

## Toward an Historical Understanding of Industrial Relations Theory in Canada

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[Aller au sommaire du numéro](#)

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Résumé de l'article

L'approche systémique semble actuellement prédominante dans les études théoriques des relations industrielles au Canada ce qui est paradoxal car une telle approche demeure plutôt marginale dans les autres disciplines de sciences sociales. Ce texte interroge alors ce paradoxe et suggère que la compréhension des approches théoriques en relations industrielles peut être enrichie par une approche historique laquelle cherche à relier les développements théoriques particuliers des différentes périodes au développement historique des relations industrielles canadiennes.

Quatre périodes sont identifiées et leurs approches théoriques prédominantes explicitées: (1) l'apparition d'un marché du travail industriel et la naissance des théories en relations industrielles au dix-neuvième siècle; (2) les ébauches d'un nouveau système jusqu'aux années 1930; (3) les relations industrielles dans la période d'après-guerre et la montée de l'approche systémique; et, enfin, (4) la crise des relations industrielles en théorie et en pratique dès la fin des années 1960.

Les origines et l'intérêt de l'approche systémique sont alors localisés dans le contexte de la période d'après-guerre lors de l'institutionnalisation d'un modèle « nord-américain » des relations industrielles. La longue période d'expansion économique et de stabilité industrielle se prêtait à l'image d'un « sous-système » de relations industrielles, sépare et relativement indépendant. Cependant, des changements matériels importants ont rendu cette image de moins en moins crédible. Les efforts pour rendre l'approche plus dynamique n'ont rencontré que peu de succès. On constate plutôt l'émergence de nouvelles approches dont les modèles de la gestion des ressources humaines et d'économie politique. Ces deux modèles sont expliqués dans la dernière partie du texte.

# *Towards an Historical Understanding of Industrial Relations Theory in Canada*

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and  
**Gregor Murray**

*In linking the discontinuities in the development of industrial relations theory in Canada with succeeding historical phases in the evolution of Canadian industrial relations, this article argues that an understanding of industrial relations theory must be historically grounded. It identifies four phases of theoretical development and suggests that the hold of systems theory on the discipline should be understood as the product of a specific historical period which is now giving way to the emergence of new approaches.*

Students in Canadian universities are routinely invited to study the subject of industrial relations through the analytical prism of systems theory (eg. Jain, 1975; Crispo, 1978; Phillips, 1981; Anderson and Gunderson, 1982; Boivin and Guilbault, 1982; Larouche and Déom, 1984; Peach and Kuechle, 1985; Craig, 1986; Boivin, 1987). Anderson and Gunderson's claim that systems theory provides the «integrated conceptual framework needed to unify the field of industrial relations» (1982, p. 3) would be endorsed by most academics in the field. Boivin (1987, p. 193) goes further, claiming that any discipline which aspires to be a science «doit se situer par rapport au concept-clé de 'système'» (see also Larouche and Déom, 1984, pp. 138-139).

The dominance of the systems approach in the Canadian industrial relations literature is surprising when considered in the light of

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developments in the other social sciences. General systems analysis, as developed by von Bertalanffy and others in the 1930s and 1940s (see Rapaport, 1968), certainly came into vogue in the 1950s with Parsons' elaboration of the notion of a social system. Indeed, Parsons' work was the seminal influence on Dunlop's adaptation of the concept to industrial relations (Parsons and Smelser, 1956; Dunlop, 1958; Korman and Klapper, 1978; Marsden, 1982). Yet by the 1960s, not only were there growing doubts about the usefulness of general systems theory as a form of social explanation, but the approach had not swept through the social sciences in a way which its proponents might have earlier anticipated. As suggested by Young (1968, p. 26) at the time, «general systems theory proper has been utilized very little in the social sciences». Indeed, the existing literature tended «to address itself more to the general elaboration of the approach than to its empirical applications». Similarly, Grawitz (1974, p. 446) suggested that while systems analysis potentially encouraged a conceptual rigour and logic that might contribute to the progress of the human sciences, it had to date failed to facilitate our understanding of reality or the discovery of anything that we did not already know. More recently, when reflecting on the current state of systems analysis in political science, David Easton (1985, p. 19), a pioneer of its application, acknowledged that after a quarter of a century's development it has hardly «captured the imagination of the discipline». Indeed, it would be difficult to argue that formal systems theory plays more than a marginal role in any of the component disciplines of industrial relations, or even in industrial relations itself outside North America (Doeringer, 1981). How then do we explain the endurance of systems theory in academic approaches to Canadian industrial relations?

In this article we argue that the origin and appeal of systems theory in Canadian industrial relations should be understood in terms of the particular socio-economic and political context of the post-World War Two era. The 1930s and 1940s gave birth to a distinctively North American model of industrial relations which, for a time, appeared comprehensible from a systems perspective. The prolonged period of industrial stability and economic expansion in post-war North America lent plausibility to the notion of a distinct and relatively self-contained «sub-system» of industrial relations. Beginning in the late 1960s and accelerating into the 1980s, however, the material basis upon which the theory rested has been seriously eroded. Attempts to amend systems theory have tended to discard the rigorous systems element, thus emptying it of its theoretical content. In short, the analytical value of systems theory was always bounded by the assumptions of the distinct «system» on which it was premised — assumptions that have been largely undermined since the late 1960s.

Our interpretation of the development of Canadian industrial relations theory, and of the systems approach in particular, departs from the usual treatment of such issues in at least two important and possibly controversial ways.

First, to overcome what has been acknowledged as the paucity of explicitly «theoretical» work in the Canadian industrial relations literature (see Woods and Goldenberg, 1981), as well as to recognize that virtually every study or commentary in the field is rooted in some sort of theoretical perspective, we have examined selected non-academic sources (such as state-sponsored inquiries) and have occasionally referred to studies which are wholly descriptive and even deliberately «non-theoretical». Industrial relations only truly emerged as a distinct field of academic study in the 1940s and even thereafter there has been a distinct absence of indigenous theories. Moreover, many recent theorizations are largely refinements, applications or extensions of earlier American works (*ibid.*). This would suggest that outlining the historical development of industrial relations theory in Canada might be short work indeed. Yet different theories and modes of thought were dominant in particular time periods, providing the framework for posing questions and providing accepted definitions. Accordingly, we have often cast our net widely in an attempt to characterize the way in which industrial relations has been interpreted in Canada over the years.

