

## REPORTS AND INQUIRIES

### Collaboration between Public Authorities and Employers' and Workers' Organisations

*In November 1956 a document was placed before the Governing Body of the I.L.O. at its 133rd Session to serve as a basis for its decision whether or not to include the question of collaboration between public authorities and employers' and workers' organisations<sup>1</sup> in the agenda of the 42nd Session of the International Labour Conference with a view to the adoption of international standards on the subject.*

*Although the question was not finally included in the agenda of the Conference, a number of the members of the Governing Body emphasised during the discussion that steps should be taken to publicise developments in this field. The original document, with certain changes to take account of developments since the Governing Body met, is therefore reproduced below.*

The participation of employers' and workers' organisations in the solution of the economic and social problems arising at the national level either within a particular industry or in industry or the economy as a whole is currently regarded in many countries as an essential condition to ensure that social progress will keep in step with economic development. The form taken by such participation may vary greatly from one country to another, or even within a single country. For the sake of clarity, the different types of machinery used for this purpose are here dealt with under two main heads depending on whether their basis is voluntary or statutory.

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<sup>1</sup> Among the studies already published by the International Labour Office on this problem see *Methods of Collaboration between the Public Authorities, Workers' Organisations and Employers' Organisations* (Geneva, 1940); *Co-operation in Industry*, Studies and Reports, New Series, No. 26 (Geneva, 1951); and *Co-operation between Public Authorities and Employers' and Workers' Organisations*, Report VI, International Labour Conference, 34th Session, Geneva, 1951. See also J. A. HALLSWORTH: "Freedom of Association and Industrial Relations in the Countries of the Near and Middle East", in *International Labour Review*, Vol. LXX, No. 5, Nov. 1954, pp. 363-384 and No. 6, Dec. 1954, pp. 526-541; E. DAYA: "Freedom of Association and Industrial Relations in Asian Countries", *ibid.*, Vol. LXXI, No. 4, Apr. 1955, pp. 364-393 and No. 5, May 1955, pp. 467-497; and R. VERNENGO: "Freedom of Association and Industrial Relations in Latin America", *ibid.*, Vol. LXXIII, No. 5, May 1956, pp. 451-482 and No. 6, June 1956, pp. 592-618.

## VOLUNTARY COLLABORATION

*Incidental Collaboration with the Public Authorities*

It would not be possible to list the numberless cases in which, quite apart from consultations which may take place through permanent and official collaboration machinery, the public authorities decide on their own initiative to seek the opinion of industrial organisations on particular problems. Parliaments—through their technical committees or commissions of inquiry—Ministries, and administrative bodies—through the exercise of their discretionary powers—frequently have occasion to undertake such consultation. No strict rule applies in such cases, and this type of consultation may be regarded as one of the forms of daily activity of the governmental or administrative units of States which wish to base their economic and social policy on the agreement of the interested parties.

A recent and very typical example of this kind of collaboration is the inquiry into the effects of automation on employment and long-term investments carried out in the United States in October 1955 by the Subcommittee on Economic Stabilisation of the Congressional Joint Committee on the Economic Report. Twenty-six leaders in various fields, including 14 employers, six trade union leaders, three government officials and three university professors, testified before the Subcommittee.<sup>1</sup>

It is to be noted that during the discussion the President of United States Industries, Inc. advocated the establishment of a national labour-management council on job opportunities to study the progress of automation, investigate local unemployment problems, and suggest solutions.

The Subcommittee recommended that "the private and public sectors of the nation do everything possible to assure the maintenance of a good, healthy, dynamic, and prospering economy, so that those who lose out at one place as a consequence of progressive technology will have no difficulty in finding a demand for their services elsewhere in the economy".

It also pointed out that industry should, by careful planning and scheduling, attempt to minimise the adjustments of workers and the stoppage of employment, and announced its intention of regularly reviewing the progress of technological change and the evidence of occupational changes.

A form of collaboration which seems to be spreading is that resulting from government sponsorship of "round-table conferences" with a view to stimulating an exchange of views between employers' and workers' organisations, the role of the State being confined to a watching brief for the public interest. Since the war such conferences have been held at various times in different parts of the world, including Belgium, France, Luxembourg, Japan, the Philippines and El Salvador. The national conference held in Manila in 1955 considered questions concerning collective bargaining, productivity, mediation and conciliation procedures, workers' education and the labour force in general. The agreement reached by employers' and workers' delegates in these various fields took the form of a voluntarily accepted code of principles, which,

<sup>1</sup> See E. WEINBERG: "An Inquiry into the Effects of Automation", in *Monthly Labor Review* (Washington, United States Department of Labor), Vol. 79, No. 1, Jan. 1956, pp. 7-14.

although it has no legal force, is none the less capable of strengthening labour-management co-operation. In 1956 ten regional conferences of this kind were held.

### *Bipartite Collaboration*

Agreement between the central employers' and workers' organisations on the solution of common problems of a social and economic nature sometimes stems from their own initiative.

This method of collaboration is typical of industrial relations in the Scandinavian countries. The basic agreements concluded in Denmark, Norway and Sweden, some of which are more than 50 years old, and by which employers' and workers' organisations recognised each other, still constitute the foundation for industrial relations in those countries. In Sweden the 1938 agreement led to the establishment of the Employment Market Board, a joint standing body for collaboration at the national level. This Board gives its members an opportunity for free discussion of their common problems, a procedure which has led to a number of national agreements dealing in particular with industrial safety (1942), vocational training (1944) and works committees (1945). Agencies have been set up for special questions, as, for instance, the Committee for Industrial Safety, the Industrial Employment Market Board, and the Time and Motion Study Committee.

Another example of a bipartite agency for co-operation entirely independent of the government is furnished by the Labour Foundation in the Netherlands. This body was formed in 1945 and comprises all employers' and workers' organisations with the exception of the Communist organisation. It is mainly concerned with fostering consultations on social matters and with encouraging the regulation of conditions of work and social security; in addition, it acts as an advisory body to the Government. It plays a particularly important part in wages matters since under the Emergency Decree on Labour Relations of 1945 the Board of Government Mediators, which fixes wages and approves collective agreements, must, before coming to a decision, first seek the advice of the Labour Foundation. In addition, a number of industrial councils have been set up under its auspices in various industries. The Labour Foundation has exercised far-reaching influence over social policy in the Netherlands since the war.<sup>1</sup>

In Belgium, after an entirely voluntary exchange of views, employers' and workers' organisations agreed in May 1954 on a joint declaration on productivity, designed to ensure collaboration in raising productivity throughout industry and guarantee economic and social progress. On the second anniversary of the signature of the declaration a national productivity congress was held in Brussels in 1956, with the result, among other things, that the Belgian Productivity Association has become a public institution, jointly managed by the representatives of employers' and workers' organisations and directly financed by these organisations with government subsidies. The congress also showed the willingness of the Belgian industrial organisations to find a common solution to the problems raised by technological development, with the assistance of university and scientific circles—a widening of the bipartite character of voluntary collaboration which constitutes a new tendency.

