The Twelfth
Larry Sefton Memorial Lecture

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LABOUR-MANAGEMENT RELATIONS

REFLECTIONS ON THE PAST---
--- CHALLENGES OF THE FUTURE

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I am very happy and honoured to be asked to give the Larry Sefton Memorial Lecture for 1994. I feel honoured tonight for a host of reasons.

First, I follow a number of respected scholars and practitioners who in the years since 1982 have given these lectures. Second, I am pleased to have an opportunity to offer my views at a time which, I feel, is a critical juncture for the future of labour-management relations and collective bargaining.

And third, and most importantly, I knew Larry Sefton. I remember him well. I respected him and it is indeed an honour for me to be associated with his memory in this way. Elaine Sefton, his wife, and I were colleagues in the late '60s and early '70s at the Canadian Food and Allied Workers, which is now the UFCW. In those days I came to know Elaine very well. She is a very gracious lady.

I met Larry Sefton in the early '60s. I was a young upstart organizer and the business representative for the Amalgamated Meat Cutters Union. Larry was the director of District 6 of the Steelworkers and our paths often crossed at Ontario Federation of Labour and CLC events.

It was not uncommon to find Larry at educational seminars and other events aimed at helping inexperienced union officers like me to become

better trained and equipped to fulfil their roles. From Larry Sefton, young union representatives learned that seldom is anything totally black or totally white, seldom is anyone totally right or totally wrong, and seldom is even the most difficult adversary totally bad. Probably most importantly, one learned from Larry that a position taken in one set of circumstances could be turned around and used to the opposite effect just as effectively in a different set of circumstances.

Larry was a leader with vision. His interests stretched far beyond nuts-and-bolts union affairs. He was a vice-president of the Canadian Labour Congress and participated in a wide range of public affairs, both national and international. He was a member of the Ontario Economic Council. He was one of the first labour leaders to take up the challenge of organizing the vast numbers of white collar-workers in Canada and he headed the CLC's committee on white collar organization. One of his most earnest interests was in strengthening union support, first, for the CCF and then for the New Democratic Party.

It is fitting that the memory of Larry Sefton would be honoured by these annual events which bring together people from the labour, management and academic communities.

I am happy to be invited tonight for another reason. Last October I

resigned from the Public Service. For the previous eighteen years I headed the government's Industrial Relations operations. This is the Division of the Ministry of Labour responsible for mediation, grievance resolution and labour relations research.

I enjoyed 20 terrific years in the public service. I worked with great people who were committed to serving the public in the best possible way. I would recommend it to anyone.

Tonight I would like to deal with a number of topics based on my experiences in the field of labour-management relations. I would like to offer you some of my views on the mediation process, on labour law reform, on past trends in collective bargaining and labour management relations, and end by providing some comments on what I see as significant issues now facing us.

For those of you who do not know me, you will find tonight that I am a strong proponent of free collective bargaining. Free collective bargaining is not perfect, but nothing better has been devised thus far. Unionized workplaces have much to offer to this new world we find ourselves in. The independence which unionized workers enjoy, when mobilized constructively, can be turned into a real competitive advantage.

As I left government last fall, I was delighted to know that the right to strike was finally being extended to the provincial government's employees under the revised Crown Employees Collective Bargaining Act. I believe it is good public policy to extend the right to strike to as many bargaining situations as possible, therein making the parties more responsible for their actions at the bargaining table, which in turn results in a greater likelihood that they will develop a mature relationship.

I despair over the fact that other employees, such as those in health care institutions, continue to be denied the right to strike. While I am aware of the disruption which a break in these services could cause to the public, potential for disruption is not a sufficient rationale, in my view, for routinely steering the parties off to arbitration. Alternative mechanisms should be explored, and finding ways to permit the strike-lockout sanction should be the primary objective. For these and other reasons, I believe it is time for an independent review of all public sector collective bargaining statutes and policies in Ontario. In addition to strike-lockout issues, there are others such as bargaining structures, scope of bargaining and some possible residue from the Social Contract Act. My comments concerning the strike right are somewhat of an admission of failure on my part. In the years since '76, I have given this advice to 9 Ministers of Labour in governments of all 3 political stripes without success until reform of the Crown Employees Collective Bargaining Act.