Secondly, necessarily following from the first point, we suggest that any understanding of theory must be historically grounded. Theory is not to be understood as having developed in a cumulative, linear fashion, but rather through discontinuities and paradoxes arising in particular periods. Paralleling Robert Heilbroner's (1980) approach to the discipline of economics, we regard the history of ideas concerning industrial relations not as «a chronicle of mistakes and near-misses, a kind of voyager's log as the profession gradually makes its way to the Promised Land», but rather as a «series of investigations of those aspects [...] that at different periods offer the greatest intellectual or social challenge to the investigators of the time» (pp. 21-22). Thus, we attempt to link the discontinuities in the development of theory with succeeding historical phases in the development of industrial relations in Canada, thereby arriving at a tentative periodization of the development of industrial relations theory in Canada. We would argue that such an approach permits a finer appreciation of the sources of industrial relations theory, a greater sensitivity to its historical limits and, ultimately, the keys to an understanding of contemporary industrial relations theory.

The following section deals with the emergence of an industrial labour market and the birth of industrial relations theory in Canada. Succeeding

sections examine the roots of the «new system», postwar industrial relations and the rise of systems theory, and the industrial relations crisis in practice and theory. In the conclusion, we briefly sketch out some of the implications of our approach for an understanding of Canadian industrial relations theory in the 1980s.

### **THE EMERGENCE OF AN INDUSTRIAL LABOUR MARKET AND THE BIRTH OF INDUSTRIAL RELATIONS THEORY**

The second half of the nineteenth century witnessed a series of interconnected transformations of Canadian society and political economy (for a discussion of periodization in Canadian labour and industrial relations history, see Kealey, 1981a and 1985). Most notably, the nation's socio-economic structures were slowly though irrevocably altered. «Mercantile capital and unmistakable agrarian dominance gave way to a more pervasive industrial capitalism; urban centres grew; and an impersonal labour market, stocked by the famine Irish, broke down some of the barriers to productive capital» (Palmer, 1983, p. 60). While the pre-industrial economy of the hinterlands focusing largely on the export of natural resource products or staples remained a key component of the Canadian economy (see Easterbrook and Watkins, 1967), the development of an extensive transportation infrastructure and the implementation of a set of tariff barriers ensured its integration into the growing domestic manufacturing sector and the emerging modern labour market. At the same time, the transition from colonial status to nationhood further facilitated the consolidation of this new «national policy» of development by the contemporary political and economic elites in central Canada.

The emergence of entrepreneurial capitalism in Canada was accompanied, as it was elsewhere, by new social tensions. As the division between employer and employee grew sharper, skilled workers in the shops and small factories, on the railways, and in the mines began to organize into unions in an effort to protect themselves from the vagaries of the trade cycle and the arbitrary authority of their employers. These were also the years during which the Knights of Labour flourished, organizing well beyond the limits of craft workers, and playing a key role in what Kealey calls «the Great Upheaval» (1985, p. 27). Strikes and other protests became more common, and calls for independent political action by labour more numerous. «Sweating», child labour, assisted immigration, and the length of the working day began to emerge as issues of public debate and industrial struggles. In short, the arrival of small-scale industrial capitalism gave birth almost immediately to the «labour question».

There was, of course, little formal «industrial relations theory» in the nineteenth century. Nevertheless, the creation and transformation of labour markets, and the increasing attempts of workers' organizations to influence the employment relationship, soon gave rise to a veritable prefigurative industrial relations focused on collective and individual relations in paid employment. Although there were no Canadian equivalents of the Webbs, there were certainly general interpretative frameworks that could be brought to bear on the emerging «labour question».

The dominant perspective of commentators and investigators was rooted in the theories of the classical political economists, bolstered in North America by Spencerian ideas of natural authority, and in Canada in particular by the strain of Burkean conservatism that underlay Tory ideas: «Although Burke himself was rarely quoted directly, it was the spirit of his rationalized, hard-nosed philosophy with its fusion of market liberalism and anti-democratic conservatism which served early colonial Canada as a blueprint for the nature of the society to be created» (Whitaker, 1977, p. 36). On this view, the emergent labour movement and the demands of the working class constituted an aberration and a threat, for its existence and activities challenged the economic and moral assumptions of entrepreneurial capitalism. This perspective was a blend of both an older paternalism, rooted in notions of employer superiority so prevalent in smaller-scale production, and the challenges of the modern, impersonal labour market in formation (see Pentland, 1968 and 1979). In particular, trade unionism was regarded as threatening employer authority, individual «freedom», the social order, the economic prospects of the nation, and the work ethic. (For a discussion of a rare exception in academia — William James Ashley at the University of Toronto — see Kealy, 1981, pp. 214-215).

In seeking to account for these new tensions, commentators of the day resorted to explanations that have not fallen entirely into disuse. The *Toronto Globe*, for instance, blamed «professional agitators» for sparking the Nine Hours movement, and suggested that «in the vast majority of industrial pursuits in Canada, the man who thinks ten hours hurtful or oppressive, is too lazy to earn his bread» (cited in Cross, 1974, p. 261). To be sure, trade unionism *qua* principle was often paid lip service; but then (as today) support for the principle was often qualified by impatience with, and even intolerance of, the practice. Thus, the *Toronto Mail*, in the space of a single editorial on the «labour question», approved of the 1872 Trade Union Act while railing at workers' attempts to shorten the length of the working day, interfere with the liberty of employers to hire apprentices, or pressure fellow workers to join in strikes (Cross, 1974, pp. 273-274). Similarly, in a 1903 declaration of principles, the Canadian Manufacturers'

Association announced that it was «not opposed to organized labor as such», but was «unalterably opposed to illegal acts of interference with the personal liberty of employer or employee». Such acts included constraints on the «right of the employer to discharge any employee when he sees fit» and limitations on the freedom of the employer to determine mutually satisfactory wage rates «without the interference of organizations not directly party to such contracts» (Craven, 1980, pp. 125-126).

While the refrains of the dominant nineteenth century interpretation of industrial relations have not entirely died away, it is important to draw attention to a key notion that has seldom since featured so prominently in industrial relations theories — the concept of class. For the most part, the division of society into broad social classes was taken for granted in nineteenth century discussions of the «labour question». However, the acknowledgment of the existence of social classes went hand-in-hand with a denial of class conflict. The labour question was thus a class-related issue; but, in line with the ideology of entrepreneurial capitalism and a benign vision of the free market, this did not necessarily mean that the interests of capital and labour were opposed.