<sup>1</sup> Cf. "The 'Labour Foundation' in the Netherlands", by P. S. PELS, Secretary of the Social-Economic Council of the Netherlands, in *International Labour Review*, Vol. LXXV, No. 5, May 1957, pp. 437-449.

An agreement concerning the electricity scheme <sup>1</sup> signed on 15 July 1955 by the Belgian Confederation of Industry, the three national trade union organisations and the producers and distributors of electricity that are members of the Union of Electrical Undertakings represents another particularly significant example of voluntary collaboration. This agreement was the result of discussion in a working party on which these various organisations were represented, together with observers from the Ministry of Economic Affairs, electrical undertakings run by the public authorities, and independent producers. After six months' consideration the members of the working party agreed that in the public interest it was necessary to proceed with more intensive rationalisation and to seek more co-ordinated and unified management in order to lower electricity prices. They considered that most of these desiderata could be attained by voluntary agreement, without recourse to direct state intervention except in case of absolute necessity. The agreement provided that the members of the Union of Electrical Undertakings would establish a management committee whose authority they agreed to recognise, and that the signatories of the convention would set up a supervisory board and a consultative assembly. The supervisory board, which will also include observers from the Ministry of Economic Affairs and the Central Economic Council <sup>2</sup>, will be mainly concerned to ensure the proper application of the spirit of the agreement and may commission studies from experts of its own choosing with a view to improving the production and distribution of electricity. The text of the agreement was endorsed by the Government, which considered that the provisions arrived at were remarkably novel and original, that they had the merit of avoiding doctrinal or political controversy, and that they were likely to assist in solving, in an ingenious and practical way, the problems of this key industry.<sup>3</sup> This innovation is still only an experiment, as the trade union organisations have emphasised that they will avail themselves of their right to denounce the agreement if its results are unsatisfactory.

In France collaboration agreements between industrial organisations have been signed in various industries, among them textiles.

In the United Kingdom there are in most industries joint industrial councils consisting of an equal number of employers' and workers' representatives, the establishment of which had been recommended as far back as 1916 by the Whitley Committee on the Relations between Employers and Employed, with a view to enabling these parties, in the interests of social peace, to consider together all questions affecting industrial progress and welfare. The basis of the British system of joint industrial councils is the recognition of the representative nature of employers' associations and trade unions. Since the war their work has taken on a new impetus: their numbers have more than doubled, and in December 1952 there were 128 of them in the United Kingdom.<sup>4</sup>

Although largely based upon a model constitution drawn up by the Ministry of Labour, the structure and scope of the industrial councils vary considerably according to the particular organisation of each

<sup>1</sup> See *Votre électricité*, Bulletin de l'Union des exploitations électriques en Belgique, Oct. 1955.

<sup>2</sup> See below, p. 174.

<sup>3</sup> *Votre électricité*, op. cit.

<sup>4</sup> Ministry of Labour and National Service: *Industrial Relations Handbook* (London, H.M. Stationery Office, 1953), p. 22.

industry. Thus the councils range from at least a dozen to sometimes 100 members; some meet regularly (quarterly or half-yearly) and others only occasionally as the business on hand requires; some councils are assisted by local bodies (the district councils), which sometimes enjoy a certain degree of autonomy but are usually subject to the authority of the national council.

Very few of these councils confine themselves to negotiating wages and employment conditions; most of them deal also from time to time with questions such as unemployment, the restoration of industry, the collection of statistics, training and apprenticeship, welfare, health and safety, workmen's compensation, etc. Wherever appropriate there is consultation between the councils and the government departments concerned, and Ministry officials attend the meetings of most of the councils as observers.

The Government has adopted similar machinery for its own employees, both for civil servants and workers in the administrative services proper and for the workers in the various industries and public services coming directly under ministerial departments.

Examples of voluntary collaboration in particular branches of industry can also be found in some Asian countries. In Ceylon a joint industrial council was established in 1947 by the Ceylon Estates Employers' Federation and the Ceylon Estates Staffs' Union as an organ for joint consultation. In Japan seven companies in the textile chemical industry and the trade unions concerned set up a labour-management conference in 1953. Moreover in 1956 the National Federation of Textile Workers' Unions and four national employers' associations in the textile industry (cotton, wool, synthetic textile, jute and hemp) agreed to set up the Japanese Textile Congress as a permanent means of ensuring normal relations and promoting better understanding between labour and management in the industry. It has a standing committee, a managing committee and a committee of experts, and will meet in full session once every three months, with 20 representatives from each side. The inaugural meeting of the Congress was held in September 1956.<sup>1</sup> National and departmental Whitley Councils have been established in the public service in the Federation of Malaya, and consideration has been given to the formation of similar machinery to cover the whole of the Malayan railways.

In India the Joint Consultative Board of Industry and Labour set up by the Government in 1952 as a tripartite body recently decided to reconstitute itself as an unofficial bipartite body. One of its main functions is to endeavour to facilitate the conclusion of collective agreements, to create conditions for the avoidance of disputes, and to facilitate their settlement at the national level. It has published guiding principles for the regulation of rationalisation, and it is seeking to find an appropriate wage policy.

In the United States and Canada, collaboration between employers' and workers' organisations at the industrial and national level has not greatly expanded since collaboration mainly takes place at the enterprise or plant level—the level at which collective agreements are concluded; the national employers' and workers' organisations do not accept any direct responsibility in this field. It may also be noted that during the Congress of American Industry held in New York in December 1955 an event took place which, according to the National Association of

<sup>1</sup> *Industry and Labour* (Geneva, I.L.O.), Vol. XVII, No. 4, 15 Feb. 1957, p. 144.

Manufacturers (N.A.M.), was "of historical importance in labour-management relations".<sup>1</sup> At a luncheon session of the Congress, Mr. George Meany, President of the newly-merged A.F.L.-C.I.O., delivered an address on the subject "What Organised Labour Expects of Management". Mr. Charles R. Sligh, Jr., then Chairman of the Board of the N.A.M., replied with an address entitled "What Management Expects of Organised Labour". The purpose in arranging this meeting was to evoke a frank exchange of views that would clear the air and possibly provide a foundation for greater understanding and closer co-operation between organised labour and management. In his address Mr. Sligh offered a five-point code of conduct which, if it were accepted, would in his view enable organised labour and industry to serve the nation more efficiently. Mr. Meany drew attention in the following terms to the need for collaboration at the national level:

We are going to continue to try to improve the lot of the people we represent. We are going to continue to try, by collective bargaining, to get a fair share of the wealth that is produced jointly by labour and management. I think we could do this perhaps better if the great organisations of management such as the N.A.M., the Chamber of Commerce, were better acquainted with the great organisations of labour. We have so much in common that it seems rather silly to be fighting about the things that we do not have in common.

