

Molsons retaliates against CUP boycott

by Peter O'Malley
Canadian University Press

OTTAWA (CUP) --- The recent publication in the Canadian student press of an article supporting unionized workers in Quebec in their struggle against a subsidiary of molson's Breweries, and calling for a boycott of all Molson products, has come under fire from the Breweries' head office in Toronto.

The article titled "The Molson Maimers and Their Victims", first appeared in the McGill Daily in Montreal, and described the fight for fair wages and safe working conditions by the 364 employees of Vilas Furniture in Cowansville. 60 miles east of Montreal.

The Cowansville Vilas workers have been on legal strike against the company, the largest furniture manufacturer in Quebec and part of the Molson's furniture division, since last July.

The major issue in the dispute is the pay system, which provides a low base-rate with bonuses for workers who increase the pace of production beyond the specified basic level of output. Work under this "incentive" pay system is unbearable, the workers say, and leads to debilitating production line accidents.

The article about the Vilas dispute and the boycott was picked up from the McGill Daily by the features service of Canadian University Press and soon began to appear in the 65-member national student newspaper network. Regional meetings of CUP papers in the Atlantic and Quebec then endorsed the boycott, and several student newspapers across the country have since announced they will no longer run Molson's advertising.

REACTION QUICK

Since news of the Vilas dispute and the Molson's boycott had been largely confined to Quebec and not received much attention elsewhere in the country, the Molson Company was quick to react when the article started appearing in the student press.

Company Vice-President, Public Affairs, G. Alex Jupp began visiting student newspaper editors in Montreal and Toronto to put the company's side forward, and to condemn the article as "the most erroneous one-sided piece of misrepresentation that has ever been seen in a university newspaper".

Jupp claimed the Molson Company "has absolutely no desire to interfere with the freedom of any paper to publish what it wishes" but that Molson's, and the student press, had been "victimized" by the CNTU affiliated union representing the Vilas workers.

His approach shifted, however, when he spoke with members of the CUP national executive in Ottawa. In a series of telephone conversations, Jupp repeatedly referred to opinions expressed by Molson lawyers that the article might be potentially libelous. He also made a pointed suggestion that CUP might be the target of a lawsuit. Jupp's request that CUP advise its member papers who had not yet run the article to refrain from doing so was rejected, but he was assured CUP would report on the Molson position when it was made available. He then prepared a 10-page "rejoinder" which, he claimed would clarify the situation at Cowansville Vilas, and refute the basic claims made in the earlier pro-union article.

THE ARGUMENT AND THE REJOINDER

The main line of argument pursued in the article which appeared in the student press was:

- that the Cowansville Vilas factory is unsafe and has a high rate of accidents and injuries;

- that these are due to the unnatural pace of work on the production line;

- that this pace is the result of the incentive pay system;

- that, however fast the worker's pace, the pay level is inadequate; and

- that the Cowansville Vilas management, and the Molson head office which directs their industrial relations strategy, has been intransigent in refusing to change the pay system to a basic hourly rate, as demanded by the workers and their union, the Federation of Wood and

The union says they will not enter a new collective agreement until the fundamental pay system is changed; management refuses on the grounds that the incentive pay system is normal for the industry; the union counters by saying that despite (if not because of) the fact that the system is general, it must be changed.

And the "facts" are in dispute, with both union and management officials citing different figures, calculated in different ways, to support their differing positions, while claiming that the other side is "misleading" the public.

TESTING THE CLAIMS

But, in the Vilas dispute, there is

the general all-industries average, and only 74.6 percent of the average paid in other durable manufacturing industries. For Quebec, the average wage in the furniture industry was \$159.41, 79.3 percent of the industrial average and 74.4 percent of the average for durable manufacturing.

But stating the difference between what is paid in the furniture industry as a percent of what is paid elsewhere, as management in low-paying industries does, somewhat underestimates the differential. From the point of view of the worker, the difference between his low wage and higher rates prevailing elsewhere as a percentage of his present wage is more meaningful.

Using this method and the Statistics Canada figures, the average furniture worker in Quebec would have to receive a 35 percent increase in wages to come up to the average paid in the durable manufacturing sector as a whole in the province.

The Statistics Canada figures cited here include all salaries paid to all employees, from the president of a firm to a production line worker, and do not show the variations in what different employees receive.

But they do clearly show that the furniture industry in Quebec, as in the rest of Canada, pays workers considerably less on average than what employees in general, and in the durable manufacturing sector in particular, receive for a week's work.

ACCIDENTS

Neither Statistics Canada or Labour Canada have any comprehensive data on the frequency of work accidents in the Canadian furniture industry. The Workman's Compensation Board in Quebec City, however, does have information on accidents in the industry in Quebec.

According to WCB figures, the general rate of accidents in 1974 for all industries in the province was 26.6 per million hours worked. For the furniture industry, the rate was 72.5 per million hours worked, almost three times the general rate.

The problem with the WCB information is that no breakdown is available to compare the accidents rates in industries which are based on incentive pay systems and those which are not.

Consequently, there is no way of telling how much the difference in accident rates is due to the incentive pay system in the Quebec furniture industry, and how much is due to the nature of the tasks involved - cutting, sawing, sanding etc.

