

Downhill slide in Amherst Workers keep up the fight

by Nolan Reilly

The Amherst and Sackville workers of Enheat Ltd. have not had a good year. Without a contract from December 1975 to July 1976, they struck the company last summer for over 12 weeks. When a settlement was reached in September, the workers were forced to endure a further 8 weeks of unemployment while Enheat sought start-up financing. This article describes the problems these men and women encountered in their struggle to win a new contract and explores the history of working class conflict in Amherst.

"Busy Amherst"

Seventy-five years ago Amherst was a bustling manufacturing center. The town's industries employed over 3,000 men and women in the making of boilers, engines, boots and shoes, bathtubs, stoves, woolen goods, trunks, pianos, and railway cars. Rhodes-Curry Co. was one of the largest railway car building factories in Canada and often employed 1,500 workers. While Maritimers left by the thousands in search of jobs, "Busy Amherst" grew and grew.

Businessmen invested in Amherst because there was a profit to be made. But after 1907 it became harder and harder to make money anywhere in the Maritimes because investment money and industry were being concentrated in central Canada. Some businessmen tried to continue as usual and were wiped out by competition. Most, however, plugged their operations into the larger national system. It meant higher profits for them, but hardship for the working people.

Nathaniel Curry, the railway man, for example, made a bundle in one of these deals. He merged his Amherst plant with two others in Montreal. This transaction made old Nathaniel a millionaire, and he moved to Montreal with the profits made in Amherst to become president of the newly formed Canadian Car & Foundry Co. Later, as president of 11 companies and a director of 30 others, he rounded off his career in the Senate. So much for the old myth that Nova Scotia doesn't have any industries because there aren't any smart businessmen. We must look farther than this if we want to discover the answer for regional underdevelopment.

The Canadian Car & Foundry Co., the new monopoly, had no interest in modernizing the Amherst works. In fact it did exactly the opposite. Between 1909-1921 it moved department after department to Montreal, until the Amherst division was completely shutdown. Most of the other industries in the town had a similar fate. The closing of Amherst's factories in the 1920s brought high unemployment, low wages in the few available jobs, and an uncertain future for the workers and their families. Hundreds of working class families left the area in search of employment.

One Big Union

The workers didn't sit still and allow this process to run its course. Before World War I carpenters, machinists, painters, moulders, tailors, carmen, and boot and shoe workers organized union locals. Many of these working people became members of the Socialist Party of Canada. In 1919, many workers joined the One Big Union movement.

The O.B.U. was politically and organizationally very different from the labour bodies of today. All workers in a factory, skilled and unskilled, organized into a unit of the O.B.U. This combination of all tradesmen and labourers into a single body was a radical concept in 1919. For example, previous to this time the moulders, machinists, and carmen in the Canadian Car & Foundry Co. had separate unions. The labourers were almost totally unorganized. These small locals, however, did not have the necessary resources to defend their members against the actions of the large corporations.

The O.B.U. took their concept of industrial unionism one step further by organizing the town's entire working class from rolling mill employees through garage mechanics. Each shop formed a branch of

the O.B.U. All grievances were taken through the central body to the businessmen. This kind of organization greatly benefited the workers in the smaller shops. The boot and shoe employees, for example, depended on the support of all O.B.U. members in the town. This certainly improved their bargaining position.

1919 General Strike

In May 1919, the solidarity of the O.B.U. members was tested and proved to be strong. The working men and women, already upset by their low wages and long hours, discovered that the carworks paid its Montreal employees higher wages than the Amherst workers. The O.B.U. called a mass protest meeting for the evening of 19 May. They confronted the problem directly.

One Big Union Ties Up Industrial Amherst. All workers join the carmen in demand for the concessions granted Montreal employees of Canada Car Company — 2,000 men out — great processions and overflow meetings. But the men are calm and orderly.

So began the newspaper reports of Canada's second major general strike of 1919 (Winnipeg was the first). After three weeks the O.B.U. returned to work with higher pay and shorter hours. Also the carmen had won parity with Montreal. This victory, however, could not reverse the long range trend of underdevelopment and in the 1920s Amherst's economy collapsed.

