

The Struggle against Wage Controls:

**The Saint John Story,
1975-1976**

GEORGE VAIR

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By
George Vair

Edited and introduced by David Frank. Foreword by Bob White.

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This book is dedicated to all members of the
Retail, Wholesale and Department Store Union, Local 1065,
whom I had the privilege of representing for nearly 25 years.

George Vair

Acknowledgements

I STARTED THIS PROJECT with the idea of simply leaving a written record for younger trade unionists and future labour historians of a period in labour history I felt was important.

I shared the manuscript with two close family friends, Faye Johnson and her partner Tom Begin, who happen to be retired schoolteachers. They went through the entire manuscript correcting spelling, grammar and making helpful suggestions. David Frank, director of the Labour History in New Brunswick project, was instrumental in moving things forward to publication, volunteering to edit the document. His efforts have made the story more concise and interesting. Bob White generously agreed to contribute the foreword. To all of them, I am truly grateful. Much gratitude must also go to my family — especially my loving wife of 43 years, Carol — for putting up with me stuck in a time frame of 30 years ago while I was producing this work.

Foreword

THIS IS A TIMELY BOOK that tells us how Canadian workers 30 years ago resisted a vicious government attack on their living standards. To my knowledge very little has been written about this significant event in our Canadian labour history. This book is important because it is written by a worker who was an active organizer of the general strike of 14 October 1976 in Saint John, New Brunswick. I was privileged to have worked with George Vair during that period. He was always a force in being able to organize the defence of workers' rights.

Thirty years later he is using his dedication to the labour movement to bring us this piece of history. He has been able here to capture the events and the interesting story that emerged out of Saint John. This contribution to our better understanding of labour events should serve as a model for other workers to tell their story using their precious knowledge and memory. We need more accounts like this one that can be presented to workers, the labour movement, and to the public in general.

The book clearly shows how wage controls were a threat to the free collective bargaining process. Because of high inflation workers across the country had negotiated substantial wage increases to try to catch up. In New Brunswick, many workers were also looking at parity with Central Canada and had negotiated adjustments that were threatened by the controls. Pierre Elliott Trudeau's program was simply an attack on organized labour and in no way had any effect in controlling the high inflation that was experienced by Canadian workers. The book shows us how workers were betrayed when the government interfered with the bargaining process in such an unprecedented way.

We are also reminded of the debate that took place within the labour movement in response to the wage controls when they first came into effect. Things are never simple when it comes to defending workers' rights. This is particularly true when you are under attack by the federal government with the support of all provinces and the business community. Without name-calling Brother Vair gives us a good insight into where the leadership of the labour movement stood in relation to this major attack. His recollec-

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tions of the events around the big demonstration in Ottawa on 22 March and the big public meeting in Saint John on 28 March, revived a lot of good memories for me and show how we are able to inform and mobilize in the labour movement.

Brother Vair's accounts of the Canadian Labour Congress (CLC) convention in May 1976 and of the New Brunswick Federation of Labour convention in June are particularly interesting. He brings very good insight into the debate around the issue of how far the labour movement was prepared to go in opposing the controls. His recollection of the debates and of the politics of the time is very thoughtful. His appreciation of Lofty MacMillan's candidacy to become president of the CLC at this convention is honest and straightforward. More importantly, he explains how upon returning from the CLC convention he felt it was more important than ever to fight the controls with a general strike.

His detailed account of how they mobilized the workers in Saint John is great information for workers reading this book. It shows that the leadership of the labour movement has to work very hard with all possible allies in order to educate the membership to fight unfair measures. For many weeks before 14 October 1976, the coordinating committee of the Saint John District Labour Council met and worked hard to prepare for this mobilization. Workers were angry about their unfair treatment, but they needed to be organized, and the focus of this action was the general strike. In retrospect, after reading these pages I wonder what impact we could have had if every community had organized the way labour leaders did in Saint John.

Although the general strike was not as successful in other areas as it was in Saint John, the conclusions drawn in this book are very interesting. Important lessons were learned. Workers across the country saw their respective governments in a very different light after October 1976. Brother Vair is correct in stating that the organizing skills learned during that campaign were very helpful in fighting concessions in the next decade. That struggle helped to make the Canadian labour movement a better and more progressive movement.

It is a wonderful pleasure to read this kind of history, written by a friend and fellow trade unionist. He tells us his personal experience as a local labour activist in Saint John, but he also tells us a story that needs to be known all across the country. He shows us what governments can and will do to keep workers in their place, and he shows us how organized labour can make a difference when we mobilize. For all these reasons I encourage you to read

this book, share it with your friends and bring it to the attention of other workers.

Bob White

Bob White is a former president of the
Canadian Labour Congress
and of the Canadian Auto Workers.

Introduction

IN 1975 GEORGE VAIR was a 35-year-old labour activist in one of Canada's oldest industrial towns. Saint John, New Brunswick is known in Canadian labour history as one of the early birthplaces of trade unionism in the 19th century, and in the 1970s it remained one of those working-class communities where organized labour played a significant part in public life.

Vair himself left school in Grade Ten to join the Royal Canadian Navy and served for five years as a signalman. When he returned to work in Saint John, at Canada Wire & Cable, he became involved in the union movement. As older labour activists retired from the scene, Vair and others of his generation were being pushed forward into positions of leadership. By 1969 he was president of Local 2094 of the International Brotherhood of Electrical Workers and then Local 1905 of the United Auto Workers. Later he became Business Agent for Local 1065 of the Retail, Wholesale and Department Store Union. Most importantly, at a critical moment in 1976 he became president of the Saint John District Labour Council.¹

The 1970s were not a quiet time for Canadian workers. The imposition of wage controls by the federal government in 1975 raised many of the age-old questions about the place of labour unions and workers' rights in Canadian society.² The public debate that followed in Saint John and all across the

¹Files on the activities of the Saint John District Labour Council in 1974-76 show the council concerned about a wide range of issues, including support for a cardiac alert programme, the public library and ongoing labour disputes in the community. As an executive member in 1974 George Vair proposed a new per capita tax system in order to meet "higher costs, resulting from trying to get involved in community programs." Interestingly, the labour council stationery at this time carried the following citation: "Labour Unions are the bulwark of modern democracy' — Gladstone." See Canadian Labour Congress Papers, MG28 I 103, vol. 447, file 9 and vol. 484, file 34, Library and Archives Canada, Ottawa. My thanks to Michael Wilcox for research in these files.

²For an introduction, see Craig Heron, *The Canadian Labour Movement: A Short History*, Second Edition (James Lorimer and Company, 1996). A useful set of presentations on key topics is available in W.J.C. Cherwinski and G.S. Kealey, eds., *Lectures in Canadian Labour and Working-Class History* (CCLH Books, 1985). For a

country culminated in a Day of Protest that is sometimes described as Canada's first country-wide general strike. It was a memorable period for George Vair, and in his retirement he has taken the time to write a reflective personal account of this key Canadian labour struggle as he experienced it in Saint John.

At the beginning of the 1970s, organized labour in Canada seemed to be gaining ground. The 1960s had been a time of social unrest. This included working-class Canadians who fought to extend the meaning of social justice and economic democracy within Canadian society through a variety of social movements, and the revitalization and expansion of the labour movement was part of that history. In one major breakthrough, workers in the public sector had won the right to collective bargaining. More than one million new members joined unions in the 1970s, and the overall rate of union membership was rising sharply. In 1972 a new Canada Labour Code proclaimed a growing consensus around the place of unions in Canadian society when it stated, for the first time in Canadian law, that collective bargaining was a constructive social force. Noting that Canada had ratified the International Labour Organization Convention No. 87 on Freedom of Association and Protection of the Right to Organize, the preamble stated that Parliament "deems the development of good industrial relations to be in the best interests of Canada in ensuring a just share of the fruits of progress to all."³

Yet ten years later, at the start of the 1980s, the situation was changing again. There was a new constitution, proclaimed in 1982, that included a Charter of Rights and Freedoms; but apart from a vaguely defined freedom of association in Section 2, it contained no specific protections for workplace rights, union membership or collective bargaining. In the making of the Constitution there was much necessary attention to the rights of women and aboriginal peoples, but a proposal to include the right to union organization and collective bargaining was voted down by the Special Joint Committee on the Constitution.⁴ Later that same year Parliament placed federal employees under a rigorous two-year regimen in which their bargaining rights were unilaterally suspended; provincial governments went to town,

regional perspective, see David Frank and G.S. Kealey, eds., *Labour and Working-Class History in Atlantic Canada: A Reader* (ISER Books, 1995).

³"Canada Labour Code," *Statutes of Canada*, 1972, c. 18.

⁴Larry Savage, "Disorganized Labour: Canadian Unions and Constitutional Reform," M.A. thesis, Brock University, 2001.

imposing rollbacks, suspensions and back-to-work orders. The change has been described as a transition from “consent” to “coercion” which has gradually become a state of “permanent exceptionalism” in which the “normal” rules of collective bargaining and industrial relations are suspended with increasing frequency.⁵

Interestingly, both the 1972 Canada Labour Code and the 1982 Constitution Act were enacted by a prime minister who had long regarded himself as a friend of the unions. At an earlier stage in his public career Pierre Elliott Trudeau had specifically identified the right to free collective bargaining as an essential element in the functioning of a democratic society.⁶ Perhaps the most dramatic sign of this transition from endorsement to exclusion was visible on the Thanksgiving weekend in 1975. Wearing a somber face, the Prime Minister went on television and announced his intention to fight inflation through the enforcement of a three-year programme of wage and price controls, a strategy he had ridiculed in the previous year’s federal election campaign. Such measures had been undertaken before in Canadian history, but only in the context of wartime economic management and, in the case of the Second World War, controls were accompanied by explicit promises for new labour rights and social security as part of a post-war settlement. The constitutionality of the Anti-Inflation Programme was debatable, as it was based on a loose interpretation of the federal government’s peacetime emergency powers, a position nonetheless endorsed later by the Supreme Court of Canada. In 1975 Bill C-73 went on the statute books as the Anti-Inflation Act, but as Vair points out, it also became known as the “Wage Measures Act”. It was a name that captured the punitive spirit of the War Measures Act, which had been invoked by the same prime minister five years earlier in the October Crisis of 1970.

General textbooks tend to regard the 1970s as a time of continual debates over such matters as economic nationalism and Canadian unity, yet these were also the years when the real incomes of working people ceased to grow and unemployment rates rose higher than they had at any time since the end

⁵Leo Panitch and Donald Swartz, *From Consent to Coercion: The Assault on Trade Union Freedoms*, Third Edition (Garamond Press, 2003).

⁶See Trudeau’s comment, originally published in 1956, in *The Asbestos Strike*, James Boake, trans. (James Lorimer and Company, 1974), p. 336: “If the right to strike is suppressed, or seriously limited, the trade union movement becomes nothing more than one institution among many in the service of capitalism: a convenient organization for disciplining the workers, occupying their leisure time, and ensuring their profitability for business.”

of the Great Depression. Much of this had to do with factors such as escalating international oil prices and corporate profit-taking strategies that were beyond the control of the Canadian government.⁷ As usually happens in times of economic crisis, workers would be the first to pay for the failures of the economic system. In retrospect the 1970s were the end of the long post-war boom for North American capitalism and the beginning of a new period in which the struggle over the rewards of economic life became increasingly intense. Older assumptions about the distributive justice of Keynesian economics were being abandoned, and inflation was increasingly targeted as the most important issue for the Canadian economy. Meanwhile, the so-called philosopher-king who had helped to raise expectations was now determined to reduce them. For many Canadians who had hoped that the 1970s would be a decade of forward advance towards the Just Society promised by Trudeau, the events of 1975 represented a sudden stop.

The announcement of wage controls in October 1975 was the beginning of a long year of confrontation between organized labour and the government that culminated in the mass protest on 14 October 1976.⁸ As George Vair points out, the event officially had a slightly euphemistic name as a National Day of Protest. Yet it fits the definition of a general strike because it was a mobilization that brought workers off the job and into the streets all across the country on the same day around a common cause. This has not often happened in Canadian history, as union leaders have tended to prefer local, regional or rotating protests and demonstrations over the idea of the general strike. Even in the classic year of labour militancy in 1919, for instance, there was much unrest in many parts of the country; but there was also a great deal of fragmentation along regional and ideological lines, and militant delegates at the Trades and Labour Congress meetings were unable

⁷For a contemporary analysis, see Cy Gonick, *Inflation or Depression: The Continuing Crisis of the Canadian Economy* (James Lorimer and Company, 1975).

⁸For an overview of the programme, see Allan M. Maslove and Gene Swimmer, *Wage Controls in Canada, 1975-78: A Study of Public Decision Making* (The Institute for Research on Public Policy, 1980). The academic literature tends to focus on narrower econometric and administrative issues; one exception, from the point of view of a free-market economist, is Richard G. Lipsey, "Wage-Price Controls: How to Do a Lot of Harm by Trying to Do a Little Good," *Canadian Public Policy*, III, 1 (Winter 1977), pp. 1-13. For a broader critique more sympathetic to the philosophical aims of the union movement, see J.C. Weldon, "Wage Controls and the Canadian Labour Movement," *On the Political Economy of Social Democracy: Selected Papers of J.C. Weldon* (McGill-Queen's University Press, 1991), pp. 131-57.

to carry their appeals for a more coordinated solidarity.⁹ When such appeals do succeed, at least partially, it is worth trying to understand why and how this happens.

