

backed by grotesque penalties. I have described the law in other forums as "draconian" and have no doubt that this description is wholly justified.

It is a sad commentary on the Government's understanding of industrial relations that it obviously believes that the way to quell conflict is to use the might of the State to contrive offences and to back those up with severe penalties. In the whole history of industrial relations in the public sector the Government can find no justification for legislation of this sort.

The Government would demonstrate better understanding of industrial relations and better leadership if it were to attack the causes of conflict and adopt positive measures to improve the industrial climate. The methods proposed in its Bill have been tried in other countries and have failed dismally. Since the Government is clearly quite unenlightened on these matters, the CSSO does not expect to be able to persuade it of the errors of its ways. The only alternative for the CSSO is to oppose the legislation as vigorously as possible and to draw to the public's attention the futility of the Government's approach. At this stage the Government's proposed legislation poses an interesting question about the future of State pay determination. If it proves to be impracticable to negotiate satisfactory legislation, the CSSO would need to consider whether the system of fixing pay on the basis of fair relativity is in its long-term interests or whether it should insist on determining pay levels under a system of collective bargaining. The months ahead in this area will be interesting to observe. ©

## VIEWPOINT

### (2) INDUSTRIAL RELATIONS IN A PLURAL SOCIETY

\* J. W. ROWE

#### INTRODUCTION

In the course of this address I shall be using terms which, though familiar to many of you, may not in fact be known to all of you or understood by you in the way I understand them. It is therefore appropriate to begin the evening with some definitions which I hope will help clarify what I have to say.

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The first and most obvious is the term industrial relations itself, a term which can be used broadly or narrowly according to the background and beliefs of a particular speaker. Tonight I shall be giving it the widest interpretation — that is to say when I speak of industrial relations, I mean the whole gamut of everyday relations between employers and employees, i.e. "how they get on at work."

This is in contrast to the ideological interpretation which a member of the S.U.P., for example, might give the words. It is also a different concept from that of a trade union official who said in my hearing that he was not interested in improving industrial relations since bad industrial relations were a means of getting at and ultimately destroying the capitalist system.

I do not believe that all or most trade union secretaries feel like this and certainly it in no way reflects the attitude of rank and file workers any more than most employers see themselves as having despotic authority in the work place. At the right wing end of the ideological scale there may be elements of this attitude remaining but its adherents are a dying race.

To me industrial relations refers to experiences at work. These may or may not be affected by who owns the enterprise, where they live and who manages it, but these are essentially different issues. Good and bad industrial relations, in my sense, can be found in all sorts of enterprises in all parts of the world. There is no elixir for industrial relations — certainly not putting union officials on boards of directors or management by committees of delegates.

Let me now turn to the meaning of the term "plural society." To me this is a society in which individuals and interest groups co-exist without getting in each other's way. It is a society which practises self regulation rather than legislative regulation, in which people are guided rather than directed. A key feature of a plural society is freedom for individuals and groups to do their own thing subject only to this not preventing others from doing their thing. A plural society is the antithesis of totalitarianism either right or left wing — where complete power lies with the state and where it is seen as desirable that existing institutions be reconstructed in accordance with a preconceived plan.

It is, in effect, an open society where

each is free to act, singly or in combination with others, and to compete or co-operate with them as the case may be. The right of choice is limited only by the constraint of not getting in the way of others and ensuring that change is reversible — quite the opposite of what every little dictator wants. Such a society is necessary for democracy to survive and it is favourable to a mixture of enterprise, with private sector organisations and industries large and small flourishing side by side with state or other public sector institutions.

The open society fundamentally depends upon division of power, especially economic power. Unless people and groups can say "no" without intolerable pressure, there is no freedom in a meaningful sense. No distribution of income and wealth will ever satisfy everyone but unless economic power is diffused, political and social freedoms cannot survive. Most importantly an open society is one in which change is achieved by piece-meal social engineering rather than giant leaps forward — which are always leaps in the dark and hence only accidentally beneficial to mankind.

### SOCIAL GOALS

A fundamental question for us tonight and for everyone working to improve industrial relations, is, what sort of society do New Zealanders want?

Given that we still enjoy a mixed economy with reasonable freedom of choice, there is yet a feeling abroad that we are or ought to be a consensus society, that most New Zealanders want, or ought to want, the same things.

