

Canadian Labour Market and Productivity Centre

**National Seminar on the Changing Workplace
October 28-29, 1998**

Summary of Proceedings

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ISBN: 0-921398-31-X

February 1999

Printed and bound in Canada.

All CLMPC publications are printed on recycled paper and can be recycled.

The Canadian Labour Market and Productivity Centre (CLMPC) is an independent national labour-business organization whose mission is to contribute to economic growth and the betterment of society by improving business-labour relations in Canada and by providing joint advice on public policy, particularly related to labour market and productivity issues.

GST Registration No R100767268.

Aussi disponible en français.



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INTRODUCTION

The past two decades have seen significant evolution in the labour market. This evolution has affected both the number and types of jobs available and the nature of work itself. Consider:

- Part time work, as a proportion of total employment, has risen from 13 percent in 1977 to almost 19 percent in 1996. Women (28.2 percent) and younger workers aged 15 to 24 (45 percent) are especially engaged in part time work.
- The distribution of working hours is more polarized. The proportion of people working a traditional 35 to 40 hour week declined from 65 percent in 1976 to 54 percent in 1995. More people are working longer (more than 40 hours a week), and more people are working less (fewer than 35 hours a week).
- Employers and employees are trying out alternative work arrangements to meet the challenges of the contemporary economic and social environment. Flextime work schedules are followed by about 25 percent of the workforce. Home work, or telework, is in effect for about 10 percent of Canadian workers. Ten percent work compressed work weeks. About 2 percent are in job-sharing arrangements.

For the past several years, the Canadian Labour Market and Productivity Centre has examined the phenomenon of the changing world of work, focussing on Canadian workplaces and sectors. CLMPC conducted case studies and organized a series of regional seminars to explore real-life examples of workplaces where management and labour jointly designed new approaches to the way they worked. We put together the key findings from these case studies and seminars as a set of practical tools, including a video, for managers, unions and workers dealing with workplace change.

In 1997, CLMPC released a report analyzing the impact, costs and benefits of alternative approaches to work arrangements and working time. *Changing Times, New Ways of Working* identifies an important link between the changes occurring in the labour market and business environment, and attempts to manage change in the workplace.

The body of practical research conducted by the Centre is an important tool to understanding what is happening, and what is working best. Evolution, however, is an ongoing phenomenon. It is important to keep track of new developments and trends in the way work is organized, structured and conducted.

The overriding theme in CLMPC research and seminars is that joint approaches to workplace change involving both labour and management work best. Working together is not always easy given the different needs of each party. Therefore, there is great value for labour and management, from a wide variety of workplaces and sectors, to learn about each other's experience, successes and failures.

CLMPC's Board of Directors, comprised of senior business and labour leaders from across Canada, believes that by broadening the public discussion about the changing workplace, companies, sectors, unions, and government would be better equipped to shape their environments effectively. With financial assistance from the Labour-Management Partnerships Program of Human Resources Development Canada, we therefore organized the National Seminar on the Changing Workplace.

The Seminar brought together over 80 senior labour, business and government representatives from across Canada to examine and discuss the trends in the Changing World of Work. The Seminar was organized around two broad themes.

The first, "New Work Arrangements", was prefaced by an overview on the changing world of work, and the impact on work-family dynamics. Two real-life examples of alternative approaches to workplace challenges were presented. The Toronto Star/Communications, Energy and Paperworkers Union of Canada detailed the

flexible work arrangements they had negotiated in 1995, and then described a new Youth Mentoring Program, established in early 1998, designed to give up to 20 young people a year a combination of skills development and work experience through a one-year contract with the newspaper. A representative from the United Steelworkers of America then detailed the union's Trusteed Benefit Plan and Non-Profit Dental Service as an example of a creative approach to providing benefits to workers in smaller organizations.

The second theme, "Managing the Aging Workforce", was introduced by Mel Cappe, Clerk of the Privy Council of Canada and formerly Deputy Minister of Human Resources Development Canada, who discussed demographic change and its impact on the labour market and public policy. Representatives from the Textiles Human Resources Council described joint, labour-business approach developed by the sector to respond to the challenges of an aging workforce. Air Canada/Canadian Autoworkers outlined the phased-in retirement program they negotiated in 1996, allowing eligible older workers to retire from Air Canada but to continue to work part time, thus opening full time job opportunities for younger, part time employees.

In between the two sets of presentations, participants engaged in lively Round Table discussions where personal experiences, views and ideas were discussed in a frank yet collegial exchange. To round out the agenda, a senior European official painted a picture of how the countries, employers and unions of the European Union are meeting the challenges of the changing workplace.

This report follows the same basic structure as the Seminar itself. Section One, "New Work Arrangements", begins with an overview of changing approaches to work arrangements in Canada, followed by the Toronto Star and USWA case studies. Section Two, "Managing the Aging Workforce", leads off with an overview of demographic change as presented at the conference, followed by case studies of the THRC and Air Canada examples. Section Three is a summary of the presentation on the situation in the European Union. Section Four, "Observations

and Conclusions", seeks to summarize key points made during the Round Table discussions as well as lessons learned from the case studies.

It is the hope of the Canadian Labour Market and Productivity Centre that the energy generated at the National Seminar on the Changing Workplace is well reflected in this report, and that it will serve to further more exchange and discussion amongst workers, unions, business and government.

SECTION ONE

NEW WORK ARRANGEMENTS

Many Canadian workplaces are experimenting with new forms of work as they try to deal effectively with forces like increased competition, technological advances, globalization, and changing labour market demographics. In some cases, the goal is to better equip a company to deal with the new business climate through increased flexibility or productivity. In other instances, alternative work arrangements are seen as a way to create or protect jobs, or to hold on to skilled, experienced workers. They might be designed to improve the quality of working life for people struggling to meet conflicting demands and responsibilities.

Case Study: Faced with a changing world of work as well as an aging workforce, the management and union at the Toronto Star have, through different rounds of bargaining, established a number of alternative work arrangements. The arrangements are designed to alleviate the pressures felt by workers related to competing family and work obligations. Operational flexibility and financial implications were key management considerations. A mentoring program has also been established to encourage young people to enter the newspaper business at the Star. This case study illustrates the importance of avoiding a single solution to a complex set of issues.

Case Study: The rise in the number of smaller employers, especially in the service sector, has led to concerns about the provision of insurance and health benefits to workers in such companies. Typically, smaller employers face a high fixed cost and increased administrative costs in providing such benefits, if they are able to obtain them at all. In 1994, the United Steelworkers of America set up the Steelworkers Trusteed Benefit Plan to meet the needs of its members in such workplaces. In addition, the union has been instrumental in establishing some not-for-profit dental offices in Ontario. This case study serves as an example of an alternative means of providing quality, cost-effective benefits to members and their families.

AN OVERVIEW OF CHANGING APPROACHES TO WORK ARRANGEMENTS IN CANADA

Based partly on presentations by Nora Spinks, President, Work-Life Harmony, and Jane Davis, Branch Manager, The Employment Solution.

The nature of work and the way work is arranged have shifted significantly in the 1990s. There are several drivers behind these profound shifts. Changing market environments and the restructuring that has occurred throughout the late 1980s and 1990s have meant that employer-employee relationships have changed significantly. In particular, the growth of contract work and self-employment has been one of the more important trends in the labour market. Self-employment has increased by 39 percent from 1989 to 1997. The 2.4 million self-employed workers accounted for 17.8 percent of the employed workforce in 1997.

