facilitating the putting into application or the full respect of the enactments. I would mention, among others, the recommendations to define clearly the terms « employer » and « professional employer »; to give to the parity committees the power to exercise the recourses which arise from the law of asking for a registration system and reports from all persons subjected to the decree; to make certain that the working hours include the time the employee is held at the disposition of the employer, to rule that the decree has priority over municipal regulations treating of opening and closing hours, and has precedence over the agreements passed in virtue of the Professional Syndicates Act: to stop the course of prescription by the sending of registered letters and, in general, to consider all amendments which, being based on experience, would tend to close the openings which adversaries have succeeded in attacking with success.

It would be advisable, in the second place, to insert in this law those amendments which would keep it in the first rank of the social laws as far as the employers and employees in the Province were concerned. The present law is limited, notably to wages, to hours of work and to apprenticeship. Could not its field of action be extended so as to cover all the domain of social security? Thereby the agreement could contain, for example,

clauses relative to pension funds, to funeral benefits, to sickness insurance and to all similar services.<sup>1</sup>

Couldn't it be amended, as well, in such a way that workers' and employers' organizations would have as much interest in negotiating with a view to a collective agreement with juridical extension as with a view to any other law?

Let us be exact. If, to cite only one example, other laws permit clauses of union security and if the Collective Agreement Act does not permit them, the workers' organizations will adopt these laws and leave to one side the Collective Agreement Act. If we wish the contracting parties to be interested in signing agreements in virtue of this law the organizations must be assured that they will find here the interest of their association as well as of their individual members.

I know that exception is taken to this statement and distinctions made between the normative clauses and the contractual clauses by stating that while the normative clauses can be generalized the contractual clauses should not be.

While admitting the value and appositeness of this distinction I remain of the opinion that such distinctions seem to run counter to even the letter of the law which specifies that all the clauses of a contract judged by the Lieutenant-Governor in Council to be in accord with the spirit of the law can be generalized. When this article

(1) Along the same line of thought, John L. Lewis recently expressed in the P.S. News and World Report, Nov. 19, 1948, the reasons for which social security should first of all be the affair of industry before becoming that of the Government: "There's a definite principle involved of making the commodity, used generally by the public or special interests, bear completely its own cost of production. rather than have the production of that commodity subsidized to some degree either by the Government or by tax-collection processes of Government. We hold that the care of the human element in an industry should inherently run with the cost of production. A man is just as essential as any other item in the cost of production... We hold that in order to maintain our system of free enterprise we shouldn't expect the taxpayers of the country to assume the burden of caring for the human wastage in an especially hazardous or bad industry like the mining industry; that the nonconsumer of coal should not be taxed to keep up the plant and equipment of the coal company. And we hold that part of the plant and equipment is the man power and personnel... We hold that the proper care of the human element in the mining industry or any other major industry should properly be charged to the cost of production and not assessed against the taxpayers as a whole. To that degree, we think it's a step in the direction of free government. It's contrary to the concept that the Government should do everything for its citizens. The industry should do it, and the commodity should bear the cost of it — whatever that may be. This is a chance for labor and management to take care of these problems and eliminate the necessity for the Government to build up huge, inefficient and costly administrative bureaus to try to do the task in a less efficient way. To me it's an assurance of the preservation of free enterprise."

was inserted in the law it aimed at permitting the extension of all the clauses of a collective agreement which could apply to a business or an industry. It was only following legal opinions that this clause was given the restricted scope which we know at the present.

What is important to-day is not to make the most of the reasons for limiting the field of action of the law but to study, to search for and to find the means of extending it to the whole domain and to all the problems of employer-employee relationships.

It would be advisable, in the third place, that the same facilities be accorded to those who wish to negotiate in virtue of the Collective Agreement Act as to those who wish to negotiate in virtue of the Labour Relations Act. In other words, it is necessary that the contracting parties be assured the facilities of conciliation and arbitration for the negotiating of contracts but more, when the decree is in force, that the disputes should be submitted to a Labour Tribunal capable of regulating problems expeditiously and without the complications and delays of our courts of justice.

To resume, if we wish the Collective Agreement Act to continue to play its part, if we wish that it should not decline but progress, it must evolve, it must be reinforced where its opponents are finding weak points, it must be amended from the results of experience. Then the contracting parties will find it to their interest to negotiate in virtue of this law in preference to all others and it would benefit from all the advantages of the existing laws as well for the negotiating of decrees as for the putting of them into effect.

The Bulletin of Industrial Relations spreads abroad both principles and facts. Nothing prevents it, from my way of thinking, from presenting also opinions or submitting subjects for study. It could be that I am wrong, but I fear that if the Collective Agreement Act is confined in limits too narrow to respond to actual needs, it will be abandoned in spite of all the services which it does and could render. This law was erected on a marvellous principle. It is our business to see that it is given the opportunity to operate.

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## THE MINIMUM WAGES IN THE BUILDING INDUSTRY

GÉRARD ROY

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In most of the regions of the Province the working conditions of labour in the construction trades are now regulated by decrees put into effect under the Collective Agreement Act. After fifteen years of the Law's application in this field it is most interesting to analyse the 84 basic decrees passed since 1934 and the 335 Orders in Council amending them, with a view to deriving therefrom statistics extremely useful to employer-employee organizations, to the parity committees entrusted with the supervision and carrying out of the decrees, and to all those who are interested in the problems of industrial relations.

The following tables dealing with the trades of joiner-carpenter, electrician and bricklayer give a general idea of the minimum wages set by the decrees since 1934 in the principal regions of the Province.

According to the Federal Bureau of Statistics the most recent cost of living index, November 1948, stands at 159.6. The comparison between the increase of the cost of living and the rise in the scale of wages can be made for each region. Nevertheless, before drawing definite conclusions from these figures we must take certain factors into consideration — the *real* level of the cost of living, certain wage levels which were not high enough in 1939, the strength of labour organizations etc., etc.

It is most important to underline the fact that minimum wages (made obligatory by law) not being subject to the fluctuations of the Law of Supply and Demand, are a guarantee for the workman. However, in many regions, the real wage is often higher than the minimum rate of the decree because of individual arrangements resulting from the unprecedented period of activity in which the building industry finds itself.