This book allows us to follow the response to wage controls from the perspective of a labour activist in a city where controls had a large impact and there was an especially forceful response. Vair's explanation of circumstances and situations in particular workplaces and industries helps to illustrate the problematic nature of the controls themselves, which some employers, including Irving Pulp and Paper, also found an irksome form of interference. As it turned out, the Day of Protest in Saint John in 1976 was among the most successful demonstrations of labour solidarity in the country. Vair's account makes it clear that this did not happen by accident but was the outcome of months of intensive preparation, much of it led by the activists in and around the labour council and the major industrial unions. He discusses in detail the stages through which the local unions and the Saint John District Labour Council mobilized their membership and their supporters to engage in debates over the controls and carry their message to the community. He also shows how the militancy of affiliates and activists in places such as Saint John helped push the Canadian Labour Congress towards endorsement of a larger campaign, to which it ultimately devoted substantial resources. Vair tells the story with considerable authority and human detail, reinforced by his later reflections and research on the subject, and with a certain amount of self-deprecating humour concerning his own part in the story.

George Vair's narrative reaches a climax in his detailed description of events on the day of the general strike on 14 October 1976, when workers marched from four corners of the town and effectively shut down the city for the day. In New Brunswick Saint John was the largest and most effective protest, but there were also public demonstrations in Moncton, Fredericton, Newcastle, Campbellton, Dalhousie and Edmundston.¹⁰ There were similar protests across the country, where it is estimated that more than one million workers stayed off work in support of the Day of Protest. Interestingly, Vair's analysis suggests that the struggle against wage controls had already suc-

⁹See Craig Heron, ed., *The Workers' Revolt in Canada, 1917-1925* (University of Toronto Press, 1998).

¹⁰"Reports of Day of Protest in N.B.," New Brunswick Federation of Labour Papers, MC1819, Provincial Archives of New Brunswick. Dana Brown, a research assistant for the New Brunswick Labour History Project, located files on this subject while organizing the collection.

ceeded by this time. Unions had effectively demonstrated non-compliance by insisting on bargaining as if the controls did not exist and then regularly appealing and sometimes evading adverse decisions. These forms of non-compliance, sometimes abetted by employers who also resented the interference with the bargaining process, added enormously to the challenges of administration and enforcement.

The controls were abandoned in 1978, and this could be counted as a kind of victory. Indeed the Prime Minister who had introduced them went down to electoral defeat in the 1979 election and prepared to go into retirement. Labour was also winning a few battles in the public discourse as well at this time. For instance, statements such as the Catholic bishops' "Ethical Reflections on the Economic Crisis" in 1983 reminded Canadians that the rights of labour were entitled to a certain moral priority in economic decision-making: "labour, not capital, must be given priority in the development of an economy based on justice."¹¹ Yet, as noted earlier, the Constitution and Charter in 1982 did little to support that position, and earlier proposals for new "corporatist" forms of power-sharing between labour, business and government, based on updated readings of William Lyon Mackenzie King, had proven to be without substance.¹² Indeed, in government and business circles new ideologies of restraint and restructuring were rapidly becoming the order of the day, and the public agenda was becoming increasingly indistinguishable from the corporate agenda.¹³

Vair shows good historical judgement in concluding that the abandonment of controls was not the end of the story. He points out that this was actually the beginning of a new wave of struggles for organized labour, in which they faced renewed challenges from governments and employers in the con-

¹¹The statement called specifically for "the restoration of collective bargaining rights where they have been suspended" as well as "assurances that labour unions will have an effective role in developing economic policies": see Gregory Baum and Duncan Cameron, *Ethics and Economics: Canada's Catholic Bishops on the Economic Crisis* (James Lorimer and Company, 1984), pp. 7, 10 *et passim*.

¹²Stephen McBride, "Public Policy as a Determinant of Interest Group Behaviour: The Canadian Labour Congress' Corporatist Initiative, 1976-78," *Canadian Journal of Political Science*, 16, 3 (1983), pp. 501-17.

¹³The new economic strategy was articulated by the Royal Commission on the Economic Union and Development Prospects for Canada, which reported in 1985. For alternative approaches, see Daniel Drache and Duncan Cameron, eds., *The Other Macdonald Report: The Consensus on Canada's Future that the Macdonald Commission Left Out* (James Lorimer and Company, 1985).

text of the new neo-liberal (sometimes called neo-conservative) political and economic restructuring of the 1980s. Yet it is also part of Vair's argument that the struggle against controls in the 1970s helped prepare organized labour in Canada to play a more active part in the 1980s in resisting free trade and other forms of economic integration that threatened to undermine the rights and standards of workers. As Steven High has recently argued in a book about resistance to plant shutdowns during this period, history and experience made Canadian unions strong defenders of the idea of community at local, regional and national levels.¹⁴ The participation of Canadian unions in that strategy reached a peak after the election of Brian Mulroney in 1984 and in the struggle against the Free Trade Agreement in the 1988 election. Since then Canadian unions have continued to make common cause with other social movements in confronting the implications of globalization and of restructuring initiatives that threaten labour, environmental and human rights standards at home and abroad.

Since 1976 George Vair has spent most of his working life in the service of organized labour. He has represented workers before numerous boards and tribunals and has sat on arbitration and conciliation boards on scores of occasions. He served as a vice-president of the New Brunswick Federation of Labour in 1981-83 and as an employee representative on the New Brunswick Industrial Relations Board and the New Brunswick Labour and Employment Board. He has been active in a variety of social justice causes, including Oxfam Canada's Sweat Shop Campaign. All this is part of the picture of a dedicated labour activist who has never given up his desire to be of service to the working people in his community.

This book can also be seen as part of a tradition of adult learning and self-education that has deep roots in communities such as Saint John. Within the labour movement, Vair became a lifelong student, taking advantage of courses offered by the unions and also earning college credits. Since his retirement in 2000 he has immersed himself in research and writing projects, including an historical calendar published by the Saint John District Labour Council in 2003. This book on the struggle against wage controls is his most personal and also in some ways his most important project to date. Originally he intended simply to set down his reflections and share them with interested younger labour activists. It is our good fortune that he agreed to go a little further down the editorial road and see it into print in the pres-

¹⁴Steven High, *Industrial Sunset: The Making of North America's Rust Belt, 1969-1984* (University of Toronto Press, 2003).

ent form.¹⁵ In sharing it with us in this way, George Vair is making a significant contribution to Canadian labour history, and to a working people's history of his community and his country.

David Frank

David Frank is a professor of history
at the University of New Brunswick

¹⁵When George Vair first mentioned his manuscript, I thought I might prepare it for publication as a short memoir in a magazine or journal. As I read it, however, I realized that this was a unique and substantial account that would be of wide interest, both because it is told from a worker's point of view and because it gives the local detail that is missing from general surveys and macroeconomic and administrative studies. This led to a round of editorial work and revision and a submission to the Publications Committee of the Canadian Committee on Labour History. Assistance in preparing the manuscript was provided by Carol Ferguson, Yolande House and Jazmine Belyea in Fredericton and Irene Whitfield and Josephine Thompson in St. John's. Several colleagues in the New Brunswick Labour History Project, Greg Kealey, Raymond Léger and Bill Parenteau, have provided advice in seeing the manuscript through to publication. Above all, it has been a pleasure to work with George Vair, who has also given assistance to other activities of the New Brunswick Labour History Project, which is supported by the Social Sciences and Humanities Research Council under a Community-University Research Alliances grant. For more information, see the project website at www.lhtnb.ca.

Chapter 1

Why Us: Trudeau's Controls

"LABOUR SHOWS ANGER — AND POWER" screamed the headline in the *Saint John Evening Times-Globe* on 14 October 1976. The newspaper went on to describe blocked bridges, halted traffic, damaged cars and hard-hitting speeches by labour leaders. There were no buses and no taxis that day in Saint John. The port was closed, and so too were the paper mills, the sugar refinery, the oil refinery and the dry dock. Many stores closed, and most municipal and provincial public services were suspended. The Board of Trade and the Canadian Manufacturers Association called it a dangerous violation of the law, but those of us who were in the streets that day considered it a deliberate act of civil disobedience. The weather made it no day for a picnic, and it was a lot more than another labour holiday or simple parade. Working people were angry, and organized labour in Saint John was participating in a one-day general strike called by the Canadian Labour Congress.

All this unrest was not a result of labour's anger against some anti-union employer, or against any employer for that matter. It was officially called a "National Day of Protest," and its purpose was to demand the withdrawal of the federal government's Bill C-73, a bill that imposed extensive wage controls on most Canadian workers. This extraordinary law suspended normal collective bargaining, rolled back existing wages and settlements and imposed fines on workers who challenged it. On a visit to New Brunswick the Prime Minister had joked about "bludgeoning" organized labour into submission, but when the day of the country-wide protest arrived, workers in Saint John carried out one of the most complete and effective local general strikes in the whole country. Workers marched in the thousands from four corners of the city, converging on King's Square at the end of the morning. The well-respected Saint John labour veteran Fred Hodges spoke for many of us when he called that day "the best day of my labour life, to see so many people in unity."

One year earlier, on Thanksgiving evening, 13 October 1975, the Liberal Prime Minister of the day, Pierre Elliott Trudeau, went on national television to announce his government was introducing a wage and price control

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program. The Prime Minister's announcement surprised everyone — the provincial premiers had been told only that day. This control program would be the heaviest restraint on the Canadian economy since the controls imposed on workers during the Second World War. According to Trudeau, extreme measures were needed "to knock the wind out of inflation."

I was motivated to produce this document as a result of my conversations with a number of young trade unionists. In talking with them I discovered that many union members who were too young to remember the period thought that labour's fight against the wage controls had been a failure and a waste of time. I believe nothing could be further from the truth. The wage controls had such a large impact on workers in Saint John, provoking protests and appeals and growing frustration from the very start. People need to know the story of how we prepared an organized response that led to such a strong demonstration of solidarity on 14 October 1976. We did it with the help of the Canadian Labour Congress and the New Brunswick Federation of Labour, but most of all we did it ourselves, through our own Saint John District Labour Council.

We did it because we had to defend the right to collective bargaining, which is the most important tool working people have in trying to get fair working conditions and a just share of the country's wealth. I think we made a difference and helped contribute to the defeat of the wage controls. If there is a message, it would be that when workers unite in solidarity, they can succeed.

This document is not intended to be a full history of the labour movement's fight against the federal government's wage controls program. This document is about what took place in New Brunswick, and particularly Saint John, during the time between the introduction of the wage controls in October 1975 and the "National Day of Protest" in 1976. It is based on my memories of the period and conversations with people who were involved as well as my working files, newspaper clippings and other documents. I have attempted to be as accurate and candid as possible, even though some of the incidents may not always reflect favourably on the labour movement or on me. I am sure that similar accounts could be told by many other trade unionists who were active at the time in other communities across Canada.

In the early 1970s prices were rising at a disturbing rate. Driven by the Vietnam War and skyrocketing energy prices, inflation had become a worldwide dilemma. Inflation was 12 percent in the USA (1974), 24 percent in Britain (1975) and 32 percent in Japan (1974). Prices were rising rapidly for energy, housing, food and other necessities. Unions in Canada were reacting

to this higher cost of living by going after hefty pay hikes, and in most cases they were being successful. According to Statistics Canada, inflation increased by 10.7 percent in 1974 and 10.9 percent in 1975. Workers were actually starting to improve their standard of living, as average wage increases started to exceed the rate of inflation. Wages were up 14.3 percent in 1974 and 16.9 percent in the third quarter of 1975.*

The late 1960s and early 1970s were also a time when workers were becoming more militant and more willing to fight for better wages and working conditions. Many tentative agreements that were reached between employers and union negotiating committees were being soundly rejected by the union membership. Time lost to strike activity in Canada was almost double that in the United States, with one-third of these being wildcat strikes. The 1975 annual report of the New Brunswick Department of Labour, for instance, reported 42 strikes in the province that year, 29 of which were illegal strikes. In the public sector, workers were starting to take advantage of their newly won bargaining rights; they were forming new unions and were prepared to fight to bring wages in line with private sector contracts.

It was in this economic environment that the then federal Progressive Conservative leader Robert Stanfield proposed bringing in a 90-day wage and price freeze, to be followed by 18 months to two years of comprehensive wage and price controls. During the 1974 federal election campaign, Prime Minister Trudeau ridiculed Stanfield for his suggestion of any controls on income. Speaking to a group of workers in Timmins, Ontario, Trudeau was quoted as saying: "Income controls risk hurting the small and the poor more than they do the big and the rich; and while that might be of minor concern to the more conservative governments and political parties, it is of fundamental concern to this government. So what's he going to freeze? Your wages! He's going to freeze your wages!" The Liberals would coin the phrase, "Zap! You're frozen," and Trudeau used it repeatedly as he campaigned across the country.

The 8 July election resulted in the Liberals forming a majority government with 141 seats, compared to 95 for the Conservatives. Prior to the 1974 election the Liberals were a minority government, holding just two

*The situation was complicated by high unemployment. In October 1975 Statistics Canada reported the unemployment rate stood at 7.2 per cent. This was the worst unemployment in 14 years, and economists were predicting it would get worse before it got better. Canada was in a period of what economists call "stagflation" — high unemployment and high inflation at the same time.

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more seats than the Conservatives (109 to 107). The Liberals' success in obtaining a majority government was, in no small part, due to their opposition to wage and price controls. In just 15 months, however, the Trudeau government introduced a bill far more restrictive and complicated than anything proposed by the Conservatives.

Bill C-73, officially called "an act to provide for the restraint of profit margins, prices, dividends and compensation in Canada," was intended to combat inflation by controlling prices and wages for the next three years. At the same time Trudeau made it clear that the controls could last indefinitely. It was a detailed plan that covered most workers in Canada. The program covered all public employees, including municipal workers, and any employer in the private sector having more than 500 employees. In the construction industry, it covered any employer having more than 20 employees. Wages would be restricted to eight percent for the first year, six percent for the second year and four percent for the third year. Any collective agreement reached after 14 October 1975 that exceeded these guidelines would be rolled back and any monies paid to workers in excess of the guidelines would have to be paid back to the government or the employer. Increases allowed under the guidelines would be based on total compensation. For instance, if a union negotiated a five-minute wash-up period, extended breaks, improved pensions or other benefits, these would be included in the percentage allowed.