A further factor has been the rapid pace of technological change. This has led to a complete transformation of many workplaces (mainly as a result of computer and communications technologies). Working at home has become more prevalent, and is now done by 11 percent of

workers. A further consequence has been the dramatic increase in employers' demand for specialized skills in computer technology.

To meet the new challenges facing them, and facilitated by new technologies, businesses are seeking greater flexibility in their operations. Employment has become project-based with fixed time limits (e.g. Year 2000). Temporary work doubled from 6 percent in 1991 to 12 percent of workers in 1997. Furthermore, the notion of "temporary work" has altered radically. Traditionally, temporary workers were largely clerical or substitute teachers, and the majority were women. Now, temporary workers include CEOs, managers, professionals, scientists, engineers and nurses. There is also a much higher proportion of men. This shift has led to greater recognition and respect for temporary work. It has also resulted in more innovative ways in which such work is organized and compensated. However, while many individuals have welcomed the chance to work in a more flexible environment, serious concerns remain around the issue of involuntary part-time or temporary work.

Employees are also changing the ways in which they manage their lives outside work. Elder care and child care are placing increased demands and stress on many families, especially on women, who continue to be the primary care givers. People are also looking for more flexibility in their schedules so that they may undertake further education and training, participate in leisure activities, and balance their work and family obligations more effectively. Thus, some may want to work less than the traditional workweek, or to have more flexibility in their scheduling. Depending upon particular circumstances, others may prefer contract work or self-employment as opposed to a traditional 9-to-5 permanent job.

Nine percent of employees work compressed workweeks, while 17 percent of dual-income families are off-shifting, that is, one person works nights, while the other works days.

As a result of all these changes, only one in three Canadian workers are now working full-time in a permanent, day job, Monday-to-Friday, outside of the home for a single employer. Such "traditional" or "standard" forms of work are less prevalent

today than ten and twenty years ago. There is a need to continue to examine both the negative and positive impacts of this shift.

A recent study in Saskatchewan (Linda Duxbury, Work-Life Balance in Saskatchewan: Realities and Challenges) shows that companies that have introduced alternative work arrangements with high levels of flexibility are seeing reductions in employee absenteeism due to fatigue, reductions in levels of job stress, increases in levels of job satisfaction, and decreases in the intent by employees to seek other jobs. People who have low flexibility in their work arrangements are absent twice as often as those who have flexibility (eight days annually as compared to four).

Other data indicate that workers tend to rank flexibility, challenge and opportunity in their workplace higher than pay or job security. Employers value creativity, innovation, flexibility, and resilience. These sets of values are not necessarily compatible. While companies may claim that their most important asset is their people, workers feel a contradiction between corporate mission statements and their work experience. With the real possibility of skills shortages in the labour market, employers are finding they will have to offer additional incentives to make any permanent job attractive to potential employees in critical occupations.

As a result of the changes to work which have included downsizing, emphasis on the bottom line and changes to labour legislation, we find back on the table many of the issues that were debated twenty years ago as part of the collective bargaining process: health and safety, benefits and compensation, equity and fairness, and supportive work environments.

Contract workers in high-demand, high-skill fields such as information technology or engineering are generally paid a higher rate for their skills than permanent employees are. However, benefits such as health plans and insurance are not usually provided. Bargaining language, the bargaining process, corporate policies and measurements are being redefined as a result of new attitudes and practices in the workplace.

Employers are typically looking for very specific skills in an individual's portfolio or some additional skills. It is important that people who embark on a

choice of contract work be aware of whether they do indeed possess directly marketable skills. It is also important that individuals ensure their skill sets are maintained and improved and also focus on future needs. Training for these skills is now the responsibility of the individual and not of an employer. For instance, computer experts currently working on the Year 2000 question have a mainframe background in computers. This will be considerably less useful once the Year 2000 problem lessens. These workers will need to acquire other computer related skills to maintain their flow of contracts.

The so-called "new" work arrangements are in fact part of an evolutionary process. They will probably continue to evolve in the coming years. The challenge for companies and for workers is to re-define and re-think the ways in which we look at jobs and work, to achieve a balance between work and life, and to ensure economic and social stability.

NEW WORK ARRANGEMENTS AND YOUTH MENTORING

THE TORONTO STAR AND COMMUNICATIONS, ENERGY AND PAPERWORKERS UNION OF CANADA (CEP) LOCAL 87M

"From a human resource perspective I think you have to embrace the idea that if you can create a work environment that simply allows employees options to balance their work, family and other responsibilities, you've created a work environment that is going to be attractive to people. If you are serious about attracting and retaining top calibre employees this is one very real thing that has a good payback in that pure business sense. This holds true with our youth employment program. We are getting a chance to see the brightest people coming into the journalism profession. For us it is like having a year-long interview. It is a great opportunity for us. We are investing a lot of time and effort, but we're getting all kinds of payback because we are re-energizing our current staff in the process."

Al Orth, Director, Human Resources, The Toronto Star

Background

The Toronto Star, one of Canada's largest newspapers, employs 1,933 people across a variety of white collar and blue-collar occupations. The average age of employees is 45 years. Women account for approximately 30 percent of workers, and 70 percent of the workers have children. The type of work can vary substantially between departments, but tight pre-determined deadlines are an essential feature of production. Being a daily newspaper with a morning edition, much of the work is organized into shifts. Some peak periods of work are experienced during the week in the production of the larger weekend edition.

The CEP Local 87M (formerly the Southern Ontario Newspapers Guild) organizes 1,026 white-collar employees across 5 departments. The current collective agreement runs from January 1998 to December 2001. Relations between the union and the company are characterized as good and have greatly improved from that of many years previously.

Causes of Change

Consolidation of the newspaper industry and increased competition for market share has meant that greater attention has been paid to costs. Management was adamant that flexible working arrangements should not impose any additional costs. At the same time, the company was also concerned about operational flexibility and recognized that changing work schedules might lead to better use of its workforce in some circumstances.

A survey of union members in preparation for the 1995 negotiations revealed that their principal concern was the quality of working life and increasing stress levels rather than monetary concerns. Workers with children (a high proportion of the workforce) indicated that they experienced difficulties in juggling different work and family commitments. The union proposed new, more flexible work arrangements around scheduling in the ensuing round of collective bargaining. The aim was to reduce stress levels and address quality-of-life issues.

Responses

The 1995–1997 collective agreement between the company and the union included flexible part-time work, compressed workweeks and job sharing as measures designed to provide more flexibility in working arrangements for employees. The arrangements were introduced subject to operational requirements of the newspaper and the absence of additional direct or indirect costs resulting from these new work arrangements.

The language of the collective agreement set out the parameters for the process of requesting and approval of flexible work arrangements. However, each department was responsible for developing its own precise plan of implementation. The particular arrangements thus reflect the different nature of the work across the departments and how they are accommodated.

Flexible Part-time. Any employee in a regular full-time position who has completed the probationary period is eligible to seek a flexible part-time schedule for an initial transition period of six to twelve months, after which it can be renewed following a request to do so and at the employer's sole discretion. Such an arrangement can run up

to four years. The precise schedule is determined subject to operational requirements in the department.