*Joint Participation of Employers' and Workers' Leaders in the Work of Bodies or Associations of Public Interest*

Another type of collaboration derives from the joint work of employers' and workers' leaders on various bodies or associations which call upon them. It may be wondered whether this is a case of collaboration between organisations, since the persons concerned generally act in a personal capacity and without committing their organisations in any way. They are, however, selected because of their past or present duties, and generally because of the importance of those duties. Thus the responsible leaders of employers' and workers' organisations sit down side by side and have an opportunity not only of coming to know and understand each other better but also of declaring their joint support for certain basic principles and of working together for certain common ends. In view of the importance of the individuals taking part in this kind of work, such collaboration, although in a private capacity, is none the less capable in practice of exerting considerable influence on the relations between the organisations to which they belong.

An example of such collaboration in the United States is offered by the National Industrial Conference Board or the National Planning Association; another is the participation of labour and management leaders in the industrial relations conferences held under the auspices of American universities.

The National Industrial Conference Board (N.I.C.B.), which was originally a purely employers' body, now has more than 3,000 members including employers' organisations, large and small undertakings, trade unions, representatives of the teaching and liberal professions, universities, etc. It is one of the oldest bodies engaged in research into the

<sup>1</sup> See GEORGE MEANY: *What Organized Labour Expects of Management*, and CHARLES R. SLIGH, JR.: *What Management Expects of Organized Labour*, pamphlet published by the National Association of Manufacturers, New York.

economic and administrative problems of American undertakings. Its aims are essentially scientific and educational. It undertakes constructive and objective studies, designed to enable its members to base their policy on reliable information. It establishes detailed and thorough statistics in order to make it, as indicated in its programme, a source of facts and figures on all aspects of economic and business life. At the meetings and conferences it organises on topical themes leaders of industry and labour meet in the company of economists, government officials, experts and teachers, for the sole purpose of acquiring information and exchanging views.

The National Planning Association (N.P.A.) is an organisation in which citizens use private resources and personal initiative to help in the national search for workable solutions to America's major economic, political and social problems. It is directed by a board of trustees representing the three major economic groups in the Association, namely employers, trade unions and agriculture. In a statement of its principles and objectives drafted in 1947, the board of trustees points out that work in common lessens obstacles to understanding and that the purpose of the N.P.A. is to collect all available facts with a view to seeking solutions in the light of those facts. In the post-war years the N.P.A. set up a special committee of inquiry into the causes of industrial peace under collective bargaining; the inquiry covered some 15 undertakings and evoked wide interest.<sup>1</sup>

#### STATUTORY COLLABORATION

Collaboration between the public authorities and industrial organisations may also take the form of permanent, official agencies with widely varying composition, duties and competence, set up under legal—and occasionally constitutional—provisions or governmental regulations.

In some cases these agencies are strictly tripartite in composition with equal representation of government, management and labour; in others the representatives of employers and workers are accompanied by representatives of various other sectors of opinion; in yet other cases, these agencies may be exclusively bipartite, under the chairmanship of a Minister, high government official, or independent public figure.

Their duties may be purely advisory in respect of economic and social policy-making, or they may have administrative or regulatory powers in the implementation of such policy.

Their field of competence may be on occasion very wide, and may include all labour or national economic problems or be confined to a particular aspect or sector of social or economic policy.

#### *Advisory Councils with General Competence*

In a number of countries there is permanent collaboration machinery enabling employers' and workers' organisations to be jointly associated in the preparation of government economic and social policy. The "National Labour Councils" and the "Economic Councils" are typical examples of this kind of collaboration. This system has been established

<sup>1</sup> The results of the inquiry were published in a special series, comprising 14 case studies and a final report, under the title *Causes of Industrial Peace under Collective Bargaining* (Washington, D.C., National Planning Association, 1948-53).

longest in the European countries but there are nowadays examples in all parts of the world, including the Middle East, Asia and Latin America.

In Belgium the Organisation of the Economy Act of 20 September 1948<sup>1</sup> set up a Central Economic Council which, together with industrial councils<sup>2</sup> at the industrial level and works councils, constitutes an official expression of the free representation of all the economic and social interests in the country and reflects the right of the workers to take part, not only in the framing of social regulations but also in the running of the economy. It is made up of 22 members appointed on the nomination of employers' organisations, 22 members appointed on the nomination of workers' organisations (including consumers' co-operatives), and six public figures of reputed scientific and technical ability, jointly nominated by the 44 other members. The chairman, secretary and assistant secretary of the Council are appointed on the nomination of its 50 members.

Its objective is to supply a Minister or either of the Houses of Parliament, either on its own initiative or at the request of the authorities, with opinions or proposals on problems concerning the national economy, in the form of reports reflecting the various views expressed in the Council. The Council began to operate in 1949 and has issued opinions on 64 questions; some of the most recent concern the creation of certain industrial councils, hire purchase, distribution problems, a trade registration Bill, and the interrelationship of the Belgian and Belgian Congo economies.

Alongside of the Central Economic Council there is a National Labour Council, also tripartite, which was established in 1952. Among the questions which it has recently considered are accelerated vocational training, employees' annual holidays, equal pay (application of the Equal Remuneration Convention, 1951), and the establishment and organisation of labour courts.

The Netherlands Constitution provides that agencies for industrial and business life in general may be set up by law and that they may be empowered to make regulations (articles 159 and 160). In implementation of these provisions a Social and Economic Council was set up under the Organisation of Industry Act of 27 January 1950.<sup>3</sup> It consists of 45 members, 30 of whom are appointed in equal numbers by the employers' and workers' organisations, the other 15 being nominated by the Crown. The chairman, selected from among members of the Council, is appointed by royal decree after consultation with the Council. Representatives of the Government may attend sittings and have the right to speak but not to vote. The Council takes its decisions by an absolute majority vote. Its opinions are those of the majority, but the minority opinion must be mentioned; the minority may make a special report if its views were effectively argued in the Council.

The Council's task is to promote the development of industrial activity along lines favourable to the people's interests. The Government is required to ask for its opinion on any important economic and social measure it proposes to take, unless such consultation is against public interest. The Council may also spontaneously offer opinions. It is to be noted that it is required to consult the Labour Foundation<sup>4</sup> before

<sup>1</sup> Cf. I.L.O.: *Legislative Series* (hereafter cited as *L.S.*), 1948 (Bel. 8).