While these views are representative of the dominant mode of thought of the day, it must be recalled that the victims of industrial capitalism were not without some intellectual advocates. Although Canada lacked the sort of Fabian tradition within which British reformers sought to understand and influence the stirring of working class organizations (Penner, 1977; Palmer, 1986), there were occasional voices, such as that of radical labour activist and journalist T. Phillips Thompson, calling for a different interpretation. Thompson's views have been summarized elsewhere (Thompson, 1975; Hann, 1977), and it need only be noted here that he shared some of the generally accepted elements of the nineteenth century world view (the existence of class divisions for instance), yet interpreted them very differently. Though favouring evolution over revolution, Thompson viewed labour-capital conflict as inherent in the social structures of capitalism. Thompson's was but one of a number of voices in the period which contested the dominant interpretation, not only with respect to the «labour question», but with respect to broader issues which affected the working class. Thus, the national policy was vigorously challenged from below, as Watt (1959) showed in his study of labour journals and newspapers of the and elsewhere, small-scale entrepreneurial capitalism began to give way to the development of large-scale production units in the industrial and

## THE ROOTS OF THE NEW SYSTEM

The transformation of nineteenth century Canada into an industrial capitalist nation, albeit one still dependent on agricultural and resource exports and foreign investment, was closely followed by another series of fundamental changes. Beginning in the closing decades of the nineteenth century, and increasingly in the early years of the twentieth century, in Canada and elsewhere, small-scale entrepreneurial capitalism began to give way to the development of large-scale production units in the industrial and resource sectors, increasingly dominated by national firms possessing considerable control over the market and requiring more sophisticated internal control structures. The rise of these firms was accompanied by the emergence of the modern industrial functionary — the manager — and, in due course, the development of new ways of organizing production, centered on managerial dominance of the planning and supervision of production. For Canada in particular, this was frequently accomplished through the importation of new American managerial techniques in both the Canadian branch plants of large American firms and indigenous firms seeking to reap the productivity benefits of economies of scale (see Craven, 1980, pp. 90-110; Lowe, 1984, pp. 164-174). Taylorism and Fordism wrought changes in the scale and organization of work, creating large workforces of «semi-skilled» operatives exercising much less control over the production process than had been the case in the early workshops and factories.

All of these trends fundamentally reshaped the «labour question». To begin with, the new scale of production meant a qualitatively different kind of collective labour relations. For management, it meant the need to evolve new strategies to discourage unionism, to maintain a stable and reasonably loyal labour force, and to create mechanisms to enforce a new sort of industrial discipline. Moreover, not only was industrial conflict larger in scope, it now had the potential to disrupt the national development strategy favoured by the state (as coal miners and railway workers in particular were to learn). Finally, this was the period in which socialism began to be articulated in a more coherent form.

Thus, the issues that had seemed most pressing to the theorists and commentators of the nineteenth century — factory conditions, child labour, the rights of craft workers — subsided, as intellectuals and academics began to grapple with the problems and tensions arising from the «Second Industrial Revolution» and labour's response to it. The pressing issues of the era included the prevention of industrial conflict, the promotion of «harmony» in the workplace and on the labour market, and the «threat» of the



emerging radical doctrines advocating socialism and revolution. These issues were not, of course, peculiarly Canadian. Thus, the Canadian situation was once again often interpreted in light of developments in social theory elsewhere and in light of the more general trends in industrial politics of the period.

Certainly the academic community began to pay more attention to industrial relations in the decades after the turn of the century. In the first year of the new century, the *Labour Gazette* was launched. At the end of the First World War, several general treatises on labour issues appeared (King, 1918; McIver, 1918). The 1920s saw the publication of the first descriptive academic studies in this area: Harold Logan's (1928) first history of Canadian trade unions, Selekmán's (1927) study of the Industrial Disputes Investigation Act, and Bradwin's (1928) research on Canadian work camps. The depression prompted much interest in economics and also a growing awareness of the weakness of the social sciences in Canada, particularly the lack of «vital information on which to base prospective policies to meet this situation» (Innis and Plumptre, 1934, p. 17). Thus, the 1930s witnessed the publication of the first economics texts specifically about Canada (Innis and Plumptre, 1934; Logan and Inman, 1939), of more detailed studies of the financial and labour links between the United States and Canada (Marshall, Southard and Taylor, 1936; Innis, 1937) and the founding in 1935 of the *Canadian Journal of Economics and Political Science*. From its inception, this latter featured various articles on a range of labour questions, particularly descriptions of new legislative initiatives in the labour field, as well as on a range of broader but related issues, such as social insurance and employment policy.

At the core of thought devoted to industrial relations in the period was the issue of conflict. This concern was evident in the appointment of a Royal Commission on Industrial Relations (1919) to investigate the industrial turbulence of the immediate post-World War One period (see also Kealey, 1984). The best known Canadian theoretical work of the time was of course Mackenzie King's attempt in *Industry and Humanity* (1918) to provide an intellectual basis for the reconciliation of labour and capital, particularly through the mechanism of state-sponsored third-party intervention (a theme that also informed his practice as civil servant and politician). King's views have been studied extensively (Craven, 1980; Whitaker, 1978-79; Ferns and Ostry, 1976), though his acute sensitivity to what he viewed as the priority of industrial peace in a resource-based economy — and the role that the state should play in achieving such peace — bears reemphasizing as a distinctively Canadian contribution to the elaboration of industrial relations theories. Just as the development of state policy

reflected the special concern with stability that characterizes an industrial economy dependent on resource exports, the thinking of King and others was moulded by the particular problems confronting the development of the Canadian economy.

A less well known study published in the same year was R.M. MacIver's *Labor in the Changing World*. Like King, MacIver was spurred to set down his thoughts by the events of the late 1910s. The Bolshevik revolution, the shop stewards movement in Britain, the working class uprisings in continental Europe, and the rising level of union membership and strikes in North America were, for MacIver, indicative of deep-rooted social tensions. MacIver interpreted these events and trends as expressing the rising working class aspirations so characteristic of the twentieth century. While «labour's new attitude» was explicable partly in terms of the circumstances of postwar readjustment, it also constituted a challenge to industrial authority, a challenge rooted in the loss of craft identity that was the inescapable consequence of the rise of large-scale industry. Thus, not only were workers in the new plants generally less interested in their work, they were attempting to assert their worth and regain their dignity through demands for a fuller voice in production. For MacIver, this was entirely normal, being rooted in the nature of the wages system; and there were but two possible outcomes — violent revolution or reform of industry. Once again like King, he was anxious to pursue the latter approach proposing that labour be made a «partner» in industry in order to reduce levels of conflict and promote harmony.

Several features of these analyses are central to an appreciation of the dominant interpretive framework of the period. First, while the analysis is posed in terms of a class-divided society, the notion of «management» is separated from that of «capital». King (1918), for instance, outlined the four parties to industry: labour, capital, management and the community. This reconceptualization of industrial relations was crucial to the thinking of the time, for it provided a new defence of employer authority: while labour was to be brought into a «partnership», it was to remain a junior partner. Not only was labour outnumbered by the separate identification of management and capital, but authority relations between labour and management now rested upon differences in technical and intellectual «capacity» (see Nightingale, 1982). Thus, through the emerging theoretical vision of the period, industrial relations came to be viewed in hierarchical terms, though not in terms of the older, straightforward dichotomy between labour and capital. Increasingly, the study of industrial relations focused on the character and coordination of relations between superior and subordinate in the employment relationship. Such a vision, of course, closely paralleled the large-scale transformations taking place in the organization of the corporate enterprise (see, for instance, Chandler, 1977).