An innovative part of the agreement allows the employee to revert back to full-time status without a loss of seniority after the period of part-time is complete. While on a flexible part-time schedule, benefits are adjusted on a pro-rata basis. Temporary help may also be hired, or the additional hours could be offered to existing part-time staff. One safeguard built into the agreement is that such hirings or additional hours will not affect the status and base hours of existing part-time workers.

Compressed Workweeks. The flexible work schedules can also include compressed workweeks where, typically, five days of work is done in four days. Again the precise times are designed in accordance with the needs of the newspaper (e.g. the peak periods of activity), but work is scheduled among employees in such a way that different functions are available all the days of the working week, though less intensively so at periods of lower demand. Since total hours per week worked are not reduced, benefits and seniority are unaffected.

Job Sharing. Under the terms of the 1995 collective agreement, any two regular full-time employees who have completed their probation period and are performing satisfactorily may apply to share jobs. The joint approval of the arrangements by the union and employer ensures that company and individual needs are met as much as possible. After a trial period of up to six months, the employees and the employer will agree either to make the arrangement permanent, or to terminate it. During the trial period, the previous (half) positions of those job sharing can be filled by hiring temporary staff and can be filled on a permanent basis if the job share arrangement becomes permanent.

Results

Among the flexible arrangements, compressed workweeks have been the most popular, with approximately 250 people taking advantage of this arrangement. There are about ten people on a

flexible part-time schedule, and five job share arrangements. Job share and flexible part-time arrangements are less popular, mainly because of the income losses that result. Competing work and family responsibilities is the principal reason for using the new work arrangements.

Management stated that one of the benefits of these arrangements has been an improvement in morale among employees. Management has also indicated that, from a human resource perspective, such new work arrangements make sense in terms of creating a work environment that is attractive and that will help retain top employees at the Star.

In terms of concrete measures, the realigning of time schedules through the use of compressed workweeks resulted in a decline in the number of overtime hours worked. This represents a cost saving for the newspaper and more leisure time for employees.

The union stated that the arrangements have worked well and are popular among employees. The new work arrangements were renewed in the collective agreement of 1998, indicating the level of success and acceptance by both parties.

The 1998 Collective Agreement and the Youth Mentoring Program.

As an indication of improved industrial relations arising out of the success of the new work arrangements, the issue of youth unemployment was addressed in the 1998 collective agreement. The catalyst was a very successful investigative series by the newspaper on youth unemployment, published in December 1997 (*Lives on Hold: 1,000 Voices*), with a follow-up planned for December 1998. For the series, 1,000 randomly selected young people were interviewed and described their experiences. The portrait of youth with diminished job prospects, who questioned the value of their education and expressed frustration at trying to break into the labour market and fit into society, struck a chord with the union, who voiced the need to encourage the entry of young workers into the Star. Management agreed to discuss the issue and was also aware that many departments at the Star contained an experienced but ageing workforce. Both sides then explored ways to

address the concerns voiced by young people in the investigative report.

Following the model from the new work arrangements, the basic parameters of a new program were established in the 1998 round of collective bargaining. The details were worked out at the departmental level. The program is designed to give up to 20 young people annually a combination of skills development and work experience through a one-year contract at the newspaper. Mentoring with experienced staff is a critical ingredient of the program. The people in the program must be under 30 and have never held a permanent staff position at a daily newspaper. The Editorial Department is the first department participating in the program and has been allotted 10 positions. The first month of their program is orientation and job shadowing through different areas of the Editorial Department. For the remainder of the program the person is posted to a work group (e.g. reporter, photographer, copy editor) where they learn the necessary skills through regular training days, as well as from one-on-one feedback from experienced staff. They will also assess their own progress.

The aim of the program is to give young workers the opportunity to acquire the skills and experience that can help them make a successful entry into the media industry. In essence, it attempts to break the vicious circle of lack of experience and lack of employment that young people face. At the same time, should job openings become available they will be eligible to apply for them. The mentoring program is to be renewed each year for another 20 young people.

The youth program was launched in September 1998 and is therefore very new. However, both management and labour report a great deal of excitement around this program, not only from the young participants but also from veteran staff at the Star, who are glad to have an opportunity to share their knowledge and experience of working for a newspaper. Both parties talked of a re-energised workforce for those involved in the program. From management's perspective they have a year to assess potential employees on the job and can hire permanent staff from among them. The introduction of youth perspectives into the editorial

department and the content of the newspaper can also be beneficial for expanding its readership.

Significance

The Toronto Star/CEP case is significant for a number of reasons.

It illustrates that arrangements to improve the quality of working life are compatible with higher morale and a more productive workforce.

It also illustrates the effectiveness of a joint approach to determining and implementing new work arrangements. Both union and employer concerns are addressed at each stage of the process.

Flexibility and choice in the precise arrangements have been critical ingredients of the success of the work arrangement. The use of trial periods, the case-by-case approach to different situations in different departments, the voluntary nature of the arrangements, and the ability to stagger hours while covering the necessary functions, all illustrate flexibility and choice in action.

The language of the collective agreement, in laying out the ground rules for implementing the flexible work arrangements, provides the necessary certainty and predictability for both union and employer. Such certainty and predictability is important in providing stability of these arrangements.

The agreement on flexible working arrangements also recognizes the very real constraints that the newspaper faces — cost and operational needs — and the time constraints that individual employees are also under in meeting diverse responsibilities. Agreements on working arrangements generally do not endure if such constraints are not fully recognized.

The attempt to develop new working arrangements that take account of the increasing desire for flexibility in the company and among individuals indicates a changing attitude and culture on the part of both management and labour. Both parties saw the conclusion of this agreement as the start

of a new relationship between the union and the employer.

The youth mentoring program is an example of a joint effort that can have beneficial impacts for both youth and the existing workforce. It also addresses directly the critical issues of lack of work experience and job-relevant skills as a barrier to youth employment.

The youth program also shows the incremental benefits that can flow from better union-management relations. In many ways, the success of the agreement around new work arrangements was the both the progenitor and model for the mentoring program.

Adhering to these principles indicates that the flexible work arrangement and youth mentoring agreements can represent a win-win situation for the company and the union. Employees face less time pressures and the newspaper can enjoy better effectiveness in production. Younger workers can learn the lessons of experience from established staff.

In short, a strong case can be made, in both business and personal terms for these arrangements. The company can also fully assess the skills and potential of the young workers before deciding whether or not to hire them on a full-time basis.

UNITED STEELWORKERS OF AMERICA

Trusteed Benefit Plan and Non-Profit Dental Service

"If you find a dentist who is going to give you a discount I would like to hear about it... We are not for profit and will charge a lot less than anybody else will. Our members now are able to come in, ... get a significant saving [and] get dental work that focuses in on quality. The one thing I have told all the doctors is 'don't forget that the people in the dental chair are our members and we want them to stay our members:'"

*Alex MacKinnon, Executive Director,
Steelworkers Non-Profit Dental Service*

Background

The United Steelworkers of America (USWA) is a large international union with over 200,000 members in Canada. In recent years, its membership has become more diversified and includes not only construction workers and miners, but also retail workers, security guards, nursing home workers, taxi cab drivers and workers in various manufacturing facilities.

Causes of Change

The changes that have occurred in workplaces in the 1990s have also affected the USWA membership. In particular, an increasing proportion of its membership works part-time. Many of these workers are employed on an on-call basis. Furthermore, many of the jobs are low paid and benefits are either absent or very low.