<sup>2</sup> See below, p. 180.

<sup>3</sup> Cf. *L.S.*, 1950 (Neth. 1).

<sup>4</sup> See above, p. 169.



giving its opinion on social questions. Since its establishment the Council has issued a large number of opinions. The most important deal with wage and price policy, workers' family allowances, Bills dealing with the establishment of undertakings, economic competition, the classification of communes for the purposes of wage and salary determination, housing, equal pay for equal work, etc.

In addition to its advisory functions, the Council also has regulatory and supervisory powers. When it is required to collaborate in the implementation of laws, it may issue regulations for the purpose. It may also issue such regulations as it deems necessary for the accomplishment of its task, after publication and public discussion of the draft regulations. The Council supervises the operation of bodies set up at the industrial level under the Organisation of Industry Act<sup>1</sup> and also supervises the implementation of the Works Councils Act.

In France<sup>2</sup> an Economic Council was set up under article 25 of the Constitution, which proclaims it one of the institutions of the Republic. Its statutes were laid down by the Act of 27 October 1946, now superseded by the Act of 20 March 1951. It has more than 160 members representing various sectors of economic life and opinion; 45 are appointed by the most representative workers' organisations, 20 represent industrial undertakings (six for nationalised undertakings and 14 for private undertakings with separate and proportional representation for large, medium and small undertakings), and ten represent commercial undertakings. The Committees of Parliament must hear the reporter of the Economic Council; debates in the Council are public and details of them are published in the official gazette.

Any Bill, proposed decree or draft regulation in the economic and social field (except the budget), and international agreements containing economic and financial provisions submitted to the National Assembly for approval, must be referred to the Council. It may, on its own initiative, discuss economic, social and financial questions, undertake any inquiries it deems necessary for the purpose, enter into the necessary industrial consultations, and issue in conclusion opinions and suggestions. The Economic Council is statutorily required to be consulted on the establishment of national economic plans with a view to full employment and the rational utilisation of material resources, and on economic developments. It is required to make regular reports on the evolution of such plans, on the increase or decline of the national income and on measures calculated to raise the level of production, consumption and exports. It must also be consulted on the official estimates of national income before they are submitted to the National Assembly.

The work of the Economic Council is very considerable and its opinions, studies and inquiries are of prime importance in French economic life.<sup>3</sup>

In Greece Act No. 3229 of 20 May 1955 set up a National Social Policy Advisory Council. It consists of a chairman and 15 members, representing Government, employers and workers in equal numbers. The representatives of industrial organisations are directly appointed by them. The Council must be consulted on any measure connected

<sup>1</sup> See below, p. 180-181.

<sup>2</sup> See I.L.O.: *Labour-Management Co-operation in France*, Studies and Reports, New Series, No. 9 (Geneva, 1950).

<sup>3</sup> See Conseil économique: *Activité du Conseil économique 1951-54*, Etudes et travaux No. 31 (Paris, Presses universitaires de France, 1954).

with social policy, employment conditions and labour-management relations. It has recently been considering the international labour Conventions which have not yet been ratified by Greece.

In Italy article 99 of the Constitution provides for the establishment of a National Economic and Labour Council alongside Parliament by means of which use can be made of collaboration between management and labour, both in order to improve their relations and to facilitate the solution of national economic and social problems. This Council was set up under an Act dated 5 January 1957. It comprises 79 members, not including the chairman, who represent various categories of workers (25 members), various types of undertakings (18 members), the professions, agriculture, handicrafts and co-operatives (13 members in all), the Institute for Industrial Reconstruction (one member) and the national social security institutions (two members); a further 20 members are selected by reason of their special experience in economic and social matters. All the members of the Council are appointed by decree, usually on the recommendation of the bodies or organisations with the right to be represented on the Council. Members of the Council may not receive instructions from outside bodies.

The Council is an advisory body which may be consulted by the Government and Parliament on any matter related to economic, financial and social policy. It may likewise table Bills on economic and social matters unless the Government or one of the Houses of Parliament has already sought the advice of the Council on this subject or the Government has itself tabled a Bill. The Council may also, either at the request of the Parliament or Government, or on its own initiative, undertake studies and investigations dealing with matters within its terms of reference.

The Council meets at the request of one of the Houses of Parliament or of the Government, by decision of its chairman or on written application by not less than a quarter of its members. Its meetings are not held in public.

In Luxembourg the task of the National Economic Council is to consider problems connected with the structure, regulation and organisation of the economy and to issue opinions on questions referred to it by the Minister of Economic Affairs; it has 23 actual members, some of whom represent the Government and the public services, others being appointed on the nomination of the industrial chambers and organisations. Luxembourg also has a Joint National Labour Conference the objective of which is to assist the Government in the social administration of the country.

In Finland employers' and workers' representatives are members of the Economic Council set up under the Act of 3 October 1946. The Council deals with questions such as monetary stability, full employment and increasing production.

In the United Kingdom a National Production Advisory Council for industry advises the Government on industrial questions and problems affecting production in general. It is composed of 12 employers' representatives, 12 workers' representatives, two representatives of the nationalised industries and the chairmen of the regional councils of the industries. It meets at regular intervals under the chairmanship of the Chancellor of the Exchequer. In addition an Economic Planning Board advises the Government on the best way of utilising the country's economic resources. It is composed of workers' and employers' representatives, as well as specially appointed officials, who exercise their

functions in a personal capacity. A further body, the National Joint Advisory Council, advises the Government on questions of common interest to employers and workers, particularly as regards employment policy and human relations. It is composed of 17 employers' representatives, 17 workers' representatives and five representatives of the nationalised industries, and its chairman is the Minister of Labour.

In Malta the Labour Board, to which are submitted draft labour Bills for opinion, is a tripartite body, consisting of employers, workers and independent persons under the chairmanship of the Director of Labour.

In Egypt a Superior Advisory Labour Council was instituted by decree in 1953 to give advice to the Government on questions relating to labour and to workers submitted to it by the Ministry of Social Affairs and on all labour legislation prior to its promulgation. The 28 members include six representatives each of employers' and workers' organisations selected by the Minister from lists submitted by the organisations. The explanatory note attached to the decree affirms that the object of the Council is to ensure permanent collaboration between Government, employers and workers.

In Iran the Labour Act provides for the establishment of a Superior Labour Council, consisting of government representatives and 3 representatives each of workers and employers, elected by conferences of their organisations. Its purpose is to advise the Government on proposed labour legislation and on labour matters generally.