Secondly, when the proposals for a new «partnership» in industry are examined more closely, they also do not question the need for the new managerial authority. MacIver's book, for instance, concludes not with a sketch of possible institutions of co-partnership or genuine «economic democracy», but with a rather modest list of reforms, such as regulation of hours of employment and minimum wages, measures to improve workplace safety, unemployment insurance, and means to inform workers' organizations of the reasons for managerial decisions.

This highlights a third feature in the works of this period: the changing view of the legitimate role of the state. Such an agenda for reform in fact anticipated an era of a more comprehensive state role in assuring minimal protections for the worker in large-scale industry. While early theorists had been able to reconcile the notion of the laissez-faire state with activities such as factory legislation, theorists in the early twentieth century, like MacIver and King, began to provide the conceptual underpinnings of a more interventionist role. Again this paralleled thinking elsewhere, but it was a particularly appropriate conceptual shift in Canada where state-guided development had been the reality since Confederation (see Whitaker, 1977).

Fourthly, there was still no widespread acceptance of union organizations as the exclusive or, indeed, the principal instrument for the expression of labour's views. MacIver's proposals, for instance, were vague enough to encompass trade unionism as well as other forms of employee organization, such as the management-sponsored councils which were to become a popular managerial alternative to trade unionism. King later proved to be extremely reluctant to grant legal recognition to trade unions during his tenure as Prime Minister.

Finally, anticipating the focus, if not the results, of Mayo and others, there was increasing concern about the «human factor» in industry. King, of course, was motivated by his grandiose vision of the need for the transcendent qualities of «humanity» to play a role in the resolution of industry's problems. For MacIver, the failure of Taylorism was a lack of appreciation of worker psychology; and he cited with approval the policies of Henry Ford designed to discourage turnover and absenteeism.

The work of both King and MacIver represented a more enlightened perspective towards the management of labour in the twentieth century. There was not yet, however, the same legitimation of certain types of collective worker action which was already evident in the work of the American institutionalists (such as Commons and Perlman) yet alone the vision of trade unionism as a vehicle to the new industrial citizenship of the twentieth century associated with the British pluralists (such as the Webbs, G.D.H. Cole, Milne-Bailey and Laski). This no doubt reflected the comparative

weakness of the Canadian labour movement at the time characterized by its heterogeneity, dispersion and highly differentiated development — characteristics which were further accentuated by the presence of international unionism. The relative underdevelopment of the social sciences in Canada was surely also a factor. It was only during and after World War Two that a more positive vision of the role of organized labour became widely propagated.

Thus, the theoretical vision underpinning the major studies of industrial relations in Canada from the late nineteenth century to the 1930s was shaped by the specific socio-economic and political structures emerging out of the Second Industrial Revolution in Canada. In particular, academics and intellectuals found themselves grappling with labour's response to the rise of large-scale industry and to the techniques and processes of production which were thereby set in train. In the main, the chief intellectual response was to seek ways to deflect that challenge, to preserve as far as possible the social structures of large-scale capitalist production, and still to deny trade unions any real role in the enterprise or the economy. The core concern was the «problem» of class conflict — now clearly situated in the industrial enterprise — and how it could be muted through managerial policies, state action, and selective recognition of «responsible» workers' organizations. Thus, with only a few exceptions (Logan, 1923; Latham, 1930), trade unionism and collective bargaining did not figure largely in the research agenda of the day.

As in the previous period, the only exceptions to this dominant perspective on what constituted industrial relations came from those who identified themselves closely with labour. Until the 1930s, according to Perner (1977), socialist thinking was entirely «proletarian». However, the economic crisis of the 1930s brought a change. Thus, in *Social Planning for Canada*, the Research Committee of the League for Social Reconstruction advanced a social democratic interpretation of the crisis and of industrial relations. Rooted in the emerging doctrines of Keynesianism, economic «planning» and social welfare, the League's programme included a call for a labour code that would encourage the organization of trade unions, the spread of collective bargaining, and, ultimately, voluntary institutions of industrial democracy. Indeed, in part at least, these views anticipated a number of the themes and assumptions that were to be adopted more generally in the postwar years and constitute the core areas of enquiry for the formal study of industrial relations. However, just as state policy only seemed to change in the face of a social crisis, dominant theories remained entrenched until their anomalies became completely untenable in the light of economic and social circumstances.

## POSTWAR INDUSTRIAL RELATIONS AND THE RISE OF SYSTEMS THEORY

In contrast to earlier periods, the war and postwar years saw a veritable explosion of industrial relations research. These were the years in which the first generation of industrial relations scholars (including James C. Cameron, Gérard Dion, Stuart Jamieson and H.D. Woods) became established in Canadian universities, and industrial relations courses began to feature regularly in the curricula of university education. Queen's and Laval Universities were the first to offer labour relations programs. The Industrial Relations Section at Queen's was clearly the pioneer. It was launched in 1937 at the behest of Clarence J. Hicks of the Rockefeller Foundation and in parallel with similar developments in a number of American universities (Kelly, 1987). Indeed, Queen's held its first industrial relations conference in 1936. At Laval, the industrial relations department was established in 1943, and just two years later it began to publish the bilingual *Industrial Relations Bulletin* (later renamed *Relations industrielles/Industrial Relations*). The first of its annual industrial relations congresses was held 1946 (see Dion, 1948, pp. 32-33; Thwaites, 1988). At around the same time, labour relations courses were included as part of the economics programme at McGill and an industrial relations programme was also established at University of Montréal. The McGill Industrial Relations Centre published its first volume and held its first annual conference in 1949 (Woods, 1949).

The 1940s also saw a fuelling of academic interest in fields closely related to industrial relations: academic labour history emerged as a distinct sub-discipline (Palmer, 1986); studies rooted in the new «human relations» appeared; and labour law began to receive more attention with the founding of a Canadian Bar Association committee on the subject (Laskin, 1948, p. 307; also see Carrothers, 1965).

This sudden emergence of industrial relations as a distinct field of teaching and research was rooted in the transformation of labour relations in the period. The broad contours of this development are well-known. Beginning in the 1930s, industrial workers overcame the hostility of employers, governments and the craft unions, and began to forge unions in the mass production and resource extraction industries. The escalation of industrial conflict during the war, as well as the rising political fortunes of the left, forced major changes in state industrial relations policy, changes designed to avert the worst manifestations of industrial warfare and contain labour-management relations within a tight net of regulation. Many employers, at least in the urban centers and in large-scale production units, were thus obliged to swallow hard and work towards some accommodation with unions.

