

## **CHAPTER 1**

### **INTRODUCTION TO LABOUR RELATIONS**

#### **True/False**

1. Some human resource managers use the terms industrial relations and labour relations interchangeably.

Answer: True

2. There is a consensus on the meaning of the terms industrial relations and labour relations.

Answer: False

3. Labour relations are important because they affect both union and non-union employees.

Answer: True

4. Labour relations is defined as the study of all aspects of the union-management relationship.

Answer: True

5. The issue of improving health and safety in the workplace is within the domain of industrial relations.

Answer: True

6. Collective bargaining refers exclusively to the negotiation of a contract between the union and the employer.

Answer: False

7. Unions have equal strength and importance in all provinces.

Answer: False

8. After an employer has been unionized an employee in the bargaining unit cannot make an agreement with the employer providing for additional vacation time.

Answer: True

9. When employees are not represented by a union the employment relationship is governed by the contract between the parties, common law, and employment legislation.

Answer: True

10. A unionized employer must give members of the bargaining unit reasonable notice to terminate them.

Answer: False

11. The courts have the authority to order employers to reinstate non-union employees who have been wrongfully dismissed.

Answer: False

12. Constructive dismissal means that an employer could not reduce an employee's pay by 15% unless the employee consented.

Answer: True

13. Unionization affects the profitability but not the productivity of employers.

Answer: False

14. A systems approach to labour relations refers to the industrial relationship, parties, processes, and outputs.

Answer: False

15. The processes in labour relations refer only to joint union-management activities such as contract negotiations.

Answer: False

16. Human resource managers and labour relations specialists may have a different perspective on unions.

Answer: True

17. Without a union, the employment relationship would be governed exclusively by agreements between employers and individual employees.

Answer: False

18. “Wrongful dismissal” means that an employer must have a valid reason to terminate an employee.

Answer: False

19. It is possible for collective agreements to provide less notice of termination to employees than the common law reasonable notice period.

Answer: True

20. There are studies indicating that unionized employees have lower job satisfaction than non-union employees.

Answer: True

21. A systems framework for labour relations contains five elements: the parties, processes, the environment, outputs, and feedback.

Answer: True

22. The environmental factors affecting labour relations refer exclusively to the economy, technology, and legal issues.

Answer: False

23. Countries with higher rates of unionization tend to have lower economic inequality.

Answer: True

24. Labour Relations in Canada are viewed as being co-operative in nature.

Answer: False

25. Some employers and unions have attempted to move to a more collaborative relationship by agreeing that contract disputes will not be resolved through strikes.

Answer: True

26. The legal environment hinders collaboration between employers and unions because it provides that unions cannot agree to give up the right to strike.

Answer: False

**Multiple Choice**

1. Labour relations is defined as the study of:
  - a. employment in union and non-union organizations
  - b. all aspects of the union-management relationship
  - c. the negotiation and administration of collective agreements
  - d. methods to improve union-management relations
  - e. compensation in unionized workplaces

Answer: b

2. When a union represents employees:
  - a. Individual employees can negotiate terms of employment provided that the terms are better than the terms of the collective agreement.
  - b. Employers are obligated to give reasonable notice when terminating employees.
  - c. Disputes between the union and the employer are resolved in the courts.
  - d. Employee job security is reduced.
  - e. A termination of an employee could be overturned by an arbitrator.

Answer: e

3. The unionization of employees at Company A is the **least** likely to affect:
  - a. Company A's compensation costs
  - b. Company A's productivity
  - c. job satisfaction of employees at Company A
  - d. employment standards legislation affecting Company A
  - e. Company A's policies and procedures relating to employee dispute resolution

Answer: d

4. Company A is reducing production because of a decrease in demand for its product. When the company reduces the size of its unionized workforce, which of the following is correct?
  - a. the union must be given reasonable notice
  - b. employees must be given reasonable notice
  - c. employees must be given the notice provided for in the collective agreement
  - d. younger employees must be laid off first
  - e. employees cannot be terminated unless the union consents