Drifting into the 1960s

For the next 40 years Amherst drifted. Small factories came and went, wages remained low, jobs were scarce, and the young left for central Canada in search of employment. Then came the 1960s and new promises of prosperity. Things began to change. Or did they?

American and Canadian multi-nationals moved into the town to reap the benefits of government handouts and the further subsidization of low pay scales. However, if the workers organize and demand a living wage or the government ceases its corporate welfare programmes, the companies move their assembly plants elsewhere. They reappear in places like Mexico where wages are even lower.

In the summer of 1976 a number of companies suspended production in Amherst. Several hundred men and women were thrown onto the unemployment rolls. At least 25 workers followed the westward path that thousands of Maritimers have travelled in the last century. This up-rooting neither was, nor is, easy. It often means the breaking up of families, loss of money on the sale of the workers' homes, and a difficult adjustment period in unfamiliar surroundings.

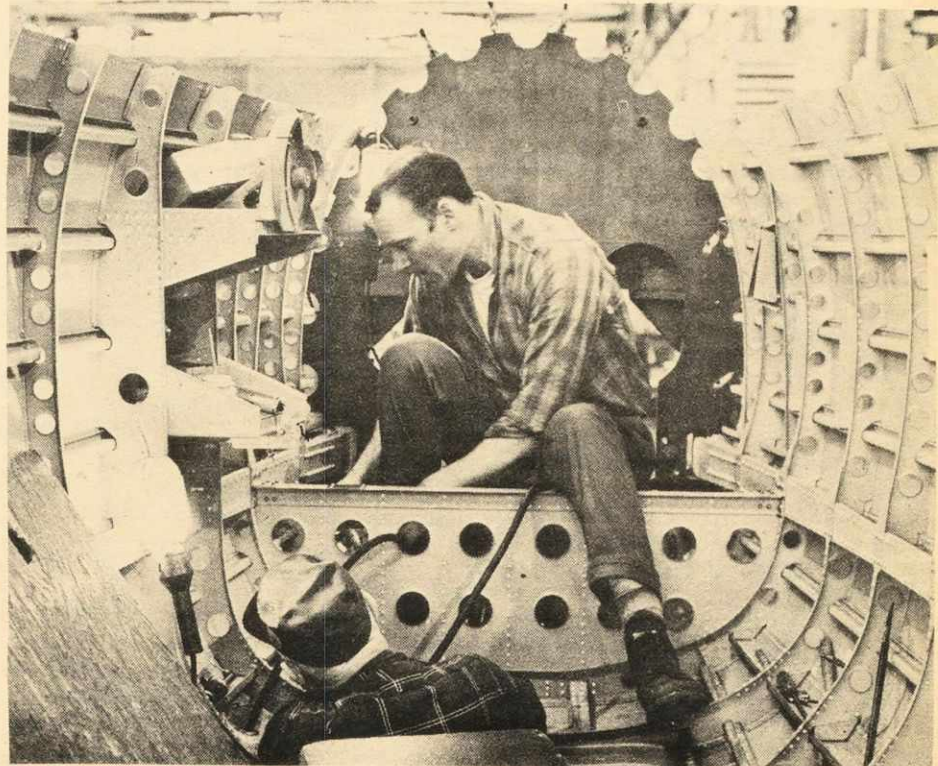
If these companies weren't already strong enough, the introduction of wage controls provided them with yet one more tool to erode the living standards of Maritime workers. They have not hesitated to use it. Last summer the Enheat Ltd. workers in their struggle to secure a new contract had to confront not only the problems of living in an underdeveloped region but also the company's hiding behind the Anti-inflation Board.

Enheat Ltd.

Quebec based, Enheat operates in Amherst a rolling mill division with 200 employees during peak production periods (which aren't often) and an aircraft division with 150 workers. In nearby Sackville, the company has an appliance division employing 185. The workers are organized into 4 locals of the United Steel Workers of America but bargain as one unit.

The previous contract between the union and Enheat expired in December 1975. In negotiations that stretched through autumn 1975 and into spring 1976, the company never budged from the AIB guidelines of 8% in the first year of a 2 year contract and 6% in the second year. In July, just before the strike, the offer was raised to 8% for both years.