At the same time, the ability to negotiate employer-sponsored benefits has not always been possible. In smaller workplaces, for instance, the cost of providing benefits for a small group of workers is very high for employers.

Beginning in the early 1990s, the USWA, realizing the growing numbers of its members who were in jobs with inadequate benefit coverage, sought ways to provide benefits to many of its new bargaining units where such benefits were not available and also to improve benefits where they already existed.

Among the different benefits, dental costs stood out as one of the fastest rising costs of the 1990s. In some cases the amount negotiated by the union for dental costs in various collective agreements was vastly insufficient to provide dental coverage. The union therefore faced an issue of how to provide dental benefits for its members, given the low contributions from its members.

Responses

The principal idea was to use the whole USWA membership as the source of scale economies in benefit coverage rather than to rely upon separate employer-sponsored packages at different worksites.

After a two-year development phase, the Steelworkers instituted the Steelworkers Trusteed Benefit Plan, which was formally launched in October 1994 with 900 members. The plan was designed to be a non-profit plan applicable for different groups of workers across different employers. The union is the trustee of the plan, which means that it collects contributions from a variety of different employers from different provinces and then uses the contribution to buy benefits. In this way the union is able to achieve economies of scale in centralized administration, thus substantially reducing costs. Furthermore, as holder of a large fund of contributions, the union trusteed plan has greater purchasing power when selecting benefits. The plan is able therefore to provide benefits at a cheaper cost and greater variety than a series of small group plans would be able to do.

As administrators of its own plan, the union can adopt and develop features of the plan that meet its members' needs. This is an important element of the provision of union-sponsored benefits. For instance, for security guards, who can change companies often, there is no lapse in the benefits coverage since they are permanently covered under the same benefit plan. These members can enjoy the advantages of a large plan despite being employed by a small firm or on a part-time basis.

The major challenge of the Steelworkers Trusteed Benefit Plan is that, unlike similar plans in construction, the plan covers heterogeneous groups of workers in different industries with different needs and different backgrounds. The aim of the plan is to match up to particular workers' needs and still remain cost effective. This is an innovative feature of this plan to provide union sponsored benefits.

The flexibility of choice that comes with administration of a large sized plan applies to both the provision of benefits and to the different funding arrangements. The union is able to tailor the benefits package to specific groups, depending on their priority (e.g. dental, medical, drugs etc.). In this way the union is able to meet the diverse needs of a heterogeneous group of workers.

The Steelworkers plan does not replace existing employer-sponsored plans. Rather, the union plan can be a complement to employer plans. Where employees already have some benefits from their employer, they can still use the union plan to buy specific items, e.g. a drug card or long term disability, to supplement their benefits package.

Funding arrangements are also tailored to different work situations. One example is the hour bank system where the employer pays in on a fixed contribution per hour. When the individual has accumulated enough hours, this amount is used to pay for the benefits. This enables the part-timers access to benefits that normally, under a plan paid for by employers, they would not obtain.

With such diverse groups among the USWA membership, the Trusteed Benefits Plan can be very complex. Consequently, the day-to-day administration is handled by an outside firm but the

union trustee board oversees the operation and running of the plan.

In terms of dental benefits and the rising costs of providing such plans, the union response was different and more direct. The USWA decided to establish its own centres to provide dental services to its members. For a cost of \$750,000 the union built its own non-profit dental offices, which are owned and run by the benefit plan. Dentists are contracted with to provide services to members.

The focus of the dental offices is on providing quality dental care, whereas in for-profit dental offices the focus is often more on revenue generation. In union offices, doctors focus on dental care because their customers are members of the union that retains the dentists. These offices were originally provided for security guard members. In time, the offices were opened up for all USWA members and retirees. Where members are part of another plan, they also attend the dental office for a fee charged to their particular plan. This fee is set at 85 percent of the previous year's fee guide.

Results

Growth of the Steelworkers Trusteed Benefit Plan has been strong, indicating its popularity among the USWA membership. Originally the plan began with 900 members; by the beginning of 1998 it had 7,500 members and expects to have over 10,000 by the end of 1998.

Many of these members who had no employer plan have thus been able to receive benefits. Other members who already have a plan have received enhanced benefits because of the union-sponsored benefits plan.

The non-profit dental service has also grown. There are now three locations in Ontario. These offices have managed to break even in the short time they have been in operation, and the number of clients has expanded rapidly. This indicates that many members are now receiving dental treatment under the plan. Members with an existing plan receive dental treatment at a discount through the union benefits plan.

Significance

The significance of this case is that at a time of significant growth in the number of part-time workers or people in low paying jobs without benefits, it is possible to find an alternative method for providing benefits. This alternative way represents a cultural shift for the Steelworkers, who have traditionally sought to obtain employer-sponsored benefits. Instead, they have used their own membership pool and bargaining power to access benefits for its members.

The case is also significant since it demonstrates how a union chose to fill the gap in benefit services. Many employers were unwilling or unable to provide the benefits so the union became creative out of necessity. The ability to contain the costs of delivering benefits was an additional success. In the case of dental care, the Steelworkers Trusteed Benefit Plan was able to become the provider of such care while still remaining within the legal confines of provincial health regulations.

SECTION TWO

MANAGING THE AGING WORKFORCE

As the demographics of the workplace change, many companies are looking for ways to encourage new blood into their organizations. The first wave of "baby boomers" is approaching retirement or taking early retirement, while a relatively small number of young people are moving into the labour market to take their place. At the same time, employment opportunities for younger workers are fewer in number and more restricted in nature. Are organizations facing a potential shortage of skilled workers?

Case study: Following the development of new products and markets, accompanied by rapid changes in technology in the 1990s, the major human resources challenge in the textiles sector has been to ensure that the skills necessary to manage these changes are maintained. Human resources studies also revealed an aging workforce where approximately 30 percent of the current workers are due to retire in the next decade. The problem was compounded by the lack of training programs for young people wishing to enter the textile industry. One of the key responses was the Textile Management Internship Program of the Textiles Human Resources Council, a joint labour-business partnership initiative.

Case study: At Air Canada, the move from a Crown Corporation to a private company, combined with a growing number of Customer Sales and Service Agents who were approaching retirement, led the company and the union to seek ways to restructure their workforce. One solution was a phased-in retirement program that allows older, eligible workers to retire but to continue to work part time until they reach the normal retirement age of 65. The approach has opened up new opportunities for younger workers. The negotiated program has particular provisions for seniority, vacation and bumping rights, and meets both company pension and Revenue Canada rules.

RESPONSE TO DEMOGRAPHIC CHANGE: AN OVERVIEW

"In today's complex society, it is more important than ever that we work together $\frac{3}{4}$ labour, management and government $\frac{1}{4}$ to identify, research and deal with the questions that affect our country's capacity to sustain a strong economy and produce prosperity for Canadians."

Mel Cappe, Clerk of the Privy Council of Canada (formerly Deputy Minister, Human Resources Development Canada)

In Canada, the median age is expected to increase from 36 years in 1997 to close to 50 by 2036, when fully half our population will be over age fifty. The proportion of Canadians over 65 will almost double to 22 percent of the population over the next 30 years. As a result, dependency in society will shift from children to the elderly. This has implications for our public finances. Seniors are associated with higher public costs, including pensions and health care costs. More importantly it will have implications for our society.

These changes will be taking place in an uncertain macroeconomic environment. In the past few decades, Canada has seen slower economic growth and lower productivity growth.

