

# Michelin

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board. But Michelin asked for a few weeks' delay. During the delay the government of then—Premier Gerald Regan amended the rules governing craft unions and the application was crushed. All craft unions within any one plant would have to belong to the same union or none at all.

In 1977 the United Rubber Workers (URW) made a first attempt to unionize the Granton plant. Because of the company's secrecy the union never got a proper employee list and the attempt was aborted. In 1978 there was another try. The union lost the vote (approximately 900 voted against the URW and 500 were in favour), but the URW filed a com-

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plaint against Michelin before the Labour Relations Board charging unfair labour practices during the union drive. Following hearings during the fall of 1978, the board ruled that Michelin was indeed guilty of unfair labour practices, having spread the anti-union message in various ways to employees and their families in a systematic fashion—not just during the union drive but since coming to Nova Scotia—and by prohibiting union recruiting on company property even during off hours. The Board ordered Michelin to "cease and desist."

The judgement came down in early April, 1979. The very next day the Conservative government announced its Michelin bill amendments. That first attempt to pass the amendments came to naught, however—not because the labour protested but because management protested. The bill was so badly written

that many companies were up in arms about the possible havoc it would wreak. Some wondered whether their non-union workers might not be forced into existing unions—e.g., non-union fish plant workers into trawlermen's unions.

Gamely, the government was willing to risk even the wrath of local capitalists on Michelin's behalf. Finally, a letter from Tom Stanfield, brother of Bob, head of the Stanfield underwear firm and then president of the Nova Scotia local of the Canadian Manufacturer's Association, quietly reminded the government of what was what.

The government pulled back and used the summer to make peace with local business. The next Michelin bill, introduced in December, had been shaved of ambiguity and applied basically to Michelin and no one else.

Meanwhile the URW, presuming the door was open following the Labour Relations Board decision, mounted another recruiting campaign at Granton in September. However, Michelin considers that its own "union-free policy" takes precedence over anything else and refused to cease and desist. It has challenged the board's authority in the courts. At the

same time the URW obtained a court injunction enforcing the board's order. Michelin appealed that too and obtained a favourable judgement in early December.

Meanwhile, the government was doing its best to follow Michelin's lead and do what it could to reduce the clout of the board. It appointed A. Russell Harrington, former head of Nova Scotia Light and Power and a former management representative on the board, as its chairman—normally a post reserved for an impartial third party.

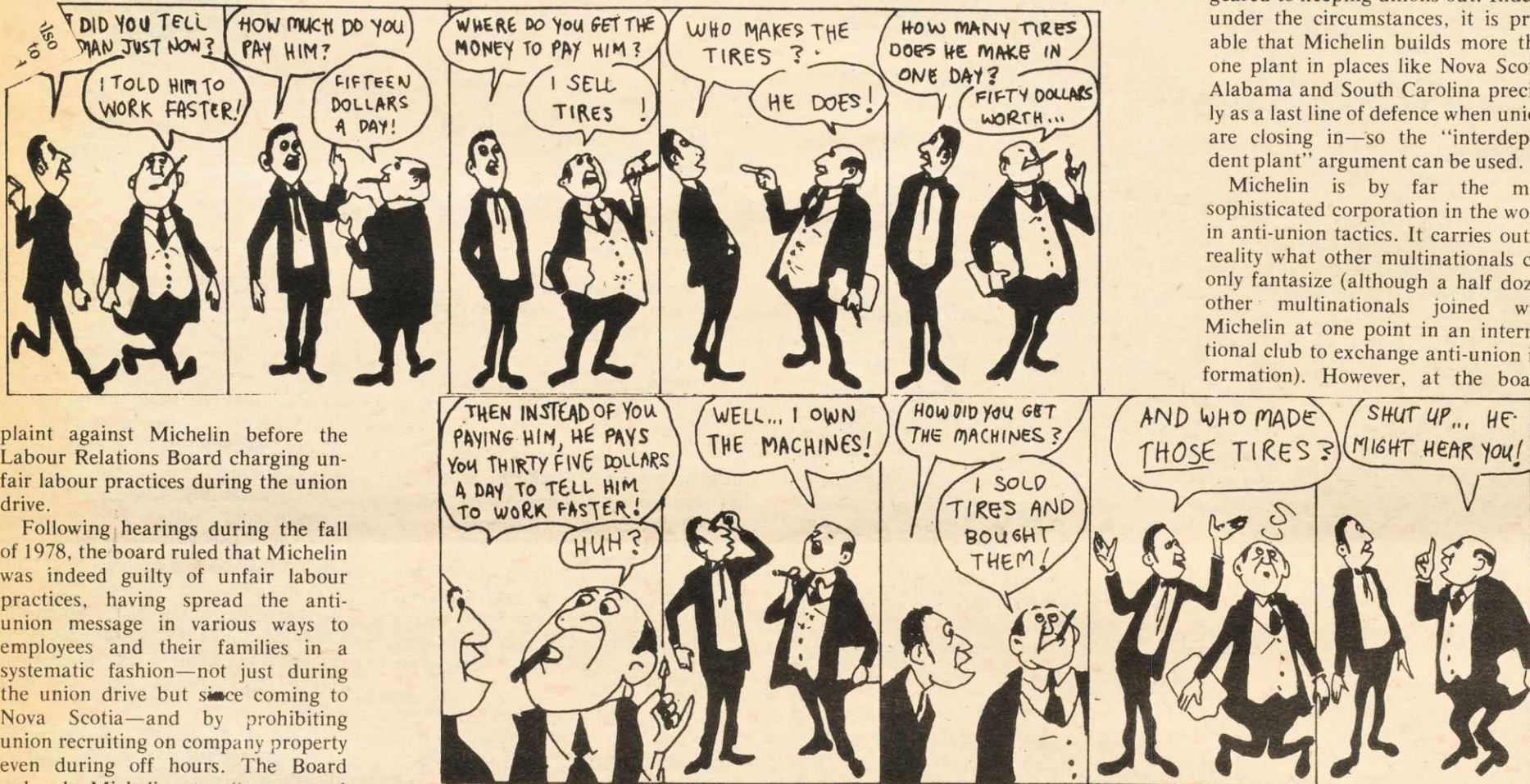
By late December, the Federation of Labour announced it would no longer sit on the board as long as Harrington was chairman. Labour also withdrew from all other provincial bodies and commissions on which it sat. This includes the Joint Labour-

