

# Atlantic Issues

## Michelin retreads Trade Union Act

by Ralph Surette

When Nova Scotia's "Michelin Bill" went to a legislative committee before third reading in early December, the chamber was packed with union people intent on having their objections to the legislation registered. They were angry but orderly. Anger soon turned to shock as they discovered they were being systematically photographed by a plainclothes policeman.

The incident—a particularly jarring one in this usually placid province—was a stark reminder of how far the various powers-that-be are ready to go in order to do the bidding of the province's largest private employer, Michelin Tires (Canada) Ltd.

The Michelin bill—actually a set of amendments to the Trade Union Act—places all plants belonging to the same employer, and which are interdependent in the manufacturing process, in the same bargaining unit. This means non-union plants would all have to be unionized as one.

The legislation is clearly meant for Michelin alone—specifically to block an attempt by the United Rubber Workers of America (URW) to unionize the company's Granton plant by throwing the Bridgewater plant into the required bargaining unit. Since the two plants are more than 150 miles apart, since Michelin is the grand master of every anti-union tactic known to man, and since there's a three-month time limit on any union recruiting drive in Nova Scotia, the bill is nothing short of a guaranteed future without unions.

The bill's retroactive clause also ensured that the Labour Relations Board would never count an October vote taken among Granton workers to determine if they wanted the URW to represent them. For many members of the public, this anti-democratic feature was the most reprehensible aspect of the bill.

To make sure the bill was passed before the Labour Relations Board could meet to count the vote (planned for mid-January), the legislature sat for several days from early morning to late evening, and well into the customary Christmas break. The bill was passed on December 28.

For the government—and for Nova Scotia as a whole—there is a supposed payoff involved: jobs. At the very moment when the government was being pinned to the walls of the legislature

by the opposition, Michelin announced through Development Minister Roland Thornhill that it would build a third plant in the province. About 2,000 more jobs would be added to the 3,500 or so in the two existing plants, he said.

Even if we assume that in job-hungry Nova Scotia it's worth dispensing with a few democratic niceties, for the sake of 2,000 jobs, the public uproar over this bill goes deeper still. For what the government is doing is not just legislating to solve a specific problem for Michelin. Its intent is to effect a change in the entire social climate of the province according to the Michelin-inspired philosophy it is using to justify the bill.

The government's official rationale for the bill is that it is meant to "create jobs." It will do this by "stabilizing the labour climate," bringing "labour peace" and establishing "an environment for development." This established, companies will rush to Nova Scotia.

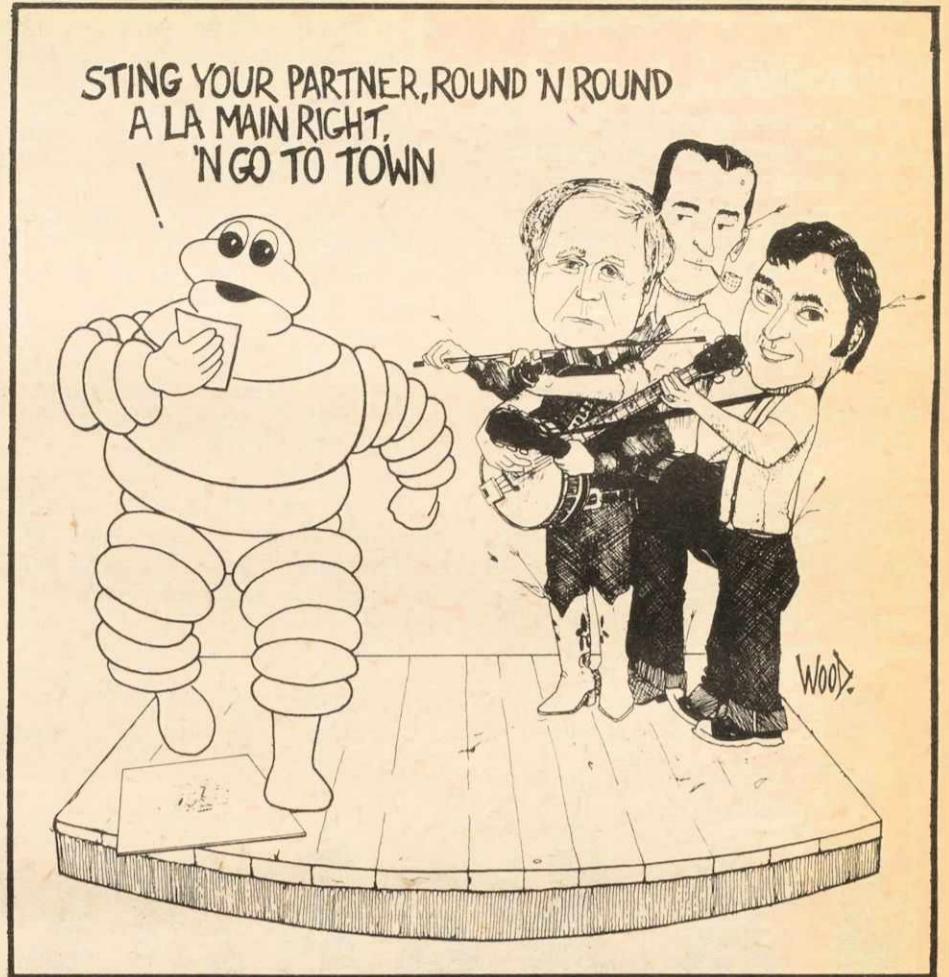
For an explanation, we can turn to the sayings of Jean Gorce, former general manager of the Granton plant.

by Sandy Martland

Newfoundland Premier Brian Peckford, expressing fear that recently approved licences for freezer trawlers will damage the Newfoundland fishery, has openly confronted the federal government and the giant H.B. Nickerson Ltd. over the issue.

Peckford, at a press conference in early December, said he had sent notice to H.B. Nickerson Ltd. and its subsidiary, National Sea Products, to immediately stop landing fish caught off the Newfoundland and Labrador coasts in mainland ports. The replacement of existing wetfish trawlers by freezer trawlers will enable companies catching Newfoundland cod to completely bypass the plant facilities in this province, he warned.

"All mainland fish companies operating in this province are put on notice that if they accept, directly or indirectly, Newfoundland cod caught by freezer trawlers and landed on the mainland, we will reserve the right to consider them ineligible for any pro-



In a remarkable full-page interview with the sympathetic **Halifax Chronicle-Herald** back in May 1979, Gorce explained, in didactic tone, what the legislation would do, how it would work and what he expected of it. Gorce, in short, knew far more about the bill than the basically uninformed government ministers. If he had not drafted it himself, the source of the government's inspiration was abundantly clear. In the last paragraph Gorce compared the situation in Nova Scotia with that in Alabama and South Carolina, where the company has five plants in areas hand-picked for their anti-union possibilities:

"Unlike our provincial governments, state governors are able to sit eyeball to eyeball with companies' representatives and to point to unbroken records of smooth construction, plants operating within the framework of integrated locations and

a string of decisions by the National Labour Relations Board that tend to indicate that clusters of independent locations, when functionally integrated, should not be fragmented."

Amid that arcane gobbledygook the logic becomes clear at last: Gorce wants Nova Scotia in the same league as Alabama and South Carolina. "Labour stability" is a euphemism for "cheap and docile labour" which often enough does help to create jobs, after a fashion. To push the argument one more step, if Nova Scotia joined the same league as South Korea and Taiwan, and Nova Scotians worked for ten cents an hour, full employment would likely be achieved in short order.