Although the immediate causes of these shifts were fully in keeping with the traditional reluctance of the Canadian state and employer class to give any ground until disaster loomed, the transformation was also part and parcel of a broader shift in the political economy. The general acceptance of Keynesianism and the welfare state underpinned the shift in labour policy and helped make it more lasting. In particular, Keynesianism presumed that the old method of macro-economic management — attacking the level of money wages as a means of stimulating the economy — was rife with political and economic dangers, and that rising wages were legitimate insofar as aggregate demand was bolstered. This lent trade unionism an economic policy legitimacy that it had not previously possessed, even though unions in Canada had been making such «Keynesian» arguments some years before Keynes (for a 1923 example, see Logan, 1948, pp. 471-472). In addition, the economic development strategy of the Canadian state — the pursuit of growth through the development of the resource extraction industries, financed in good part by American investment — required a certain degree of stability and predictability.

The emergence of industrial relations in the universities, then, was fundamentally a response to this industrial relations agenda emerging out of the depression and war years. In this more liberal vision, employers were urged to tolerate and even encourage unionism. Collective bargaining was promoted as a useful way of regulating the employment relationship in large-scale industrial concerns. There was a perceived need to train «scholars, leaders and technicians of labour relations» in the new framework (Dion, 1948; Woods, 1949) and universities were to play a leading role in promoting the «new» industrial relations.

A key development in thought in this period was the treatment of labour and management as equals. This found institutional reflection in the new industrial relations centres, which strove to draw support from both labour and management and be equally representative (Woods 1949). In the research and writing of the period the assumption of labour-management equality also showed up in the claim that a rough balance of power had been attained — or, as Jamieson (1957, p. 27) put it in the first general text on Canadian industrial relations, the 1940s and 1950s had brought unions and management into a «new equilibrium». He suggested that trade unions had achieved a good measure of security; employers had resigned themselves to the existence of unions; and strikes were no longer desperate struggles for survival. Thus, the collective agreement, the focus of the second annual industrial relations congress at Laval, was described as «the peace treaty which binds together capital and labour» (*Bulletin des relations industrielles* 1947, no. 7, p. 3).

This view was very different from the general theories of «partnership» of the preceding period which had sought to elaborate the basis for a permanent reconciliation of class conflict. The concept of «class» relations then gradually disappeared from the lexicon of industrial relations, and was replaced by the notion of competing groups. Similarly, the notion of a social hierarchy rooted in production relations was excised from industrial relations. From here it was a short step to a more liberal pluralist vision of industrial relations as a three-cornered process of competitive accommodation between unions, management and the government. A degree of conflict in industry was now judged to be inevitable but it was to be regulated and contained through the clearly identified channels of conflict resolution. This conceptual separation of industrial relations from other socio-economic structures made it possible, in turn, to restrict analytical attention to the emergent institutions of labour-management relations. The long wave of industrial conflict which reached its zenith in 1946-1947 was followed by a prolonged period of relative industrial stability. Major strikes were, as Jamieson (1968, p. 277) has suggested, «comparatively orderly campaigns for tangible objectives, with little of the violence, illegality and use of policy and military forces that had characterized so many previous conflicts». The ideological and political character of unionism could thus be entirely removed from industrial relations analysis. Such a conceptual separation contrasted markedly with much of the European analysis of the same period (Touraine *et al*, 1984, pp. 334-335). Study and research in industrial relations in the United States and Canada could thus focus on a veritable «sub-system» in virtual isolation from the larger society and, ironically, often from the organization of production and distribution in the corporate enterprise (Hyman, 1982, pp. 109-110).

Most significant of all was the new concern with stability. A key theme underlying much of the research and writing of the period was the need to bring some order to a sphere of social relations that had undergone a sudden upheaval. While this preoccupation was common to many industrialized countries in the post-war period, Canadian thought and practice was distinguished by its particular focus on the role of the state to effect greater stability. This is evident in both the topics of research that were favoured during the period, as well as in the concepts that were fashioned. This search for order is apparent, for instance, in H.D. Woods' (1955) seminal discussion of public policy, tellingly structured by a distinction between different forms of industrial conflict. From a slightly different angle, his later discussion of conciliation (1958), sought to draw distinctions between different forms of third-party intervention in labour relations. Nor were these exceptions: the single most popular topic of research from the 1940s until the 1960s was undoubtedly state intervention into industrial relations, with

special attention to the regulation of industrial conflict (eg. Logan, 1944; Crysler, 1949; Jamieson, 1951; Cunningham, 1958; Carrothers, 1960). This distinct focus was no doubt a reflection both of the particular structure of the Canadian economy with its vulnerability to external markets for resource extraction and foreign investment, and of the specific role of the state in guiding economic development and ensuring the presence of a sufficient infrastructure to promote that development.

The postwar orthodoxy did not go completely unchallenged, but very few scholars appeared to articulate alternative visions within the universities. The Cold War was no doubt felt in industrial relations in the same way as in other disciplines. It would be remiss not to mention the work of H.C. Pentland (eg. 1948; 1959; 1968 and 1979). The Québec social sciences also provided a number of exceptions. In particular, the ferment against the Duplessis regime, to be seen, for instance, in *La grève de l'amiante* edited by the «early» Pierre Trudeau, was typical of the closer links between Québec intellectual circles and union leaderships than what was to be found in English Canada at that time. However, as in other periods, these more critical approaches, sympathizing explicitly or implicitly with the working class, were in the minority.

Until the 1960s, most industrial relations scholars in Canada tended to eschew explicit theorization. Logan's major work on the history of trade unions (1948), for example, simply reiterated the distinctions first advanced by the Webbs. At around the time that Dunlop's *Industrial Relations Systems* made its appearance, Stuart Jamieson's *Canadian Industrial Relations* was published without any hint of an explicit theoretical framework. (The second edition in 1973 used the term «systems» in quotation marks.) Occasionally, however, there were more philosophical contributions to industrial relations conferences reflecting the concerns of managing intergroup conflict in a liberal pluralist society (eg. Woods, 1953).

While the roots of systems theory lie in the work of this first generation of industrial relations academics, it was not until the 1960s and 1970s that most Canadian academics adopted its concepts and terminology. One of the earliest attempts to employ systems theory was Goldenberg and Crispo's (1968) study of the construction industry. But it was not until the publication of the Woods Task Force Report in 1968 that systems theory was elevated to the status of orthodoxy. Drawing on the «open-systems» version of the theory developed by Alton Craig (1967) — albeit erroneously, according to Craig (1986, p. 18) — the Task Force Report attempted to situate its analysis of the growing tensions in industrial relations within the terms and categories suggested by systems theorists. From this point on, the notion of a systems approach to the understanding of industrial relations stuck to



reappear with regularity in the standard introductory texts by a new generation of scholars who adopted it as a formal point of departure in their teaching and research.