This — and I am not now referring only to the economic sphere — is belied by reality. Different groups in fact have widely differing aims and ideals but members of a particular group are usually convinced that members of all other groups should be in agreement with them.

Think of current pressure groups — Spuc, Anti-Apartheid, Trade Unions, PPTA — each thinks of itself as inevitably right. Each argues as if everyone else has, or at least ought to have, the same code of ethics. Each in fact wants uniformity and if the only way to achieve this is by legislative means (coercion) then legislative coercion it will be.

But is this sensible? Whenever a law is created or interpreted the values of some must necessarily be ignored or denied

simply because the values of others have received official sanction.

Therefore a more reasonable social goal would be to acknowledge that there is in fact no consensus — that there are many and great differences between various social groups. Such a goal might be described as unity in diversity — and it is probably an essential goal if we do not want to resort to problem solving by legislative means or a headlong rush towards authoritarianism. One can describe such unity in diversity as pluralism, and business provides a microcosm of this.

Pluralism in business is constantly under attack and business must show that self-regulation can work in the interests of society as a whole if the freedom which it retains is not to be further eroded.

Obviously an unbridled quest for profit would be damaging to the capitalist system. But nobody seriously believes that business in this country is in danger of making vast profits — the danger lies rather in lack of profits, which in turn means inadequate investment, ossification of the economy, too few jobs and so on. Without profits there will be too little competition yet paradoxically competition keeps profits within bounds. New Zealand is in danger of becoming a no enterprise economy.

Most firms can show without difficulty that the profits they earn are entirely necessary to the efficient running of their organisations. This profit is necessary to improve product quality, consumer service, employee safety and health as well as to reward shareholders adequately to ensure a continued supply of risk capital.

The survival of private business and the independence and liberty that goes with it depends on the ability of business to earn sufficient profits and in many cases this depends critically upon achieving better industrial relations.

The alternative is a proliferation of state organisations which seem inevitably to lead to reduced innovation and risk taking and to a consequent reduction in individual effort and achievement. It may be argued that all large institutions are prone to similar defects. The crucial difference is that to survive business firms must build up initiative. Lack of enterprise is the greatest danger of all.

If, therefore, the state is not to control

there must be a more ready acceptance of plurality. Plurality, openness, a mixed economy — these should be reflected in industrial relations, for in this sphere our tradition of a free society is under special stress.

#### EMPLOYEE INVOLVEMENT

We are still a democracy and this means maintaining a balance between participation and initiative. In a recent article by Ralf Dahrendorf this analogy is applied to industrial relations and he cites German experiments in worker participation where much success has been achieved through the establishment of works councils.

There may well be scope for these in New Zealand but systems and institutions cannot be changed *holus bolus* or overnight. It may well be that trade union officials would feel uneasy about such employee involvement, fearing that it might reduce union power. However, greater shop floor involvement of workers probably requires that unions continue to be responsible for over-all terms and conditions of employment — for such matters as pay, annual leave and so forth, but under this umbrella there ought to be room for better day-to-day involvement of people at all levels.

Here, as always, it is a question of balance. Too much employee involvement may tend to over-dependence on the part of employees just as too little may lead to disaffection.

There are good features in the industrial relations institutions and practices of most countries (e.g. the United States respect for collective agreements) but they are not capable of importation, fully assembled.

May I refer you to the Federation's recent booklet "Employee Involvement in the New Zealand Workplace." As the title implies, we believe that greater involvement in the workplace is desirable. If this can be achieved in day-to-day activities, employers and workers alike will be in a better position to evaluate the scope of and benefits from more ambitious involvement. If day-to-day relationships cannot be improved, there is little hope that a complete departure from traditional methods of dealing with each other will achieve anything.

Incidentally, we must avoid treating unions and workers as synonymous. Too often these days the activities of unions, especially of some of their officers, are

contrary to the interests of the bulk of their members.

Once it was thought that the way to achieve good industrial relations was through higher wages. Today the chain of causation is rather the reverse for without better industrial relations there can be no higher wages. Some of the biggest hindrances to the ability of employers to pay higher wages are the industrial stoppages of all sorts which currently afflict the industrial scene. The interdependence of wages and industrial relations is now complex.

I have already argued that unions have a continuing role even where employee involvement is fully practised. However at the present time unions have too much power.