In Israel all Bills concerning labour are prepared after consultation with a tripartite Advisory Committee, the purpose of which is to bring a wide circle of responsible opinion into the preparation of legislation. The membership of the Committee is flexible, but normally includes government representatives, and representatives of management and trade unions.

In India there are a number of bodies for collaboration at the national level. In 1942 a tripartite labour organisation was set up on the model of the I.L.O., consisting of a general conference, which meets annually, and a standing committee, which meets when convened by the Government. Each organ is competent to consider such questions as may be referred to it by the Government. In addition, the Industries (Development and Regulation) Act, 1951, which places under government control certain industries of vital importance to the country, provides for the establishment of a Central Advisory Council for Industries, consisting of representatives of the Government, employers, labour, consumers and other interests, to advise the Government on all matters pertaining to the regulation of the industries covered by the Act and to ensure the optimum development of production.

In Pakistan a similarly constituted Advisory Council of Industries was established by executive action in 1949, its main functions being to review production periodically in important industries and to advise the Government on the means of securing the best use of productive capacity, the allocation of scarce materials and capital requirements, and generally on questions of planning and development.

In Burma the Government set up in 1948 a Standing Joint Labour Advisory Board to advise it on all labour matters and on the problem of unemployment. Tripartite labour advisory boards have also been set up in Hong Kong, the Federation of Malaya and Singapore to advise the authorities on labour matters generally, particularly with regard to labour legislation.

In Japan a tripartite Labour Legislation Committee has been established in the Ministry of Labour to advise on the revision of labour laws.

In the Republic of Korea there is a Central Labour Relations Board, which may be requested to give advice on social policy.

In Viet-Nam a National Consultative Labour Council composed of representatives of various Ministries and representatives of the employers and workers in equal numbers has been set up under the Labour Code ; the competent authority is required to secure its recommendation or advice on certain specific questions, but it may be consulted on any labour matter.

In the Philippines an Executive Order of 1948 established a Labour-Management Advisory Board which was empowered to give advice on the formulation of labour policies and the administration of labour laws. It has been replaced by an Advisory Labour-Management Council, set up under the Industrial Relations Act and composed of an independent chairman and an equal number of labour and management representatives. Its task is to advise the Secretary of Labour on the avoidance of industrial disputes, mediation and the voluntary adjustment of such disputes.

In Australia an Advisory Council of the Ministry of Labour was set up in 1954, under the chairmanship of the Minister, to enable him to obtain the views of employers' and workers' representatives on employment matters, industrial relations, the social protection of employees and kindred industrial and economic questions ; the employers have seven representatives on the Council and the workers six. At its first meetings the Council has discussed employment trends, occupational safety and the employment of the physically handicapped and of older workers. It meets every three months and its subcommittees meet when required.

In New Zealand there has been since 1952 an Industrial Advisory Council established by the Minister under the powers granted him by the Industrial Relations Act of 1949.<sup>1</sup> Although the Council is under the chairmanship of an independent public figure, it is essentially bipartite and enables employers and workers to discuss problems of common interest. The Council has discussed questions relating to the instability of the labour force and the encouragement of productivity. It has worked out model rules as a guide for the establishment of joint committees.

In Latin America a number of recently promulgated constitutions recognise the role of industrial organisations in economic and social policy and make provision for the establishment of various advisory bodies for the purpose. In addition, in several Latin American countries, including Chile, Venezuela, Bolivia, Ecuador and Colombia, official bodies for the promotion of industry have been in operation for some years past. Employers and workers are generally represented on them alongside the Government. Apart from their advisory functions, such agencies are often empowered to finance industrial projects, or to undertake them directly.

### *Collaboration in Special Fields*

While national advisory councils are the most obvious form of collaboration between the public authorities and industrial organisations,

<sup>1</sup> Cf. *L.S.*, 1949 (N.Z. 1).

it must not be forgotten that collaboration also occurs in various specialised committees or councils, all of which are channels through which the Ministries and administrations concerned may obtain the opinion of industrial organisations in particular fields and bring the latter into association with the public administration. It would not be possible even to list here all bodies of this kind in the various countries, for in the United Kingdom alone it has been estimated that the Trades Union Congress represents the views of organised labour on at least a hundred official or semi-official committees.<sup>1</sup> Brief indications are, however, given below of the main fields in which such collaboration currently takes place.

Legislation concerning the protection of labour in general (hours of work, weekly rest, holidays with pay, safety and health) or relating to the protection of particular groups of workers (women, children, home-workers) frequently calls for consultation with the representatives of the parties concerned in determining the regulations for its application. Furthermore, minimum wages in many countries in Asia (e.g. Burma and Ceylon) and Latin America (e.g. Chile, Costa Rica, Cuba and Ecuador) are determined by tripartite bodies or after consultation with them.

Collaboration also occurs in the employment field (the organisation of placement or migration, vocational guidance and training) and social security. For example social security institutions are sometimes managed by insured persons and employers, or by insured persons and the State, or by insured persons, employers and the State jointly.

Problems of productivity have in recent years given rise to the establishment in many countries of national committees to examine conditions of productivity and propose measures to increase it. Such agencies exist not only in the countries that are members of the O.E.E.C., which has set up a European Productivity Agency based on national committees, but also in other parts of the world, including the Middle East (e.g. in Egypt) and Asia (e.g. in Japan).

#### *Permanent Consultation of Industrial Organisations Apart from Tripartite Machinery*

In Austria the interests of employers and workers are protected both by voluntary occupational associations and by public corporations, which are associations set up under legal provisions and responsible for "the legal representation of employers and workers". Under the Act of 19 May 1954 the Chambers of Wage Earners and Salaried Employees must be consulted on the drafting of Bills and orders relating to the social, economic and cultural interests of the workers. Under the Act of 24 July 1946 Bills affecting the interests represented by the Chambers of Industry and Commerce must be referred to them for opinion before being laid before the Legislature; the same applies to the more important draft orders affecting such interests.

There are also industrial chambers in Luxembourg, and in the Federal Republic of Germany (Land of Bremen).<sup>2</sup>

In Colombia a National Trade Union Council was established in 1954.

<sup>1</sup> Sir Vincent TEWSON, General Secretary of the T.U.C.: "Les syndicats et l'action politique en Grande-Bretagne", in *Revue syndicale suisse* (Bern, Union syndicale suisse), 48th Year, No. 6, June 1956, p. 192a.

<sup>2</sup> *Industry and Labour*, Vol. XVII, No. 1, 1 Jan. 1957, p. 9.

It is composed of representatives of the central trade union organisations, under the chairmanship of the senior official responsible for labour matters, and its duty is to advise the Government on social matters. For this purpose it may propose such measures as it deems necessary to foster "co-operation and good relations among all classes of society, industrial peace, the accomplishment of their duty by the workers, and higher and more rational output from the national labour force".