It is curious, therefore, why systems theory has played such a very restricted role in the body of research produced since the Task Force Report. Indeed, that report was already symptomatic of what was to follow. Although the first substantive chapter, «Industrial Relations in the Canadian System», is organized according to the systems approach, it is difficult to detect the application of the approach either in the analysis of the crisis in industrial relations or the remedies proposed by the Task Force. Similarly, with the exception of the text by Crispo (1978), none of the principal authors of the report appear to have used the systems approach in their subsequent writings. Woods' theoretical writings, for instance, draw primarily on his view of industrial relations as power relations in a continuous power conflict (Woods, 1973, p. 3), a view which he first put forward at a McGill Industrial Relations Conference in 1953 (Woods, 1953).

The ease with which the Task Force Report could juxtapose the familiar post-war assumptions about industrial relations with a systems-based framework, indicates that systems theory did not represent a break from the earlier tradition, but instead constituted a reformulation of the «conventional wisdom» in the language of general systems analysis. In Canada at least, systems theory was adopted primarily as a loose organizing framework in which to relate the main topics falling within the purview of academic industrial relations.

Thus, strictly speaking, little theoretical innovation actually flowed from the widespread adoption of the systems approach. For instance, most textbooks used systems theory in an uncritical and relatively simplistic way. Moreover, as Roche (1986, p. 20) has trenchantly observed, despite the repeated promises of considerable theoretical advance in the reformulations of the systems approach (e.g., Craig, 1967; Singh, 1976), the remarkable feature of the new systems approach literature has been the absence of concrete attempts «to explain in functional terms an empirical pattern of industrial relations activity, or a single institution» (but see Adams, 1987). Research in Canadian industrial relations continued apace, but largely oblivious to the guidance offered by systems theory. Rather, well after it had passed out of vogue in other social science disciplines, the systems approach appeared to provide, at best, an easily recognizable tableau upon which to arrange the playing pieces of industrial relations in some coherent fashion, and, at worst, an excuse for ignoring broad theoretical questions altogether.

The appeal of systems theory, and of the assumptions that underlay it, then, lay in the suming stabilization of industrial relations in the postwar years, rather than in the theoretical leap forward it allegedly provided. As Harry Arthurs has put it, the Woods Task Force can perhaps be excused for having failed to foresee the tensions of the 1970s and 1980s, for in 1969 it was easy to look back over the postwar years as a whole and conclude that labour-management relations had «normalized» — at least, it was easy to do so from within a theoretical perspective that then equated the lack of overt tensions with «maturity».

### **THE INDUSTRIAL RELATIONS CRISIS IN PRACTICE AND THEORY**

Since the mid-1960s, the industrial relations institutions and practices consolidated in the immediate post-war period have been faced with new tensions and adjustments arising from pressures in labour, product and political markets. In labour markets, the late 1960s and 1970s saw a sharp increase in levels of price and wage inflation and industrial conflict (see Jamieson, 1979). In the 1980s, high levels of unemployment, shifts in the sectoral location and composition of the labour force, and the increasing proportion of partially employed, temporary and part-time workers have raised serious questions about traditional patterns of collective labour relations. Similarly, in product markets, an increasingly competitive environment has stimulated a new range of managerial practices and technological innovations designed to cut costs, increase labour flexibility and productivity, and internationalize processes of production. Finally, political markets have reflected many of the changes in product and labour markets. Governments have expanded the extent of their intervention in labour relations, imposing wage controls and temporarily withdrawing certain collective bargaining rights through exceptional legislative measures. In the 1980s, they have also pursued an agenda of public sector cutbacks, the privatization of public enterprises and the deregulation of previously protected industries and practices — all of which has intensified pressures on traditional post-war industrial relations practices. Not surprisingly, these changes have also shaped research agenda in industrial relations and called into question the adequacy of existing theoretical frameworks.

The fate of the dominant systems approach in Canadian academic industrial relations in the face of these trends has been somewhat paradoxical. Description and analysis have proceeded virtually without reference to the systems approach. To our knowledge, no one has sought to apply the systems framework to recent developments in an attempt to comprehend the emergent patterns of industrial relations. Yet the handful of theoretical

contributions that has recently appeared (eg. Adams, 1983; Hameed, 1982; Boivin, 1987) have discussed systems and other theories in complete isolation from the changing nature of the Canadian industrial relations «system».

The failure to bring systems theory to bear on recent changes in industrial relations is perhaps not really so surprising. As was argued in the previous section, even in its heyday systems theory tended merely to provide a convenient, seemingly scientific tableau on which to locate the various components of industrial relations, rather than a truly useful explanatory model. Its attractiveness was rooted in the real stability which characterized institutional industrial relations in the 1950s and 1960s, rather than in any substantive applications, of which there were virtually none in Canada. This was also in keeping with the quite ahistorical vision of so much functionalist writing. In a period where the emphasis in the American social sciences moved heavily towards more formal methodological and «scientific» preoccupations, it also provided university researchers and teachers in industrial relations with a useful justification of their area of enquiry to other university disciplines (see, for example, Hyman, 1979). That the adherents of systems theory did not use the approach to analyze the emergence of new patterns of industrial relations in Canada in the 1970s and 1980s is perhaps explained by the fact they had not used it in any developed way to analyze the preceding period.

More remarkable, however, has been the fact that the usefulness of the systems approach *qua* description of the component features of industrial relations has yet to be called seriously into question. For, in view of the significantly altered material circumstances of the 1970s and 1980s, it is surely no longer useful to conceive of the pattern of industrial relations in Canada as a self-regulating system, marked by stability and a degree of underlying value consensus. Indeed, we would argue that systems theory was never a truly adequate theory for industrial relations: although it had a certain plausibility in the 1950s and 1960s, the recent evolution of Canadian industrial relations has revealed in an acute form weaknesses that were inherent in its original formulation.

The major flaws in industrial relations systems theory reside in its underlying conceptual formulation. Many of these problems have been well documented. It has been argued, correctly we would suggest, and despite the counter-claims of its advocates, that the systems approach places a normative emphasis on stability. The very notion of a self-adjusting, functionally integrated «system» (borrowed from biology) is a value-laden conceptual choice that influences analysis of more substantive topics from a systems perspective. For example, systems theory focuses on institutions

and inter-group accommodation to the detriment of an understanding of the creation, development and transformation of social actors and of relations of social power (Dimmock and Sethi, 1986; Roche, 1986). Moreover, while it rightly associates some tensions and change with the environment («outside» technology, labour markets, the economy, etc.), it does not advance any conception of the nature of the employment relationship itself. It follows that there is little theoretical basis from which to interpret the very differential impact of environmental change on the «actors». Nor are the inherent tensions in the employment relationship given theoretical elaboration. Thus, not only does the explanation of causality tend to lie outside the system, but there is no basis on which to order the importance of different factors (either external or internal) in explaining change. The possibility that external economic realities and workers' adaptations to them might be defined or constructed within the employment relationship itself does not even appear to arise. That is not to argue that all advocates of the systems approach would contest the existence of tensions or, in some cases, the hierarchical nature of the employment relationship and the power relations arising out of it. However, since such notions are not built into the approach, they are not vested with any particular explanatory power. Indeed, an adequate understanding of power and ideology in industrial relations would seem to be fundamentally incompatible with the structural-functionalist bias of the systems approach (Dimmock and Sethi, 1986).

