## Michelin in Nova Scotia: A choice

Matt Adamson of Canadian University Press and Paul Clark

On December 28, 1979 the Nova Scotia government passed an amendment to the Trade Union Act which re-"interdependent" quired manufacturing plants owned by the same employer to form one bargaining unit. The "Michelin Bill", as the amendment is commonly called, is generally assumed to be aimed at preventing the Michelin Tire Corporation's plants in Granton and Bridgewater from unionizing. A vote had been taken last October,

at the Granton plant near New Glasgow for workers to form a certified United Rubber Workers bargaining unit, but the amendment included a retroactive clause which will almost certainly prevent the vote from being counted. Shortly after the legislation was introduced to the legislature Michelin announced plans to build a third plant. Organized labour, citizens groups, white collar professionals and management people are upset over the handling of the bill by the provincial government and the use of the Trade Union Act as an instrument of development. Part I of this article will outline

how Michelin operates as a company and what effects it has had on some of the people who work there.

"If there were 15 Michelins in Nova Scotia it is very questionable whether we could have a free society."

Guy Henson, former director of the Dalhousie Institute of Public Affairs

"Several members of my family work at Michelin. They all like it. Everybody's got money to spend."

A woman in downtown New Glasgow

It is four p.m. and we are standing in a parking lot in front of the Michelin plant in Granton. Soon workers from the day shift pour through the security exit, walking rapidly, intent on home, family and dinner.

They are reluctant to stop, and give us one word answers to our questions about Michelin.

A man in a suit stops. The whole Michelin question has been exaggerated, he says. Michelin doesn't need a union and the workers don't want it. He wishes government hadn't passed the retroactive legislation preventing the workers' vote for a union from being

"The vote wouldn't have gone through", he says confidently.

The rain is pouring now and our questioning gets more critical. It's cold and his lips are turning white. He pumps statistics at us about Michelin and unions. He is persuasive, but there is something eerie about the way he keeps staring into our eyes.

The whole Michelin Bill question is eerie. It is a story of jobs and rights, governments, corporations, and people

### Michelin: A Multinational in Nova Scotia

The areas around the Bridgewater plant and Pictou county, where the Granton plant is located, have an estimated real unemployment rate of about 30 percent. Both plants are located in rural Nova Scotia, Bridgewater on the South Shore and Granton inland and northeast of the largest urban area on the province's mainland-Halifax-Dartmouth. Michelin development means jobs and a steady income to these areas. The tire company is the largest employer in the region while at the same time its production methods and management style remain relatively unknown.

Completely family owned and operated by Francois Michel, the Michelin Tire Corporation has 52 operating plants in 13 different countries. They are the third largest tire producer in the world, behind Goodyear and Firestone, and achieve well over \$3 billion a year in total sales. Their product, the Michelin steel-belted radial tire, is of unquestionably fine quality.

The Michelin Corporation grew up in France, where they now have 22 plants and are estimated to be the largest French landlord after the Deposit of Consignment Office.

#### Michelin's Philosophy and Methods of Operation

A good indication of the company Philosophy are the two goals included in a booklet distributed to Michelin staff in 1952: (1) To produce the best tire at the best price and (2) To improve over the year before. The quality of their product, their large profits and their growth shows they are achieving these goals.

Continued success, of course, does not come without careful planning. Michelin employs several characteristic methods at their plants worldwide to ensure this success.

Michelin selects its employees very rigorously. At their plant in Granton, for example, it is estimated one of 14 job applicants are hired after a battery of psychological tests and long interviews. The company looks for stability in its work force.

Individuals in good standing with the community, with financial responsibilities and the ability to follow orders are sought after. These include young adults with spouses and heavy mortgages, people with prior military experience and longstanding residents of the area.

Michelin locates in underdeveloped, rural areas. Specifically they look for regions with traditionally high unemployment, and a labour force relatively inexperienced in manufacturing and lacking a history of unionism. A plant in Stoke-On-Trent, England, and more recent expansions into South Carolina, Alabama and Brazil are examples of this.

Being the largest employer in the area with a constant source of labour Michelin can pay wages that are slightly below the average in the tire industry but comparitively high for the region.

Michelin attempts to get deeply involved in the lives of its workers. This is done by encouraging a personal rapport between management and workers, monthly meetings between individuals or small groups of workers and supervisors, and letters sent to workers homes addressed to the whole family.

There is a recreation centre for the tire companies employees at the Granton plant and a similar one is being planned for Bridgewater. Michelin also provides dances, swimming, motorcycle rider training, and industrial hockey league.

Recreation centres and company activities not only greatly benefit employees but also serve to further involve their lives with the fortunes of the company.

In France, Michelin, at one time operated food, clothing, and furniture stores around its factories. They also ran schools, hospitals, legal aid services, and a sporting association, before the law intervened.

Michelin has a secrecy about its industrial operations that has created a mystique or enigma and incomprehension around the company. Charles De Gaulle was refused entry to a Michelin factory in 1946. No premier has ever been inside a factory in Nova Scotia. Workers are prohibited from leaving their immediate working area. Further, plant areas do not have names but are identified by call letters like OXF and SP.



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