There were various exceptions to these rules. An extra two percent could be allowed if there were increases in national productivity. It was also possible to get an extra two percent if a group had fallen behind standards in their sector. But if you had done extremely well in previous years in relation to the Consumer Price Index, you could be forced to accept a two percent reduction below the stated guidelines. If you could prove a "historical relationship" between bargaining units, an increase above the guidelines might be justified. Special consideration could also be given to those cases where contracts had expired and negotiations were underway — if the expired contract was signed prior to the beginning of 1974. Increases of \$600 or less would be exempt from the program — this was later changed to exempt any employee making less than \$3.50 per hour — and no group could have an average increase of more than \$2,400, regardless of the percent increase. Interestingly, if an employer could demonstrate that they could not attract or hold workers at existing wages, an increase above the guidelines would be accepted.

Controls on price increases were much more vague, as the language in the bill illustrates: "The general principle is that increases in prices should be limited to amounts no more than required to cover net increases in costs. The precise form of the objective will be adapted to the different circumstances of different kinds of suppliers, but lead to broadly equivalent behaviour when these differences are taken into account." Firms were expected to refrain from increasing the price of any individual product more frequently than once every three months, except where this would impose severe hardship on the firm. Retailers and wholesalers would be exempt from this requirement, and the guidelines would not apply to price increases in energy, housing or food.

The government set up a seven-member Anti-Inflation Board (AIB) to administer this program. A former Liberal cabinet minister, Jean-Luc Pépin, was appointed Chairman. Organized labour refused to participate on the Board, but the government, attempting to give the program some legitimacy, appointed William Ladyman. Ladyman had recently retired as Canadian Vice-President of the International Brotherhood of Electrical Workers. Board members would be paid \$200 per day. That was more than many unionized workers were making per week: the average industrial weekly wage in Canada was \$205.60 when the controls came into effect, and in New Brunswick it was only \$182.74. An administrator would be appointed to enforce the guidelines and the Board would be provided with a staff of 200 bureaucrats.

Chairman Pépin was quoted as saying that "The Board would be tough, it would be soft, it would be flexible, but it would be firm." It would also be confusing. Immediately following his appointment, Pépin had told reporters the act provided for an elaborate appeal procedure. He said, "There would be an appeal tribunal and a case could be taken from there to the Federal Court of Canada." It appeared if a union and company exceeded the guidelines and the AIB rejected their contract, either or both could appeal to the administrator. That finding could be appealed to an appeal tribunal, from there to the Federal Court of Canada and from the Federal Court to the Supreme Court of Canada if necessary. Alban Garon, general counsel for the AIB, had another interpretation. In his view only the Board could refer the matter to the administrator, and it could only do so if the program guidelines were being contravened or were likely to be contravened. This meant in order for a union or a company to access the appeal procedure, they would have to contravene the act, opening themselves to penalties. The Board Chairman did a

turnaround and backed up Garon's interpretation. In any event, the federal cabinet could always overrule any decision of the AIB.

As most workers were covered by provincial labour legislation and the federal government wanted the controls to cover all employees in the public sector, they needed to get the provincial premiers on side. Prior to appearing on television, Trudeau had invited all the premiers to a "Thanksgiving Day Summit" — at the prime ministerial residence at 24 Sussex Drive — to discuss legislation dealing with inflation and unemployment. Following the three-hour meeting, some premiers agreed with the plan immediately, none opposed it, and all would eventually agree, including the New Democratic Party governments in Manitoba and Saskatchewan. The NDP Government in British Columbia would not get the chance to sign on, as they were defeated in the December provincial election.

New Brunswick Premier Richard Hatfield was an enthusiastic supporter. He immediately pledged "to apply the guidelines to the various fields coming under the provincial jurisdiction." Within days of returning to New Brunswick he established a "Prices and Incomes Bureau" to enforce the federal guidelines in the province. Specifically, he said, "The measures would affect provincial and municipal spending, wages of provincial and municipal employees, rent, professional fees and prices of natural products." Bill 105 was unanimously passed by the New Brunswick Legislature on 25 November and Hatfield formally signed an agreement with the federal government on 27 February 1976. The restraints would be retroactive to 14 October 1975 in order to be consistent with the federal guidelines.

From the start Progressive Conservative Leader Robert Stanfield supported the guidelines, calling them "pretty rough justice" but urging Canadians to approach the program with an open mind. Yet when the legislation was introduced in the House of Commons Stanfield proposed an amendment that would limit the controls to 18 months. The government defeated the amendment and on 3 December, when the bill finally passed through the Commons, the vote was along party lines. The Liberal majority carried the day. The Conservatives voted against, arguing that three years were too long and could lead to permanent controls. The Social Credit Party also voted against, saying it would not curb inflation. The NDP rejected the program entirely.

New Democratic Party leader Ed Broadbent called the program a sham. He said big business would sidestep restrictions through shifty accounting, but average workers would suffer. He criticized appointing Jean-Luc Pépin as Chairman, as Pépin had been an officer of Power Corporation, a Montreal

based conglomerate. "It was like putting the fox in charge of the chickens," said Broadbent. He also wondered about the scheduled salary increases for Members of Parliament. Upcoming increases would mean a \$4,600 raise for Trudeau himself on 1 January — but MPs were not included in the control program.

Initially, the Canadian Labour Congress was slow to recognize the threat of wage controls. Immediately following Trudeau's television appearance, CLC President Joe Morris said that he felt the controls weighed "harshly" on labour and low-income groups but that the CLC was prepared to negotiate on the basis of Trudeau's program. Other union leaders, however, immediately saw this legislation for what it was: an attack on free collective bargaining that was designed to control wages and had very little to do with controlling prices. The United Auto Workers released a statement saying that "The controls attack our unions, demand sacrifices by working people, do not control prices and do nothing about unemployment or income distribution. Bill C-73 represents no alternative to real solutions, which would mean challenging corporate power." As far as UAW Canadian Director Dennis McDermott was concerned, "The union would battle at the bargaining table as though there were no controls and meet head-on after that whatever barriers the government places before us."

Other unions also came out strongly against the controls. The Steelworkers said they would not negotiate within the guidelines, as did the Canadian Paperworkers Union (CPU) — who had 25,000 members on strike at the time. The Canadian Union of Public Employees (CUPE), who were holding their convention in Toronto, passed a resolution urging all its locals to "defy the legislation by continuing to negotiate whatever wage and fringe benefit improvements their members deserve ... without regard for ceilings arbitrarily imposed by federal or provincial governments." Some delegates wanted stronger action, calling for a general strike. "We have to demonstrate with our feet, not just with our words, by walking out across this country in demonstration," urged Judy Darcy, a young delegate from Toronto local 1230.

Following a meeting of their executive council on 24 October the Canadian Labour Congress took a much stronger stand. In a statement released to the media the CLC stated:

Organized labour cannot endorse this ill-conceived attack on inflation which imposes strict controls on wages and salaries while leaving corporations free to collect unlimited benefits from productivity, which does nothing to improve the position of

those without the economic power to protect themselves, which does nothing to solve the fundamental problems in the key sectors of energy, housing and food, and which ignores the problem of unemployment and the need for reinvestment of profits in new jobs and socially needed production. The CLC cannot ask its affiliates to conform voluntarily to wage guidelines, that are ill defined or try to second-guess the discretionary decisions of the Anti-Inflation Board. The wage and price control program will never achieve the objective of economic stabilization that is desired by all Canadians.

By January, Joe Morris would be saying that "The Congress has no other option but to resist with all the strength at its command, even to the point where it must defy the government." The Congress not only condemned the government's program, but outlined a ten-point plan of their own, which would comprise a positive program to fight inflation and relieve related social problems.*

Canadian labour leaders at the time were well aware that workers in the United States had been victims of the Nixon administration's so-called "Economic Stabilization Program" that was in operation from 1971 to 1974. Wages were strictly controlled, but there were no effective controls on prices, as corporate profits continued to rise during the control period. When the program ended in 1974 the inflation rate in the U.S. was 12.2 percent, while negotiated pay increases under collective bargaining agreements had been held near the 5.5 percent pay standard set by the administration. In spite of all the political rhetoric about equity, fairness, and sacrifice, workers — and workers alone — had carried the burden of this ill-conceived government experiment.

*1. A major program of subsidized low rental housing for low-income families. 2. Effective rent controls covering not only existing house structures but also new rental accommodations to curb gouging of tenants. 3. An active programme to curb land speculation and to establish land banks. 4. Subsidized mortgage rates for lower income families to enable them to purchase homes. 5. Regulation of oil and gas prices, which have seriously fuelled inflation. 6. A negative income tax, or some form of tax credits, to protect those who have little or no bargaining power and who fall into lower income brackets. 7. An increase in old age pensions. 8. A definite guarantee that any tax concessions made to corporations will be used for investment purposes to create jobs and not end up in higher payments of dividends. 9. Full employment policies to abolish the high rate of joblessness in this country. 10. A stable monetary policy in line with potential economic growth and the total eradication of wasteful government expenditures which benefit only a privileged group at the expense of the ordinary taxpayers.

When the CLC called a special meeting of the top officers of its affiliated unions for 30 October, Prime Minister Trudeau requested a half-hour with the leaders of the Canadian labour movement. He ended up getting an hour and a half. Trudeau riled the labour leaders, when in his opening remarks he told them "What you have to do today is make up your minds whether you are for inflation or against it!" CLC President Joe Morris and Vice-Presidents Shirley Carr, Dennis McDermott and Bill Mahoney had scathing comments for the program. They pointed out the inequities in the guidelines, that the program would not control prices, and that unemployment, housing, poverty, and other issues were not being addressed.

While other labour leaders criticized the legislation, Bob White, administrative assistant to the UAW's McDermott, chided Trudeau for his tactics. Referring to a press statement that quoted Trudeau as saying, "We'll put a few union leaders in jail for three or four years and the others will get the message," White took Trudeau to task for coming to the meeting "all sweetness and light." He told the Prime Minister that he didn't think the labour leaders needed or appreciated the lecture they had received. After the meeting Trudeau admitted to the media that he had "failed to remove their opposition." But one thing was certain when the Prime Minister, along with Finance Minister Donald MacDonald and Labour Minister John Munro, left that meeting — the battle had been joined.

The CLC campaign began immediately following their meeting with Trudeau. The 90 leaders of the CLC affiliates approved a special assessment of 25¢ per member to create a \$500,000 fund for the campaign. The theme would be "Why Me?" Leaflets, posters, lapel stickers, and protest postcards addressed to the Prime Minister would be distributed to the rank and file. A logo was designed depicting a padlock with "Wage Controls" printed on it and the words "Why Me?" across the top. Some of us were never comfortable with the "Why Me?" theme. We thought maybe it should be "Why Us?" There is an obvious difference because unionism is all about solidarity, about working people all being in the same situation and about finding a way to use our numbers to bring about a greater degree of social and economic democracy. There is nothing wrong with being an individualist, but the "Why Me?" idea seemed a too limited kind of slogan for the kind of thinking we were trying to advocate.

Meanwhile, the labour leaders agreed to seek advice concerning a possible appeal to the Supreme Court of Canada, challenging the right of the federal government to enact the wage and price guidelines. The Congress would be urging all unions to pursue their collective bargaining objectives

with vigour and determination, in both the private and public sector. The goal was not necessarily to break the guidelines, but to ignore them. This was a very significant decision by organized labour. In effect, they were asking their affiliated unions to defy the law by simply acting as if the legislation did not exist. Traditionally, labour in Canada often accepted bad laws and fought to change them through political or legal actions. In this case, organized labour felt its very existence was under attack and free collective bargaining was being destroyed. They had little choice but to ignore the legislation and pay the consequences, despite the fact that there were substantial penalties. The legislation read: "It will be an offence to knowingly avoid or conspire to evade the guidelines by any means." The penalties? Up to five years in prison and unlimited fines.

The Congress stand received wide support. Unions continued to bargain as if the controls did not exist. Some union leaders wanted stronger action, calling for a general strike. John (Lofty) MacMillan, Director of Organization for the Canadian Union of Public Employees, suggested rotating strikes. Certainly, labour was united in believing the controls were directed at breaking the momentum of the Canadian labour movement. Bill C-73 would soon be dubbed by labour as the "Wage Measures Act" — a reference to the drastic War Measures Act that was brought in by the Trudeau government during the 1970 October Crisis.

When the controls came into effect they would catch more than 500,000 workers in the midst of bargaining. In 1975 there were 236 labour agreements ending between the introduction of controls and the end of the year. These included the railway group, with about 100,000 members, and the pulp and paper workers, with more than 50,000 members, half of whom were already on strike. Teachers, hospital workers, municipal, provincial and federal employees would be affected and the 22,000-member postal workers' union had just completed a strike vote. All this appeared to be more than pure coincidence and helped explain the urgency with which the controls were brought in.

Soon after the legislation was introduced in the House of Commons, Trudeau and his cabinet ministers hit the road in an effort to sell the program to Canadians. They soon found the program was a tough sell. Labour Minister John Munro requested an opportunity to address the CUPE convention being held in Toronto. After some reservations, the union agreed to let him speak. On 21 October Munro was repeatedly heckled and booed as he read his 45-minute prepared text. Munro pleaded with the union to "Give the program a fair trial, before denouncing it and trying to circumvent it."

Munro left the convention immediately after his speech, telling an aide, "I think I had better get out of here, all I did was provoke."