There have been various efforts to provide a stronger behavioral dimension into the systems approach (see Blain and Gennard, 1970). In the United Kingdom, Bain and Clegg (1974), for instance, suggested a number of amendments to the definition of the systems approach; but they acknowledged, in consequence, that the systems approach was no longer an integral part of the definition of industrial relations that they proposed. In Canada, Boivin (1987) has also sought to introduce a more dynamic element by separating employment relations into two distinct processes (labour relations and human resource management) and by inserting Barbash's (1984) notions of equity and efficiency into the core of the employment relationship. In so doing, however, he replicates many of the problems of Parsons' original formulation of a systems approach with its strong functionalist bias and, in particular, its reification of social action.

Notable among the recent attempts to rehabilitate systems theory is the work of Kochan, Katz and McKersie (1986) in the United States. They argue that the rapid spread of collective bargaining in the United States in the 1930s and 1940s, and the seeming acquiescence of American management to unionization, led theorists to believe that collective industrial relations had attained an enduring legitimacy. In short, the pragmatic acceptance of

unions by employers was mistaken for philosophical conversion. However, while their notion of strategic choice is well developed and seemingly sensitive to the preoccupations of both managers and union leaders (but see Hyman, 1987), the attachment to the systems approach appears more token than real. It is perhaps significant that the strategic choice framework exists in much of the corporate strategy literature quite independent of any reference to an overarching systems approach.

In many respects, this continued adherence to the approach is puzzling, if other than to provide an integrating focus for academic industrial relations and a legitimization of the subject as an academic discipline on an equal footing with the older social sciences. Adams (1983, p. 526) has specifically defended continued use of the approach in terms of the need for a conceptually and normatively specific framework capable of generating a coherent research tradition and understanding, explanation, prediction and control when applied to the universe of employment relations. Yet, as we have argued, the framework has proved increasingly unable to provide for integration on a basis which is conceptually and normatively acceptable and which promotes understanding, explanation and prediction. There is a double irony in this. What should provide for integration does so by excluding approaches which do not share the conceptual and normative basis of the systems approach. What should promote understanding, explanation and prediction has largely failed to provide concrete evidence of its capacity to do so. It is perhaps an illustration of the case of scientists' occasional unwillingness to abandon an existing paradigm even in the face of anomalies (see Kuhn, 1970), particularly when they have not yet been converted to any alternative approach.

## CONCLUSION

This article has sought to show that, in each broad era in the historical development of Canadian industrial relations, theories and ideas about industrial relations were rooted in the most pressing problems and issues of the time. Consequently, when the material circumstances changed, so too did the theories. It has suggested further that, in each of these periods, the dominant approach in industrial relations tended to reflect the assumptions and interests of those with the most stake in the preservation of the status quo. And it has argued that systems theory, which has predominated in older and newer incarnations for the past several decades, can no longer be sustained either materially or conceptually as the principal approach to industrial relations in Canada in the 1980s and 1990s. If this is true, what will take its place?

What follows is a brief and tentative, indeed speculative, attempt to decipher the broad lines of a theoretical response to the material conditions of the 1980s<sup>1</sup>. Following the general line of argument developed above, we would suggest that the emergence of new approaches is inevitably in response to the new and pressing problems facing contemporary industrial relations. Thus, industrial relations theory needs to address the tensions arising from the structural transformation of the economy, the search for greater productivity in the firm, and the attendant social and political problems associated with these processes.

At least two approaches are currently emerging and making competing claims about their explanatory powers as regards the changes experienced in the last decades: a «human resource management» perspective and a «political economy» perspective. In focusing on these two, it is clear that we are not seeking, in any way, to provide a comprehensive overview and interpretative framework for the theoretical premises underlying recent industrial relations literature in Canada. The focus on institutional industrial relations which has so predominated in the post-war years has not, for instance, mysteriously disappeared. Rather, we would suggest that the human resource management and political economy approaches are exerting an increasingly significant role in the shaping of research agenda for industrial relations in Canada.

Undoubtedly the most popular analytical trend in North America has been the elaboration of what can be termed a «human resources management» approach. In the curricula of business and industrial relations schools, in university employment opportunities, and in the academic professional associations, the traditional focus of industrial relations on collective labour relations seems to be slipping into the background as human resource management expands. While it would be exaggerated to claim that the traditional institutionalist or the systems approaches are on the verge of extinction, they are certainly in danger of decline. The new — or, at least, refurbished — approach concentrates primarily on the range of adjustments made by workers and managers to the new competitive environment in the 1980s. As opposed to the traditional emphasis of the institutionalists on the mechanisms of conflict resolution, such as collective bargaining and on the representative organizations of workers, managerial behaviour and the search for enhanced organizational efficiency provide the almost exclusive focus for research and explanation: innovations in payment systems, multiple-skilling and job flexibility, quality control circles, productivity management, quality of working life, joint problem-solving,

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1 For a fuller treatment of our analysis of emerging trends in industrial relations theory, see Giles and Murray, 1988.

career paths, to name but a few, are typical areas of enquiry. The employment relationship therefore tends to be subsumed into a larger preoccupation with the overall organization and its efficiency. External environmental factors are assessed in terms of their impact on the corporate organization. Thus, while an identity with the goals of corporate organizations is necessarily the point of departure, it tends to become an underlying assumption.

The tradition of alternative theories is represented by what might be labelled as the emerging «political economy». It is certainly less systematic and more fragmented than the human resource management approach. However, its emphasis on economic change and structural transformations offers important insights for the study of industrial relations in the 1980s. The distinctive theoretical focus is the nature of the employment relationship: its specificity, its inherent inequalities and the tensions that arise as a result (see Edwards, 1986; Hyman, 1975; or, indeed, Barbash, 1984). It is particularly sensitive to the nature of employment relations at the point of production and to the range of variables that affect that relationship. In the Canadian context, that is of special importance since it facilitates the integration of the broader political economy and the particular role of the state into considerations about patterns of industrial relations, whether at the workplace or at other levels of analysis. When so many theoretical approaches used in the study of Canadian industrial relations have simply been derivative of developments elsewhere, this promises to add a particular sensitivity to the nature of the Canadian political economy and its social and political structures. The approach also reinforces the interdisciplinary nature of industrial relations drawing on insights from a wide range of social science disciplines of both marxist and non-marxist lineage.