Despite company objections, the board ordered that internal company documents be produced. These showed that essentially employees are graded according to loyalty to the company and to their anti-union feeling.

"Crew meetings" are held in which employees are pumped on their loyalty. In one memo, a foreman was taken to task for positioning himself in such a way that a couple of workers could avoid meeting his eyes, as he directed the meeting. In another, an employee was reported to top management for snapping back at a supervisor, "my honesty and integrity to my brother, brother-in-law and friends will not permit me to advise them of something I do not believe in" (the anti-union policy).

The entire Michelin system, including site location, seems geared to keeping unions out. Indeed, under the circumstances, it is probable that Michelin builds more than one plant in places like Nova Scotia, Alabama and South Carolina precisely as a last line of defence when unions are closing in—so the "interdependent plant" argument can be used.

Michelin is by far the most sophisticated corporation in the world in anti-union tactics. It carries out in reality what other multinationals can only fantasize (although a half dozen other multinationals joined with Michelin at one point in an international club to exchange anti-union information). However, at the board



Management Study Committee—a type of organism originally invented in Nova Scotia in 1962 and which has since spread to other provinces. Through this device, labour and management agreed not to approach government independently for legislative changes, but would iron them out in the committee. Government, meanwhile, would not legislate changes to the Trade Union Act which did not originate with the committee and without the consent of both sides. The Michelin bill did not have the consent of labour, although the December version had the support of most (though not all) management representatives. In fact, Premier Buchanan announced that the government's bill had originated in the management group of the committee.

The 1978 Labour Relations Board hearings were rich in revelations about how Michelin operates. Bypassing the board, Michelin obtained subpoenas from the provincial Supreme Court requiring some of its own employees to appear as witnesses at the hearings. Michelin's own security staff served the subpoenas. Men were whisked off to Halifax, in some cases without the chance to grab a suitcase or notify their families. Some have sued the company for "false imprisonment." And this matter is still before the courts.

hearings it was fairly well established that the source of at least some of the tactics used at the Granton plant was a book called **Union Free Management and How to Keep it Free** by James L. Dougherty, an American author. Although Michelin managers denied it ferociously, union lawyers read out excerpts from company documents that were all but word for word from the book.

The upshot of all this is that labour is taking a beating, and despite the demonstrations, withdrawal of cooperation and whatnot, there's not that much it can do. The Federation of Labour has talked about a general strike as an ultimate weapon, but it seems unlikely that this can be pulled off in Nova Scotia. Industrial Cape Breton would walk out but very few others.

Meanwhile the dilemma that remains hanging is as follows: If Michelin's power over Nova Scotia governments was nearly absolute with 3,500 employees in the province, what will it be like when it has nearly 6,000?

What will Michelin want next? The company received up to an estimated \$125 million in various government grants when it first established in the province in the early 1970s. It's obvious now, however, that that was only part of the price.

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