The Molson's rejoinder suggests that there is nothing at all dangerous about the incentive system. Union officials, however, claim that the rate of accidents in plants operating on the incentive plan are "at least" 3 to 4 times those which operate on straight hourly wages.

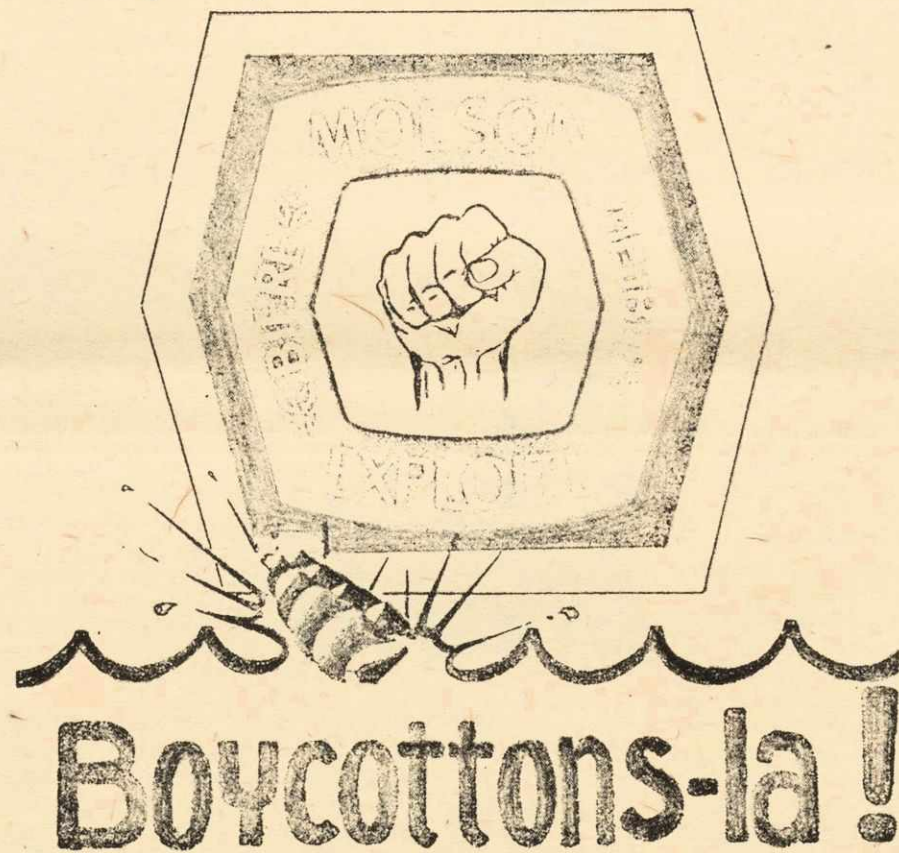
However, based on the data supplied by the WCB in Quebec City, it is possible to conclude that workers in the furniture industry are about three times more likely to suffer accidents than the average worker in the province.

THE INCENTIVE SYSTEM

Molson's PR people can rail about the "politically motivated" union leadership at Vilas and attempt "red scare" tactics all they want. The fact is that every labour organization in Quebec, if not in Canada, has gone on record as being opposed to incentive pay systems.

A spokesperson for the 2 million-member Canadian Labour Congress stated in a telephone interview that the CLC strongly oppose incentive

Soutenons la lutte des
travailleurs contre Vilas
(Propriété de MOLSON)



Building Workers (CNTU).

The Molson's rejoinder argues:

- that the safety record and pay levels at the Vilas plant are better than the average for other furniture plants in Quebec;

- that the "politically oriented" union leadership is unfairly demanding the abolition of the "incentive" pay system "despite the fact that the incentive system is characteristic of the furniture industry and 80 percent of all manufacturing plants in Quebec" including "all the manufacturing plants in Cowansville"; and

- that the article relied on factual information given by striking workers and union officials, which is at variance with factual information the Company offers to give its side of the story.

In short, the Molson's rejoinder shows that the industrial dispute at Vilas is characteristic of most bitter industrial disputes.

The union says the working conditions and pay levels are unsatisfactory; management replies that it is better than in other similar factories: the workers counter by claiming the industry as a whole provides unsatisfactory working conditions and pay levels.

some room for independent judgement. The company position outlined by Molson's rest squarely on the favourable comparison it alleges between the pay and safety record of Vilas and the furniture industry in general.

If we accept that claim without question, and since the furniture has been used as a standard for comparison, it is possible to test the merits of the workers' claim that safety and pay are inadequate.

This can be done by comparing the performance of the furniture industry to that of industry in general, and to other manufacturing industries in particular in the key areas of pay levels and accident frequency.

WAGES

According to Statistics Canada figures, we find that last June, a month before the Vilas workers walked off the job, the average wage paid for a week's work in Canada was \$205.07, and in Quebec \$200.96. For durable manufacturing which includes the furniture industry, the average for Canada was \$224.94, and \$214.39 for Quebec.

As for the furniture industry, the average rate for Canada was \$168.04 per week, 82.7 percent of

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