In Canada, the political economy perspective has provided a particular focus for the broader restructuring of the international economy in the 1970s and 1980s and the adjustments that this has wrought in the Canadian economy. It has thus made significant progress in the fields of labour history, sociology, economics and political science. There has been a growing number of contributions of relevance to, if not always specifically located in, the industrial relations literature. To better illustrate the depth and diversity of the approach, we provide just a few examples. The journal *Labour/Le Travail* has provided an outlet for the new labour history in Canada. Various legal scholars have examined the implications of the inherent inequalities in the employment relationship (for example, England, 1983; Glasbeek, 1982). The state and its role in the transformation of labour markets has provided a specific focus for contributions from a variety of disciplines (for example, Bellemare and Poulin-Simon, 1983 and 1986;

Calvert, 1984; Houle, 1983; Huxley, Kettner and Struthers, 1986; Jenson, forthcoming; Mahon, 1983; Panitch and Swartz, 1988). This theme has also provided much of the content for new journals such as *Interventions économique* and *Studies in Political Economy* as well as the annual conference of the Association d'économie politique (see, for instance, Bellemarre and Saint-Pierre, 1984). Similarly, a focus on the work process at the point of production and the role of management therein has stimulated much new work among sociologists and industrial relations researchers (for example, Argue, Gannage and Livingstone, 1987; Bélanger, 1988; Heron and Storey, 1986; Reasons, Ross and Paterson, 1981; Swartz, 1981; Wells, 1986). Feminist scholars have also made a critical contribution to the emergence of this paradigm, challenging and clarifying the links between production and reproduction, and work and home. This can be seen in a variety of studies on the role of women in the workplace, in unions, in the labour market and at home (for example, Armstrong, 1984; Bradbury, Bettina, 1987; Briskin and Yanz, 1983; Gannage, 1986; Lipsig-Mumme, 1987; Luxton, 1980). The political economy paradigm has also proved most useful in focusing on industrial relations in resource extraction and related industries (for example, John Bradbury, 1985 and 1987; Clement, 1981 and 1986; Inglis, 1985; Lembcke and Tattam, 1984).

Unfortunately, most theoretical discussions in the Canadian industrial relations literature have failed to assess seriously the contributions within the new political economy. There have certainly been intelligent critiques in some of the international literature (eg. Edwards, 1986) but these are not in evidence in the theoretical literature produced in Canada. Instead, the relevance of political economy to Canadian industrial relations has been either simplistically dismissed in terms of failed predictions made by Marx over a century ago, or excluded as falling outside of the ambit of the industrial relations literature. In contrast, we submit that the political economy approach, as avowedly fragmentary as it is, constitutes a potentially important rival to both the traditional theoretical focus offered by the systems approach and the emerging human resources management approach. Moreover, it would appear to engage an increasingly significant proportion of researchers concerned with the multiple facets of the study of work which constitutes the core focus of industrial relations.

The differences between the emerging human resource management and political economy approaches are too numerous to discuss here. In conclusion, however, we do wish to highlight several key points on which they converge and diverge. First, it should be emphasized that there is not currently a particular unity within either. Both are quite fragmented, especially the political economy paradigm, and await more definitive theoretical expression. Secondly, both are interdisciplinary, though the political economy



approach is arguably more so. Thirdly, both, largely in response to the profound changes experienced in industrial relations over the past two decades, are in the process of redefining the conventional boundaries in the academic study of industrial relations in Canada. At the same time, neither appears to have argued for the total eradication of more traditional approaches to industrial relations. Rather, both are drawing on other intellectual traditions and insights in an effort to explain the nature of changes experienced in the workplace and the labour market. Thus, the study of industrial relations in Canada in the 1990s promises to be both stimulating and controversial. Finally, both approaches entail certain types of ethical choice which are inevitable in the conscious or unconscious espousal of one particular approach rather than another. Here there is crucial divergence.

The human resource management approach sits squarely in the broader tradition of what Edwards characterizes as a managerial science: such a science «takes as its starting point problems as they are perceived by managers and seeks solutions which will be of specific use to managers; it will tend to neglect the interests of other groups in the firm and to pretend that solutions can be found to suit everyone» (1986, p. 322). On the other hand, the political economy perspective as applied to industrial relations is rooted in a rather more critical tradition. Its point of departure is the inherent inequalities in the employment relationship and how these are organized and expressed at various levels — workplace, firm, sector or nation — but always in relation to a broader political economy. The normative choice in this approach is thus on the side of the less powerful «by identifying with the victims of injustice, by analyzing the dominant attitudes and structures that cause human suffering, and by actively supporting the poor and oppressed in their struggles to transform society» (Canadian Conference of Catholic Bishops, 1984, p. 4). The choice between such traditions is by no means a new problem in the social sciences, especially as we emerge from recent illusions about the existence of value-free science. Indeed, we have sought in this article to illustrate how it has been an enduring theme throughout the historical development of theories to explain Canadian industrial relations. In searching for new theoretical points of departure for Canadian industrial relations, therefore, we would suggest that researchers should not be immune to the implications of the underlying assumptions of their theoretical frameworks, be it in terms of social justice or business efficiency.

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### ***La théorie des relations industrielles au Canada une approche historique***

L'approche systémique semble actuellement prédominante dans les études théoriques des relations industrielles au Canada ce qui est paradoxal car une telle approche demeure plutôt marginale dans les autres disciplines de sciences sociales. Ce texte interroge alors ce paradoxe et suggère que la compréhension des approches théoriques en relations industrielles peut être enrichie par une approche historique laquelle cherche à relier les développements théoriques particuliers des différentes périodes au développement historique des relations industrielles canadiennes.

Quatre périodes sont identifiées et leurs approches théoriques prédominantes explicitées: (1) l'apparition d'un marché du travail industriel et la naissance des théories en relations industrielles au dix-neuvième siècle; (2) les ébauches d'un nouveau système jusqu'aux années 1930; (3) les relations industrielles dans la période d'après-guerre et la montée de l'approche systémique; et, enfin, (4) la crise des relations industrielles en théorie et en pratique dès la fin des années 1960.

Les origines et l'intérêt de l'approche systémique sont alors localisés dans le contexte de la période d'après-guerre lors de l'institutionnalisation d'un modèle «nord-américain» des relations industrielles. La longue période d'expansion économique et de stabilité industrielle se prêtait à l'image d'un «sous-système» de relations industrielles, séparé et relativement indépendant. Cependant, des changements matériels importants ont rendu cette image de moins en moins crédible. Les efforts pour rendre l'approche plus dynamique n'ont rencontré que peu de succès. On constate plutôt l'émergence de nouvelles approches dont les modèles de la gestion des ressources humaines et d'économie politique. Ces deux modèles sont expliqués dans la dernière partie du texte.