While most, if not all, the OECD countries will be experiencing similar changes, Canada is probably better able to deal with the challenges. The aging of our population will occur at a slower rate than in several OECD nations, and our dependency rate will be about half that of the OECD. The OECD predicts that Canada will experience less pressure on its public finances than other member countries.

The aging of the population carries some possible implications for the supply of labour and the structure of the labour market. There will be fewer young entrants, while large numbers of Canadians are expected to retire. Depending on future participation rates among all groups that make up the labour force (young, old, male and female) we could face a shrinking labour supply or one that challenges our ability to maintain our standard of living.

By 2010, the proportion of older workers (age 45-64) will increase by one-third to about 40 percent of the workforce. This raises questions about skills, lifelong learning, productivity and performance, ergonomics, and the adjustment of older workers.

A particular challenge relates to youth and younger members of the labour force. Issues include support for young entrants to the labour market, such as skills development for occupations in demand, promotion of lifelong learning, transfer of the experience and work culture of older workers, effective succession and occupational planning, and childhood development.

For older workers, the trend to early retirement is reversing. To utilize older workers productively in the workplace over a longer period of time, barriers must be removed to their active labour force participation. Strategies include training and re-training, particularly in new technologies, and assistance with the placement of older workers. Flexible options are needed for working conditions, hours of work, and the timing and utilization of pensions. There are also health and safety considerations, such as ergonomic work environments and tools.

The challenges are societal and affect all of us. As first steps, we must know and understand the issues in order to anticipate the possible implications for society, for the workplace partners, and for individuals. We must sensitize the public, government policy makers, unions, employers, and human resource practitioners. We must acquire and disseminate the information needed to enable informed decision-making concerning retirement, and facilitate the transition from work to retirement, and of youth into the labour market. We must undertake forward planning for the adjustment in

government, workplace and labour policies and in workplace practices. We must experiment and innovate in the development of human resource measures that will assist the workplace to adapt to these issues.

For government, the challenge is to assist the labour market to make the transition while remaining productive. This means providing a range of choices for people around their work and retirement options, assisting them to make informed decisions so that they can contribute actively through their lives to work, their communities and society.

For employers, the challenge is to adapt the work environment so as to encourage older workers to continue to work, while at the same time attracting younger workers and maintaining and even increasing our productivity during this demographic change transition period.

For unions, the challenge is to balance measures to protect and compensate older workers, while enabling flexible practices to accommodate the aspirations of workers to stay productive in the labour force longer than current retirement patterns.

In today's complex society, it is more important than ever that labour, management and government work together to identify, research and deal with the questions that affect our country's capacity to sustain a strong economy and produce prosperity for Canadians.

THE TEXTILES HUMAN RESOURCES COUNCIL

Textile Management Internship Program

"The overall intent of the program was to take young people, who would probably be in high demand in the industry, and give them more under the hood to contribute a lot more, and a lot more quickly, to their place of employ once they enter the industry. So far, demand has exceeded supply".

John Saliba, Executive Director, Textiles Human Resources Council

the consequences of change including employee training to realize fully the benefits of innovation in the workplace.

Against this background the Textiles Human Resources Council (THRC) was established in 1994. THRC is a non-profit, joint business-labour partnership that promotes training and education of employees in the textile sector. The Council is run by a board composed of the leaders of the major textile companies and unions in Canada. The Council brings together not just business and labour but also industry suppliers, government departments and educational institutions to help textile employees acquire world class skills. THRC was established initially with financial support from HRDC.

Causes of Change

The development of new products and markets was accompanied by rapid changes in technology in the early 1990s. A first priority of the Council was to ensure that textile workers had the skills necessary to manage these changes. This would require an upgrading of skills, including technical training and developing a training culture in the industry.

A study done for the Council on the demographics of the workforce found that the workforce was aging and that fully 40 percent of the managers and supervisors would retire within less than a decade. The loss of valuable skills and experience was an issue the Council urgently needed to address.

The same study also found that, although there was a good training program given in French at a Quebec CEGEP, there was no counterpart in English. The lack of a post-secondary training program in English would severely hamper the ability to recruit entry-level supervisors, managers and technicians into the industry.

The study also pointed to the dramatic changes in the nature of work in the sector. The introduction of sophisticated robotics and computerized processes would mean a switch from command and control management structures to more independent work teams. The skills relating to teamwork and communications would need to be included in the upgrading of existing workers and managers.

The overall need was clear: encourage young people to enter the industry and provide them with

Background

The textile industry has changed dramatically in the last ten years, and the sector has become much stronger as a result. Its \$10 billion in sales accounts for 3 percent of total manufacturing output in Canada. Exports have also grown, reflecting the greater exposure to international competition. Exports have more than tripled from \$844 million in 1988 to \$3 billion in 1997. Overall employment in the sector has steadily increased to 56,000 direct jobs. Capital investments were \$3 billion over the 1987 to 1996 period, which was a record high. The type of products the industry produces has also expanded to include not just clothing but also uses in fibre optic cables, highway reinforcement, stadium roofing, automobile airbags and others.

The textile workforce is highly diverse and has, in the past, faced significant language and education barriers — a third of workers had not completed a grade 9 education, and between 60 to 70 percent had not completed secondary school. The workforce is also older than that for manufacturing overall. More recently, mechanization of work has eliminated many non-specialized jobs.

One of the main unions in the textile industry is the Union of Needletrades, Industrial and Textile Employees (UNITE), which was formed in 1995 after a merger of the two main clothing and textile unions in Canada. UNITE has recognized the need for greater use of joint programs to address

the skills to operate effectively in the new market environment.

Responses

The responses developed by THRC included a number of different programs concerned with technical training, but one of the key ones was the Textile Management Internship Program (TMIP).

This was a program designed to provide the necessary skills for job entrants in management and supervisory functions in the textile sector. The Program is an intensive one-year program of instruction offered in Hamilton in collaboration with Mohawk College and McMaster University Business School, together with the participation of the world leading College of Textiles at North Carolina State University.

The course consists of three parts. The first term is spent studying textile science and manufacturing, including an intensive week at the North Carolina site. Students then spend a four-month period of work placement with a Canadian company that is a member of the THRC. The company agrees to provide the students with on-the-job instruction with pay. The third term is spent at McMaster, learning managerial skills such as strategic business planning, financial management, business ethics and conflict resolution.

To be admitted into the program students must be fluent in English, and must hold a technical diploma or university degree in science or engineering, including competency in chemistry, mathematics and computer data sheet applications.

The program was jointly developed by textile suppliers, processors, unions, and the educational institutions. Program decisions, including curriculum design and the selection process, are all made with the full participation of industry labour and management representatives.

In addition, the federal government through Human Resources Development Canada, has also provided advice and financial support for the establishment of the program.

After completion of the program, students receive a Certificate in Textile Management and, given the demographics of the workforce, have very good prospects for full-time employment in the rapidly changing textile industry.

Results

It is the only textile education program of its kind in English in Canada.

The program began in the spring of 1998, and has already received praise from both business and labour as well as provincial governments and the Dean of North Carolina's College of Textiles.

The first class is composed of 22 students, are all under age 30, who have come to the program from a wide variety of fields including nuclear physics and civil engineering. Women account for 41 percent of these students.

The Textiles Human Resources Council is applying the same industry-led partnership formula to the development of national occupational profiles and technical training for highly skilled occupations in chronic short supply.