Chapter 2

Saint John Under the Controls

WHEN THE WAGE CONTROLS were introduced, I was leading a seven-month strike against Canada Wire and Cable in Saint John. I was President of United Auto Workers, Local 1905, and the company was part of the Noranda Group of Companies. We had only 65 employees under our collective agreement, but the company had thousands of employees throughout Canada. Would we be exempt from the guidelines as there were less than 500 employees at our plant? Would we be able to claim some "historical relationship"? Would there be some other special consideration in the legislation to address a situation like ours? It appeared our strike would never end. It seemed inconceivable our membership would go back to work under a contract based on the government's guidelines. The main issue in this strike was wages, and we had already turned down increases far in excess of the amount allowed by the guidelines. We had no idea how this would affect us.

Other unions in the Saint John area were in similar situations. Many had completed collective bargaining, but contracts were not yet signed. Others were in negotiations and had considerably more money on the bargaining table than the controls would allow. Members of the Canadian Paperworkers Union, Local 601, had gone on strike against the MacMillan-Rothsay paper mill on 23 October, the main issue being wages. The Canadian Paperworkers Union, Local 30, and the International Brotherhood of Electrical Workers, Local 1888, had negotiated a contract with Irving Pulp and Paper that called for wage increases of 23.8 percent in the first year. The contract was retroactive to 1 May 1975, but was not finalized until November. The Bakery and Confectionery Workers, Local 443, were in negotiations with the sugar refinery. They had negotiated 14 percent for the period from 1 September 1975 to 31 August 1976, but the agreement was not finalized. The City of Saint John had signed contracts with the police and the outside workers with wage increases well in excess of the controls, but the firefighters' contract, which called for increases ranging from 36 to 42 percent over 18 months, had not been ratified by City Council until the day after the controls came into effect; moreover, the non-union em-

ployees had not received their raises, although historically all city employees received the same percentage increase. Would any of these situations be able to claim a "historical relationship?" Would they fall under some other "special consideration?"

Unions in Atlantic Canada had an additional reason to be against the controls. Because most workers in Atlantic Canada received lower wages than workers in other parts of Canada and as controls were based on percentage increases, workers in the poorer areas of the country would fall further behind. One of the goals of working people in Atlantic Canada was to obtain wages and benefits equal to those being paid in the more prosperous areas of the country. In the late 1960s and early 1970s unions had made substantial gains in closing this wage gap. The controls would prevent any further gains and reverse any progress previously made toward this objective. The controls thus had a discriminatory effect on the Atlantic region and threatened to cause greater regional economic disparity.

One of the first confrontations over wage controls in Saint John took place when the Saint John Board of Trade announced that Consumer and Corporate Affairs Minister André Ouellet would be speaking at a Board of Trade dinner on 28 October. Executive Manager Terry Alderman said that the dinner would provide businessmen in the area an opportunity to discuss the anti-inflation measures and their effects on the local economy. He said that the Board of Trade was taking the unusual step of inviting representatives of the Saint John District Labour Council to the meeting because of the "importance of the topic for the day." Whether this was a decision of the Saint John Board of Trade or whether Minister Ouellet himself had requested labour representatives be invited, is not clear. In any case, by the end of the meeting they both must have had second thoughts about having invited labour.

In the *Saint John Evening Times-Globe* the news article started by saying, "A federal cabinet minister was given a rough ride by local labour leaders yesterday when he came to sell the government's new anti-inflation program." Fred Hodges, a member of Common Council at the time and a past president of the Saint John District Labour Council, advised Ouellet that he had better be ready for a fight if he was going to put labour leaders in jail. "When the Prime Minister says he will throw us in jail, he's not kidding," said Hodges. "I tell my people to be prepared to go to jail." Joe McLeod, an executive member of the Marine Workers' Federation, Local 3, wanted to know why labour was being made the scapegoat for inflation. Tom Doucette, a postal worker, told Ouellet, "We'll walk the street until hell

freezes over before we accept the controls." Walter Harris, a member of the International Longshoremen's Association, local 1764, and the first vice-president of the labour council, wanted to know why raises were given to certain high-level civil servants in early September, when the government must have known they were bringing in controls. Bill Petrie, Saint John vice-president of the New Brunswick Federation of Labour, told Ouellet the controls discriminated against low-income earners and those on fixed incomes and he wanted to know what the government was going to do about food and energy commodities that were not covered by the program. Like Labour Minister Munro, Ouellet must have left the meeting feeling he had only provoked the labour representatives.

As Trudeau and his cabinet ministers toured the country trying to sell the legislation to Canadians, federal New Democratic Party MPs had hit the road in an effort to convince Canadians Trudeau's program was "bad law." One day after Ouellet's visit, on 30 October NDP finance critic Lorne Nystrom was in Saint John. Speaking to approximately one hundred supporters at the Admiral Beatty Hotel, Nystrom said that the federal government's program was "a wage control program only, with supposed controls on the profits of corporations." He charged the program would increase unemployment by restricting disposable income, which would in turn restrict production and put more people out of work. Nystrom said that wage controls were not necessary, because labour was only trying to catch up with large price increases. He received a standing ovation when he told the crowd: "We will not encourage people to break the law if the Bill is passed, but we will advise them not to go out of their way to abide by it."

Labour leaders were also on the road to gather support for their "fight back" campaign against the legislation. On 2 November John Simonds, executive secretary of the Canadian Labour Congress, was in the city. Speaking to a Sunday afternoon audience at Saint John Vocational School, Simonds went through the bill in detail. He pointed out it was discriminatory against the poorer regions of the country, an attack on free collective bargaining, would not control inflation, and would not work. He said CLC officers were touring the country now, meeting with district labour groups in 126 communities, and urging local labour councils to take the information back to their local unions. Simonds told the audience that most labour leaders he had spoken with felt some sort of "militant action" such as a general strike might be necessary, but that at present an educational campaign was the main course of action. He warned that Trudeau's ministers were "going around the country like Fuller brush salesmen, attending every meeting in-

vited or uninvited,” and had “seduced the majority of Canadians.” The CBC had released a poll indicating 61 percent of Canadians supported the legislation. During a question and answer period, Simonds said that 95 percent of the 2.5 million membership of the CLC were against the bill and would not accept any part of it. When asked about Trudeau’s statement that he would send union leaders to jail, Simonds said that “Union leaders have gone to jail before for fighting for what they think is right and I suppose we’ll go to jail again.”

Over the next few weeks there would be many informal discussions between labour leaders in the Saint John area as to how we were going to deal with the Anti-Inflation Board and the control program. It was soon realized the controls could be fought only through collective action. The Saint John District Labour Council had always been the most active labour council in the province. Many of us, however, felt that the current leadership of the labour council would not be up to the task ahead. We felt we needed a more militant leadership to fight the controls. The election for officers of the labour council was scheduled for January 1976, and we decided to put together a more progressive slate of candidates to run in the election. I had served as secretary of the labour council from 1972 to 1974. A small group of labour activists were suggesting I should run for president, and at the December meeting of the labour council I announced I would be running for president in the January elections.

Meanwhile, the Anti-Inflation Board started to issue some decisions, and these were undermining the credibility of the program. One of the first decisions handed down by the Board rolled back a settlement negotiated by the federal government itself. On 10 December the AIB rejected an agreement negotiated between the Post Office and the Canadian Union of Postal Workers. Board Chairman Jean-Luc Pépin said that the pay settlement could not be allowed. The decision caught the government off guard and brought anger and disbelief from postal workers. The agreement had ended a 42-day strike and was similar to a contract negotiated with the Letters Carriers’ Union. The federal cabinet met immediately and overturned the decision of the AIB, restoring the negotiated increases. On 11 December the Prime Minister’s Office released a statement providing an explanation: “The Cabinet did not question the competence of the Anti-Inflation Board. The government considered the union had been without a contract for almost a year; its last contract was signed before January 1, 1974, which is a factor in deciding whether pay awards above the guides for catch-up purposes can be allowed; and there was an important historical relationship be-

tween letter carriers and the inside postal workers." Trudeau told reporters that the cabinet's decision to overturn the AIB ruling was taken "in the greater public interest."

One of the first decisions made by the Anti-Inflation Board concerning price increases caused the program to lose even more credibility. Loblaws had closed a grocery store in Toronto and reopened it later as a Ziggy's, with higher prices. The AIB decided there would be no roll back in prices. According to the director of the AIB's price and profits branch, the marketing decision that resulted in the closing of the downtown Toronto Loblaws branch and its subsequent reopening under the name Ziggy's was taken before the controls were introduced on 14 October. Hence the name change and price hike were not subject to the program. The decision caused labour to wonder why marketing decisions taken prior to 14 October were exempt from the controls, while bargaining decisions taken by unions before the same date were subject to the full impact of the government's restraints. This case became known as "The Ziggy Decision."

In mid-December the AIB issued a major decision that would affect a union in Saint John. This decision would also have significant implications for pulp and paper workers throughout Canada. On 25 November the Irving Pulp and Paper Mill had concluded a collective agreement with its two unions, Canadian Paperworkers Union, Local 30 and the International Brotherhood of Electrical Workers, Local 1888. The agreement gave immediate wage increases of 23.8 percent on a base rate of \$4.82 per hour and a cost-of-living clause. It was a two-year agreement, retroactive to 1 May 1975 and the settlement was fully implemented. This was the first settlement in the pulp and paper industry during this round of negotiations.

At the time of the Irving settlement more than 25,000 pulp and paperworkers in Eastern Canada were on strike. Mills were down in Ontario, Quebec, Nova Scotia, Newfoundland and New Brunswick. In Nova Scotia mills were on strike at Liverpool, Point Tupper and Abercrombie. The union had closed mills in Newfoundland at Grand Falls, Corner Brook and Stephenville. In New Brunswick the St. Anne-Nackawic mill had been closed since 12 October with 400 employees affected; the MacMillan-Rothesay mill in Saint John had been out since 23 October with 500 employees involved; and Miramichi Timber closed on 3 November when 500 workers went on strike. Mills in Bathurst, Atholville, Edmundston and St. George were in negotiations and workers were threatening to go on strike.

The union quickly seized the Irving settlement as a pattern for contracts with other companies. Paul Young, CPU national representative in New Brunswick, said that the union would be meeting with Premier Hatfield and would ask him to impress upon the other companies that they would have to offer wage increases similar to the Irving settlement. CPU National President Henri Lorrain held a press conference in Montreal to announce the Irving settlement and stated that it would be the basis for other settlements across the country. The union said that they were convinced the agreement would pass the federal guidelines, as the parties were in negotiations before the controls came into effect. Labour Minister John Munro said that the AIB should look into the settlement at the Irving Pulp and Paper mill, to determine if it was acceptable. He gave no opinion on the acceptability of the settlement, but said that if the settlement was ratified by the AIB he hoped it would be "a bench mark for settlements with other companies."

In spite of the best efforts of the union to have the Irving settlement established as the pattern, management was not buying. Aurèle Ferlatte, regional vice-president of CPU, said that the other companies had taken the position that they would wait until another company settled and "set a pattern." Now they were refusing to follow the one set at the Irving mill. He accused the companies of hiding behind the wage guidelines and refusing to return to the bargaining table. They were waiting to hear what the AIB was going to say about the Irving settlement. They did not have long to wait.

On 18 December the AIB released its decision. The Board ruled that the 23.8 percent increase was "well above" the increases allowed under the program and that no more than a 14 percent increase would be justified. CPU Local 30 President Marshall Leavitt said that the union would appeal the decision. In the meantime there was a "good possibility" the union would go on strike, but the strike would be against the government and not the company. The workers had already received their raises and had received their retroactive pay back to 1 May. Leavitt said that he was surprised at the Anti-Inflation Board's decision, in light of the postal workers getting their increases. He was bitter about the decision and 500 other workers at the mill were just as bitter. Leavitt said the reaction of the mill workers was that they wanted to go out: "I don't know if I can hold the people back or not. It depends if the company cuts our wages immediately. If they start dipping into our pockets to get back our raises, it might be hard for them to get it if we are not working." Leavitt was sending a message to the company — don't mess with our wages! Leavitt said he had a message for CLC President Joe Morris

as well: "He should organize a nationwide shutdown of all industries and shut the country down and then let Trudeau get himself out of the mess."

The presidents of the CPU locals on strike at the other three New Brunswick mills also expressed disappointment and defiance. David Moore, president of the local at the St. Anne-Nackawic mill, said that his members would never accept 14 percent. Even if the Anti-Inflation Board had approved the Irving agreement, there was no guarantee that his local would have accepted it. Vic McLean, president of Local 601 at the MacMillan-Rothesay mill, said that the Board's decision would not affect his local's strike situation. He said the workers would stay out. "I wouldn't be satisfied with a 14 percent increase or would our members." Wilson Hogan, president of Local 689 at Miramichi Timber Resources, said that he was surprised: "The Board should've taken into account that its decision has repercussions throughout the industry, because the Irving settlement could have been a basis for negotiations."

The New Brunswick Federation of Labour attacked the decision calling it callous and anti-labour. Said NBFL President Paul LePage: "The Board and its individual members are unquestionably strongly determined to serve corporate interests only, as evidenced by its consistent rejection of freely negotiated and reasonable contract settlements, while rising prices and profits go completely untouched." "The Board," he said, "should be appropriately re-named the Anti-Labour Board." The Federation announced that it had set up a strike fund in support of the CPU local unions on strike in New Brunswick.

Management at the mills welcomed the decision, and Premier Hatfield joined with Nova Scotia Premier Gerald Regan to issue a statement calling on the striking workers and the companies in both provinces to accept the 14 percent recommended by the AIB and return to work for a 90-day cooling-off period. For its part, the union continued to consider the Irving agreement as a basis for resolving the disputes. Local 601 President Vic McLean stated: "I reject the Premier's appeal completely. When the government can tell a business how much it can pay its workers, that's a dictatorship."