In the Lebanon employers' bodies only are represented on the Superior Council for Economic Affairs, which studies measures affecting economic planning and similar matters.

In Switzerland the economic articles of the 1947 Revised Federal Constitution, which determine the economic questions to be covered by federal legislation, expressly provide that no regulations may be issued without the co-operation of the parties concerned, which must be obtained from the stage of drafting right up to application. The federal authorities are, however, free to choose the most appropriate form of collaboration. A former federal councillor charged by the Federal Council with the study of this question recently stated that, while there were many obstacles—and particularly political obstacles due to the federal structure of Switzerland—in the way of the establishment of any kind of economic council, it might be of advantage to establish a permanent advisory committee.<sup>1</sup>

### *Collaboration in Particular Industries*

Bodies have sometimes been set up to ensure collaboration in one or more specific industries.

In Belgium two separate systems for co-operation at the level of the industry have been established by law, namely the joint committees with functions of a social character and the industrial councils with functions of an economic and technical nature.

The joint committees deal mainly with collective bargaining and the prevention of industrial disputes, but they are also empowered to assist the governmental authorities in the drafting and enforcement of social legislation affecting the branches of activity concerned and encourage the training of apprentices and the formation of close and permanent relationships with vocational guidance institutions and trade schools.

The industrial councils in the various branches of economic activity were instituted by the Organisation of the Economy Act of 20 September 1948.<sup>2</sup> The industrial councils are essentially advisory bodies. They have the function of communicating to the Central Economic Council or to the Ministries opinions or proposals concerning economic and technical problems relating to the different branches which they represent. The composition of each council is fixed by Royal Order; they always include an equal number of employers' and workers' representatives. Three industrial councils have so far actually entered into operation, those for the metal trades, textiles and clothing, and the construction industry. Two other councils have been set up for sea fishing and the chemical industries.

In the Netherlands also, the Organisation of Industry Act of

<sup>1</sup> See Jean MÖRI: "Le rôle des associations économiques dans l'Etat", in *Revue syndicale suisse*, op. cit. pp. 165-173.

<sup>2</sup> See above, p. 174.

27 January 1950<sup>1</sup> organised industries as "public bodies" which may be either "product corporations" grouping categories of undertakings belonging to different branches of production or "trade corporations" set up for a single industry or group of allied industries. Each corporation has a governing body and a standing committee with equal numbers of employers' and workers' representatives; the president of the corporation is appointed by the competent Minister or with his approval. These joint agencies are required to aid in the enforcement of laws and regulations, particularly as regards social welfare and the adjustment of industrial disputes. They may be required to undertake social, economic and technical inquiries and to deal with the following matters: registration of undertakings and of persons employed in them; production, marketing and handling of products; production, mechanisation and rationalisation of undertakings, standardisation of means of production and operation; management of undertakings; wages and other conditions of work; employment, including placement, engagement and dismissals, vocational training and any other question connected with unemployment or manpower shortage; establishment of funds and other services for the benefit of the persons engaged in the industry. Under the Works Councils Act of 4 May 1950<sup>2</sup> joint committees were also set up in the various branches of industry in the Netherlands. As of 31 December 1955 there were 59 such joint committees, the main purpose of which is to promote the establishment of works councils in the branches for which they are competent and to supervise their operation under the supreme authority of the Netherlands Social and Economic Council.

In Norway joint advisory councils for most industries have been set up by the Government under the Joint Industrial Councils Act of 6 June 1947. Under the Act the councils, which are tripartite, are required to advise the Ministries concerned with their particular field and to prepare reports on matters referred to them by these Ministries. All persons are placed under an obligation by the Act to give the councils or their experts any information requested by them for the performance of their duties. The councils or their expert committees may claim the right to inspect installations and other private property, goods and other chattels.

In New Zealand the Industrial Relations Act, 1949<sup>3</sup>, empowers the Minister of Labour to appoint joint advisory councils at the local or industrial level. These councils may hold inquiries and make recommendations on means of improving industrial relations and industrial welfare in the industry. They are especially concerned with such questions as incentive payments, profit sharing and other measures to increase labour productivity.

In a number of Asian countries agencies for collaboration at the level of the industry have also been set up by legislation.

In India, after the tripartite labour organisation already mentioned had been set up, the Government decided to establish industrial committees similar to those of the I.L.O. Such committees already exist for the following branches of activity: the cotton industry, plantations, coal mining, jute, cement, tanning and the leather industries. The Indian Industries (Development and Regulation) Act, 1951<sup>4</sup>, also

<sup>1</sup> L.S., 1950 (Neth. 1).

<sup>2</sup> Ibid. (Neth. 2).

<sup>3</sup> Ibid., 1949 (N.Z. 1).

<sup>4</sup> See above, p. 174.

provides for the establishment of development councils at the industrial level, composed of representatives of the Government, employers, workers, consumers and other interested sectors, and responsible for recommending production targets, promoting vocational training and incentive measures, etc.

In Pakistan similarly constituted councils have been set up in seven of the country's leading industries; they are mainly responsible for reviewing production periodically in important industries and for advising governments on the means of securing the best use of productive capacity, the allocation of scarce materials and capital requirements and generally on questions of planning and development.

In Jamaica the Government promulgated in 1949 an Act to set up a fund financed by a sugar tax. The fund was to be administered by a welfare council of the sugar industry, composed of government, employers' and workers' representatives. The council has introduced a scheme under which sugar plantation workers can purchase their own houses, and has organised medical, dental and other welfare services.

In Peru there are tripartite committees in various industries including textiles, civil engineering, transport and food.

In Costa Rica the Government has currently under consideration the establishment of two or three national tripartite committees whose functions will be to study labour problems in certain important industries.

#### *Collaboration in the Public Services and Nationalised Industries*

In a number of countries the workers, through their representatives, participate in or are associated with the management of nationalised industries or publicly operated services. In most European countries, for example, the railway workers are represented by one or more delegates on boards of management. Three of the 21 members of the board of management of the Belgian state railways are designated by the railwaymen, and two of the eight members of the Norwegian board are similarly nominated. In Switzerland the general secretary of the union concerned represents the staff on the board of management of the federal railways. In France five representatives of the railway unions sit on the board of management of the national railway company.

In the nationalised undertakings in France, which include all fuel extraction undertakings, electricity and gas production, insurance, and some banks and large industrial undertakings such as the Renault company, representatives of the staff and of the central trade union organisations are normally associated with representatives of the State, consumers and users on the governing bodies. In the nationalised coal mines, for example, each coalfield is placed under a board on which the State is represented by six members appointed by the competent Ministers, the consumers by six others (two appointed by trade unions), and the employees in the various grades (manual workers, salaried employees, supervisory staff, engineers) by six other members appointed on the recommendation of the most representative trade unions. Through this dual method of representation, both as consumers and producers, the trade unions provide eight of the 18 persons entrusted with the management of each coalfield.