Back in 1973 some 20 operating engineers at the Granton plant applied to the Nova Scotia Labour Relations Board for certification—normally a routine matter for the

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## Newfoundland

## Moves to protect fishery

vincial assistance programs or to apply for any further processing licences . . . in addition, all licences currently held by such companies may be reviewed both as to whether additional specific conditions should be attached to the same; and indeed, whether they should be renewed at all."

"one Nova Scotian MLA suggested Peckford was a "blue-eyed oyster" and Joe Clark said he was "baffled"

His remarks were aimed particularly at the Nova Scotia-based H.B. Nickerson—National Sea Products company, who own and/or operate several plants in the province as well as in Nova Scotia and the United States.

Opposition leader Don Jamieson, although he questioned the method of confrontation used by Peckford, threw his party's support behind the statement.

Reaction from outside the province was predictably negative—the Nova Scotia legislature passed a resolution supporting the federal government's approval of freezer trawler licences and one MLA, Fraser Mooney, suggested Peckford was the "blue-eyed oyster." Federal Fisheries Minister

Jim McGrath and Prime Minister Joe Clark were "baffled" by Peckford's statement, insisting that it makes no difference whether the fish is caught by freezer or wetfish trawlers because the quota remains the same.

However, Cabot Martin, senior policy adviser to Peckford, explained that the replacement of wetfish trawlers with freezer trawlers will give mainland companies greater offshore

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# 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-

plaint against Michelin before the Labour Relations Board charging unfair labour practices during the union drive.

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.

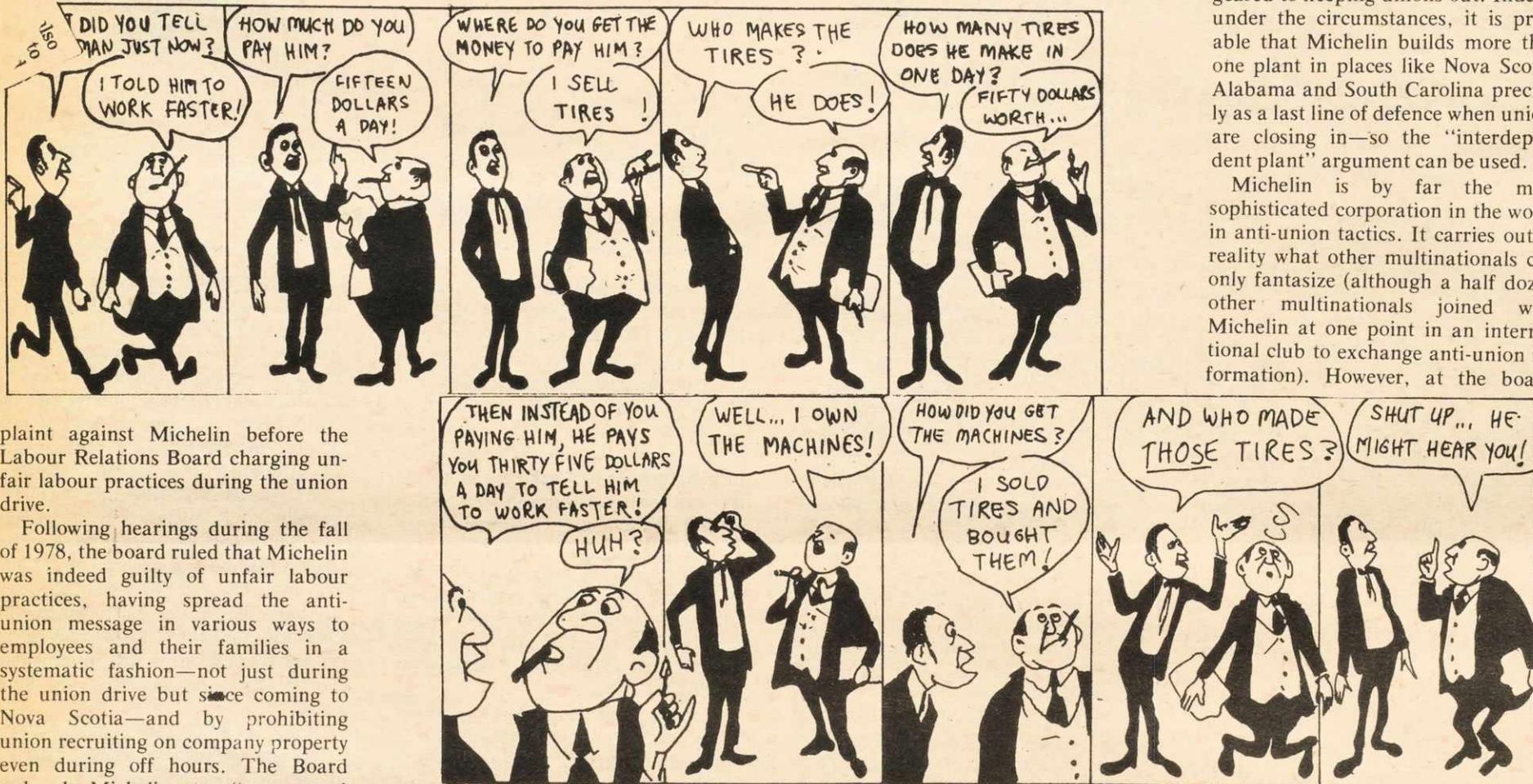
By late December, the Federation of Labour announced it would no longer sit on the board as long as Harrington was chairman. Labour also withdrew from all other provincial bodies and commissions on which it sat. This includes the Joint Labour-

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.

## Atlantic Issues

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# TEN DAYS SPECIAL ISSUE

## System at fault, Bishops say

by James MacLean

The Roman Catholic bishops of Atlantic Canada have issued a statement condemning the economic system that dominates the region.

In a major document on regional disparity, the bishops affirm that our "human and natural resources (people, lumber, fish, food, minerals) have been rendered cheap exportable factors in the service of a centralized North American capitalism."

The region, they say, has become "a resource and manpower hinterland, a paradise for the lending agency, and a dumping ground for the purveyors of gaudy commodities."

Using a language that is perhaps surprising coming from an established institution like the Catholic hierarchy, the bishops' statement denounces the social and economic effects of this form of capitalism. It refers to the concentration of power and wealth in the hands of a small group of people, the inequitable distribution of social goods, and the lack of control that people have over their lives.

Professor John Williams of Memorial University, a specialist in Canadian social ethics, says "this document represents a new departure in the social attitude of the Catholic hierarchy in our region. All too often in the past the Church tended to ignore or even reinforce unjust social structures."

In an interview with *Atlantic Issues*, the Roman Catholic Archbishop of St. John's also referred to the change in attitude. "In the past we tended to see the Gospel as addressing only individual circumstances," Archbishop Alphonsus Penney said. "But since the Second Vatican Council we have come to realize that this was a one-sided emphasis. When I was younger, religion was seen as a relation 'between God and me,' but we now understand that it is also 'between God and us.'"

### System irrational

The bishops' statement, entitled **To Establish a Kingdom of Justice**, criticizes the irrationality of the North American economic system, based as it is on the pursuit of profit. "Continuous growth in sales and the unnecessary diversification of product lines, the unwarranted introduction of labour substitution devices and the continuous reduction of the work process to mindless repetitive tasks, . . . the global quest for cheaper raw materials and low-cost adaptable labour, are dictated by demand for profit rather than by the basic needs of producers and consumers."

Under this system, the statement says, the products of human labour "accrue in alarming disproportion to a minority of corporations and individuals."

According to the bishops, this type of capitalism has reduced Atlantic Canada to a "peripheral status" within the North American economy. The document's analysis of the regional economy bears a striking resemblance to the analysis that Latin American bishops have made of theirs.

