



Canadian

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The Mechanization Issue

Most workers today are faced with the issue of mechanization, and it has become increasingly a subject of contract negotiations between unions and employers.

Basically, it is the reason for the unemployment situation. The percentage of unemployed has been rising gradually since the end of the war, but in the last three years it has been particularly acute, and at the present time there seems to be a more or less permanent unemployed group amounting to about a tenth of the working force.

Apart from the gradual elimination of jobs, mechanization frequently has more drastic consequences. The introduction of new methods sometimes makes a whole operation obsolete, with the result that a group of people making up a union local or even a whole community may be thrown out of work simultaneously, losing their jobs, their homes and their economic security.

Up to the present time, we have not felt either of these effects to any great extent on the waterfront. This is because the level of mechanization on the waterfront has been low. However, just because the level of mechanization is low, the possibilities for mechanization at the present time are high, and the effects could be drastic.

Aspects of Mechanization

The long run effect of mechanization is to increase the productivity of labour. Obviously increased productivity makes it possible for industry to pay higher wages, reduce hours of work, and improve conditions.

But unplanned mechanization, with no union control also makes it possible for the working man to cut his own throat. If the workers co-operate with the boss in introducing better methods of work without any agreement as to how working conditions will be affected, the result will simply be fewer jobs, greater competition for jobs, lower bargaining power for the union, and as a result, lower wages and poorer conditions.

It is our job as a union to see to it that mechanization is carried out on the waterfront in such a way as to obtain the maximum benefits for our members, and keep the adverse effects to a minimum.

Alternative Methods of Dealing with Mechanization

Many Unions have faced the mechanization problem in the past, and have developed various ways of dealing with it.

In some cases, the attitude of the union leadership has been that the benefits of mechanization should show up simply in higher wages or shorter hours, through ordinary collective bargaining methods. This method has usually been self-defeating, because the resulting unemployment eventually undermined the union's power to negotiate better wages.

Other unions have worked out schemes whereby some part of the benefit of mechanization would automatically pass on to the workers in one form or another. This might be done through the medium of a profit-sharing bonus, a productivity "improvement factor" or a supplementary unemployment benefit plan.

The difficulty with such plans has been that in almost all cases, the greatest benefit was received by those workers who were least affected. Even "supplementary unemployment benefits" is usually geared to a seniority formula in such a way that the men entitled to the unemployment benefits are the ones who are least likely to be laid off.

None of these plans provides an answer to what happened, for instance, in Britannia, in 1957, when a whole community was shut down, with 800 workers losing their jobs, their homes, their pension rights. In the United States, whole districts, with many thousands of workers, have been thrown on the dole in spite of the comprehensive benefit plans of the unions--in coal mining for example.

The I.L.W.U. Approach

The I.L.W.U. International has worked out an approach to the mechanization problem which is fundamentally different from that of other unions, and which comes to grips with the basic issues involved. The principle is to protect the workers who actually suffer the effects of mechanization, by guaranteeing a certain definite amount of employment to the basic work force.

The International has contracted with the Pacific Maritime Association for a fund under the joint administration of the employers and the union, based on the savings resulting from mechanization. The existence of this fund, and its joint administration is the guarantee to the workers that the problems faced in the future will be dealt with in a proper and humane way.

As the Union has worked it out, the fund will be used in the following way to alleviate the effects of mechanization:

1. Where a shortage of work opportunity develops in one port, while job opportunities still exist in other ports, the fund will be used to pay for moving members and their families from one port to another.
2. If mechanization eliminates certain categories of jobs, but at the same time creates new jobs requiring new skills, the fund will be used to re-train workers so that they can take new jobs.
3. If there is an overall shortage of work--that is to say, if there is not enough work to provide the whole membership with 35 hours per week--the fund will be used to pay the cost of reducing the retirement age to 64, 63 or 62 years of age, depending on how severe the shortage of work may be. It is planned that the pensions paid to the men retiring before normal age will be increased to compensate them for the loss of earnings involved.
4. If, after the retirement age has been reduced to 62, there is still a shortage of work opportunity, the fund will be used to pay directly to the members the difference between what they can earn and 35 hours pay.

Mechanization in B.C.

The plan described above, has come about in the United States as the result of four years of negotiations on this issue. In B.C. we have raised the issue in previous negotiations, but the Shipping Federation has not been seriously interested in the past and no real agreement has materialized.

This year the issue has been seriously negotiated by both sides.

It is clear to everybody concerned that the era of waterfront mechanization has arrived. Where feasible, bulk-loading methods are being introduced, as well as packaging lumber, etc. This trend will grow.

The position the Canadian Union takes is much the same as that worked out by the International. We have been seeking to establish a plan that will protect the work opportunity of our members.

The Shipping Federation sees in the situation an opportunity to reduce the cost of long-shore operations by cutting gang size and changing work rules to give them the maximum benefit of labour saving methods. For this, they are prepared to make certain concessions.

Up to the moment, the Federation has agreed, in principle, that in exchange for some relaxation of work rules, they will guarantee the work opportunities of the membership up to 35 hours per week, with the same provisions for moving, re-training, early retirement and guaranteed minimum work opportunity that the union has worked out south of the border.

However, the Federation looks upon these benefits as a year to year guarantee from the employer. They do not agree to a jointly administered fund. Since the time when the benefits will be most needed will also be the time when unemployment is at its maximum, and bargaining power at its lowest, this is a guarantee which could be lost at the time of greatest need.

In the American scheme, on the other hand, the fund will be accumulating steadily during periods when it is not needed, and will be there to be used when the need does arise.

The Union does not expect, in its first mechanization agreement, to obtain a fully worked out and entirely satisfactory plan. At the same time, it is important that we do not surrender work rules that have been jealously guarded in the past without obtaining in exchange real guarantees that will genuinely guard the interests of the membership.