In the United Kingdom the various Acts by which a number of key industries have been placed under public ownership since the war impose an obligation on the management to consult the appropriate trade unions with a view to establishing machinery for the promotion



and encouragement of measures affecting the safety, health and welfare of persons employed in those industries and for the discussion of other matters of mutual interest, including efficiency in the operation of the industries. In implementation of these provisions each of the nationalised boards has set up at the national level a Joint Consultative Council composed of representatives of boards and of the trade unions concerned. Several of the industries have also set up joint committees at the unit, district and regional or divisional level.<sup>1</sup>

*Methods of Collaboration in Countries with a Planned  
Nationalised Economy*

In the U.S.S.R. and the Eastern and Central European countries which have nationalised economic activities as a whole, the management of the various industries is directly in the hands of organs of the public administration (economic Ministries, directorates of undertakings, etc.), management functions at each level being the responsibility of a single administrator (Minister, director). The administration of employment conditions (wages, hours of work, holidays, etc.) in centralised planning is also the exclusive responsibility of the Government. Trade union organisations, however, in accordance with their constitutions, are also associated in the framing and implementation of economic plans. Thus article 24 (6) of the Constitution of the Soviet Trade Unions provides that the Central Council of Trade Unions shall take part in the framing of national economic plans. As far as the functions of the trade unions in the implementation of state economic plans are concerned, it was stated in the report of the Committee on Freedom of Employers' and Workers' Organisations appointed by the Governing Body of the I.L.O. in March 1955<sup>2</sup> that their principal means of achieving that end are "socialist competition, rationalisation of production, improvement in labour discipline and expression of creative initiative, and a conscientious approach by the workers toward the struggle to implement the plans and to increase their own well-being. The trade unions co-operate in the achievement of these objectives, taking action both to provide incentives and to educate." The trade union organisations in these countries are also directly responsible for various social functions, such as the administration of social insurance and labour inspection, the organisation of workers' spare time, etc.; these functions imply close collaboration with the managing bodies of the State and of the economy.

There has recently been a tendency in these countries to make the centralised system of economic management more flexible by transferring wider powers to directors of undertakings and to the lower levels of administration. Workers' organisations are at the same time taking an increased interest in the various methods of consultation and collaboration. A number of industrial trade unions in Czechoslovakia and Poland have, for example, made efforts to organise broadly based discussion among their members and in their central committees of the tasks assigned to their respective industries by the new five-year plans adopted in 1956. In various parts of Poland advisory conferences on

<sup>1</sup> See Ministry of Labour and National Service : *Industrial Relations Handbook*, op. cit., pp. 116-117.

<sup>2</sup> For further details of this Committee see "The Thirty-Ninth Session of the International Labour Conference", in *International Labour Review*, Vol. LXXIV, No. 4, Oct. 1956, pp. 318 ff.

labour problems have been convened by the authorities, with the participation of trade union leaders and heads of undertakings. On the initiative of several trade unions the Central Council of Polish Trade Unions has started a campaign for the modernisation and revision of legislation on works councils so as to enable them once again to discharge their functions as agencies for collaboration within the undertaking. Efforts are in particular being made to obtain recognition by the leaders of industry of the basic trade union organisations as independent representatives of workers; for this purpose various provisions have been inserted in the Penal Code now in the course of adoption, designed to protect trade union leaders against discrimination in employment. In his programme for the reconversion of the Polish economy, published in August 1956, Professor Oscar Lange, one of the leaders of the Polish economy, stresses how important it is to secure the effective collaboration of the workers in the management of nationalised industries and state farms if any real improvement is to be obtained in productivity; in order to awaken the interest of wage earners in the results of their labour, it is not sufficient to seek to encourage output by direct material benefits such as bonuses; prime attention must be given to the problems of the workers' standards of living and promotion (a personnel policy based on individual merit), and to convincing the workers that the Government is following a sound policy. Professor Lange's two-year plan provides for a considerable expansion of workers' collaboration in nationalised industries, which is no longer to be limited to welfare but to apply to the whole of the undertaking's activities, including personnel policy.<sup>1</sup>

In Yugoslavia a scheme has been under way since 1950 to reform the economic structure, particularly by way of decentralising planning and the system of economic management and making them more flexible. As part of this reform the whole of the management functions formerly performed directly by state bodies have gradually been transferred to the workers of each undertaking. The workers' council and the management council, which are bodies elected by the workers, are in principle responsible for all economic and social matters relating to the undertaking; these include drawing up the operational programme, determining wages and prices, distributing manpower, assigning income, etc. Naturally these wide powers enjoyed by the workers in the undertaking have to be exercised in accordance with the law and within the framework of the social and economic policy fixed by the federal, republican or local authorities. Collaboration within the industry thus takes on a fresh significance as a method for co-ordinating the particular interests of each undertaking and its staff on the one hand with the general interest represented by the public authorities on the other. Yugoslav legislation therefore provides at the different levels for collaboration between the trade union bodies, the staff representatives, the industrial unions or the economic chambers<sup>2</sup> grouping undertakings, and the territorial authorities, either with a view to taking a common decision (e.g. the appointment of a director of an undertaking), or in order to settle disputes regarding the dismissal of certain categories of workers, wage fixing, and so on.

<sup>1</sup> See *Zycie Gospodarcze* (Warsaw), No. 14, 16 July 1956.

<sup>2</sup> Industrial unions are responsible for promoting the interests of an occupation or particular branch of activity (industry, mining, building, transport) and the economic chambers for promoting the production and circulation of goods; the industrial unions are compulsorily affiliated to the appropriate economic chamber.

The different Yugoslav trade unions and the groups of undertakings (economic chambers and industrial unions) also play an advisory part in the framing of economic plans and social legislation. The workers in Yugoslavia also have their say in framing economic and social policy through the producers' councils attached to the people's district committees and to the republican parliaments and the national federal parliament. These councils are elected by the wage earners and salaried employees in industry, handicrafts, agriculture, transport and commerce.