The Atlantic bishops see our society as being dominated by outside business interests and a small domestic élite that benefits from collaboration with them. Consequently the mass of people are alienated from the economic process and must tolerate high unemployment, low incomes, inadequate housing, the uprooting of families, and pessimism about the future.

Nor do the bishops view the role of government in a favourable light. "Into the breach left by a faltering economic system," they say, "step ever more paternalistic governments delivering ill-conceived programmes which fail to diminish regional disparity and often aggravate it."

As examples, they cite government handouts to corporations "whose profits rest on low-cost labour," an education system that has failed to stimulate reflection on our social problems, and the "sugar-filled recipes" of government-sponsored lotteries.

### Call for change

However negative its portrait of the prevailing social system, the bishops' statement is also a call for basic change. "Our goal is to promote fundamental changes," they declare at

the beginning, later they say, "The Christian community should see a challenge and a possibility to develop a socio-economic order based on equity and love."

The bishops do not prescribe any blueprint for such an order, "because programmes and measures must be developed by the people themselves."



'How little we really own, Tom, when you consider all there is to own.'

The bishops ask Catholic communities in the region to seek out and identify with the people who are most victimized by the economic system, to bring these people into the decision-making bodies of the Church, to take

### In Atlantic

## History of unions

*Most Canadians believe that in our society unions are necessary.*

*A recent poll conducted for Weekend Magazine reported that 58 per cent of Canadians think unions play an essential part in our society. In Atlantic Canada this same survey found that 68 per cent of the people believe unions are necessary for the protection of workers in our society.*

*We hear a lot of criticism of unions these days, but it seems likely unions will continue to be important social institutions in the coming years.*

*How did unions come to win a more or less accepted place in our society? And why do people in Atlantic Canada seem to support the need for unions so strongly?*

*By definition unions are organizations formed by workers in order to strengthen their position in dealing with employers. As individuals, workers have little economic power and little control over the hours, pay, conditions, rules—even the purposes—associated with their job. By joining unions workers have attempted to deal on more equal terms with their employers.*

*A short look at the history and present condition of organized labour in Atlantic Canada can help answer these questions.*

In Atlantic Canada unions have existed since the beginning of the 19th century, but it is only very recently that unions have won legal rights and an accepted position in our society.

In the first half of the 19th century unions were fragile, short-lived and often illegal. In 1816, for instance, the Nova Scotia government enacted one of the first anti-union laws in Canada. This law prohibited workers from bargaining for better wages and hours

and prison terms were provided as a penalty. As late as 1868 a group of coal miners at Port Morien were arrested and forced to disband the union they were organizing.

Despite this atmosphere of hostility, some successful unions were also organized in these years. In the 1850s, for instance, the unions of skilled workers and longshoremen in Saint John made that city one of the strongholds of organized labour in British North America.

In 1872 Sir John A. MacDonald's Trade Union Act reflected changing attitudes towards unions. The new law provided that unions must be regarded as legal organizations and not conspiracies.

One important new union of this period was created by Springhill coal miners during a strike against wage reductions in the summer of 1879. The Provincial Workmen's Association (PWA) soon spread to the other coalfields. At its peak the PWA also

public stands on specific issues, and to associate themselves with groups struggling against the effects of regional disparity.

Mary Boyd, Director of Social Action for the Roman Catholic diocese of Charlottetown, told *Atlantic Issues*: "The bishops understand very well that disparity is a serious problem. This statement was not just rubber-stamped by the bishops," she said. "It was two years in preparation."

Boyd explained that the impetus for the statement came from Bishop Spence of Charlottetown and Bishop Burke of Yarmouth. Each diocese was asked to prepare a background paper in the Spring of 1977, and in August of that year the Charlottetown background paper was accepted as the official one.

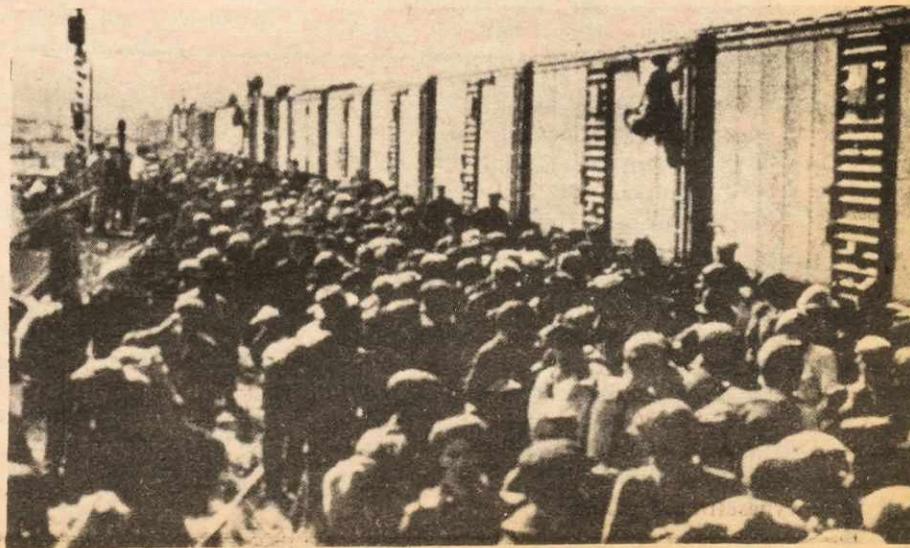
A working group in Halifax (Frank Allen, Tom Mabee, and Mike Marentette) then prepared a draft of the statement. It was circulated to the priests' senates in the region for comments, and then presented to the bishops in January 1978. In the revision process the bishops deliberated on the text of the document at four separate meetings during an 18-month period. The final version was approved and released in June 1979.

"The bishops' statement on regional disparity is a pastoral statement to the people, not a brief for government and other officials," Mary Boyd said. "The main thrust in promoting the bishops' statement is going to come this winter. The big challenge is to get parishes discussing it at the small group level."

included lodges of shoemakers, railwaymen and steelworkers.

But in the early 20th century unions still occupied a weak position in society. Unions were legal but had few rights under the law. There was no law to require employers to recognize a union chosen by their workers, and there was no law to prevent employers from dismissing workers who joined a union.

The decline of the PWA illustrated these weaknesses. The organization proved too weak to bargain effectively with the powerful coal and steel companies. When the majority of the miners voted to join the United Mine Workers of America (UMW) in 1908, the coal companies ignored this decision and began to fire UMW supporters. The result was the famous series of strikes for recognition of the UMW in 1909-1911. During these strikes the government assisted the companies by sending armed forces to the coalfields. continued to page four



# Most contracts settled without strikes

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In this environment the effectiveness of unions depended mainly on their ability to force employers to grant them recognition. Although defeated in the years before the First World War, the coal miners successfully defended their right to a union of their choice in a dramatic series of strikes in the 1920s.

Another outcome of these strikes in the 1920s had national importance. Because the miners won such widespread support for their cause, after the 1925 strike the federal and provincial governments both virtually abandoned the issue of troops and police in labour disputes.

In 1937 the Nova Scotia government enacted one of the first pro-union laws in Canada. The 1937 Trade Union Act required employers to recognize the union chosen by their workers and prohibited employers from discriminating against workers for joining a union. In short, this was a law to protect workers' right to join a union and to have the union recognized.

This breakthrough took place as a direct result of organizing efforts by the steelworkers of Nova Scotia. In 1904 and in 1923 their unions had been smashed in unsuccessful strikes. When the steelworkers again organized a union in the 1930s, the company still refused to recognize the union. The steelworkers launched a campaign to win support for the new law. As had happened in 1872, the government again made a significant decision to support the labour movement.