The year ended in frustration. CPU National President Henri Lorrain told a news conference in Montreal that the union had sent a telegram to all cabinet ministers appealing the Irving decision and that he planned to meet with Labour Minister Munro and Finance Minister MacDonald in Ottawa. He said he also hoped to see Prime Minister Trudeau. Eventually, Lorrain met with Munro and MacDonald, where he told the ministers the union was disappointed and upset at the intrusion into the collective bargaining pro-

cess. The union felt it should have the right to appeal the AIB decision to the cabinet. The union argued there was an historical relationship between pulp mill workers and lumber and saw mill workers who got an increase in excess of the guidelines last year. Unfortunately for the union, they received no commitment from the ministers.

By mid-January there was still no response from the federal cabinet on the appeal of the Irving decision. The appeal procedure had become an issue on its own. Everyone seemed totally confused. This included officials at the Anti-Inflation Board, who described the appeal procedure as "a real grey area." There was no provision for appeal, unless the Board referred the matter to the administrator, and then it was an appeal of the administrator's order. But the case could not be referred to the administrator unless the Board found its interpretation of the guidelines being contravened or likely to be contravened. Once the guidelines were contravened, however, a company or its employees would be subject to penalties, which the administrator could impose.

Labour, business and politicians all condemned the system. "You have to break the law to get an appeal and then you leave yourself open to penalties," said Ronald Lang, director of legislation for the CLC. But Beryl Plumptre, vice-chair of the Board, defended the limited right of appeal as essential to achieve voluntary restraint. She admitted the legislation contained some "unusual features" which are intended to make appeals difficult.

While everyone waited for the federal cabinet's decision on the Irving appeal, the AIB issued another order. Notwithstanding the Board's original order to reduce compensation to 14 percent, Irving, under the threat of strike, had continued to pay the 23.8 percent increase. On 21 January the Board told Irving Pulp and Paper it must comply with its original order by 2 February or the Board would refer the case to the administrator. Irving declined comment until the matter had been discussed with the unions. The unions said they were disappointed, as they were awaiting an answer on their appeal to the federal cabinet.

The deadline given Irving by the Anti-Inflation Board put the company in an impossible position. If the company failed to comply with the Board's order, they were subjecting themselves to fines and, at least in theory, prison terms. On the other hand, if the company complied with the Board's order and cut the employees' wages, the union was threatening to join the other mills on strike.

While the union at the Irving mill was threatening strike, the CPU locals on strike at the other mills were finding it difficult to maintain their position. With their \$500,000 strike fund depleted, the appeal on the Irving decision dragging on and the companies refusing to exceed the 14 percent increase established by the AIB, the striking locals had little choice but to capitulate. In spite of the unions' best effort to ignore the guidelines, there was always a third chair at the bargaining table that could not be overlooked.

The first local to settle in New Brunswick was Local 219, at the St. Anne-Nackawic mill. The agreement was ratified on 16 January, when the union reluctantly voted to accept the 14 percent increase. Within the next month other striking locals in Eastern Canada would be forced to accept similar settlements. One of the last to settle was the MacMillan-Rothsay mill in Saint John. On 21 February the workers voted 90 percent to accept a contract within the 14 percent range. This vote did not mean the employees were happy with the contract. Local 601 President Vic McLean said that it was useless to continue the strike "in light of the Irving decision." As the strikers returned to work and the mills in Eastern Canada went into production, the bitterness remained. The workers were not pleased with the companies for hiding behind the guidelines, but their resentment was mostly directed at the Trudeau government and the Anti-Inflation Board.

In spite of these settlements, the paperworkers had not given up on obtaining the 23.8 percent increase. The Irving appeal would remain crucial to the 50,000 other paperworkers, as the union had negotiated "me too" clauses in their contracts — if the Irving local was successful on appeal, the same increases would apply to their settlements. Most contracts also contained a clause stating: "If the Anti-Inflation Board ceases to exist the union will have the right to strike on wage issues." The fight was far from over.

As the striking mills were reaching settlements at 14 percent, Irving and the unions were negotiating on the Board's compliance order. They came up with what was described as a "creative compromise." They chose a tactic designed to send the case to the administrator, where it could receive a new hearing and could be further appealed, without openly defying the control program. On 26 January Irving advised the Board that, after consultation with the unions involved, the company had decided to reply with respectful non-compliance rather than open defiance. Instead of reducing wages outright as ordered by the Board, the company would hold the portion of the wage increase deemed excessive in escrow for the employees, pending consideration of the matter by the administrator.

Company lawyer Gerald Lawson said that the company hoped to avoid penalties by holding the excess wages in escrow until the matter has been finally ruled on. An official at the Board confirmed that only the Board could refer the matter to the administrator, and under the legislation it could only do so after it decided the guidelines were being contravened or likely to be contravened. The Irving tactic was open to either interpretation, and the Board official acknowledged the Irving tactic provided a clever challenge to the program.

Meanwhile, the philosophical musings of the Prime Minister in a number of year-end interviews invited ridicule from all sides. Trudeau warned that "state intervention into the economy and the everyday life of the country would increase." He said that the free market system was "unworkable in Canada." Although large unions and multinational companies could not be destroyed, he said, "the government must take a greater role in running them," and indicated it was doing so through its anti-inflation program. Business perceived these remarks as Trudeau expressing his "socialist aims," while labour took his statements as proof of the government's desire to weaken unions and centralize power in Ottawa — a pre-condition towards a "corporate state." Following his remarks, Trudeau left on a skiing holiday, leaving the country to stew over what his real intentions were.

Chapter 3

Getting Organized

THE ELECTION OF OFFICERS for the Saint John District Labour Council was scheduled for 2 January 1976. My mother had been suffering from a lengthy illness and passed away that afternoon. Under the circumstances, as required by the labour council by-laws, I gave a handwritten letter to one of the delegates from my own local union to deliver to the meeting, advising that if nominated for president I would accept the nomination. I was elected president by acclamation — in absentia, the previous president, Raymond McDevitt, declined nomination. I was not aware of it at the time, but Bob Mullin, a local bus driver and a member of the Amalgamated Transit Union, Local 1182, later told me he had called McDevitt aside and told him he could not be re-elected and might want to consider not running for the office. Apparently McDevitt had taken his advice.

Other officers elected to the executive that day were Walter Harris, First Vice-President; John Daley, Second Vice-President; David Gaudet, Treasurer; Michael Haynes, Secretary; Tom Doucette, Sergeant-at-Arms; Larry Hanley, Bob Mullin, and Bill Holder, Executive Members; and Verla Hayes, Jim Orr, and Frank Murray, Trustees.

The election of new officers was probably a recognition that labour in Saint John had a new fight on its hands. I told the media it was time for strong leadership, and that the fight against the Trudeau government's wage controls would be the top priority. I predicted 1976 would see difficult times for labour, with more confrontation.

The trade union movement has a long and rich history in Saint John. According to the late labour historian, Dr. Eugene Forsey, there were unions of skilled workers in Saint John during the War of 1812, and by 1853 Saint John had unions of carpenters, cabinet makers, blacksmiths and foundry men, painters, masons and stonecutters, shipwrights, riggers and sailmakers, longshoremen, sawmill men, millers, bakers, shoemakers, tailors and printers. The Saint John Longshoremen's Association, organized in 1849, is the oldest active union in Canada and the Saint John Policemen's Protective Association (now CUPE Local 61) is one of the oldest police unions in Can-

ada, being organized in 1918. The Saint John District Labour Council has had a long presence in the city, being the voice of labour in Saint John since it was first organized in 1890.

Labour had always been an integral part of the Saint John community, nominating members to city boards and commissions and taking an active part in electing candidates to Common Council. Indeed, when the controls were introduced in 1975, two members of Common Council had labour credentials. Councillor Fred Hodges was a former president of the labour council and had been elected as the official labour candidate in the 1974 municipal election. Councillor Albert Vincent was an international representative with the Bricklayers, Masons and Plasterers Union.

1976 was an exciting time to be elected president of the labour council. Saint John was still very much a blue-collar city. The city had two pulp and paper mills, two breweries, a tissue plant, a box mill, a sugar refinery, and a large dry dock. There were steel fabrication operations, local foundries and the largest oil refinery in Eastern Canada. There were many other local and national companies that had manufacturing operations. Labour-intensive cargo, such as flour and potatoes, still flowed through the port, and the container cargo business was taking off. The construction industry was working to full capacity with expansions at the dry dock and the oil refinery. The building of the nuclear power plant at Point Lepreau was getting underway, and a thermoelectric power station at Coleson Cove was under construction. All this led to an unemployment rate in Saint John that was surprisingly low. While the unemployment rate was more than seven percent nationally and in double digits provincially, the rate in Saint John was between three and four percent in 1975-76.

Employers in the manufacturing and service industries were losing workers to higher paying jobs in the construction industry and were willing to give large pay increases. Indeed, some employers were approaching unions and asking to open up collective agreements in mid-term in an effort to maintain their skilled workforce. Workers were concerned that the government's wage and price controls would negatively affect their ability to negotiate with their employer and improve their standard of living. These workers were members of unions that were affiliated to the labour council. They were in a fighting mood and were looking for strong leadership to take on the wage control legislation.

At the first executive meeting of the new officers on 12 January we established a special committee called "The Wage Control Committee." A more appropriate name would have been "Anti-Wage Control Committee." The

committee consisted of Larry Hanley, Michael Haynes, Bill Holder, Walter Harris and myself as chairman. The committee decided to hold a special meeting on 5 February. Letters were sent to the affiliated unions inviting local union officers to the meeting. We purchased a quarter-page ad in the *Times-Globe*. The notice invited presidents and executive members of all unions in the Saint John area to attend this special meeting at the Admiral Beatty Hotel. The ad stated the purpose in these terms: "The time is at hand for all union executives and their members to take a stand against the elimination of the free collective bargaining system."

Meanwhile, "my" strike at Canada Wire and Cable was now in its tenth month with no end in sight. There had been no talks with the company since July 1975. At that time Dennis McDermott had sent in his administrative assistant Bob White, to see if there was any basis for a settlement. Those talks did not go anywhere. But since the introduction of the control program our members had been asking what the position of the company would be. Would they be hiding behind the controls, making any possible settlement even more difficult? I contacted Bob White and asked him to see if he could get something going. White was successful in getting dates for negotiations with the company on 22 and 23 January. In order to keep the strikers up to date on any possible developments, we scheduled a membership meeting for Saturday 24 January.

Following two days of negotiations, to everyone's surprise we reached a tentative agreement. We took the agreement to the Saturday meeting, and it was ratified by the union membership. The settlement was well in excess of the guidelines. The new agreement would provide for wage increases of \$1.50 to \$1.83 over the life of the agreement, plus a cost-of-living clause. The increases amounted to more than 20 percent in the first year alone, with 70¢ per hour retroactive to 1 October 1974. The 65 employees would receive \$700 in back pay. The new contract also provided for a number of other improvements, including vacations, statutory holidays, health care, pension, hours of work and increased shift premiums.

As Bob White told a news conference, it was an important agreement for us: "The workers have established basic parity with other Canada Wire and Cable workers, which was one of the objectives of the union." White added that the settlement would be fully implemented, but the company would be submitting the agreement to the Anti-Inflation Board for approval. White said he saw "a clear case of exception for the agreement." We had had no wage increase since 1973, our last agreement had expired in January 1974 and we were negotiating when the guidelines were announced. As White

said, "We've negotiated a settlement after a long fight and I don't think there should be any interference by the Board. If it attempts to interfere, we're going to fight it."

There was also a separate letter of intent. Because management felt the relationship between the local union and local management was less than harmonious, they insisted any settlement would have to include a letter of intent providing for a monthly labour-management meeting, with a senior union official and senior management official in attendance. It was agreed the company's vice-president of personnel from Toronto and Bob White would attend these monthly meetings. White agreed to this arrangement, reluctantly telling us, "I don't want to become the god damned shop steward for the Atlantic plant." I was overjoyed that the strike was finally over. The membership had accepted the contract by over 90 percent. I could now concentrate on being president of the labour council and fighting the controls.

In an effort to gain some credibility, the AIB announced they would be holding seminars across the country to educate business and labour on the legislation and the procedures to be used when dealing with the Board. There would be 22 seminars held in 19 different cities. Invitations would be sent to all business and labour groups in the areas. The Saint John seminar was held at the Holiday Inn on 27 January. Some 88 persons, all from the business community, attended the seminar. I told the media that labour had been invited, but no representatives from labour would be attending. There is no doubt these seminars were an attempt by the government to address the public criticism that the control program was "out of control" itself. By the end of January things were chaotic. Government officials and Board staff members were continuously contradicting each other. The appeal procedure was impossible to grasp. The Board Chairman drew criticism from politicians and labour alike when he said the Board would not release findings on price increases because the information was confidential. All this prompted an editorial in the *Globe and Mail*, entitled: "Controls Becoming Dangerous Mess." It was good to see that the Toronto editors appreciated some of our concerns. The editorial questioned why the same logic used in the "Ziggy Decision" — that marketing decisions made prior to the controls coming into effect were exempt from the program — could not have been used to approve the Irving settlement, in that bargaining decisions were made prior to the controls coming into effect.

The labour council's 5 February special meeting was attended by 52 local labour leaders representing 26 different local unions. The meeting gave local union leaders the opportunity to discuss how the controls would affect

their members and how we could work together to defeat the program. We talked about ways to educate the rank and file members on the defects of the guidelines, and about organizing protest rallies and demonstrations. We discussed the AIB decision on the Irving settlement and their subsequent appeal. The continuing strike at the MacMillan-Rothesay mill and the negotiations at the sugar refinery were addressed. We talked about whether we could co-ordinate a campaign with the teachers and nurses. Some leaders wanted to organize a Saint John general strike immediately; others thought we should wait and agitate for a national strike. Finally, in order that sub-committees could be established to work on various projects, it was decided to expand the Wage Control Committee.