Only a few people in our society appear to understand the consequences of government interference in free collective bargaining, particularly intervention that supersedes or overrides collective agreements which are in full force and effect. I appreciate that intervention will be required occasionally where it is clearly in the public interest, but I believe this should be done only as a last resort and with the full realization of its impact on workplace relationships.

More members of the general public should witness the work which goes into preparing for negotiations, conducting the negotiations, the give and take which goes into concluding a collective agreement, and finally the very tough decisions involved as the principals consider ratification; then they would understand much better the opposition which governments face when they decide to override negotiated collective agreements. Furthermore, an agreement worked out between the parties is their deal. It's negotiated by the representatives who know the workplace best. It is arguably a better product for their relationship than anything imposed by an arbitrator or by legislators.

Mediation has been and continues to be an important piece in the collective bargaining landscape. Mediators employed and supplied by government have become very acceptable to labour and management over the years, and a large proportion of negotiators on both sides have learned

how to utilize mediation to its maximum effect, both in dispute mediation and in preventive mediation.

There is a certain mysticism which surrounds collective bargaining and how it is conducted. In high profile disputes, the public hears about the possibility of a work stoppage and the issues in dispute, but hears very little about what goes on between these snippets of news and the announcement that a settlement has been reached.

My friend Noah asked me to deal with the process of mediation and to the best of my ability I will, although I must confess this is not easy for me. This is because the mediation of disputes does not lend itself to generalization; each situation has its own set of factors and dynamics, which differ enormously from one case to the next.

Mediation takes place typically after months of work going into preparation for negotiations and weeks of face-to-face negotiations. The parties usually arrive at mediation having a very good understanding of each other's position, and often the easy issues have been settled, either fully or tentatively.

It is extremely easy for mediators to go through the motions of mediation, meeting with the parties together and then separately,

transmitting messages from one to the other. In my view this is not what mediation is really about and it will not often result in assistance which adds value to the process.

Each mediator operates in a different way, there is no one model which is most effective. Some disputes lend themselves to very heavy involvement of the mediator, with the mediator really in control of the process. In other disputes, the parties will benefit from a lighter touch by the mediator.

Personally I prefer to be in control of the process, but there are disputes where that is not possible or advisable, and one accepts that. It is usual for the mediator to meet first with the parties together - the mediator is observing how they get along, how good they are at problem-solving, the level of respect they have for each other and their general level of optimism about a peaceful settlement.

An experienced mediator is knowledgeable in ways to resolve issues and which side these different solutions favour. The mediator will listen to what is being said, but also for what is not being said. Meeting separately, the mediator will talk to them about their issues, sometimes challenging them on their position, asking where others have gained it or conceded it, whether there is benefit to conceding the issue, i.e. a better chance of

ratification, a more satisfied workforce, etc.

When a party is about to make a major concession, I believe the mediator does all she or he can to get full appreciation for it in the other room and slowly but surely the mediator assists them as they reduce the issues in dispute.

The mediator will challenge negotiators when he or she thinks they are off base, and will make the bargaining committee contemplate the consequences of continuing on the present course.

It's clear to me that mediation, competently delivered and properly used by the parties, can increase the percentage of settlements which occur without a disruption in work.

However, I am of the view that while there will continue to be a need for traditional mediation, gradually there will be a change of role. Mediation will in the future contain more training and facilitation, particularly in new concepts of bargaining and issue resolution.

I would now like to make a few observations about labour relations law reform over the past twenty odd years. Labour relations law reform is one of the most difficult policy areas for any government. There is seldom

any consensus in the labour-management community on the type of labour reform which should be enacted. Usually, what one side wants the other side is totally opposed to.

The labour movement is generally well focused in what it would like to see in terms of labour relations law reform. The business community, on the other hand, lacks the advantage that a single and reasoned voice would bring to the process. This was never more apparent than during the debate over Bill 40.

My experience in Labour Law Reform began in 1974 while serving as Assistant to the Chair of the Ontario Labour Relations Board. In those days the Labour Relations Act was in urgent need of reform. Certifications and other types of cases could take up to a year to get a decision. In unfair labour practice cases, there was no reverse onus, and the Board had very limited remedial power. And it required a 65% majority for automatic certification.

A bill was introduced in early 1975, committee hearings ensued and by June of that year the bill was passed.