The Nova Scotia Trade Union Act was followed by similar federal and provincial laws. In the late 1930s and 1940s union organizing drives took place all across the country and union membership increased rapidly to the present level of about one in every three workers.

These changes in the extent of union membership and in the legal status of unions marked the beginning of our modern labour relations system. The changes came slowly and involved considerable conflict and struggle.

These changes also took place because economic and social changes were making unions relevant to the needs of larger numbers of people.

Today more than 80 per cent of the work force is made up of people who earn their living by accepting employment in return for a regular wage or salary.

In the four Atlantic Provinces there were more than 216,000 union members in 1977. They belonged to a total of 1,472 local union branches in the region. About half the union

members belonged to unions which were international unions and about half belonged to Canadian-based unions. About 85 per cent of the union members belonged to unions which were part of the Canadian Labour Congress.

Some people object to unions on the grounds that unions cause strikes. But for most union members strikes are unusual and unfortunate events. Most people join unions because they want more, not less, economic security and the overwhelming majority of union contracts are settled without strikes.

In 1978 the amount of working time lost as a result of strikes under provincial jurisdiction in the Atlantic Provinces amounted to about 500,000 man-days. In the Maritimes, work stoppages accounted for an extremely low percentage of the total working time: Prince Edward Island 0.17 per cent, New Brunswick 0.23 per cent, Nova Scotia 0.11 per cent. The Nova Scotia figure was the lowest in Canada.

Still, no generalization about the "conservatism" of union members in the Atlantic Provinces is possible: workers in Newfoundland stopped work for an estimated 1.01 per cent of the working time in 1978 and this was the highest figure in Canada.

We also hear that workers are always going on strike for more money. But when we examine the actual causes of strikes in the Atlantic Provinces in 1978, the results show a different story. Government reports gave clear reasons for 33 strikes, but of these only 13 strikes were fought over wages and other economic issues.

The remainder of the strikes involved non-economic issues in which workers were attempting to have more say over the rules and conditions associated with their work. The causes of these strikes included the dismissal and suspension of workers (7), health, safety and working conditions (5), shift scheduling and overtime (3), and the status of the union at the workplace (5).

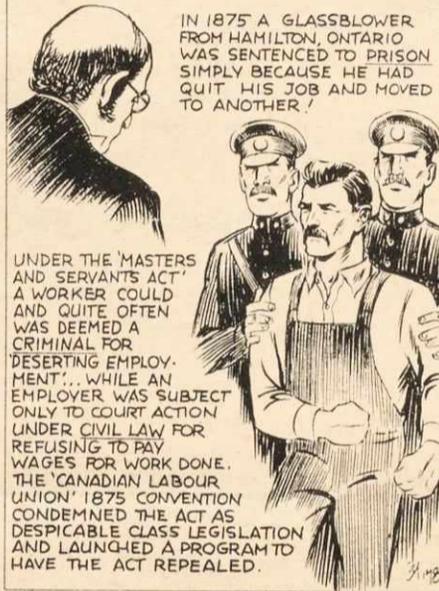
During the 1970s there have been several interesting developments in the activities of organized labour.

Since the 1940s social services such as education and medical care, and programmes such as unemployment insurance and workmen's compensation, have been improved immensely. With the growing importance of government employment, public employees have joined unions and attempted to overcome sub-standard wages and working conditions. Unaccustomed to unions and collective bargaining, governments have sometimes been tempted to pass laws in order to end disagreements between themselves and their workers. This

approach has, in turn, created more conflict. In a sense, many of the public service strikes of recent years may be regarded as strikes for union recognition.

Conflict between unions and governments has also grown for other reasons. In the 1970s governments have often attempted to improve their financial position by cutting back expenditures on non-profit-making social programmes, and this strategy has met resistance from union members. Also, the introduction of wage controls in 1975 provoked hostility between labour and government; to many union members it seemed unfair that wages were blamed for inflation and placed under strict controls while in the meantime price levels were unregulated.

## Spotlight on LABOUR HISTORY



Another important concern of labour has been the physical dangers associated with work. In 1977 there were 924 work-related deaths in Canada. In the same year compensation payments of various kinds amounted to \$874 million. It is interesting to note that the most hazardous industries in Canada were mining, forestry and fishing—all industries which are prominent in the Atlantic Provinces. In the Atlantic Provinces, in 1977, 67 people died as a result of work injuries. Compensation payments as a result of industrial accidents amounted to more than \$35 million.

Today there is a greater awareness of health and safety issues than ever before. Unions have been pushing for the right to know about work hazards and the right to refuse unsafe work. In several provinces now (though not in Atlantic Canada) there are laws requiring that every workplace must have an occupational health committee composed of management and employee representatives.

Governments and employers have often argued that in order to promote economic development it is necessary to have lower wages and poorer social standards than in other parts of the country. In the past governments were reluctant to introduce basic social reforms, such as the eight-hour day, on the grounds this might discourage investment. More recently the same theme was repeated in connection with the amendments to Nova Scotia's Trade Union Act in 1979; changes in the wording of the act have created extraordinary obstacles for union

recognition at the Michelin Tire plants.

But the history of labour in the region does reveal a tradition of struggle against the effects of regional underdevelopment.

By campaigning for better social standards and bargaining for wage parity with workers outside the region, unions have rejected the idea that people in Atlantic Canada must accept inferior standards. One little known episode of this type took place in the spring of 1919. For three weeks the factories of Amherst were closed down in a general strike. The workers were seeking union recognition, but one of their main demands was also that the Montreal-based Canadian Car and Foundry Company give their local workers the same hours and pay increases that workers in the Montreal shops had received.

The resistance to underdevelopment has been strongest in the coal and steel industries. As early as 1918 the miners' union was pressing for public ownership of the coal industry. By the 1940s the steelworkers were also convinced that their industry could not have a stable future under private control. In the 1960s the creation of the Cape Breton Development Corporation and the Sydney Steel Corporation represented the achievement of public ownership. In another way, though, this success has been limited: the government has been slow to make the investments which these industries need. As in the past, unions have had little say in investment decisions or development strategies in these industries.

One of the most interesting developments of the 1970s has been the growth of unionism in the region's extensive fishing industry. In the Maritime Provinces the Maritime Fishermen's Union is gaining support among the inshore fishermen, but has not yet succeeded in winning recognition and bargaining rights from the fish companies. On the other hand, the Newfoundland Fishermen, Food and Allied Workers have succeeded in these areas. The union has also taken up strong positions on marketing and development strategies in the industry; the union seems likely to have considerable influence in the revitalization of the industry.

These attempts to overcome the effects of regional underdevelopment suggest that unions cannot be considered simply as organizations functioning within the individual workplace.

Because wealth and power are unequally distributed beyond the workplace as well, workers have also used their unions to pursue broader social goals. In the past, by working for reforms such as the abolition of child labour and the creation of old age pensions and unemployment insurance programmes, unions have helped to improve the position of all working people in our society. More recently unions have pursued issues such as occupational health and safety and equal pay for men and women workers.

As long as unions continue to pursue goals which are of interest to all working people, it seems likely that most Canadians will continue to believe that unions perform a useful and necessary function in our society.

by David Frank

The 10 Days Atlantic Regional Committee has produced this special section on unemployment, in co-operation with **Atlantic Issues**. Unfortunately, space restrictions meant that not all contributions from the various 10 Days Committees could be included.

Contributing to this issue were: Jim MacLean, Nadine McNamara, Johanna Aucoin, Barb deMarsh, David Malcolm, David Frank, Gary Webster, Daphne Taylor, Allison Keef, Sagarario Fraser, Shirley Hartery and Susan Johnson.

