

WHAKATANE (2) - ROTARY - 31-10-71

SEMINAR: HUMAN RELATIONS : THE KEY TO PRODUCTIVITY

This PAPER: "The Relationship between Labour & Capital in obtaining Optimum Productivity"

Thank Rot. Club of W. for imagination and enterprise in arranging this Seminar - and particularly for their invitation to speak

Having thanked say that when I read the N.Z. Herald of last Friday nearly didn't come out. Advertisement for Seminar - says see Bob Bawbe with photo. - didn't object to fact that photo seems to have me chasing a flea inside my collar
much to advertising hyperbole - didn't object very much to statement under photo "Regarded as the most powerful man in Australia" - although perhaps Billy McMahon may have - he's an P.M. or at least was ^{supper} when I left Australia last Tuesday - ^{with party} ~~we~~ changes its books so frequently you ~~can't~~ ^{can't be too sure}.

- did object to I was thoroughly frightened by next statement
Sunday Oct. 31 at 9.30 am to 5 pm

Speaking on "The relationship between capital and labour to obtain optimum productivity"

Such a stint beyond even my power of gift of the gab - but have been reassured - I no doubt so have you - that that is only some 35 minutes.

Well then to the subject which -
precisely - is "The Relationship between Labour &
Capital in obtaining Optimum Productivity."

From my point of view this topic
needs to be examined at two levels - the
first, in this context, only briefly: As a
socialist I believe the present system ^{operating in our 2 countries} of
production, dist. & exchange, cannot begin
to ensure optimum productivity. It is
plagued externally by ^{the} immoral adventures
of Vietnam which wastefully diverts our limited
resources and internally it tolerates a pervasion
of priorities within which we wallow in
the delights of a profusion of petroleum
outlets - spending millions of dollars to tell
us that brand ~~X~~ with special additive ~~Y~~ is
far superior to anything else when so often
it comes out of the same tank - and,
alongside this, allows an insufficiency of
schools, teachers, training facilities, university
buildings and equipment.

The absurdity of what our societies
tolerate in this regard is best demonstrated
in time of war. When our society is
threatened, we abandon the forms, concepts
and systems of production on which it is
based.

(3)

In war we did not and would not
liberate ~~the inefficiencies~~ of our unco-ordinated
and unregulated free enterprise system
because we know it is ^(extremely) inefficient. So to
save our society we abandon it. We adopt
the forms and concepts of regulation and
co-ordination which we know are more
certain to maximize production and
ensure a more equitable distribution of
resources. The paradox is completed
when, having won the war we in-
stead abandon the concepts & system, dismantle
the apparatus, which enabled us to win
it and adopt the concepts and forms
which were not good enough to
save themselves. The time of peace
is not important - we can be slovenly
- we can talk about maximizing
productivity and do our best to ensure
that it is not achieved. We are indeed
a strange people.

But I accept that the sort of
society which I believe makes most
sense can - or should - only be achieved
by a democratic decision of the
electorate. Our people because they have

(4)

been conditioned by the media are not yet ready to make that decision - they have been led to believe that history has at last stood still - that all the processes of change through which mankind has evolved have now come to a perfect ~~culmination~~ ^{culmination} in the form and concepts of capitalism - that there can be ^{no} better way of utilizing the resources of the community and more equitably distributing among its members the production which results from the use of those resources.

They will, of course, change that view - but ~~for the present~~ ^{now} let me talk ~~there~~ at this second level in the context of our present system of production and distribution.

The first point to make then is ~~precisely~~ in talking in this context about "the relationship between L & C in obtaining optimum productivity" is that it is the society of capital - a capitalist society. It is simply not good enough to blame labor if the society of capital does not work efficiently.

(5)

The so-called free enterprise capitalist system is based as I have indicated upon the assumption that the most appropriate ~~way~~ way of allowing production to proceed is by a series of independent, uncoordinated decision-making processes by a number of units concerned predominantly with the maximization of private profits for those units.

And as I have also indicated it is absolutely inevitable that such a system will operate ~~inefficiently~~ at varying degrees of inefficiency. Let me, briefly, put what I have to say on this point in terms of the ^{current} Australian scene.

Unemployment : 84,279 1.5% of work force

Prices : on last 1/4's figures 7% p.a. but be higher with impact of Budget.

Growth rate : 2.4% ¹⁹⁵⁰⁻¹⁹⁶⁹ - cf. with world standards.

Capital and the Govt. which slavishly supports ~~and~~ it by allowing it more

④

uninhibited operations than in any other country in the Western world have undertaken a vigorous, vicious and sustained attack upon organized labor in a diversionary attempt to lay the blame other than where it properly belongs. The 2.4 figure again - 1970 time lost through industrial disputes.

cf. with 60,000 - 120,000

13.8 mill. 5.75 times greater

2.4 mill = 0.45 / man-day for every person in work-force - common cold.

We within organized labor simply will not abide these ~~nonsense~~ ^{absurdities}: 9/1 Capital wants to begin to obtain a significant measure of co-operation from labor it has to cut out ~~these~~ ^{this} abrasive, diversionary and divisive nonsense. It is counter-productive and against capital's own interests.