Significance

The significance of the case lies in the ability of business and labour to create a joint, sectoral and innovative means of responding to the challenges of demographic change. This was achieved in the face of a rapidly changing trading environment and significant technological change in the workplace.

Since the program was driven and developed by the various industrial partners, its features were designed to meet the particular needs of the sector. This underscores the value of a partnership approach to questions around the changing workforce and the changing nature of work.

The underlying motive force behind this program was the need to be forward looking in addressing issues such as demographics, which are more long term in their nature.

AIR CANADA AND CANADIAN AUTOWORKERS (CAW)

Managing Demographic Change

Retirement and Part-Time Work Program

"Through a joint effort, both company and union were able to design an innovative program that enabled demographic change to take place within the workforce."

*Tom Freeman, President, Local 2213,
Canadian Auto Workers*

Background

Air Canada is a large employer with over 23,000 employees and with facilities in several countries. The industry has undergone significant restructuring in the 1980s and early 1990s. Air Canada was transformed from a Crown corporation into a private company. In Canada its workforce is just over 21,000. The corporation has collective agreements with 11 different unions.

The customer sales and service agents are organized by the Canadian Autoworkers. The issue of increasing part-time work led to a 3-week strike at Air Canada in 1985. The resolution of this dispute permitted additional part-time work for these Air Canada agents, but only up to a limit of 35 percent of jobs. The union was successful in bargaining for equal pay scales and benefits, as well as pro-rated pension plans for these workers.

Causes of Change

The need to be more competitive fostered by deregulation of the industry in the 1980s and the conversion of the company from a Crown corporation to a private company resulted in the closure of many Air Canada locations and significant layoffs. Severance packages were bargained for, and, while many workers accepted them, others were not old enough or ready to retire. Instead they went to work for other employers for considerably less pay. In the early 1990s further layoffs ensued as five Air Canada reservation centres were closed, due to the restructuring of the telephone industry.

Through the period of restructuring and layoffs there was no growth in full-time job opportunities for younger workers. The only available work was part-time, whereas most young workers were looking for full-time employment. At the same time, the older workers who remained faced a work environment that was rapidly changing through technological change and greater demands by the travelling public. Many older workers found full-time work stressful. These workers were not ready to officially retire or leave the workforce, but would have preferred not to work full-time.

The union therefore began exploring ways to meet the different needs of their members.

Responses

Beginning in the 1988 round of collective bargaining, the union proposed language on phased-in retirement. It was agreed, in a letter of intent, that this complex issue would be more thoroughly discussed throughout the life of the collective agreement. By the 1990 round of bargaining a memorandum of understanding was accepted that set out the applicable details and provisions.

The major challenge was to satisfy Revenue Canada that the proposed changes were valid under the company pension plan and met the pension laws. Under the company pension rules, one must have a minimum of 25 years service or a combination of 80 years of service and age. Retirement is mandatory at age 65. Between 1990

and 1996 Air Canada and the CAW jointly discussed and corresponded with officials at Revenue Canada. One of Revenue Canada's concerns was that workers might be receiving more income after retiring than before. This issue was eventually resolved and, together with an amendment to the pension laws in 1995, Revenue Canada was able to issue a ruling accepting the company and union changes in February 1996, some 8 years after the original proposal. The company pension plan did not require any amendments.

In essence the plan allowed older workers who met the eligibility requirements to retire from Air Canada, but to continue to work part-time. Younger workers on part-time could then be offered full-time jobs. Specific provisions included the following.

- Older, retired part-time workers keep their seniority in terms of pay, vacations and longevity pay.
- Part-time work can only constitute 35 percent of the jobs.
- Employees who retire and work part-time do not have bumping rights in the event of a further restructuring at Air Canada.
- Employees who retire and work part-time are treated as retirees in regard to many of the benefits. Thus they face some reductions in group life insurance since this is related to pay levels.
- Retired part-timers do not accrue pension credits nor contribute to the company pension plan.

The scheme thus allows young part-time workers to be given full-time jobs, while providing older workers the opportunity to accept part-time vacancies and phase into retirement while receiving a pension. Thus both young and older workers get the type of work they are seeking.

Under Revenue Canada rules, once an employee opts to retire he or she cannot subsequently reverse their decision. To assist individuals to make sound choices the company and the union have jointly provided pension seminars, including individual calculations of the impacts of early retirement, particularly when the individual reaches the age 65. Since the retired part-time workers will no longer be contributing or accruing pension credits, early retirement will reduce the actuarial calculation and subsequently their pension once they become 65 years of age. Both the company and the union recognized the importance of ensuring individuals were comfortable and fully aware of the consequences of their decision to retire early. In some cases individuals, who have been keen to phase into retirement, have been counseled against doing so by union representatives for these same financial reasons.

Results

To date (November 1998), 84 full-time employees have taken advantage of the phased-in retirement provisions. Almost 60 percent of these are men. Another 40 requests are on file for when part-time vacancies become available. Workers taking advantage of the package are typically around the age 55 and usually work a further 2 to 3 years as a part-timer before retiring completely without work.

Union Impacts

From the union's perspective, job expansion at Air Canada is not achieved through expanding the number of part-time workers at the expense of full-time jobs. The union is thus able to keep full-time jobs. Instead, the distribution of part-time and full-time jobs is shifted across age groups.

Impacts on Workers

From a workers perspective, both younger and older workers have arrangements that are more appealing to them. Older workers can phase into retirement and still earn some employment income, while young workers get access to full-time employment.

As changing technologies and increasing demands of the travelling public alters the work, older

workers may also welcome a chance to retire and work only part-time.

On the other hand some workers who were originally part-time and have chosen to remain so are a little concerned that previous full-time workers are now “parachuting” into their jurisdiction and, with greater seniority, can exercise rights over vacations and selecting work shifts.

Management Impacts

One benefit to the company is that the switch from full-time to part-time workers is achieved without requiring any training. Previously, hiring part-timers would have meant hiring new workers who had to be trained. Thus the company saves on training costs.

Younger workers who are moved to full-time usually are paid at a lower level of the pay scale. As a result the company, for a time, saves some wage costs. It takes 4.5 years to reach the top of the pay scale, so many young workers receive lower pay levels than older workers. The company also saves on benefits costs that are related to pay levels.

Management also reported a change in the perception of part-time work. Generally, in workplaces where part-time work is growing, full-time workers may view this as a threat to their jobs. At Air Canada, full-time workers now have a greater appreciation of part-time work and have come to regard the arrangement as potentially beneficial to them as they approach retirement age.

With a young full-time workforce, management reports a rejuvenation of the employee base. With the prospect of full-time employment, young employees are more motivated and therefore more productive in their work.

One further benefit to the company is that the continuity of the workforce is maintained rather than expanding and contracting through hirings and layoffs. Management also reported that the program has the potential to reduce absenteeism costs, since older, more stressed workers may make less use of sick leave, if they work part-time.

As a measure of its success, the company has fully embraced the plan and has introduced the program in negotiation with unions in the UK. Here again, the concerns of the UK’s Inland Revenue department are still to be overcome.

Significance

By working together the two parties were able to create a program with particular features that enabled management and the union to meet the needs of two different groups of workers. This is a rare example of helping to manage demographic change at a company level through joint action. This mutual effort is reflected not simply in the bargaining process but also in the commitment and follow-up shown over 6 years in securing a favourable ruling from Revenue Canada on the pension issue.