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# Myths about Unemployment

People have always been plagued by myth and superstition. We like to think we live in more enlightened times today, but myths still dominate the thinking of many people, and nowhere more pervasively than in attitudes to unemployment.

In attempting to expose the myths about unemployment that dominate our local, regional and national communities, it is important to remember that unemployment affects more people than the unemployed themselves. It is, in fact, a myth to think that working people are unaffected by unemployment just because they have jobs. All sectors of the labour force are touched by unemployment.

As Cy Gonick said in his book **Unemployment: The Myths and the Realities**, "The brutal fact is that unemployment confers a good many benefits upon the prosperous and truly affluent . . . It calms the unions and moderates wage demands. When people are scared about losing their jobs they work harder and gripe less . . . Better still, factory and office workers, alert to potential layoffs and plant shut downs, are unlikely to nag unions and employers to make work more interesting and less menacing to health and personal safety."

The following material presents several of the more commonly held myths and the facts that refute them.

## 1. Statistic Canada's unemployment figures represent the actual number of unemployed people in Canada.

In fact, the number of unemployed is simply a projection based on a monthly labour force survey of a representative sample of 50,000 households across the country. According to the restricted definition of unemployment used in this calculation, unemployed people are those who, during the week of the survey:

- were without work, had actively looked for work in the previous four weeks, and were available for work, or,
- had not actively looked for work in the past four weeks but had been on lay-off for twenty-six weeks or less and were available for work, or,
- had not actively looked for work in the past four weeks but had a new job to go to in four weeks or less, and were available for work.

Thus, in order to be considered unemployed, an individual has to maintain an active job search. The definition upon which the official statistics are based, however, does not count many who, in common sense terms, we would consider unemployed.

For instance,

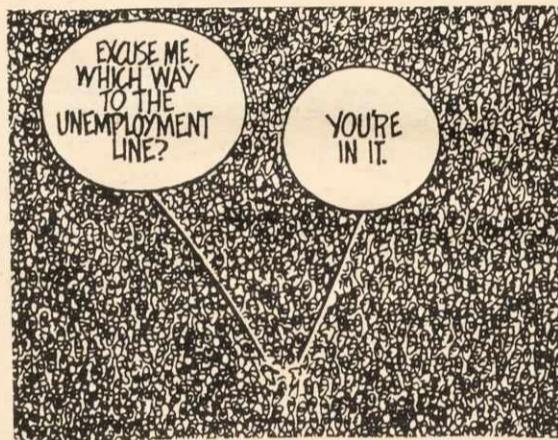
- people who are employed part-time for economic reasons. When Statistics Canada does its monthly labour force survey, it defines a person as being employed if he or she did any work at all during the survey week. A person who did three or four hours work in a week is counted as employed. Their part-time or nearly full-time unemployment is ignored;
- workers who have become so discouraged at their inability to find work or keep jobs that they give up the search;
- people in various government sponsored training programs who are not counted in the labour force;
- long-term unemployed people, those who receive social assistance and are listed as being employable if suitable jobs and day care were available;
- students who would prefer to work than study if adequate jobs were available;
- men and women in the fifty-five and over age category who have been forced into early retirement; and
- mothers of young children who, according to surveys, would work if suitable child care arrangements were available.

One can see that the reported number of unemployed depends on how unemployment is defined. If the hidden unemployed were included in the tally, the real unemployment figure would be twenty per cent rather than the usually quoted figure of eight or nine percent.

## 2. There are plenty of jobs for those who really want to work, but people are lazy or just too choosy.

Most important here is the fact that there are far more people actively looking for work than there are jobs available. If, for instance, one takes the official number of unemployed in 1978 (and remember even this figure is low) of 886,000 and the official job vacancies of that year of 40,000 to 50,000, we can see that there were about twenty unemployed people for every job opening. If we include the "hidden unemployed" there would have been forty people for every job.

Also, most jobs are casual, and/or badly paying with poor working conditions. According to Robert Andras, a former Minister of Manpower and Immigration, the unfilled jobs, "are mostly in those industries which are characterized by any one or more of such factors as low wages, poor working conditions, few social amenities, poor supervising practices, or an absence of decent living conditions."



## 3. Unemployment Insurance removes the incentive to work.

While unemployment benefits provide more than a "starvation income", they "hardly provide a luxurious life." Cy Gonick pointed out in his 1978 article in **Canadian Dimension** that the average benefit came to \$94 a week for men and \$68 for women. He conceded that, "unemployment insurance does reduce the economic hardships associated with joblessness, it by no means negates them. Not even the staunchest defenders of the status quo suggest that it so much as touches the psychological damage associated with unemployment."

Undoubtedly, there may be a few people who would prefer to receive benefits rather than work. However, an Economic Council of Canada study, "People and Jobs", contends that "the vast majority of Canadians would prefer suitable work to unemployment insurance."

There is also an impression created (partly by the million dollar advertising campaign of the Unemployment Commission to deter "cheaters") that extensive abuse of the unemployment insurance program by individuals occurs. In fact, the authors of **"A Practical Guide to Unemployment Insurance"** insist that "the UIC has more trouble with companies than claimants. For every dollar a claimant has defrauded the UIC, there are three dollars that employers have not contributed."

## 4. Only those at the lower income levels receive UIC benefits.

According to a report of the Economic Council of Canada dated 1977, twenty per cent of unemployed Canadians who had been earning salaries of more than \$30,000 collected 22 per cent of the benefits. Then, another twenty per cent of unemployed Canadians earning an average income of \$2700, received only eight per cent of the UI benefits.

## 5. Women take men's jobs—women are secondary wage earners, only supplementing their husbands income, so they should stay at home and this would solve the unemployment problem.

The first point that should be made here is that everyone has a right to work!

Second, it is economically necessary for many women to work. Forty-three per cent of all working

women are single, divorced or widowed, and support themselves as well as their families. Fifty per cent of married working women have husbands earning less than \$8,000 a year and therefore their contribution to the family's support is a significant and vital one.

Third, women are "pink collar" workers: they tend to work in traditional women's jobs, places where men generally do not work. In fact, forty-nine per cent of employees in the service sector are women. Seventy per cent of working women can be found in either trades or services and is highly concentrated (64.4 per cent) in the sales and clerical subsectors of service occupations. Women not only do not take men's jobs but they work in jobs that are the lowest paid and least unionized.

In fact, the majority of women of working age are not in the paid labour force at all. Only 36.9 per cent of the Canadian labour force is female and only 39.2 per cent of the Atlantic provinces' labour force is made up of women.

## 6. Immigrants Take Jobs From Canadians and Cause Unemployment

The relationship between unemployment and immigration is very complicated. The government is presently giving the impression that the unemployment situation can be made better simply by reducing immigration. However, the government has not shown any evidence showing a relationship between unemployment and the flow of immigration.

First, one could argue that immigrants create a demand for goods and services. This would stimulate the economy because business will have to supply these goods and services, and hire more people to increase production.

Second, immigrants do not take jobs from Canadians. In order to come to Canada, all immigrants except the closest family relatives (the sponsored relatives) are required to have a specialized skill not possessed by other workers in Canada, or a job offer. In order to obtain a job offer, the employer must go in person to a Manpower office in order to explain why a resident of Canada cannot fill the job. Manpower will post the job offer in its offices all across Canada looking for someone who already lives in Canada to fill the job. Only if Manpower finds that no one is available in Canada to do the job will it approve the job offer and allow the immigrant's application. It is obvious then that immigrants only take jobs which Canadian residents don't want and cannot fill. Therefore it is false to think that immigrants take jobs from Canadians.