The new committee was increased to 15 members, consisting of Marshall Leavitt, Barbara Hunter, Willis McKinley from CPU Local 30; Michael Haynes, Larry Hanley, Vic McLean from CPU Local 601; Walter Harris, Jim Orr from ILA Local 1764; Bill Petrie from CUPE Local 1192; Wayne MacDonald from NABET Local 98; Tom Doucette from Fundy Local CUPW; Verla Hayes from UAW Local 1905; Bill Holder from IBEW Local 1148; Reginald Myers from CPU Local 786. I would continue as chairman of the committee and Barb Hunter would become the committee secretary.

Over the next nine months some members of this committee would leave for various reasons, others would not be overly active and new members would be added to the committee, but the core group would remain the same. The committee would meet on a weekly basis, every Thursday evening and in some cases two or three times a week when organizing events. Most meetings were held in the Carpenters Hall on Carleton St. or the ILA Hall on St. James St. in the South End. With the exception of one or two members, our committee was young — between 25 and 35 years of age. We had lots of energy, were idealistic, not afraid to take risks, and somewhat naive.

Our anger was not just based on our inability to bargain large increases for our members. Workers felt they were being discriminated against, made the scapegoats for inflation, that the program was designed to weaken the labour movement and result in the corporations making larger profits, all at the expense of workers. We were concerned with inflation and, as I would tell the media many times, we were not opposed to government intervention into the economy. We were not even opposed to a program that would restrict the increases we might bargain for, provided it resulted in a more equitable distribution of wealth. But Trudeau's program had no teeth to control price increases and did not even cover major items such as energy, food

and housing. The early decisions of the AIB had shown that the goal of the government was to keep wages, and only wages, under control. From our perspective, the corporations were making profits, and when we negotiated a larger share of those profits, the government was intervening to take our share and give it back to the corporations. To us, it was that simple — it was “robbery.” We were angry, angry as hell that our collective bargaining rights had been taken away at the stroke of Trudeau’s pen.

One member of our Wage Control Committee who would be very helpful during the first few months of the campaign was Wayne MacDonald. Wayne was a young reporter with CHSJ radio and television and a member of NABET, Local 98. Wayne instructed our committee on how to deal effectively with the media. He wrote our news releases and produced a bi-weekly newsletter called “Workers Against Controls.” The newsletters contained information on how the controls were affecting Saint John unions and other items concerning AIB rollbacks. There was an editorial under “Vair’s Views,” which gave opinions on sections of the legislation or recent decisions of the AIB. MacDonald would write the editorial and have me approve it before the newsletters were printed and distributed to the local unions. All this was a tremendous help, but his work on the committee soon came to an abrupt end.

According to MacDonald, CHSJ News Director Dave White called him into his office and confronted him about his activities with the labour council. When Wayne readily admitted his involvement with our campaign, the news director ordered him to cease all activities with our committee. White claimed his involvement with the labour council put him in conflict with his responsibilities as a radio and television reporter. Wayne told me at first that he objected, arguing that what he did on his own time was his business. On second thought, however, MacDonald acknowledged he was in a “conflict of interest” and advised me he was reluctantly resigning from the committee. I was disappointed in losing him, but fully understood the position he was in. The advice he had given us would serve the committee well, long after he was gone.

The United Way of Greater Saint John had their annual United Way Luncheon scheduled for 17 February. The United Way executive decided to ask the labour council if they would provide the keynote speaker for the event. I had met the director of education for the United Auto Workers, Gordon F. Wilson, about a year earlier. I had helped Wilson set up some educational seminars for autoworkers in the Maritimes. Wilson was an excellent orator, and I knew he would be an impressive speaker. I called Gord and

asked him if he was available and, if so, would he do this for us? Wilson said that he would be happy to do it under one condition. The condition was that he could take advantage of the event to ridicule Bill C-73 and the Anti-Inflation Board. I told him that I thought it was a great idea. I immediately advised the United Way that the labour council would be providing the speaker and it would be Gordon F. Wilson, director of education for the United Auto Workers.

When I reported to the labour council executive on my conversation with Wilson and that this would be another opportunity for us to publicize the unfairness of the anti-inflation legislation, some members of the executive objected. They did not think it was proper to use a charity like the United Way to promote our campaign. They thought that the controls had no relationship to the United Way luncheon. I countered that the controls did affect the United Way, because if workers had less money in their pockets, they would be giving less to the charity. I contacted Wilson and told him to make sure he mentioned this in his speech.

Speaking to a noon hour luncheon at the Admiral Beatty Hotel, Wilson compared Bill C-73 to the 1970 War Measures Act. He said that Prime Minister Trudeau had once again shown "callous disregard" for democratic values as he did in the October Crisis. Labour, Wilson said, was not opposed to controls: "Our opposition is because these controls are unworkable, unfair and ignore the real problems of food, energy and shelter, which accounts for seventy percent of domestic inflation." He referred to Trudeau's speeches during the 1974 election campaign: "In the words of the prophet Trudeau, wage and price controls produce a vast army of bureaucrats; they're almost inoperable because they're riddled with loopholes; can't affect import prices and that they are nothing but freezing wages, all of which bear truth as of February 1976." He referred to the Irving decision as well, stating that "It would take purchasing power out of the Saint John community, hurting small business." Finally, Wilson warned the United Way leaders that this unjust and unfair law would have a profound effect on their contributions during the 1976 campaign, as a large percentage of them came from workers through payroll deductions. His 40-minute speech received short but polite applause. If there had been any questions in the minds of the Saint John business community, as to just how firm labour's opposition to the wage control program was, those questions were clearly put to rest by their guest speaker.

While Wilson was ridiculing the anti-inflation legislation at the United Way luncheon, a few blocks away New Democratic Party leader Ed

Broadbent was delivering a similar speech to an assembly of high school students at Saint John High School. That evening Broadbent was scheduled to speak at a public meeting in the Admiral Beatty Hotel. Approximately ten days earlier it was reported in the media that Broadbent was making a tour of the Maritimes and would be speaking in the city on 17 February. I contacted Eldon Richardson, the local NDP secretary, and asked him if Broadbent would be addressing labour's concerns over the anti-inflation program. Richardson assured me he would. The Wage Control Committee then went into action and produced notices requesting all workers to come hear the NDP leader condemn the control program. The notices were distributed and posted in workplaces. We put our phone committee to work, contacting all locals and requesting they make an effort to get their members out. Our efforts paid off; there was standing room only.

Speaking to the capacity crowd in the ballroom of the Admiral Beatty Hotel, Broadbent denounced the anti-inflation program as "the wrong program at the wrong time." He condemned the appeal procedure, saying that the legislation allowed for an appeal on paper only. Broadbent condemned the Board for its handling of the Irving settlement and urged the meeting to have the Mayor and Common Council, service clubs and other private organizations "generate pressure" on the federal cabinet to review the AIB's handling of the Irving case. Broadbent charged that the anti-inflation legislation was "riddled" with specific exemptions for corporations. Referring to the "Ziggy Decision," he said "It is not accidental no prices have been rolled back, while the Board is considering over two thousand trade union contracts and has rolled back scores."

Extensive media coverage was given to both Wilson's and Broadbent's speeches. Their visits had been timely. It was just four days after the Anti-Inflation Board administrator had issued a ruling that sent shock waves through Saint John and the Canadian labour movement. On Friday 13 February the Board administrator Donald Tansley, appointed by Trudeau at the end of December, issued his decision on the Irving settlement. This was the first decision issued by Tansley, a career civil servant who had administered medicare in Saskatchewan and later served as deputy minister of finance for Louis Robichaud in New Brunswick. Despite this background, Tansley turned out to be a "wolf in sheep's clothing" as far as labour was concerned. His ruling on 13 February set the tone for what was to follow.

Under the ruling, Tansley upheld the original AIB decision that ordered Irving Pulp and Paper to reduce a first-year wage increase to 14 percent from the negotiated 23.8 percent. Tansley didn't stop there. He ordered Irving

Pulp and Paper to pay the government the \$100,000 it had held in escrow for the workers, plus a \$25,000 fine for deliberately defying an order of the AIB.

Labour leaders from coast to coast condemned the administrator's order. "The Canadian Labour Congress intends to challenge the constitutionality of the administrator's ruling," said President Joe Morris, "The decision makes a mockery of collective bargaining." Mike Rygus, Canadian head of the Machinists, said, "The ruling was an open declaration of war against the labour movement." Other labour leaders called it "Black Friday."

On Friday evening our labour council executive met with the executive of CPU Local 30. With the other CPU local unions being forced into settlements at 14 percent, the strike threat was no longer an option for Local 30. It was decided the labour council would issue a press release condemning Tansley's ruling and support a further appeal by the union. I said that the ruling was a threat to the collective bargaining system in Canada and was proof that wages — and only wages — were being controlled. I said the workers had been fined \$100,000 for attempting to appeal an AIB decision. I announced the labour council executive would be asking each local union to contribute one dollar per member to a special fund to fight the controls and that the Wage Control Committee would be intensifying its campaign. Our press release was front-page news and was carried all weekend on local radio stations.

When the Canadian Paperworkers Union said it would file a petition requesting reinstatement of the original settlement, the union discovered it could not access the Board's appeal procedure. This was because the administrator's order was directed only at the company. The Board said that only the company had the right to appeal. That was hard for the workers to accept. \$100,000 of their money, as well as their increase for the future, had been swept away by the ruling. The union's only recourse was to petition the federal cabinet.

Politicians of all stripes criticized the procedure, claiming it encouraged companies and unions to break the law. The government agreed to amend the legislation to allow appeals by labour or management directly to the administrator or the anti-inflation appeal tribunal. But the federal cabinet then refused to entertain the CPU appeal, with Labour Minister Munro saying, "The union could take advantage of the new appeal procedure." This was cold comfort. CPU President Lorrain said that the cabinet's decision not to deal with the case was "an outrage" and showed "the same contempt and arrogance which has been their standard procedure in matters relating to labour unions and working people."

Our Wage Control Committee was now in full operation. On 25 February, the labour council delegates approved the \$1 per member assessment, which would generate about \$10,000 for our campaign. In addition to producing educational materials for distribution to the local unions, a number of other activities were taking place. We were planning an educational seminar for 18 March, and the Canadian Labour Congress was planning a rally in Ottawa on 22 March. Plans were also underway for our own rally in Saint John on 28 March.

The 18 March seminar at the Colonial Inn was attended by 46 local labour leaders. It was one of a series of seminars sponsored by the CLC. The purpose was to educate labour leaders on the legislation on the grounds that it was important to study your opposition. The holding of these seminars did not mean that labour was accepting the guidelines. Unions were to negotiate at the bargaining table as if the guidelines did not exist. The facts were, however, that the legislation did exist and labour leaders had to be just as educated on Bill-C-73 as the employers were. The seminar leader, CLC representative Ralph Ortieb of Ottawa, dealt with such questions as: What are the powers of the AIB? Was it possible to get a decision from the AIB before ratification? Do agreements have to be sent to the AIB? Do employers have the right to deduct amounts from employees who are ordered to repay excessive wage increases? What was meant by "knowingly contravened the guidelines?"

The legislation stated that a company or union could be fined if it "knowingly contravened the guidelines." Employers were using this as an excuse not to implement negotiated settlements that, in their view, might be above the guidelines. Labour's position had been from the outset that all negotiated settlements must be fully implemented following ratification by the union membership. The AIB, however, had issued a warning to employers that they should not pay above approved limits, unless the Board approved the increase. As Ralph Ortieb told the labour leaders, "The exceptions, ambiguities and inconsistencies in the regulations, Board statements, and actual applications by the Board meant that no one is sure what 'above the guidelines' means. Therefore, no one can knowingly contravene them."

Having failed to co-opt the leaders of the Canadian labour movement, Trudeau now embarked on a campaign to marginalize them. Trudeau and his cabinet ministers started making speeches saying that only big labour and big business were against the controls. Trudeau said that "The program has the support of average Canadians and the attack is primarily by leaders of big business and big labour." Business jumped on Trudeau's bandwagon,

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saying rank and file union members supported the guidelines. The truth of the matter was that any labour leaders who were not leading a fight against Bill C-73 and the Anti-Inflation Board would have soon found themselves at the back of the parade. In many cases the membership was ahead of the leaders, calling for more militant actions.

Chapter 4

Off to Ottawa — And More Trouble in Saint John

IN ORDER TO DISPEL CLAIMS that the rank and file members did not support their leaders, the Canadian Labour Congress decided to organize a demonstration on Parliament Hill. The CLC was scheduled to present their annual brief to the federal cabinet on Monday 22 March. The demonstration would coincide with the presentation of the annual brief.*

Workers across Canada were anxious to show the government that they supported the union leadership. Unions from coast to coast began organizing for the Ottawa demonstration. A mass motorcade of cars and buses arrived from Quebec, representing all three labour federations in that province. The Ontario Federation of Labour and the Toronto District Labour Council chartered buses. The United Auto Workers chartered a whole train that originated in Windsor and was scheduled to pick up additional demonstrators at selected stops along the way — in the spirit of the On-to-Ottawa Trek of the 1930s. But they ran into a problem. The train was full before it left Windsor. This left the leadership scrambling to hastily arrange alternate transportation to get the others there and back.

In spite of the distance involved large delegations arrived by chartered aircraft from British Columbia, the Prairies and Atlantic Canada. In New Brunswick 92 labour activists from the Moncton area paid \$80 each for airfare on a chartered flight. Many others travelled on commercial flights. A number of delegations left Saint John for Ottawa over the weekend. The exact number of demonstrators from Saint John is not known, but most unions in the city sent at least one person. The paperworkers sent large delegations

*Meanwhile representatives of the provincial labour federations would present an identical brief to the provincial premiers the same day. In New Brunswick, the Federation of Labour Vice-President Phil Booker presented the brief to Premier Hatfield. Harold Stafford, the CLC Education Director for the Atlantic Region, and other union leaders accompanied him.

from both mills, with the delegation from the Irving mill wearing bright green Irving jackets. The Irving workers had become celebrities within the labour movement, given the amount of publicity the Irving settlement and subsequent roll back had received. I was part of a delegation that flew out Sunday evening representing the Saint John District Labour Council.