As a classic win-win situation both sides were able to reach their objectives. The program has been able to provide employees with more flexibility and options as they reach the later stages of their career. Rather than a clean break with work, which can be traumatic, workers can now phase into retirement. Simultaneously, full-time employment opportunities for younger workers were created. Furthermore, these ends were achieved in a way that did not threaten the number of full time jobs. The company also was able to achieve cost savings in some areas.

SECTION THREE

THE EUROPEAN UNION'S RESPONSE TO THE CHANGING NATURE OF WORK

"The picture painted can be seen as a vessel half full, rather than half empty, improving rather than deteriorating. For good corporate practices are increasingly recognized by employers to be a significant factor in corporate competitiveness — and increasingly by public sector organizations which are also operating in a difficult environment".

Tony Hubert, Secretary General, European Association of National Productivity Centres

Recent surveys of workers in European countries indicate that what workers value most is jobs they enjoy and that allow them to balance work and family life. Interesting jobs, two-way communication and opportunities for growth and development are rated higher than secure employment and high pay. Other research indicates that levels of job satisfaction are particularly high (66 percent) in countries with smooth industrial relations, such as Switzerland, Denmark, Norway, the Netherlands and Austria.

Employers, including public sector organizations, increasingly recognize good corporate workplace practices to be a significant factor in corporate competitiveness and effectiveness. A European Union project documents 32 "good practice" companies of different sizes and locations, and identifies a number of common characteristics in their changing work organization.

1. New organizational structures — The companies have moved away from functional

or product-based structures, to business units that focus on distinct parts of the market or critical processes. They have introduced various forms of team-working. Companies have reduced the hierarchical structures, with managers having a new role of facilitating or coaching.

2. Flexible working methods — Working hours have become more flexible, especially through annualizing working hours to take account of surges in demand or seasonal sales. Several governments have introduced legislation intended to boost flexibility of working hours, particularly within the context of collective bargaining.
3. New business practices — Two new management techniques in particular have had a broad impact in Europe: Total Quality Management, including formal quality accreditation such as ISO 9000; and Continuous Improvement programs. These programs empower staff to make contributions outside their routine jobs, to be creative and become problem solvers. As such, these programs underpin cultural and other organizational changes.
4. New corporate cultures — In good practice companies, there is a strong people orientation, increased participation by staff at all levels in the organization, greater personal autonomy and accountability, and a greater focus on the customer, service and quality.
5. Investment in training and education — There is a significant increase in the level of investment in education and training. Programs are focusing on widening technical skills, broader personal skills (such as problem-solving, teamworking and interactive skills) and developing business skills (such as cost control). The approach to training is more systematic, with formal training plans and a structured approach rather than ad-hoc and on-the-job training. In many cases, employees are involved in determining their own needs.
6. New performance measurement techniques — Companies focus on understanding and measuring the underlying drivers of future performance, using non-financial measures

such as customer surveys, benchmarking, customer response forms and employee attitude surveys, process efficiency and organizational learning. More open information flows enable employees to understand performance.

7. New rewards systems — New rewards systems place greater emphasis on the performance of individuals and teams. There is greater use of profit-sharing, bonuses and share schemes.

As a result of such practices, workers have increased job satisfaction, job security and employability, while new jobs have been created as companies improved their market position or new markets. Yet, as the poor figures for net job creation in Europe show, such practices are insufficiently widespread.

Innovative developments can also be seen at the industry level. For instance, companies working in the North Sea off-shore sector have agreed to work together to reduce the industry's accident record by 50 percent over 3 years. As well, partnerships between large and small companies are proving beneficial for both industries and areas.

The European Commission is actively promoting new workplace labour-management relationships. From 1998 on all European governments are required to draw up and implement, with the involvement of employers' and trade unions' federations, National Action Plans for Employment covering the four areas of employability, entrepreneurship, adaptability and equal opportunities. Trade unions are generally positive to EC initiatives, but employers are less favourable to the involvement of the Commission in the field of employment and labour relations.

The role of national governments is less contested, but it varies considerably between different member states of the EU. Latin states tend to lay down rules and regulations, whereas Northern states tend to encourage the social partners to reach agreements. Countries favouring a "national partnership" approach include the Netherlands, Ireland, Italy, Norway and Portugal.

There is strong evidence (OECD studies) that inflexible product markets are closely associated with inflexible labour markets and together create fewer jobs than flexible markets, provided that there is a balance between a flexible labour market and the individual's need for some employment security.

Some tentative conclusions can be drawn about the conditions which have been instrumental in successfully developing more co-operative approaches among the social partners in the Netherlands, Ireland, Italy, Norway and Portugal:

- The agreement by employers, trade unions and governments to analyze together the causes of lack of jobs and to develop a strategy to tackle the situation;
- Long-term agreements on moderate wage increases as well as measures to reduce public spending;
- Pushing collective bargaining down towards the company level;
- A promotional program for job creation, part-time jobs and further training;
- The establishment of joint research and advisory institutes;
- And above all the threat of government intervention, even in the pay system, in the event of failure of negotiations.

Clearly, the future does not arrive *en masse*. The scouts are out, searching out good, if not the best, ways to follow in order to achieve the targets. One final comment about helping to implement change within the workplace: based on the Confucian saying, "I hear, and I forget; I see, and I remember; I do, and I understand", several countries are developing a role-playing approach to help companies play out their industrial relations dramas in order to design better, that is, more effective, approaches to working.

SECTION FOUR

OBSERVATIONS AND CONCLUSIONS

Flexibility: a means, and an end

Based on the presentations and discussions at CLMPC's National Seminar on the Changing Workplace, if there is a single factor that underlies the willingness of a company and its workers to enter into non-traditional or alternative work arrangements, that factor is a need for greater flexibility.

For workers, flexibility may offer an opportunity to strike a better balance between work and other obligations, such as family responsibilities, continuing education, or leisure. For business, flexibility could be linked to improved productivity through continuous operations, an ability to respond to peaks and valleys in demand or supply, better application of technological innovations, or cost reductions.

Flexibility may result in job creation or retention, or it may allow a company to attract or retain skilled workers. In the end, the goal is improving overall organizational effectiveness, for the employees and for the employer.

Joint management-labour agreement is crucial

The evidence presented at the National Seminar would indicate that arrangements based on the support of both labour and management are more likely to meet the needs and expectations of the workplace partners. Success with one set of arrangements can also lead to a willingness to move ahead with new initiatives.

In their 1995-1997 collective agreement, the Toronto Star and CEP negotiated a number of work arrangements, including flextime, part time, compressed work weeks, and job-sharing. Because of the resulting improvement in industrial relations, both parties were willing to extend these arrangements in the 1998 collective agreement. In fact, the level of acceptance was high enough that

they agreed to implement a new Youth Mentoring Program as part of the last round of collective bargaining.

Another example of a successful joint business-labour approach is the Textile Management Internship Program of the Textiles Human Resources Council (THRC). All program decisions are developed with the full participation of industry labour and business representatives. By ensuring the participation of both parties, the Internship Program is meeting the needs of a rapidly changing sector and is receiving praise from business and labour alike. Using the same industry partnership approach, the THRC is moving ahead with development of new national occupational standards, and a training program for highly-skilled, in-demand occupations.