The government's simplistic statement that reducing immigration would reduce unemployment is inaccurate and unfounded.

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# Complex society must not blur gospel message

by David Malcolm

**"The wages of the Labourers who mowed your fields, which you kept back by fraud, cry out; and the cries of the harvesters have reached the ears of the Lord of hosts." James 5:4**

When James wrote those words, perhaps it was easy to determine who were the labourers and who were the employers, but that is no longer so. In today's complex societies of multinational corporations, horizontally and vertically integrated companies, Crown corporations, Crown-owned land, income tax, unemployment insurance and social assistance, it's more difficult to blame any one person who has kept back the wages of the labourers.

For example, let's take an imaginary employee in New Brunswick. He drives a truck for a large company, but isn't satisfied with his wages and working conditions. He asks for improvements, but is told that none can be made because the company is not making enough money to pay the workers more.

In fact the company's accountant can prove that the company is not making money, and may actually be losing money. The accountant will not likely tell the employee that one of the reasons the company is not making any money, is that the company is itself owned by another company which provides much of the cargo for the trucking company. Also, many of the supplies needed by the trucking firm are supplied by other companies owned partly by the same parent company.

And so, by clever manipulation—nearly always legal—these companies are able to charge each other for their exchanged services in such a way that none of them ever is able to show a profit. It is small wonder that the worker finds it difficult to understand how all these non-profitable companies are able to expand and to establish new branches and companies elsewhere in the province, the nation and in other countries. And the accountant is not willing to explain because he is working only for the trucking company and "does not understand" what is happening.

The truck driver talks with some of his co-workers. They decide to form an association or a union so they can negotiate better working conditions. But coincidentally the company decides at this time that it does not need as many truck drivers as it did the previous week so now there is no work and no wage.

Getting other work in the community is difficult, because "no one wants a troublemaker", and many other companies in the community are owned by, or do business with, the same company which owned the trucking firm.

Of course, now he can qualify for unemployment insurance—part of his wages have been paid into the fund for many years. However, the amount he receives is not enough to maintain his standard of living. And eventually those payments stop, and the next step is social assistance. His taxes have been supporting that program for years.

And both the federal and provincial governments tell him they cannot pay any more support, because their funds are in short supply and they must cut back on expenditures. And that seems

strange to the truck driver, because for all these years the incomes of the governments have been increasing rapidly, and the gross provincial and national products have been getting larger each year.

He knows that his work and taxes have contributed to those conditions, just the same as his work helped the trucking firm to grow. And he can't understand why the government cannot help him adequately, when it has money to build fancy office buildings, to raise the pay of legislators, to pay exorbitant prices for land purchased from political friends, to make multi-million dollar gifts to companies (like the one that owned his trucking firm), or to pay consultants to study things which are in need of action, not study.

This truck driver is in the same position as the woodworker, the farmer under contract to a food processor, the fish plant worker, or any worker or self-employed person who is dependent on a large company for employment. He is never able to really discover what employer is to blame for his low wage or unsafe working conditions. The blame is always passed off to some other person, company, government or mystical agency.

The power to control wages is also the power to control jobs and to determine who works, and therefore who lives. Even though our society claims to allow each person the freedom and opportunity to choose between working for someone else, for a company or to be self-employed, the choice is

usually more limited for the majority of people.

The very organization of society forces many people to depend on large companies and government for employment and assistance. That situation in itself may not be evil, but if most of the benefits go to the corporations or government, and all the hardships and penalties go to the worker, then the situation requires change.

If each individual has the right to live, then society has the obligation to guarantee employment with a wage sufficient for a reasonable standard of living, with a measure of social programs to supplement those wages or to replace them. There cannot be exploitation for ever.

## If you want to know more...

by Gary Webster

We are presenting here a bibliography of the various books and films that may be helpful in learning more about industrial North America. Some of these materials highlight problems experienced in our region: regional dependency, high unemployment and a workforce concentrated in rural and service-sector occupations.

Obviously, this list is not exhaustive: people interested in more works should look at the New Hogtown Press' publication called "**A Guide to Working Class History, Second Edition**". This pamphlet covers both Canadian and American labour history and proved useful in compiling this bibliography. As well, one of the authors of the pamphlet, Professor Greg Kealey of Dalhousie University in Halifax, provided assistance in choosing some of the recent works mentioned here.

Readers interested in gaining the

most information in the shortest possible time should refer to the works marked with an (\*). Most of these books are short, all are written in popular style, and, in **almost** every case, their perspective on the subject matter is exceptionally insightful.

Those who hope to understand the theme more profoundly, and those who are looking to **escape the numerous myths** that surround the questions of work and trade unions, will find sources marked with an (!) indispensable. They are longer and often more difficult, but they will repay the effort expended many times over.

Most readers will probably look to local libraries for access to books and pamphlets. A few books are very recent, and might be on order or awaiting order. But in many cases, your librarian may be unaware of the book or the publisher, or may even be

disinclined to order books about "ordinary people" and trade unionists, or on a "radical" theme. Don't hesitate to urge that the book be stocked. (U.P.E.I., for example, has most of them.)

If you want to buy your readings, some difficulty might be encountered in finding New Hogtown Press material. You can order direct from: 12 Hart House Circle, University of Toronto, Toronto, Ontario; or through Red Herring Co-op Books, 1652 Barrington St., Halifax, N.S.

Magazines, of course, offer numerous insights into the subject matter of this bibliography. Back issues of **Our Generation**, **This Magazine**, and **Canadian Dimension** will well repay the reader interested in workplace issues and trade-union activities in Canada, and appropriate subject headings in the **Canadian Periodical Index** and the **Reader's Guide to Periodical Literature** will guide you further.

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\***Canadian Dimension Magazine**, Vol. 13, No. 2 (February 1978). Special Issue on Atlantic Canada.  
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#### A. Canada

\*Irving M. Abelle, **The Canadian Labour Movement, 1902-1960**, (Canadian Historical Association, 1975).  
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## Nfld. cod

continued from page one

catching capacity. Freezer trawlers are larger and can remain on the fishing grounds for longer periods of time, he said. Consequently, the mainland companies will be in a better position to demand greater off-shore allocations in the future, a move which could hurt the existing inshore fishery of the northeast coast and Labrador.

Federal fisheries officials have already pointed out that the existing inshore and wetfish trawler fleets are capable of harvesting the entire 300,000-metric-ton allocation projected for 1985, let alone the 180,000-metric-ton allocation for 1979.

At a meeting last September in Corner Brook to discuss the northern cod stocks, the Fisheries Council of Canada and the Nova Scotia Packers Association, both of which are heavily influenced by Nickerson, argued that freezer and factory-freezer trawlers were an important part of Canada's future in northern cod.

The Newfoundland Fishermen, Food and Allied Workers Union, which represents more than 15,000 fishermen and plant workers in the province, advocated increased inshore allocations with the surplus going to wetfish trawlers. This, the union said, is in keeping with the social and economic situation in the province.

Behind the confrontation over freezer trawlers lies the recent depletion of the fish stocks in traditional areas, the Scotian Shelf and the Grand Banks. Government has for the

## Pulpwood

continued from page eight

subject to price-fixing marketing controls, such as milk or eggs, because in such cases the buyers can readily pass on any increase in price in their sales to Canadian consumers. Pulp and paper are sold on the international market at prices which Nova Scotia companies cannot dictate. This price increase of pulpwood cannot be just passed on directly to the consumer.