The amendments were numerous, but the essential changes included:

A reduction in the required percentage for automatic certification from 65% to 55%;

Expansion of the Board's remedial power in unfair labour practice cases;

Moving the onus of proof to the employer in discharge and discipline cases where it was alleged that employees had been dealt with contrary to the Act; and

A provision permitting the OLRB to issue interim certificates where the composition of the bargaining unit is in dispute but the union is in a position to be certified in any event.

By 1979 I had moved from the OLRB to the Ministry of Labour. Here the priority was reducing conflict. It became clear that many collective bargaining disputes were caused by a backlog of workplace grievances which could not be handled expeditiously by the normal grievance procedure provided in the collective agreement. Consequently, a decision was made to legislate an optional expedited arbitration system wherein either party could refer a grievance to the Minister for arbitration at any time after thirty days had elapsed from the origination of a grievance. The Minister was obligated to appoint an arbitrator who would commence hearing the matter within

twenty-one days and during this period the Act permitted, and still does permit, the Minister to appoint a grievance mediator.

Expedited arbitration was opposed by some arbitrators, both sides of the labour bar, most management organizations and some labour organizations. However, the government was convinced there had to be a mechanism for resolving workplace disputes early and effectively if relationships in Ontario workplaces were to be improved. The expedited arbitration bill became law on September 1, 1979. The Office of Arbitration now processes up to 4,500 expedited cases per year, of which about half go to mediation, and of these going to mediation, roughly 75% are settled.

By 1980 the government was becoming more and more concerned about the high incidence of first-contract strikes, typically caused by disputes over dues check-off or union security. In July of 1980 the Minister of Labour introduced a bill providing two major changes: one was the mandatory check-off of dues by an employer where the union requested it and the second was the employer's right to have the employees vote on its last offer once in each round of negotiations. The check-off was opposed by employers and the right to a last-offer vote was opposed by some unions.

The government stood its ground, passed the bill and both provisions are still in effect today. Other amendments to the Labour Relations Act

brought about a prohibition against professional strike breakers and 'strike-related misconduct' in 1983, and in 1986 first-contract arbitration was enacted.

No further changes were made until the much-debated Bill 40 in 1991. I should make some comments about Bill 40 since no other single piece of labour legislation has aroused more controversy, certainly not in recent history. When the NDP was elected on September 6, 1990, it was clear to me that a fairly substantial review of the Labour Relations Act was inevitable. I believe Bill 40 and its components were predictable, with a couple of exceptions. Most predictable were changes dealing with certification, particularly the elimination of petitions from the certification process. Most laudable were those which strengthened the Labour Relations Board's powers to expedite hearings and to make interim orders.

Less predictable, and probably less compelling, were changes like consolidation of bargaining units and that part of the replacement worker provisions in Bill 40 prohibiting incumbent employees from working during a strike. Let me expand a little on these two issues.

The decision to empower the OLRB to consolidate bargaining units was one which I believe was difficult to understand in this era of smaller and discreet operations with separate profit centres. If the policy makes sense

at all, it is in the service sector where negotiating agreements for small units is difficult. However, there appears to be an inconsistency between the consolidation policy on the one hand and the OLRB policy of certification on a unit-by-unit basis on the other hand.

Dealing with the issue of incumbent employees during strikes, I am of the view that a law which prohibits the recruitment of replacement workers during a work stoppage is reasonable. Would any reasonable person argue that it is good public policy or constructive labour relations to permit the recruitment of replacement workers and have them shipped into struck plants in boarded-up buses? This kind of practice, in my view, can only result in workplace polarization and prevent the building of sound labour-management relationships.

But a law which prohibits incumbent employees from working during a strike is, in my view, a different matter. As a former union leader and a life-long supporter of free collective bargaining, I believe the exercise of a strike should at all times be subject to the basic test of continuing employee support.

A word or two about certification of trade unions as bargaining agents. Since the 1940s, we have had a provision in the Labour Relations Act for what is called automatic certification. This currently means that a

union can gain certification when over 55% of the employees in a bargaining unit are members of the union. No representation vote is necessary.

I am disappointed that the employer community has never accepted this approach to union certification and continues to call for a secret-ballot vote in every case. This continuing refrain over the last twenty five or thirty years has, in my opinion, hurt the credibility of the business community on matters related to certification. I am aware of the fact that a few Canadian jurisdictions have joined the U.S. in adopting the certification policy of a vote-in-every-case. However, I am not persuaded that this approach is a fair and objective way to test the wishes of employees.