Now having said these things let me make it clear that labor understands and accepts the fact

that within any modern society the essence of achieving greater productivity lies in the nature and rate of technological change. We recognize that co-operation in achieving change is desirable in our interest and the interest of the total community. As I have put it elsewhere we should not be latter-day hucksters.

We recognize the benefits and the marvels - scrubbed man to conquer the Moon - but we will not be dazzled by these extra-terrestrial and other ~~achievements~~ ^{performances} if they are achieved at the expense of our people.

I would suggest ^{when considering the introduction of tech. change - the basic question probably} that three issues are of paramount importance in the relations between L. & C. - if the processes of change are going to be most effectively achieved.

- CONSULTATION
- PARTICIPATION
- PROTECTION

A. CONSULTATION

living in a world marked
by extra-ordinarily rapid rate of
change

1961 - 58 computers installed
in Australia

Now - ~~increased~~
approximately 1200

Between Oct - Dec. 1970

50 were installed.

Problems associated not merely with
numbers but with the impact of
computer science and techniques.

Already in Australia hundreds of
clerical employees have been retrenched.

Consultation ^{vital} important - & recognized
by our Arb. Tribunal

Oil Clerks Case - read

- date 26th March 1968

- since

then hundreds of computers been
installed and others expanded
- been virtually no consultation

(9)

hip service is paid by employers
organisations. The time has come
to cut the cable: Real, serious,
& vital human problems are
involved - and unless there is
prior consultation there will be
an increasing tension and opposition
to these instruments of change.

B PARTICIPATION

- by this refer of
course to participation in the
benefits. Again no good merely
Ways - the means to enjoyment
of goods & services
Conditions - 40 hour week
coal-mining.

Abroad to imagine that what set in
1947 should remain right & ^{appropriate} indelible

C. PROTECTION

Immediate - displacement
- retraining

Education - relation of education to economic development - 1967/80

50% of jobs unknown.

General Education - maximization of production of physical goods & services is not necessarily the achievement of optimum prod/ty.

- inequality of opportunity

While speaking of education refer to education within T.V. movement

which those talents can be gainfully and honorably employed.

Conclusion

If our society is prepared to make sensible decision about the process of change then we can I believe look forward to tremendous progress. - or there can be chaos. [Plenty of evidence] The measure of the cooperation of labor will be found in the extent to which society moves to ensure that facilities are provided for the full & relevant training of the intrinsic talents of all people within the society and ~~of~~ the creator of an economic structure within

1971 COMPUTER CONFERENCE

apologize at this awesome conference

Thanks for invitation - apologize (apologies)
absence of ^{prepared} paper

Suffer from limitation human
(and financial) resources and H.C.T.V. which
have precluded

- in case detect glint in eye
of the computer - floggers let me say that
while not a man who approaches any
crime with closed mind - will take power
of convincing that is any instrument on the
market which can not ^{for you} show, and
may stick with Mr. Dunbar or R.P.M. or
diverse pencil provision and the ^{non} payment
of fines with Mr. McMahon - although in
the case of the latter his imperiousness to
reason suggests that it would be as well
to confront him with a machine as with
a human being - and of course if we
did present him with a computer he and
John could have such jolly games - 33
for me, 33 for you - whose turn next
and ~~what happens to Malcolm~~ go?

Now I see from your programme
that been designed etc.

and that my specific topic is

"QUOTE"

First thing - NOT - latter-day-hubbles

- recognize benefits and the marvels

- the MOON.

- but we will not be
dazzled by these extra-terrestrial achievements

of there are of expense and human suffering of our people here.

- A → Consultation
- B → Participation in benefit
- C → Protection

H. change

- Fantastic rate of

1961 - 58 computers installed in Australia

now - in excess of 1100

Between Oct + Dec. 1970 . 50

And problems will be not merely ^{account} numbers but impact of computer science & techniques

Already more than 300 clinical emper researched. Will be significant re-evaluating in future

- Oil Crisis Case - read pp 4-5

Date - 26th March 1968

Since then hundreds installed & others expanded - virtually no consultation.

- Time to cut the cable - real
human problems

B. Participation in benefits

- merely 10 months & accept. in principle
- wages in the instrument
- wages policy

C. Protection

- 1) immediate - displacement
 - 2) Constitutional point - environment
 - business anomaly - computer
- the instrument which looks at the operators of the firm. e.g. busy age - get into.

- 50% - 1980 speaking in 1967

- 3) education - twenty-century system
 - best that your better can do
 - is dozen teachers - schools
 - review relations

— conjuncture of opportunity

Sum up in terms of topic

- a) by issues
- b) what being done - N.L.R.C.
- c) future hold
 - if sensible planning
 - remission program - or chaos

As kind - measure of co-operation will be extent to which not only interest account taken of needs of workers but broadly extent to which econ. & educational opportunities are improved to give workers & dependents - full opportunity for an early entry of their children into & subsequent some of a future in a fully-upt economic community context.