The buyers therefore urge strongly that the Pulpwood Board have no price-fixing powers and that it merely act like the Labour Relations Board by forcing and supervising bargaining and by providing conciliation and pressure to settle disputes. They suggest that if agreement cannot be brought about between producers and buyers in this way, the parties should be permitted to strike.

The producers strongly reject these arguments. They claim that the strike remedy would not be a remedy at all, that the buying companies could easily freeze out and defeat any strike by merely getting their pulpwood only from their own forest limits (ie. Crown Land).

The Liberal government decided to follow industry's advice.

Despite this setback—woodlot owners saw the government as changing the rules in the middle of the game because of pressure from industry—the NSWOA proceeded to apply to the new board to become the bargaining agent for small producers. The Forest Products Association also put in an application. Long-time director of NSFWA, Donald Eldridge (who is now department of lands and forests deputy minister) said the application was

## A Nova Scotian view

While the Nova Scotian government and various other parties are trying to make the Newfoundland action out to be another form of extremist provincialism and a crisis of the Canadian constitution, Maritime fishermen say they see the issue quite differently.

**Atlantic Issues** spoke with Kevin Squires of the Maritime Fishermen's Union (MFU) who said that "As far as we see it, Peckford is acting to protect the inshore fishermen in Newfoundland—and we have no argument with that. It's only Nickerson's who can lose. This doesn't hurt the Nova Scotian fishermen."

The Maritime Fishermen's Union is a four-year-old union representing approximately 2,000 inshore fishermen in the Maritime provinces.

MFU representative Squires said that the MFU had never taken a position on "provincializing fish stocks" and thought that this would be a difficult issue for them to tackle since they are a Maritime union fighting for the common interests of the inshore fishermen throughout the region.

But, he said, the MFU believes that local fishermen should always have the first access to the fish stocks.

Squires noted that for Nickerson's to catch the Northern cod stock they insisted that they had to build and license freezer-trawlers and the MFU recognized that this was going to mean fishing the cod stock dry—just as nearly happened a few years ago with the foreign fleets.

In this instance, he said, "The inshore fishermen of Newfoundland and the Maritimes have a common concern and a common enemy—and that's Nickerson's."

past few years used the northern cod stocks, located off the northeast coast of Newfoundland and the coast of Labrador, as a cushion against these depleted areas.

To encourage foreign fleets to cooperate in rebuilding the Grand Banks stocks, Canada has granted allocations of northern cod to these fleets, this year totalling 25,000 metric tons. To ease pressure on traditional areas fished by Canadian trawlers, the government offered allocations again in the northern waters. Also, it gave incentives to the companies and guaranteed incomes to the trawlermen who fished in the north.

Peckford and Martin fear that these pressures by offshore fleets may eventually disrupt the recovering inshore fishery of the northeast and Labrador coasts. Those areas saw the near destruction of the inshore fishery some five years ago due to intensive offshore fishing by foreign fleets. Fishermen in those areas had landed between 110,000 and 175,000 metric tons average during the years 1959-67, but offshore fishing, which reached a peak in 1968 of almost 700,000 metric tons, depleted the stocks to the extent that the inshore catch dropped to 52,000 metric tons by 1972. The depletion also affected the offshore vessels,



made to protect the association's members who didn't want to be represented by NSWOA. The decision to apply for bargaining rights had been made, in fact, not by NSFWA's membership as a whole but by the board of directors, three of whom represented multi-nationals (Norman Eddy from Eddy Group Limited; Leif Holt from Bowaters Mersey and Robert Murray from Scott Maritimes).

After public hearings in the summer of 1973, the Pulpwood Marketing Board decided to certify the NSWOA as official bargaining agent for small producers. That decision was immediately challenged in court by NSFI. The lower court upheld the Pulpwood Marketing Board's decision to certify the woodlot owners; but the Supreme Court overturned it. It said that the application was too broad, and suggested that future applications for legal bargaining status should be confined to the supply area of each pulp mill.

NSFI had always contended that it was willing to bargain prices with its suppliers, but Chief Justice MacKeigan of the Appeal Division of the Supreme Court of N.S., in his decision aptly described the realities of pulpwood marketing in Nova Scotia:

*"Each mill is in a near monopolistic position as a buyer from the small sellers. Each is what the economists term a monopsony in its region and can come close to being able to dictate the prices at which it will buy from the sellers. The farmers feel helpless against this power. Hence, during the last eight or nine years, the woodlot owners, through their main association and at eighteen counties sub-associations, have, as shown in the briefs before the board, tried to organize and to press for marketing controls which they hoped would protect them from the mills. In this effort they have been strenuously opposed by the mills, who fought any restraints on their powers, and by sawmill operators and other members of the Forest Products Association."*

The NSWOA then set up its NSFI Suppliers Division, and following the Supreme Court recommendation, began organizing the 1,300 woodlot owners in the province's seven eastern counties who had supplied wood to Nova Scotia Forest Industries over a three-year period. The association wanted the company's list of suppliers, NSFI didn't want them to have it, and the Pulpwood Marketing Board found itself back in court again

which were able to catch only 392,000 metric tons that year

Nickerson has been expanding in the two areas of contention, the north-east coast and Labrador. A relative newcomer to Newfoundland, it now owns or operates plants in Lewisporte, Triton, La Scie, William's Harbour and Black Tickle, all in these areas, as well as several other facilities elsewhere in the province.

Given the company's affinity to freezer and factory-freezer trawlers and the recent approval by the federal government for their use in areas traditionally fished by wetfish trawlers, the fears regarding their motives may be justified.

To prevent the possible shift in emphasis from inshore to offshore fishing, the provincial government has advocated guidelines to licensing of freezer trawlers. Martin has recommended that:

- all vessels over 65 feet in length should be registered with a copy of the registration available for public inspection in the province;
- no new licences for vessels over 65 feet should be issued without the insertion of a public notice in local newspapers, stating the species to be fished, details of the vessels, her home port and port of discharge;
- if there are substantial objections from other inshore fishermen and/or trawler operators, then a public hearing should be held to hear such objections.

These steps, said Martin, will ensure local interests are protected.

when it offered to provide it. NSFI lost that round, and the Woodlot Owners Association once again signed up enough members to apply for certification.

Last summer, just as in 1974, Nova Scotia Forest Industries argued that the bargaining unit suggested was "inappropriate." In 1974, it was too narrow because of a delegate voting system which would mean not every woodlot owner voted on the proposed contract. In 1979, NSFI president John Dickey argued that it was too broad, because of a clause in the organization's by-laws which could extend membership to other unspecified groups. Despite the company's objections, the Pulpwood Marketing Board certified the NSWOA last fall, and negotiations are now under way.

The struggle of woodlot owners in Nova Scotia to win the right to bargain pulpwood prices has been long and frustrating. Prices for pulpwood have continually lagged behind prices in New Brunswick and Quebec, where marketing boards are in existence, and the NSWOA has spent the past five years in and out of court battles.

Such pressure on government has obviously had "unfortunate implications" for small pulpwood producers, least of which is the Pulpwood Marketing Act itself. The act is, by all accounts, a poorly drafted piece of legislation to start with. Wording is unclear, definitions are fuzzy, and most importantly, there is nothing in it to force companies to negotiate. Lands and forests minister George Henley has offered to amend the legislation if negotiations don't work out this time. Whether or not that will be necessary remains to be seen, as negotiations begin for the first time between Nova Scotia woodlot owners and NSFI.

# SPUDS. . . .

## N.B. - Bolivia

Last December, Euclide Chiasson returned home to Petite Rocher, New Brunswick, after a year in Bolivia as a CUSO volunteer. But his involvement with the Bolivian people didn't end.