Security was tight as trade unionists began gathering on Parliament Hill for the 11 a.m. demonstration. A fence had been set up outside the Parliament Buildings to keep the demonstrators at bay. RCMP officers were out in full force, with some guarding the main doors of the Centre Block. Any person entering the building had to show identification and, once inside, security guards demanded visitors again identify themselves.

A band had been set up between the main doors of the Centre Block and the area where the demonstrators were gathering. As demonstrators continued to arrive, armed with large union banners and protest signs, the band was blaring out old-time union protest songs. In spite of the bitter cold March winds the demonstrators appeared in a relaxed mood and thrilled to see so many people in unity. The crowd was estimated at 35,000 people. There were no illusions among the demonstrators that one large demonstration would eliminate the controls, yet everyone was pleased that labour was sending a clear message to Trudeau and his cabinet; workers were mobilizing and prepared to fight.

Meanwhile, inside the Parliament Buildings the atmosphere was anything but relaxed. Joe Morris told Trudeau his government was "unparalleled in its callous and brutal treatment of those who must toil for a living." The CLC brief was hard-hitting and dealt mostly with Bill C-73, pointing out that the bill discriminated against working people and that it would not cure inflation or Canada's other social ills. The CLC brief said that workers would "not forget" AIB rollbacks of contract settlements negotiated by thousands of paperworkers after a long strike. It charged the Anti-Inflation Board was attempting to "cloak" itself with powers which it could not legally exercise. In conclusion, Morris warned the government it had placed itself on a collision course with the labour movement of this country.* Trudeau's response

*The brief also touched on other matters. Morris charged that recent amendments to the Unemployment Insurance Act amounted to a case of "Merely transferring the cost from the Federal Government to the provinces in increased welfare expenditures." He also said the redefinition of unemployment has given the false impression that unemployment was easing. According to the CLC brief, the national unemployment rate had jumped to 7.1 percent in 1975, the most dismal year since 1961, and unemployment for 1976 would likely average eight percent or more. The

was well-prepared and uncharacteristically low-key. He told the labour leaders the government had no intention of withdrawing the program. Referring to the Congress statement "that prices are not being controlled," Trudeau said, "I don't know where you get your facts that the system is not working."

Following the two-hour meeting with Trudeau and his cabinet, Morris emerged to address the demonstrators. "The labour movement is in the battle of its life," Morris told the cheering demonstrators, "Organized labour had been forced by the actions of the Trudeau government to become a political movement, rather than primarily an economic organization." The demonstration had been peaceful. An RCMP spokesman said no arrests had been made and the demonstrators were orderly. As the demonstrators left for home, thousands of protest placards littered the snow-covered lawn of Parliament Hill. In spite of the success of the demonstration, the government refused to accept that rank and file union members supported the leadership. Speaking on CTV's Canada AM the next day, Labour Minister John Munro said that "The number of demonstrators was impressive, but there is a very effective leadership in the labour movement and if they want to turn out a crowd they can do it.... It still doesn't mean there is a great wave of Canadians generally opposed to the program." He said, "I still believe the union rank and file are prepared to give the program a trial and, if the inflation rate comes down, go along with the government."

The government was more alarmed by the CLC's decision to withdraw from two major advisory bodies. Following the demonstration, the 30-member CLC executive council met to discuss labour's participation on national boards, commissions and councils. Following the closed-door meeting, Joe Morris told a news conference that the CLC executive council had decided "further labour participation on two advisory boards is pointless." The two bodies were the Economic Council of Canada and the Canada Labour Relations Council. Morris said the executive had decided, for the time being, to leave representatives on other advisory boards, such as the Unemployment Insurance Advisory Committee and the Manpower Consultative Committee, because they were not "major policy forums." The Economic Council was created to advise on economic policy and the Can-

uncertainties of the anti-inflation program were making employers more cautious than ever in expanding production, so additional unemployment was being created. The CLC also noted that the statistics hid the fact workers in the Atlantic Provinces and Quebec suffered Depression-levels of joblessness. According to the CLC figures, the rates rose to 11.6 and 8.8 percent respectively in those regions.

ada Labour Relations Council advised on matters relating to labour relations such as job satisfaction, worker participation, environmental factors and broader based bargaining. "Participation on the Economic Council had become an embarrassment for labour," said Morris, "and the purpose of the Labour Relations Council is no longer relevant, because of limitations placed on collective bargaining by the anti-inflation program."

The government took the withdrawal from these councils very seriously. Labour Minister John Munro described the pull-out as a self-destructive action. "If the CLC sticks with its decision, the Labour Relations Council is finished," said Munro. Finance Minister Donald MacDonald said that organized labour risked being in the position described by an old French saying: "Those who are absent are always wrong." He said he was making his comments, "Not out of a sense of anger, but a sense of regret." MacDonald said that the Labour Relations Council had been working to reduce the number of days lost due to strikes. There were ten million days lost in 1975 and he said this represented a tremendous loss to workers and to the economy. He pleaded with the CLC to reconsider their decision. Economic Council Chairman André Raynauld said that the CLC withdrawal was "a big mistake on their part. They will be the losers, because decisions will be made without them." Raynauld said he considered the CLC decision a serious one and he hoped the government acted to resolve the problem.

I left Ottawa inspired by the demonstration and the feeling of unity I saw there. This high did not last long. When I arrived back in Saint John, another AIB ruling was making the headlines. As we were demonstrating on Parliament Hill, the AIB was issuing a ruling on a contract negotiated between the Atlantic Sugar Refinery and Local 443 of the Bakery and Confectionery Workers International Union. The collective agreement provided for a wage increase of 14 percent. This brought the Saint John workers up to par with refinery workers in Montreal. The agreement was for one year and was retroactive to 1 September 1975 and had been fully implemented. It was a situation where the contract had not been finalized until after the introduction of the control program. The AIB ruled the 14 percent was excessive. It ordered the wage increase be rolled back to 8.29 percent. In addition, the employees were ordered to repay the company any monies earned in excess of the 8.29 percent. This meant each of the 300 workers would be required to repay the employer between \$300 and \$500.

Local 443 President Lorne Kilpatrick said the Board's actions meant that disparity between Saint John workers and workers in Montreal, "which had been a major point in collective bargaining for the local," would continue.

"The union does not understand how the pulp and paper industry is allowed a 14 percent increase," he said, "while the sugar industry in Saint John is required to accept only 8.29 percent." The union announced they would be appealing the decision. It was impossible to understand how the Anti-Inflation Board was arriving at their figures. Labour was not the only one having difficulty with the AIB figures. New Brunswick Labour Minister Rodman Logan said that he believed that the 14 percent settlement at the sugar refinery was equal to a sugar refinery settlement in British Columbia, which was allowed to stand. "I wonder why?" the Labour Minister asked, and added, "I pose the question: Is there a difference between British Columbia and the province of New Brunswick in the sugar industry?" He said the inconsistent Board rulings were causing "grave animosity" between labour and management in the province.

At this time our Wage Control Committee was finalizing plans for our 28 March rally, which turned out to be a major event in making the wage controls a public issue. We wanted to educate the general public on the unfairness of the program, and we were determined to show all levels of government that rank and file union members supported the position taken by the union leadership. The committee had started planning for the rally following our special meeting on 5 February, but the date had been delayed due to our other activities.

We had attempted to get CLC President Joe Morris as the keynote speaker. He was not available, but we were successful in getting CLC Executive Vice-President Shirley Carr. Paul LePage, President of the New Brunswick Federation of Labour, also agreed to be a speaker. Bob White had been coming to the city on a monthly basis to attend the labour-management meetings at Canada Wire and Cable. We set up a meeting for Monday 29 March and Bob agreed to come in Sunday to speak at the rally. We asked CUPE if they would provide a speaker, as we wanted to keep the public sector unions fully involved. Richard Deaton, a CUPE Research Officer from Ottawa, rounded out the guest speakers.

The Wage Control Committee put a huge effort into organizing this event. The week before the rally we met Wednesday, Thursday and Friday evenings, making sure no stones were left unturned. Promotional materials were distributed throughout the workplaces and posted around the city. Radio spots were broadcast over the weekend, and our committee worked the phones up until Saturday. We had rented the auditorium at St. Malachy's High School, which holds approximately 600 people. We wanted a venue

large enough to hold everyone who wanted to attend, but not so large that the crowd would look small.

On Sunday afternoon I picked up Bob White and Shirley Carr at the airport. On the drive from the airport to the hotel we discussed the format for the evening. I told them we wanted the first speaker to motivate the crowd, to get everyone in an energized mood for the rest of the evening. I explained to Bob White that I had told our committee he was the guy who could do it, so he would be speaking first. I then said to White, "Now don't make a damned liar out of me." Bob just laughed. After checking into the Admiral Beatty Hotel, Shirley Carr, Bob White and Richard Deaton attended a news conference we had arranged. The news conference was well attended by the media, although statements from the news conference would be somewhat overshadowed by the events later that evening.

Following the news conference I had supper with Bob White and Shirley Carr at the hotel and around 6:30 p.m. we walked the one block to St. Malachy's High School. People were lining up to get in and the atmosphere was electrifying. The Committee had hired a local musician for a pre-rally performance. We had given him a number of union songs, along with the music notes, on the understanding he would start his performance at 6:30 p.m. with some old-time union music. When we arrived, his performance was in full swing, but he was blaring out traditional country music. Apparently he had never looked at the material we had given him, yet the crowd was enjoying his performance.

The auditorium was decorated with union banners and posters. As people came through the door they were asked to sign a petition against the legislation and were each given several items of anti-control material. There were decals, a pamphlet that listed the CLC's ten-point anti-inflation program, and a booklet that contained an article by the CLC president suggesting that the wage controls were another step towards a corporate state. There were also copies of our local newsletter, "Workers Against Controls." There was a CLC "price watch," that listed 66 items, ranging from cornflakes to gasoline and room for 11 more items, with places for their current prices and their next three price hikes. There was a CLC "cost of living" calendar, which rapped wage controls month by month. Also included in the package were the words to "Solidarity Forever." And we had anti-wage-control T-shirts for sale at \$3 each. The T-shirt depicted a little man attached to a large ball and chain with the words "Why Me?" on it.

There was standing room only when I introduced Bob White as our first speaker. White led off the evening with a rousing speech. "The labour move-

ment is going to show the Anti-Inflation Board and Trudeau they won't be trampled on by this unfair legislation," he said. "We've got to give Trudeau a message that this program does not fool the people. We won't rest until the legislation is defeated." White accused Trudeau of being dishonest, by campaigning against controls and then introducing them. "Trudeau thinks the rank and file members support wage controls," he concluded, "but I think he's damn wrong and the next election will show him." Bob received a number of standing ovations; he hadn't made a liar out of me.

New Brunswick Federation of Labour President Paul LePage was our next speaker. LePage was also a good orator and his speech kept the crowd keyed up. LePage said wage controls were maintaining the disparity that exists between Saint John and Montreal. He said that if the rank and file members support their leaders, "We will win this cause and see that justice is brought back to all people in our society."

Shirley Carr followed LePage, and her speech was also telling; it showed just how opposed to the control program the labour movement was. Carr told the rally that the federal Government had "declared war" on Canada's trade union movement and launched "A direct attack upon the free collective bargaining system." The Trudeau government replaced collective bargaining rights with "a system of national compulsory arbitration" and this "threatened to destroy the fundamental democratic rights and freedoms" which Canadians enjoyed. "The Trudeau government has made a grave miscalculation if it thought labour would remain complacent," she continued, "He's not going to keep us in a cell. We will not buy his new society and be shoved aside." Shirley Carr's speech was typical of speeches given by labour leaders at the time. There was no doubt in any labour leader's mind: we were in the battle of our lives.

The meeting was going as planned. The speeches were excellent, there was a lot of media in attendance and the crowd was responding to the speeches with standing ovations. Then something happened that changed the focus of the meeting. Joe McLeod, an executive member of the Marine Workers Local 3, the largest union at the dry dock, was known for his impromptu comments. Back in 1974, the New Brunswick Federation of Labour was presenting their annual brief to Premier Richard Hatfield and his cabinet. The Minister of Labour Rodman Logan, who was sitting next to the Premier, sat back in his chair and closed his eyes. As Federation President Paul LePage was reading the brief, a loud voice interrupted him. From the back of the room Joe shouted, "Hey! Mr. Premier, would you give the Minister of Labour a kick, he's fallen asleep on us."

Joe was about to make another outburst, this one having more serious consequences. Following Shirley Carr's speech and before I could introduce our last speaker, McLeod shouted, "I see we have our Liberal Opposition Leader Bob Higgins in the audience, let's hear what he has to say about these controls." I did not have a lot of experience at chairing large meetings, but I knew better than to turn a microphone over to a Liberal politician at a labour rally. I objected to having Higgins speak, explaining that we had our agenda and we should stick with it. The crowd, however, was determined to hear him. Cries of "Let him speak, Let him speak," came from the audience. I suggested he could speak at the end of the meeting, during our question and answer session. This satisfied the crowd for the time being.

I then introduced the final speaker, Richard Deaton, who told the audience labour must be prepared to use any means: "if necessary both legal and illegal job action to oppose the wage and price control program." This comment was greeted with a standing ovation. Following the guest speakers, we showed a CUPE film entitled "Out of Controls." The film drew a loud chorus of boos from the audience when it showed part of Trudeau's speech on television, introducing the anti-inflation program.