The small increase offered by the company again demonstrated its contempt



Enheat worker in Amherst, N.S.

for the workers. In previous contracts the union members had accepted low wage settlements because of Enheat's apparent financial problems. As a result, wages had fallen behind other Maritime industries, let alone the rest of Canada. Given the already low wages and the high inflation rate during the life of the last contract, acceptance of the AIB guidelines in 1976 would have meant a decline in the workers' real wages.

The Strike

The union was not willing to compromise. It demanded wage increases of 15 and 10 percent over 2 years, and the introduction of a new job classification scheme known as the Co-operative Wage Programme (CWS). The rolling mill employees also demanded a commitment from the company to modernize its facilities, since they fear that the plant will close if it is not made more competitive.

By July, Enheat workers were fed up with the company's arrogant attitude. On July 5, they voted overwhelmingly to go on strike. Seven days later the picket lines went up in Amherst. The New Brunswick government used a technicality in the labour laws to force the Sackville employees to remain at work for an additional two weeks.

The Nunn Report

The strike dragged on through July and by mid-August the inevitable rumour began to circulate. Enheat was bankrupt and about to close. The union decided to settle this question and asked the Nova Scotia government to investigate. The government appointed lawyer D.M. Nunn to study the situation. On 20 September, after two days of hearings Nunn submitted what even he described as "unorthodox" recommendations.

Nunn reported that the company was on the verge of insolvency and called on the employees to sacrifice all demands to save Enheat. He urged the union to return to work without a contract or retroactive pay. Also the workers were asked to accept a wage increase lower than what the company had offered before the strike began 11 weeks earlier. The final absurdity of the report, however, was that even if the union accepted these recommendations there was no guarantee that Enheat would continue to operate.

The workers response to the Nunn report was an immediate and resounding no. Union members insisted that they would no longer subsidize the company by accepting low wages. Paul Lepage of the USWA staff emphasized that, "it is high time new management and ownership was put in here [Enheat] to build a viable and prosperous industry." Lepage also warned that any attempt to place responsibility for the bankruptcy of the company on the workers would be "sheer damned dishonesty." Furthermore, the workers decided that if

new management could not be found, the company should be nationalized.

When news of the union's decision reached Halifax, the government quickly rallied to the defense of its wealthy business friends. Labour Minister Fitzgerald had the audacity to tell the workers that he doesn't think "it's fair to expect that if a company can't meet its payroll, workers [should] automatically feel the government will pick up the difference."

The Settlement

After several weeks of sustained union pressure the government finally began to consider financial assistance for Enheat. However, the signing of a collective agreement was set down as a requirement for the issuing of government support. Near the end of September, the union and management returned to the bargaining table and eventually reached an agreement. The workers ratified the contract which includes hourly increases of 50c plus 13c over 2 years (original offer 44c plus 39c), and another 40c under the CWS plan. A joint union-management committee was established to supervise the modernization of the rolling mill.

Ed Steele, the USWA staff person involved in the negotiations is unhappy that the contract doesn't give the Enheat workers parity with other steel workers in the region. But he feels the agreement was the best that could be secured under the circumstances.

The Future

Although the strike was settled by 1 October, the Enheat workers were not recalled until December. The company claimed the delay was created by the complicated loan negotiations with the various levels of government. During this time a \$8 million contract was signed with Lockheed Ltd. Enheat is to provide parts for the new Aurora patrol planes.

The workers still face uncertainty. The AIB has not ruled on the contract and considering the pattern of its previous rulings, it may decide to roll the wages back. The long-term problems the employees face are even more disturbing. Will the financial position of Enheat be any better in another year when the contract expires or will the union have to fight the same struggle all over again? Will the company actually undertake the modernization of the Amherst rolling mill?

There is an ironic twist to the summer's struggle of the Enheat workers. The company's rolling mill occupies the same facilities vacated by the Canadian Car & Foundry Co. In 1919, the OBU members in the rolling mill played a prominent role in the general strike. Their key demand — revitalization of the mill.

(Nolan Reilly is researching the labour history of Amherst, Nova Scotia)