Bolivia is one of the poorest of Latin American countries; while the Acadia area of New Brunswick is an economic backwater of a province which is itself part of the under-developed Atlantic region. Chiasson came back determined to set up links between the Acadians and the Bolivians on a point of vital common interest: potatoes.

The Andean region of South America where Bolivia is situated is, after all, the motherland of potatoes. Almost 200 varieties of the plant grow there today, some so different as to be unrecognizable to all but a botanist.

Canadian farmers grow descendants of a few varieties of potato imported into North America and Europe hundreds of years ago. Now South American countries like Bolivia are attempting to grow the expatriate potatoes as an export crop for the northern market. Among the varieties being tried are the New Brunswick seed potatoes so popular to the palates of the affluent north.

Chiasson was convinced the two groups of farmers would have much to learn from each other about potato varieties, growing techniques, mechanization and marketing.

Last March, five Acadian farmers, all in their twenties or early thirties, left for Bolivia on the first leg of the exchange. Earlier this August, five Bolivians arrived in New Brunswick to participate in the annual potato harvest, Canadian style.

### Labour-intensive farming

"Potato-harvesting, even in New

Brunswick, is still one of the most labor-intensive processes in farming," Burgess says. "In Bolivia, even more is done by hand. Here machines are used to turn over the earth and then the potatoes are collected by hand on most farms; the difference in Bolivia is that hoes are used for earth-turning."

While in Bolivia, the Canadians took part in the potato harvest, visited research centres, talked with individual farmers and farming groups, visited Inca ruins and a major tin mine, and spent time at the International Potato Centre, a world-renowned research facility in Lima, Peru, which has collected varieties of potato from around the world and is still building its genetic bank.

The group also visited the biweekly markets where local people buy their food (there are no supermarkets), and drove out to the highest agricultural station in the world about 50 miles from Cochabamba. Situated at an altitude of 3,400 metres, the station is carrying out research on potatoes and sheep farming.

The first 11 days were spent in the Cochabamba region where the group visited a mountain community, Kuluyu, for a couple of days and helped with the potato harvest. The village, helped by Chiasson, had experimented with a new variety of seed potato.

### No luxury crops

The Canadians were particularly impressed with some of the native high-protein potato varieties.

"Even though their yields are about one-third of ours in production per acre, they are getting every bit as much protein," says Darrell McLaughlin, one

of the farmers. "They have some very primitive varieties and these give three times the protein. The director of research at the International Potato Centre observed that here in North America we are not really concerned with growing food but with cosmetics—we have to have something which smells good and tastes good, and it doesn't matter too much about nutrition. Their potatoes have deep eyes and odd shapes and they are more mealy and dry than our potatoes, but they are concerned with the nutritional value. They have no

luxury crops."

"The trip was something we will remember for the rest of our lives," says McLaughlin. "Bolivia is like rural New Brunswick of 25 or 30 years ago before the impact of the automobile and mechanization. From the way people work together there it's obvious that somewhere along the line we took a wrong turn."

*This article has been reprinted from Connections, published by the Ryerson Third World Centre.*



During the New Brunswick farmers' visit to Bolivia they travelled throughout the country meeting potato farmers and others involved in food production. Here, the farmers from New Brunswick watch as the children of the village of Kuluyu play with a ball made out of rags. The photo was taken by SUCO Bolivia volunteer Yves Langlois.

## Nova Scotia

# Finally, bargaining begins

The start of the negotiations in January between Nova Scotia Woodlot Owners and Operators Association, and Nova Scotia Forest Industries (which owns the pulp mill at Port Hawkesbury) is a landmark in the 10-year struggle by woodlot owners in Nova Scotia to win the right to bargain for pulpwood prices.

NSFI has vigorously fought any attempt by small producers to restrict its right to unilaterally set pulpwood prices, and has been aided time and again by governments of every stripe. In this article, Sue Calhoun traces the history of the conflict.

Attempts by woodlot owners in Nova Scotia to have some control over the marketing of their pulpwood began in 1961, when the first of the multinational pulp and paper companies came to the province. The Swedish-owned Stora Kopparberg, whose subsidiary here is called Nova Scotia Forest Industries (NSFI), built a \$40-million mill at Port Hawkesbury designed to produce wood pulp used to make newsprint.

At the time governments in the Maritimes were looking at large-scale industrial development as the answer to economic problems; so the company was welcomed. It was given almost all the Crown land in the province's seven eastern counties, on a 50-year lease, for the low price of a

dollar a cord. Faced with the unfair competitive situation of the company having been given so much land so cheaply, small producers formed the province's first Woodlot Owners Organization.

At first, the organization attempted to establish a bargaining relationship with NSFI on a voluntary basis. When this failed, it petitioned the government to change the Nova Scotia Natural Products Marketing Act to include forest products, so that a Pulpwood Producers Board could be established. The act was changed, but rather than setting up a board, the government initiated the MacSween Royal Commission to investigate prices and marketing of pulpwood in Nova Scotia. Toward the end of 1964, that commission concluded that woodlot owners must be brought together in an effective association if their economic problems were to be solved.

That was easier said than done. Nova Scotia is unique compared to other provinces in that more than half the forested land is owned privately. Typically, the survival of the farm unit has been based on an integration of agriculture, fishing, woodcutting and periods of waged work. Woodlot owners were farmers, many of whom sold wood only occasionally, particularly when times were tough.

In 1965, with help from repre-

sentatives of the Federation of Agriculture and the St. Francis Xavier Extension Department, and a grant under the federal Agriculture and Rural Development Act (ARDA), the association began signing up woodlot owners on a county-by-county basis. By 1969, the NS Woodlot Owner's Association (NSWOA) was officially established with a paid-up membership of 1,200 woodlot owners.

In 1970, the association submitted to the provincial government a series of policy proposals on woodland taxation, land tenure and consolidation, forest improvement legislation, silviculture and trucking regulations. It also began work on developing a new proposal for a Pulpwood Producers' Marketing Plan under the Natural Products Marketing Act. This was how small pulpwood producers in New Brunswick had been organizing since 1963.

But in Nova Scotia, the large pulpwood buyers (the big three were NSFI, Scott Maritimes Pulp Limited at Abercrombie Point, a subsidiary of Scott Paper Co. of Pennsylvania, and Bowaters Mersey Paper Company Limited of Liverpool, a subsidiary of Bowaters, London) were opposed to a board with price-fixing powers. They made their views known to the government through the Nova Scotia Forest Products Association (NSFPA—an organization which also included large

contractors and sawmill owners and operators) and through the Forestry Sector of Voluntary Economic Planning—VEP—a voluntary advisory group to government made up of industry representatives.

In February 1971, with the blessing of the Nova Scotia Marketing Board, the Woodlot Owners Association began a province-wide campaign to register potential voters on its marketing plan. Some 8,500 woodlot owners returned application-to-vote forms to the association. But because of the combined opposition of VEP and NSFPA, the Woodlot Owners Association revised its definition of woodlot owner (you had to own at least 50 acres of land), and began re-registration. A total of 4,827 were returned this time, and in a vote held on July 15, 1971, 85.9 percent of these voted in favour of the plan.

But industry was still opposed to it, so rather than ratify the proposed marketing plan, the Liberal government of Gerald Regan established a Conciliation Committee to try to bring the two sides together. The report by committee chairman Ian MacKeigan Q.C. explained the companies' position:

*"The buyers claim that it is much too dangerous to place price-fixing power in the hands of virtually one man, the board chairman. The whole pulp and paper industry would be subject to his whims and could be ruined by bad judgement. They emphasize that the product involved is quite different from food products*

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