Typically an employer is in a stronger position than an employee so that fair bargaining requires employers to deal with unions rather than individual employees. However, by the same token a union is typically in a stronger position than a single employer so fair bargaining can only be secured if employers band together in dealing with unions. This is a point which I have made before and upon which I cannot lay too much stress; employer solidarity is of prime importance, particularly in the face of unreasonable union demands.

If employers have a responsibility to their employees and beyond them to the community at large, employees have a similar responsibility. Employee involvement is one way in which these responsibilities can be better discharged, but this can only develop slowly.

In the interests of the country as a whole there is a joint responsibility on employers and employees to eliminate restrictive practices. It is equally the duty of both employers and employees to recognise the sanctity of the agreements into which they have entered and to avoid unnecessary conflict. This is hardly possible where wreckers of the system are at work but otherwise it is surely a feasible goal. It calls for greater personal and corporate discipline on the part of employers and employees. We can only retain our freedom if we do not abuse it.

Both anarchists and collectivists impede better industrial relations but perhaps the greatest barrier is poor communication. The thing emphasised most in our booklet is that employers must take the initiative in

improving communications within their enterprise, even if this is greeted with less than enthusiasm by union officials. Too many employers only feel the need to communicate with their workers when they go on strike — which is a bit late.

Other significant barriers to better industrial relations include multiplicity of unions, their mostly craft nature, the existence of two-tier wage and conditions agreements and the loose cohesion of employers. These and other obstacles make for frustration, if not desperation, but they will not be changed overnight.

Our economy today is at a crisis point — it could be a turning point, or it could be the end of the road. Who knows? In the meantime let us avoid changes in the workplace which go too far in any one direction. If we are to retain any freedom of choice we must make haste slowly, remembering that a plural society is in the interests of us all. ©

## VIEWPOINT

### (3) WOMEN IN THE WORKFORCE

\* RUTH BUTTERWORTH

In this paper I set out to answer three questions:

1. Where are women, in the main, located in the workforce?
2. What are the salient characteristics of this segment of the workforce?
3. What special problems face the trade union movement in dealing with the situation of women workers?

#### 1. Where?

A simple list of the industries where women wage workers are to be found and their occupations is sufficient in itself to define some basic problems:

- Clerical occupations.
- Retail trade.
- Garment manufacture.
- Light assembly and packaging.
- Food manufacture and processing.
- Hotel and catering trades.
- Fruit and vegetable picking.
- Hospitals and Rest Homes.

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Office cleaning and "other domestic" work.

#### 2. What are the characteristics of (i) this work and (ii) women's involvement in it?

To answer (i) is literally to box the compass of all the most recalcitrant problems in the union official's little black book. I will simply recite the familiar litany: the work places are widely dispersed; the work is in small units of employment in many instances. It is subject to cyclical and seasonal fluctuations; it is generally low-skill to unskilled; it is to be found in the lowest paid sectors of what is, in any case, a low wage economy.

The sectors of industry involved are often vulnerable to foreign entry (assembly work) and competition (garment manufacture, textiles). The small-unit enterprises are under-capitalised, have perennial cash-flow problems which are nowadays acute. They are under-inspected, even unregistered and have managers or owner-managers who are, to put it delicately not "socialised," i.e. the employers' sector is under-organised, ineffective in bargaining and negotiation. In particular, the owner-operator who employs in single figures, is frequently ignorant, whether wilfully or not, of his obligations and all too often tyrannical and inconsistent in his behaviour towards women employees.

As to the characteristic employment pattern of women in this environment, again, theirs is a familiar litany of woes. I would define for particular attention three groups. First up we have what I will call "the young itinerant," who may or may not have some job skills, but who will shift jobs when conditions are unsatisfactory to her, when friends move, or when she is pushed out on reaching the adult wage rate age.

Secondly, there is "the family woman," i.e. a woman with young children, whether she is acting in a solo or a dual-parent relationship. She has a desperate need for a wage; she is limited in the hours she can work, in the extent of travelling to work she can undertake, and by the hazards of family illness and other domestic crises of which not the least is the school holidays.

Thirdly, and sharing all the problems of the first two groups with some of her own in addition, there is the Polynesian woman. Almost certainly the female Polynesian worker is not here in her own right, but as the spouse or daughter of the holder (or non-holder, as the case may be, of a work