Training and skills development continue to be important issues

The issue of training, and its role in the changing workplace, continues to preoccupy labour and business. As new approaches to work evolve, organizations need effective transitional measures, especially in the area of training and skills development.

Training, and on-the-job work experience, is also connected to challenges posed by the changing demographics of the labour market. Forty percent of the managers and supervisors in the textiles industry were due to retire within the next decade. To fend off the pending loss of valuable skills and experience, the Textiles Human Resources Council's Management Internship Program seeks to attract young people to the industry, and to provide them with the skills to operate effectively in the new market environment.

The Toronto Star's Youth Mentorship Program was born of the newspaper's disturbing series of articles on youth unemployment. Both labour and management, aware of the Star's aging workforce, saw the benefits in providing hands-on work experience and mentoring to young people interested in pursuing a career in the business.

Creative approaches to the changing demographics of the workplace, including skills

development through apprenticeship, internship and mentoring programs, can help address the issues of an aging workforce while opening opportunities for younger workers. The company also enjoys benefits from the influx of younger workers, with their enthusiasm, energy and ideas. At the Toronto Star, employees have expressed considerable satisfaction with the internship program, appreciating the opportunity to work with the young people as mentors/teachers and, in the process, rediscovering their own skills and enthusiasm for their work. The program also allows the company to fully assess the skills and potential of the young workers before deciding whether to hire them on a full-time basis.

Finally, given the growing number of self-employed, contract and part-time workers in the labour market, there is concern about how to provide appropriate training and skills development opportunities for people engaged in "non-traditional" forms of employment.

Special Challenges and Issues

Alternative work arrangements are not equally available to, or feasible for, all jobs and categories of workers. For instance, some operational functions at the Toronto Star meant that certain categories of workers were not eligible to participate in the flexible work arrangements. Some sectors and industries, such as natural resources industries, may find it difficult to move beyond their traditional work organizations.

An issue for both management and labour can be the costs involved in alternative work arrangements. Employer-provided benefits are expensive, and are often not feasible for smaller organizations such as those in the service sector. The United Steelworkers have established a Trusteed Benefits Plan that allows workers who have no employer plan to receive access to health benefits. It also allows members who already have a plan to enjoy enhanced benefits at a reasonable cost. The USWA example indicates that in a changing world of work it is still possible to find economical ways to provide benefit plans to part time workers, workers in low-paying jobs, and employees in smaller companies.

Some work arrangements can have significant impacts on the incomes of workers. For example, phased-in retirement plans can seriously affect the

pension income of older workers. At Air Canada, workers who express an interest in opting for the phased-in retirement program are offered extensive counseling to ensure that they understand and can live with the financial implications in the long term.

Agreements on alternative or non-traditional work arrangements must fully recognize the operational, organizational, financial and other constraints of both the workplace and the workers.

Public Policy and the Changing Workplace

Finally, many participants at the National Seminar emphasized an important role for government in helping to facilitate the transition to new approaches to work and the workplace. A number of business and labour participants saw a need to revisit the Employment Insurance program and employment standards legislation to ensure that they are keeping pace with the realities of the economy and the labour market. For example, fewer people in today's environment work a traditional thirty-five to forty, nine-to-five work week. Programs like EI, as they are currently structured, do not address the needs of workers such as the self-employed.

In some cases, government has a legal responsibility to ensure that the arrangement meets legislative or legal obligations. For example, the major challenge encountered by Air Canada and CAW in trying to set up the phased-in retirement program was to satisfy Revenue Canada that the proposed changes were valid under the company pension plan, and met the pension laws. The final program is in full compliance with Revenue Canada rules. Governments have a major responsibility to facilitate innovative approaches to new workplace challenges, while ensuring that broader legal frameworks are respected.

Governments may provide financial support for training and skills upgrading. For example, the Textiles Human Resources Council receives federal support through Human Resources Development Canada's sectoral initiatives program.

Governments have a major role to play in facilitating and even spearheading analysis, forward thinking, dissemination of information, partnerships and innovation in the development of human resources measures and policies to assist workplaces in adjusting to the changing world of work.

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Textiles Human Resources Council

Sangster, Derwyn
Canadian Labour Market & Productivity Centre

Schira, Angela
B.C. Federation of Labour

Scott, Ian
The Electrolyser Corporation Ltd.

Scroggs, Brian
Farmer Construction Ltd.

Serafini, Shirley
Industry Canada

Seward, Shirley
Canadian Labour Market & Productivity Centre

Simms, Michelle
Human Resources Development Canada,
Women's Bureau

Speer, Heather
CATA Alliance

Spinks, Nora
Work-Life Harmony

Stinson, Gay
Human Resources Development Canada

Tabet, Jean-Phillippe
Cultural Human Resources Council / Conseil
des ressources humaines du secteur culturel

Van Houten, Stephen
Formerly Alliance of Manufacturers &
Exporters Canada and Business Co-chair,
CLMPC

Wallace, David
Human Resources Development Canada

Westly, Clif
United Food and Commercial Workers
International Union

Wilson-Smith, Anthony
MacLean's

Wortsman, Arlene
Canadian Labour Market & Productivity Centre

CLMPC'S BOARD OF DIRECTORS

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Farmer Construction Ltd.

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Canadian Labour Congress

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Union of Needletrades, Industrial and Textile
Employees

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National President
Public Service Alliance of Canada

Kathleen Connors

President
National Federation of Nurses' Unions

N. Budd Coutts

General Secretary Treasurer
International Union of Operating Engineers

Clément Godbout

Past President
Quebec Federation of Labour

Thomas Kukovica

International Vice-president and Canadian
Director
United Food and Commercial Workers
International Union

Lawrence McBrearty

National Director for Canada
United Steelworkers of America

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Communications, Energy and Paperworkers
Union of Canada

Elaine Price

President
Newfoundland and Labrador Federation of
Labour

David Ritchie

General Vice President
International Association of Machinists &
Aerospace Workers

Government Representatives

Federal Government:

Warren Edmondson

Assistant Deputy Minister, Labour
and Head, Federal Mediation and Conciliation
Service
Human Resources Development Canada

Avrim Lazar

Assistant Deputy Minister
Strategic Policy
Human Resources Development Canada

Shirley Serafini

Associate Deputy Minister
Industry Canada

Provincial and Territorial Governments:

To be appointed

Nova Scotia

Stuart Clark

Executive Director
Policy, Planning & Research Division
Ministry of Skills, Training & Labour
British Columbia

Mark Cleveland

Deputy Minister
Department of Education, Culture &
Employment
Northwest Territories

Tony Dean

Deputy Minister
Ministry of Labour
Ontario

David Easby

Executive Director
Department of Labour
New Brunswick

Shelley Ewart-Johnson

Assistant Deputy Minister
Department of Labour
Alberta

Tom Farrell

Deputy Minister
Department of Labour
Manitoba

Deborah E. Fry

Deputy Minister
Department of Human Resources and
Employment
Newfoundland and Labrador

Gordon McDevitt

Assistant Deputy Minister
Department of Education
Yukon Territory

Sandra Morgan

Deputy Minister
Department of Labour
Saskatchewan

David B. Riley

Deputy Minister
Department of Community Affairs and Attorney
General
Prince Edward Island

Academic Representatives

Daniel J. Corbett

President and CEO
St. Lawrence College

Jean-Bernard Robichaud

Rector
University of Moncton