Let me explain. The decision on whether to be represented by a trade union is solely one for the employees. But, a certification vote is invariably held after communications of a variety of types from the employer to the employees. These communications typically make it clear to the employees that the strong preference of the employer is to remain non-union. Even if this communication does not violate the Labour Relations Act, it seems to me that it can only inhibit the expression of true wishes on the part of employees. This is particularly so when the balloting is conducted on the employer's premises and with employer scrutineers looking on. Employer associations have argued persistently that it is more democratic to determine employee wishes by secret ballot vote. This expressed concern for

democracy would be somewhat more persuasive to me if Ontario workplaces had also, over the years, reflected this keen interest in democracy.

Tonight, I also wish to deal with the challenge the future presents in labour-management relations and the design of our workplaces. Before doing this, however, I would like to briefly review the last 18 to 20 years to establish a context. After what might be termed a golden era for collective bargaining in the 1950s and '60s, the early 1970s became a more difficult period. By 1974 inflation was running at double-digit levels as were collective bargaining settlements and interest rates. There was real anxiety about the future and a lot of turbulence in the system. In October of 1975, the federal government introduced wage and price controls. This certainly dampened the fire and the program ran until 1978. The late '70s was a period of stagflation, which ran into the early '80s. In the early '80s the economy went into recession, plants closed, and jobs were lost in large numbers. This led us to become much more acutely conscious of the changing international forces on our economy.

I would argue that the years 1975-80 represented a turning-point in labour-management relations and that much has evolved in the years since to change significantly the level of co-operation in the collective bargaining system. Prior to 1975, labour-management co-operation was hardly ever

discussed. Neither side thought it appropriate for the adversarial system. Organized labour was happy to be judged based on its economic achievements at the collective bargaining table. If the words "co-operation" or "productivity" were raised at the bargaining table, there was a serious risk that the union bargaining committee would walk out.

Canadian management had also found contentment in a system of labour-management relations with fixed-term collective agreements during which, of course, a strike was and still is illegal. Employers hired labour relations experts for their ability to keep the lid on union problems. Typically management's approach was something like this: negotiate a new agreement every two or three years, give them the minimum required to avoid a strike, pass on the cost to the customers, and whatever you do, "keep that management's rights clause intact".

In my opinion, that began to change in the period following the Anti-Inflation Program. Labour leaders came to realize that workplace problems caused by repetitive work and the boredom resulting from it, unresolved complaints and the unfulfilled expectations of a more educated workforce were to a significant extent causing the rejection of recommended settlements. More had to be done in the workplace and at the bargaining table to deal with these workplace problems.

Management negotiators found that items on union agendas, which had for years fallen off the table in exchange for monetary gains, no longer fell. They had to be dealt with if there was to be a settlement and, most significant, business lost during a strike was more often lost to an off-shore competitor rather than an Ontario-based one. I believe there was a perceptible shift in management's willingness to engage in workplace initiatives designed to improve communications, share information, solve workplace problems, whether or not they were violations of the collective agreement, and in some cases involve employees in shop floor decisions. But most of these initiatives were aimed at reducing worker alienation and improving co-operation without dramatically altering the power arrangements in the workplace.

During the 1980s the focus of collective bargaining changed. International competition was becoming impossible to ignore. The initial response of many employers was often the lean-and-mean approach, and lowering labour costs became the primary focus in the effort to become more competitive.

Whether conscious of it or not, employers were, and still are, faced with a fork in the road: they could work with their employees and unions toward more flexible workplaces and a fully involved workforce, or they could bargain hard to gain savings by wage and benefit concessions.

While I have briefly dealt with the past 20 years of changes in collective bargaining, I haven't dealt with a major underlying influence throughout this time, namely the culture of our workplaces.

In particular I am referring to what many of you will know as Taylorism, or scientific management. This is the pervasive way that work has been organized in North America since the early decades of this century.

Taylor's approach to organizing work had three essential characteristics.

The first characteristic was Compartmentalization of the Workforce.

Management took responsibility for all thinking and planning, and any changes to the way in which work was performed would be initiated by the managers.

Workers were responsible for carrying out orders without question or any degree of independent thought.

A second characteristic in the Taylorist approach was Narrowly Specified Jobs.

Jobs were designed to be simple and repetitive - this meant that workers could be trained quickly to perform a job and that most workers were easily replaced.