### CONCLUSION

In some countries, particularly in Europe, the practice of collaboration at the industrial or national level is of long standing ; in others it has quite recently emerged. Since the Second World War, however, there has been a significant development in methods of collaboration, particularly in countries that have had to meet the needs of reconstruction and in those that, in order to carry out industrialisation plans, were anxious to place their economic and social development on the best possible foundation. In some countries there is no collaboration machinery at the upper levels of the economy, either because there are constitutional or political obstacles in the way of such collaboration or it conflicts with the prevailing conceptions of economic and social life, or because there are not sufficiently powerful and experienced industrial organisations at the industrial or national level to take part in such collaboration ; but even in such countries the importance of the problem is not lost sight of and collaboration frequently takes other forms in practice. It is noteworthy in this respect that a number of the industrial committees of the I.L.O.<sup>1</sup> as well as regional conferences and meetings<sup>2</sup>, particularly those held in Mexico City in 1946, New Delhi in 1947 and Istanbul in 1947, adopted resolutions designed to give effect to the principle of collaboration proclaimed in the Declaration of Philadelphia by underlining the usefulness of methods of collaboration at the industrial or national level as the case may be, and recommending that appropriate measures should be taken in this field.

The problem appears to be of still greater importance today. During the discussion of the Director-General's Report at the 38th Session of the International Labour Conference in 1955, many speakers referred to one

<sup>1</sup> See the resolution on industrial relations in inland transport, adopted at Geneva on 16 May 1947 by the Inland Transport Committee (*Official Bulletin* (Geneva, I.L.O.), Vol. XXXI, No. 2, 15 Sep. 1948, pp. 90-93) ; the resolution concerning co-operation at the industry level in the iron and steel industry, adopted at Stockholm on 29 August 1947 by the Iron and Steel Committee (*ibid.*, p. 112) ; the resolution concerning industrial relations in the metal trades, adopted at Toledo (Ohio) on 10 May 1946 by the Metal Trades Committee (*ibid.*, Vol. XXX, No. 2, 15 Sep. 1947, pp. 116-117) ; and the resolution concerning the establishment of national committees in the construction industries, adopted at Brussels on 2 December 1946 by the Building, Civil Engineering and Public Works Committee (*ibid.*, p. 135).

<sup>2</sup> See the resolution concerning the establishment of advisory tripartite committees, adopted at Havana on 30 November 1939 by the Second Conference of American States Members of the I.L.O. (*ibid.*, Vol. XXV, 1 Apr. 1944, pp. 18-19) ; the resolution concerning the organisation of national labour conferences, adopted at Mexico City on 15 April 1946 by the Third Conference of American States Members of the I.L.O. (*ibid.*, Vol. XXIX, No. 2, 5 Sep. 1946, p. 110) ; the resolution concerning tripartite organisation and other appropriate arrangements, adopted at New Delhi on 5 November 1947 by the Preparatory Asian Regional Conference of the I.L.O. (*ibid.*, Vol. XXX, No. 3, 15 Nov. 1947, pp. 162-163) ; and the resolution on labour policy, adopted at Istanbul on 28 November 1947 by the Regional Meeting for the Near and Middle East (*ibid.*, Vol. XXX, No. 4, 1 Dec. 1947, pp. 215-230).

or other of the methods by which tripartite or bipartite collaboration is exercised at the industrial or national level, and stressed their usefulness. A memorandum communicated to the I.L.O. by the Chairman of the Workers' group of the Governing Body draws attention to the fact that "collaboration between the public authorities and employers' and workers' organisations, or direct collaboration between these organisations, is coming to be more and more necessary at the present time owing to the ever-growing complexity of the community's economic and social problems". The development of technological progress in all its forms, including automation, and its consequences, particularly as they affect employment and vocational retraining, are all problems that call in many countries for a solution at the upper levels of the economy and for which closer collaboration between all the parties concerned is required. In the United Kingdom, for example, the National Committee of the Amalgamated Engineering Union decided at its conference in April-May 1956 "to call for the establishment of a tripartite committee to control the introduction and scope of automation".<sup>1</sup> The pre-occupations caused by the social implications of automation have also been expressed at the international level in the resolution concerning automation adopted by the International Labour Conference at its 39th Session (1956).<sup>2</sup> The resolution recommends that at the national level there should be "close and continuous consultation between the parties concerned in planning ahead to meet any labour and social problems involved in the introduction and application of automatic processes and methods and other technological changes and in devising the policies and taking the measures required to facilitate adjustment to technological improvements and to ensure an equitable sharing of their benefits".

It would therefore appear that the importance of the question of collaboration at the national level is generally recognised, as is the need to take the necessary steps to develop such collaboration. It is really only as regards the form of such collaboration that there is any real divergence of view. There are differences as to the powers of the collaboration bodies, whose functions vary greatly from country to country, some of them having only an advisory function whereas others take part in the management of public affairs. There are differences particularly as regards the machinery through which such collaboration is effected; it is sometimes purely voluntary with provision for collaboration between the organisations concerned according to need, and sometimes based on legislation which organises collaboration between the State and industrial organisations within a permanent and compulsory framework. Differences in systems and practices are essentially due to diverging conceptions as to the role of the State in the development of social and economic life. Countries that dislike such intervention in industrial relations tend to accept only purely voluntary forms of collaboration; those, on the other hand, that favour state intervention go in for legal methods basing permanent collaboration on a tripartite foundation. It would appear in any case to be true that reluctance to organise collaboration at the upper levels of the economy is due more to fear of state intervention and of the forms

<sup>1</sup> See Reg BIRCH: "No Automation without Consultation", in *Labour Monthly* (London), Vol. XXXVIII, No. 6, June 1956, p. 268.

<sup>2</sup> I.L.O.: *Resolutions Adopted by the International Labour Conference at Its 39th Session (Geneva, June 1956)* (Geneva, 1956), pp. 1-3.

it may take than to the principle of collaboration provided it is applied on a voluntary basis.

It would, however, be a mistake to place too much emphasis on the distinction between statutory tripartite collaboration and voluntary bipartite collaboration. These two methods are by no means mutually exclusive ; they often exist side by side within the same country as is shown by the fact that in certain countries there is a tendency for purely voluntary collaboration machinery to develop alongside the official bodies. The line of demarcation between the two methods is by no means as clear in practice as might be believed ; a body set up by direct action of the parties concerned may gradually take on a semi-official character by reason of its very continuance and the fact that it is regularly consulted by the public authorities ; conversely, forms of collaboration that spring up from government initiative, such as "round-table conferences", are similar to forms of voluntary collaboration because of their occasional nature and the fact that their success mainly depends on goodwill and mutual understanding among the parties concerned.

The two conclusions which seem to emerge, and to complement each other, are that once collaboration is recognised as necessary at the upper levels of the economy it takes the most diverse and flexible forms possible having regard to the needs, traditions and customs of the various countries ; and, secondly, that owing to the very diversity of the ways in which it can be exercised collaboration has come to constitute nowadays an essential element of the structure or of the economic and social life of many countries in widely different regions.

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