Answer: c

5. Dunlop's model of industrial relations systems contains which of the following as elements?
  - a. the distribution of power in society
  - b. the context for the system
  - c. conflict between employers and employees

- d. workplace democracy
- e. political economy

Answer: b

6. A systems framework for labour relations has the following elements:
- a. parties, contract negotiation, the environment, outcomes, and feedback
  - b. the environment, parties, processes, outcomes, and feedback
  - c. parties, processes, the environment, outcomes, and legislation
  - d. parties, processes, feedback, and outcomes
  - e. the environment, parties, processes, outcomes, and collective agreements

Answer: b

7. Which of the following is **not** part of the external environment affecting labour relations:
- a. grievance process
  - b. free trade agreements
  - c. globalization
  - d. the rate of inflation
  - e. human rights legislation

Answer: a

8. The process component in a systems approach to labour relations includes which of the following?
- a. unilateral action by management
  - b. unilateral action by unions
  - c. the environment
  - d. a and b
  - e. a and c

Answer: d

9. Which of the following is **not** correct regarding feedback in a systems framework for labour relations:
- a. Experience with a process could result in a party seeking to change the process.
  - b. The feedback affects only the actors and processes in the system.
  - c. Outputs of the labour relations system affect the processes used by the parties.
  - d. Outputs of the labour relations system affect the objectives of the parties.
  - e. Outputs of the labour relations system affect the economy.

Answer: b

10. A unionized employee has access to which of the following legal procedures and remedies?

- a. a suit for constructive dismissal
- b. a suit for wrongful dismissal
- c. reinstatement ordered by an arbitrator
- d. reinstatement ordered by a judge
- e. damages awarded by a judge for the breach of the collective agreement

Answer: c

11. The unionization of employees is the **least** likely to affect which of the following?

- a. job satisfaction of employees
- b. costs of operations for the employer
- c. job security for employees
- d. the reasonable notice employees are entitled to
- e. investment decisions made by the employer

Answer: d

12. Which of the following is **not** included in a systems approach to labour relations?

- a. actors
- b. the environment
- c. processes engaged in by the actors
- d. outputs
- e. distribution of power in society

Answer: e

13. A political economy approach to labour relations emphasizes which of the following?

- a. conflict between employer and employee interests
- b. a web of rules
- c. an ideology shared by employers and unions
- d. government intervention
- e. the values of employers and unions

Answer: a

14. Which of the following is correct regarding the environment component in a systems approach to labour relations?

- a. environmental factors do not effect each other
- b. outputs are an element of the system
- c. an ideology that binds the system together is an element of the system
- d. the distribution of power in society is an element of the system
- e. unions and employers may attempt to influence or change their environment

Answer: e

15. The values and beliefs of the Canadian public are part of:

- a. the legal environment
- b. social environment
- c. political environment
- d. technological environment
- e. economic environment

Answer: b

16. Which of the following is correct regarding the issue of employer and union collaboration?

- a. the legal environment may hinder collaboration
- b. the labour relations system is viewed as being collaborative
- c. collaboration is universally accepted as being good for both parties
- d. collaboration is part of the political economy approach to labour relations
- e. collaboration is an essential component in a systems approach to labour relations

Answer: a

17. Which of the following is correct regarding a systems framework for labour relations?

- a. It establishes that employers are the key actor in labour relations.
- b. It minimizes the importance of environmental factors.
- c. It establishes that contract negotiation is the only process involved in labour relations.
- d. It illustrates that the components of the system are self-contained.
- e. It illustrates that there are numerous results or outputs.

Answer: e

### **Essay Questions**

1. Describe the differences in the relationship between employers and employees in non-union and unionized environments.
2. Discuss the following statement: Labour relations are important for employers, employees, and society.
3. Two of the elements of a systems approach to labour relations are the actors and the processes or activities the actors engage in. Identify the actors in the system and describe the processes that each one could be engaged in.
4. Describe the environmental factors that could affect labour relations.
5. Describe the outputs of a systems approach to labour relations.
6. Describe the elements of a systems framework for labour relations.
7. Some of the employees of an organization have been unionized. Explain three ways that the employer could be affected.