And third, holding Taylorism together was A Rigid Hierarchy of Command.

This system contained built-in elements that divided management from workers, thereby creating inherent conflict in the workplace.

For managers, upward mobility was possible; but for the shop floor workers the prospects were much less exciting. Workers' sense of being expendable resulted in widespread and enduring mistrust of the employer.

Another outgrowth of Taylorism was acceptance of the management's rights doctrine, which I spoke of earlier. This had the effect of formalizing within the labour relations system the division of responsibilities and it denied workers an opportunity to feel they could have a participative role. Training and further education were mostly reserved for management in our workplaces. A Taylorist workplace was the antithesis of a learning organization.

Unfortunately, in the vast majority of workplaces, Taylorism is still

alive and well. The divisions between managers and workers are as pronounced today as ever and so is the inflexibility which flows from Taylorist practices. Think of all the workplace terms which we have grown quite used to: Hourly paid and salaried; white collar and blue collar; exempt and non-exempt; even 'labour' and 'management'. These are euphemisms for the division of our workplaces. And compensation policies reinforce the division. Pension and benefit plans are often superior for management employees over those for the rank-and-file, not to mention superior compensation and bonus plans for some managerial employees.

Judged by today's circumstances it is easy to criticize the shortcomings of Taylorism. However, to give Taylorism its due, over much of this century it was an important ingredient for making our industries leaders in efficiency, and this in turn contributed to our high standard of living; indeed, after it was combined with collective bargaining in major industries, Taylorism can be credited with helping create the great middle class.

But that was then, and this is now. We are inching our way out of the deepest recession since the '30s. Looking back to 1975 or 1976 we can see a slow but nonetheless definite improvement in labour-management relations and take some satisfaction from this. On the other hand, we must deal with the impact of our new world of competition and the reality of our

restructured economy. Many manufacturers have disappeared and those that have survived can no longer sell everything they produce.

We have moved from a producer-driven economy to one that is consumer-driven. If we cannot supply customers with what they want, there are many companies in many countries which will supply them with exactly what they want - in the size, type, volume and colour which they desire, and at a competitive price.

If you don't believe things have changed consider the following:

- Traditional production facilities with narrow, simple jobs can be established in almost any country, including the third world, where the work can be done for a fraction of what we pay for these sorts of jobs.

- In many respects we are in a world without walls. No country now seems to have the ability to control its own economy. Thirty years ago governments could stimulate their economies and the results would be an increased level of economic activity. Now economic stimulus may do more for the sales of imports - TVs, stereos, etc. - than sales of home-made products.

- Another reality, with floating exchange rates, stimulative government borrowing may have the immediate effect of pushing up the value of the currency, making our products less competitive abroad.

Everyday we see the evidence of this new reality and its impact on the lives of workers in Ontario. There seems to be a multitude of often contrary prescriptions as to how we might meet the challenge. I wonder if we as a society even understand the challenge of the new competition? If we understand the challenge, do we believe it is a significant and lasting reality?

We are experiencing some change in a number of workplaces in Ontario. The Premier's Council Task Force on the Organization of Work reported last year that between 8 and 16% of Ontario workplaces are undergoing changes in the way work is organized.

What remains to be seen is whether the change is real and sustainable change or whether it is essentially superficial with no meaningful improvement in the way work is organized.

It seems to me that the issue is competitiveness. Ray Marshall,

former US Secretary of Labour, described competitiveness in this way: 'To compete with the world in terms that make it possible to maintain and improve our incomes.' If we can agree with this simple definition, then maybe we can also agree that the solution is in building High Performance Organizations.

Success in this more competitive global economy will require organizations that can deliver greater improvements in quality, productivity and flexibility than are attainable in Taylorist workplaces. To achieve these goals our organizations must provide for full worker participation in order to get the best out of the latest technologies.

Compared to the Taylorist workplace, workers in these organizations will have to apply thinking skill as part of their jobs. In order to achieve the improvements in quality, productivity and flexibility, production decisions will have to be made by people as close as possible to the point of production. For example, quality control is most effective when performed at the point of production, rather than at the end of the production process; and getting the maximum productivity improvement from new technologies will require application of highly developed skills by employees.

In my view the responsibility for initiating change in the workplace falls heavily on management. After all, it is management which has control

of the workplace.

This being the case, there is much to be pessimistic about, witness the employer community's opposition to labour law reform. While I respect their right to oppose, it appears that the opposition is primarily motivated by the view that the route to business success lies in either remaining union-free or maintaining the status quo in collective bargaining and workplace design.

What are the barriers to our achieving more involved and high performance workplaces? There are many, but here are a few of the more obvious ones.

1. Lack of recognition of the need for fundamental change on the part of major organizations.

2. Low Levels of Trust

   The division of the workplace into doers and thinkers over the years has left a residue of mistrust.

3. Lack of Commitment (Employer and Union)

- First with regard to employers: An employer's lack of commitment manifests itself in the reluctance to empower and involve employees. Without these, there will be no meaningful change in our workplaces.

- With regard to unions: Some unions are more comfortable with the adversarial system; it is much easier to oppose and to assign blame than it is to make constructive proposals and be part of the solution.

- From the employee perspective the biggest barrier to higher levels of commitment is the absence of employment security. It is fundamental that employee commitment to change, innovation and higher performance can occur only where employees feel a strong commitment by the employer to the employment security of its workforce.

4. Trade Union Politics

In the Taylorist workplaces of the past 50 years, trade union leaders have come to be judged almost solely by their ability to deal with the difficult employer and by the economic benefits which collective bargaining produces. We are surely in a time when trade union membership values must change. This change must provide the scope for union leadership to engage in cooperative endeavours to

reorganize workplaces. The manifestation of this change would be that workers will judge their leadership by the degree of employment stability which they can build into the workplace.

These obstacles will be very difficult to overcome. I am of the view that the solutions are linked; for example in enterprises where management is prepared to share power, the union and its members can be engaged in developing the strategic directions and the new values for the enterprise. In this way, many of the barriers to worker and trade union participation will be lowered or removed.

I believe unions will pay dearly for failure to become involved in work reorganization. Such a strategy will mean that many companies will embrace the low-wage option rather than strive to be high performance organizations.

I find myself wondering how Larry Sefton would have assessed our situation were he alive today. I do not believe he would have shied away from the potential for a new role for trade unions. I am sure Larry would have been in full accord with the approach which the Steelworker's Leo Gerard and Harry Hynd have taken in preparing for change in the workplace.

The employee buy-out of Algoma Steel is not simply a preparation for

change, it is indeed becoming a model of what a high-performance workplace will look like in this new world of competition. The Steelworkers are engaged in other initiatives such as training of workers and union officers in the principles of work re-organization, and in 1991 they held a landmark Conference entitled "Empowering Workers in the Global Economy".

The Communications Workers Union, now part of the Communications, Energy & Paperworkers, has adopted the policy of negotiating workplace organization at the bargaining table.

Let me conclude by saying that these are not solely labour-management issues or workplace issues. These are, in my opinion, also societal and public policy issues. They are such because society as a whole has a major interest in the way they are resolved. Our future standard of living will be affected by the outcome. As a society we will benefit from a more competitive workplace resulting in a more prosperous economy. And we will benefit from more satisfying and democratic workplaces which reflect the values we hold for individuals.

The remaining years of this century are critically important. If they are not spent effecting the necessary re-design of work, then I fear we will fail to build a prosperous economy in which the benefits are broadly shared.

If this turns out to be our fate, then I fear for the future of our children and I fear for Canada. If on the other hand as a society, we decide to take on the challenge, what a challenge it will be, a challenge to build dynamic, high performance and high involvement organizations:

- Organizations which recognize and embrace the real value of the human spirit;

- Organizations with jointly-shared strategic visions rather than employer-imposed rules and procedures;

- Organizations which live by their commitment to continuous learning, training and retraining;

- Organizations which recognize that unions and employers are equally legitimate institutions, and in the new order, both must be made stronger and both must be winners;

- Organizations which treat employment security as a major priority;

- Organizations which recognize the need for worker commitment and reward it through new compensation systems.

- Organizations which have as one of their founding principles a sound and co-operative labour-management relationship, and probably most importantly organizations which have mutual trust as part of their culture. For in labour-management relations, trust is the currency of change.

Finally, I remind you of the fork in the road. Down one way is lean-and-mean street - i.e. let the market operate. This holds the prospect of low-wage jobs, low skills, low initiative, feeble productivity growth, and a declining living standard.

Down the other way is high performance street. High skills, high value added, and high wages. It challenges us to embrace a new and exciting workplace paradigm. We have less time than we think.