It was now time for the question and answer session. We had arranged microphones in the aisles so the audience could question the guest speakers. As soon as I opened the floor for questions, the crowd started yelling, "Let's hear what Higgins has to say," "Let him speak." I suggested he could speak from the microphone on the floor, but people were having none of that. "Let him speak from the stage," "Put him up front," they shouted. Higgins, being the clever politician, was already on his way to the stage. At this point I had lost control of the agenda. The crowd wanted a piece of a Liberal politician and they wanted him on the stage, front and centre.

When Higgins arrived at the podium a loud voice called out, "Where's your union card?" Higgins said he didn't have to take that, that he had worked at the dry dock and on construction jobs. The remark drew a loud chorus of boos. Then he said, "I would be less than truthful if I didn't say I believe that we've got to give wage and price controls a chance, to see if they work." This brought louder heckling and boos. Higgins was asked to comment on the AIB decision at the Atlantic Sugar Refinery. He said he had discussed the matter with Labour Minister Rodman Logan, "And I essentially agree with the position he's taken publicly. The settlement appears to me to be consistent with what is allowed ..." The rest of his sentence was drowned out by booing and catcalls. Someone asked him about the provincial government's proposed closure of four provincial hospitals. Higgins said his

party had asked in the Legislature that the government table its reasons for this. He said if the government says, "It's being done for health reasons, we might support it." At this point I was suffering a major anxiety attack. Our rally against wage controls was turning out to be a platform for a Liberal politician.

Then Higgins said he had told Prime Minister Trudeau at a meeting three weeks ago that "I felt if the government doesn't take a hard stand on price increases, I don't think the program has a chance to work." He added that the Liberal Party in New Brunswick had said oil and gasoline prices should go before the Public Utilities Board. "I will be talking to the Prime Minister again and I will impress upon him the need for greater controls on prices," said Higgins.

This was more than Bob White could take. White moved to the podium, brushing Higgins aside. "I'm used to being seduced by politicians, but I'll be damned if I'm going to be seduced in my own house," said White. He continued, "Here's an opposition leader, in a small province like New Brunswick, telling you he will talk to the Prime Minister and have him do something about prices. We met with the Prime Minister representing 2.5 million workers in this country and we couldn't move him. This man is telling you something he knows full well he cannot deliver on." Paul LePage immediately followed White at the podium. LePage dressed Higgins down, as he was very capable of doing. He called Higgins "a hypocrite" for campaigning with Trudeau against controls and now supporting them. This remark drew loud applause.

Higgins had moved to the rear of the stage and, in all likelihood, would have left. But I did something that was somewhat out of character and that I would later regret. Being caught up in the heat of the moment, I walked over to Higgins and said, "There's no purpose of you being here any longer, we've had enough of you to last us a lifetime. Why don't you just leave?" Unbeknown to me a microphone had picked up my remarks, and they would be reported in the newspaper and played on radio stations the next morning. But worse, Higgins was motivated by my remarks to again take the podium.

"Mr. Vair has told me we've had enough of you, and I didn't care for that," said Higgins. When a loud voice in the audience shouted, "We've heard enough from you," Higgins said he had been asked by several workers to "hear our side and that's why I came to the meeting." This was greeted with more heckling. Then Higgins dug himself in deeper. He said he had listened to "Miss Carr or Mrs. Carr, whichever she is ..." The rest of his remarks were drowned out by loud boos and catcalls. Many in the audience saw this as a

“put down” of our guest speaker. Higgins said that “ever since I’ve been involved in public life I’ve learned there are two sides to every story.” A loud voice at the back of the room tried to drown him out and he gave up trying to speak, leaving the stage to a chorus of boos. I couldn’t resist one parting shot. Leaning into the microphone I said, “As long as we have politicians like that in Fredericton we’re in trouble. We need some labour people up there.”

To appreciate the events that followed one has to be aware of two things. Although Saint John was still very much a blue-collar town, most trade unionists were either Liberals or Conservatives, and many took their politics seriously. Secondly, Robert Higgins was a very popular politician in Saint John. As a young lawyer, Higgins had been a popular city councillor. He was elected as a Liberal MLA and served as Minister of Economic Growth in Louis Robichaud’s cabinet. When Robichaud resigned after losing the 1970 provincial election to Richard Hatfield, Higgins won the leadership of the Liberal Party. Higgins was well respected in the city by people of all political stripes. In Saint John, the only criticism you would hear about Bob Higgins was that he was “too honest” and “too nice a guy” to be an effective politician, which was a sad commentary on how we viewed our politicians. In all probability, Higgins was asked to come to our rally by some union members and did think — naively — that the meeting would be interested in his views. But after four well-delivered speeches, all filled with rhetoric, and a film condemning the controls, to an audience that had had their wages rolled back, Higgins had definitely entered a lion’s den.

When I turned on the radio the next morning my worst fears were realized. The top story on the newscast had very little to do with wage and price controls, but everything to do with the ignorance and bad manners of labour leaders and their disgraceful treatment of Liberal Opposition Leader Bob Higgins. The tape of my voice telling Higgins “We’ve had enough of you” was played repeatedly. Radio announcers were editorializing “That labour wanted to get their message out, but didn’t want to hear what anyone else had to say.”

I was scheduled to meet Bob White for breakfast, to prepare for our meeting with Canada Wire and Cable. When I arrived at the hotel restaurant I asked Bob if he had heard the news reports on our rally. Bob said he had not, but he had overheard a couple of businessmen sitting next to him talking about it. He told me one of them said, “Who is this Vair guy anyway?” To which the other replied, “Oh he’s the one who caused that long strike at Canada Wire.” When I explained to White the media coverage we were get-

ting, he told me not to worry about it. Bob said I should only be concerned about what the membership were saying. It would not be long before I would find out exactly what some of the membership were saying.

When the *Evening Times-Globe* hit the streets Monday afternoon the front-page story carried a picture of Higgins standing at the podium, with the caption "Higgins tried to make a point." The headline read "Rough Night For Higgins." The article carried details on the heckling, boos and interruptions Higgins had received. The paper ran two editorials under the headings, "Bob's Bad Night" and "The Mood of Labour." The first editorial concluded by saying "It is unfortunate that any politician has to be subjected to such harsh treatment for showing up at a labour meeting, for being prepared to state his position and, finally, for giving honest answers to tough, loaded questions. It is a bum rap, and something he did not deserve." The second editorial acknowledged labour was angry, but pointed out the legislation was the law of the land and that phrases like "using any means to resist, both legal and illegal" were not likely to draw public support.

When I arrived home Monday evening the first call I received was from Marshall Leavitt. His first remarks were, "Well we fucked this up, didn't we?" He was not overly critical of my performance, but did say maybe we should have had Harold Stafford chair the meeting. Stafford was the well-respected Atlantic Region Education Director for the Canadian Labour Congress. Others were not so kind, suggesting that I had let the meeting get out of hand and disgraced labour. Letters poured into the editorial section of the newspaper and were put under such headings as, "Ill-Mannered Meeting Was Shameful" and "Unions Exhibiting Democracy At Its Worst". Most of these letters were not signed, but claimed to be from people who attended the meeting. The pen name of "Just One Voice" or "A Very Disappointed Citizen" would be used. One letter, however, was signed. Vic McLean, president of CPU Local 601 and a member of our Wage Control Committee, had signed a letter stating: "I was totally disgusted with the treatment given to Bob Higgins."

A number of other letters were published defending our actions. One such letter from Harvey Watson said, "Thank God for men like George Vair and Paul LePage, who have the guts to stand up and be counted when the government attempts to shove unfair legislation down our throats." Other labour leaders sent letters of support, including Henry Walker of Local 443, Bakery and Confectionery Workers and Bill Petrie, Vice-President of the New Brunswick Federation of Labour.

Even Premier Richard Hatfield waded into the fray. Echoing Paul LePage's comments, Hatfield accused Higgins of "blatant hypocrisy." Said Hatfield: "Surely Mr. Higgins did not expect people to forget how he toadied to the federal Liberal line in 1974, parroting and applauding the Trudeau campaign against a freeze, and against controls, only to swallow himself again a few months later at the mere shrug of a shoulder by Ottawa. That is the kind of double-talk double-dealing and political hypocrisy that people boo."

The next labour council meeting was scheduled for 2 April. I had heard rumours some delegates might be coming to the meeting asking for my resignation. I was determined not to get on the defensive, but to simply chair the meeting and let those supporting me carry the debate. Under reports of "special committees," I gave a report on the rally. I was very positive, pointing out that more than 600 people had attended and that we had excellent speakers. I briefly mentioned we had one uninvited speaker, whom we could have done without.

This opened the floor for debate on my report. To my surprise, the debate was not critical of me personally, but was about the problem that labour had received bad publicity and what we could do about it. When someone suggested the labour council write an open letter of apology to Bob Higgins, it was too much for Fred Hodges. Hodges had a lot of respect within the Saint John labour movement. He had served as labour council president for 11 years, was prominent in the city as a black civil rights activist, was a member of the New Brunswick Human Rights Commission and in 1974 was elected to city council as the official labour candidate. I had not spoken to Fred since the rally, and when he rose to speak I had no idea what he was going to say. Hodges said that he could not understand what all the fuss was about. "What do we care about a provincial politician?" he asked. "Higgins only attended the meeting in an attempt to make himself and his Liberal cousins in Ottawa look good." He said that he was surprised that some delegates thought we should have received better media coverage. "You're dreaming if you think labour will ever get fair coverage from the capitalist Irving owned media," said Hodges. As far as he was concerned, "Labour 'never stood taller' in Saint John than it did last Sunday evening." That ended the debate and disposed of the issue for that matter. With the exception of a few more letters to the newspaper, it never came up again; we moved on with our campaign.

The rally appeared to have had some effect on Bob Higgins. The next day the Opposition Leader sent a telegram to AIB Chairman P  pin, requesting

details of the salary roll-back at the sugar refinery. The telegram, signed by the entire Liberal Party caucus, stated: "It would appear the settlement between labour and management at the Atlantic Sugar Refinery in Saint John, N.B. was consistent with rulings allowed by the Anti-Inflation Board. The ruling therefore appears unfair and we request a detailed explanation."

New Brunswick Labour Minister Rodman Logan also wrote to Pépin, protesting the roll-back, and Atlantic MPs raised the sugar refinery roll-back in Parliament, claiming the anti-inflation program was unfairly picking on employees in their region. Finance Minister MacDonald said that he had discussed the Atlantic sugar case with Board officials and there was little chance the 8.29 percent figure would be adjusted. Faced with political pressure from all sides, however, the AIB announced that employees at the Atlantic Sugar Refinery would not have to pay back any excess wages received. The Board emphasized the pay award was to be held to the 8.29 percent. The credibility of the Board again came into question, as everyone wondered how they arrived at the 8.29 percent and why they had ordered the payback in the first place.

By mid-April the Anti-Inflation Board was still scrambling to gather support for the program. The Board Chairman announced that the Board would soon publish a "Citizen's Guide to Fighting Inflation" as part of a new public relations initiative to gain support for the program. It was little wonder the Chairman found it necessary to embark on a public relations campaign. The media were reporting the Board now had a backlog of 3,845 cases and that it was growing at 150 per week. The number of employees working at the board was reaching 600 and its spending for the first year was now estimated at \$12.5 million. That amount would be increased to \$20 million by year's end. The bureaucracy was only getting started. In July the media were reporting that the payroll at the Board was just 49 short of 1,000. The Board, however, announced they were exercising restraint; the staff would be cut back from 951 to 906. This was a far cry from the government's prediction when the controls were introduced. Finance Minister MacDonald had said that the Board staff would not likely go much beyond 200. The CLC would point out that Trudeau was right in 1974, when he campaigned against controls saying "Wage and price controls produce a vast army of bureaucrats."

Chapter 5

Tough Talk at the Canadian Labour Congress

SERIOUS TALK OF A GENERAL STRIKE started about a month prior to the convention of the Canadian Labour Congress in mid-May in Quebec City. Prominent labour leaders started mentioning the possibility, and a number of labour bodies passed resolutions supporting the idea. "I don't think the movement has any alternative," said Dennis McDermott. CUPE's New Brunswick Council of Unions, meeting in Memramcook, passed a resolution to support national strike action against the anti-inflation program if the Canadian Labour Congress and the New Brunswick Federation of Labour called for such action. At our April meeting the Saint John District Labour Council passed a resolution calling for the CLC to organize a general strike against the controls. When Joe Morris was asked to comment on the possibility of a general strike he said, "It's going to be discussed at the convention in May and I don't want to prejudice that decision."

Meanwhile our Wage Control Committee was organizing support for another major protest against the controls. The New Brunswick Federation of Labour was planning a rally for 5 May in Fredericton, in front of the New Brunswick Legislature. The labour council chartered two buses to take people to Fredericton for the rally. We advertised that anyone wanting to participate in the rally could contact the labour council to be guaranteed a seat on the bus. When we left for Fredericton at 9:30 a.m. Wednesday morning, both buses were full. Other areas of the province chartered buses and car pooled to get people to the rally. The rally was also supported by a number of other groups, including the New Brunswick Senior Citizens Federation, the Atlantic Federation of Students, the New Brunswick Nurses Union and the New Brunswick Association of Nursing Homes.

Demonstrators gathered at the Lord Beaverbrook Rink at 11:30 a.m. and then marched to the Centennial Building on King Street. There Federation President Paul LePage read a tersely worded "Anti-Inflation Declaration" to both Premier Richard Hatfield and Opposition Leader Robert Higgins, who

had been invited to attend. "We, the concerned citizens of the province of New Brunswick, do hereby declare our vehement opposition to government attempts to fight inflation on the backs of workers and consumers," declared LePage. The document went on to propose that efforts be concentrated on rolling back prices, curbing land speculation, restructuring the provincial tax system, developing a housing program and concentrating on job creation.

Both politicians were booed and some demonstrators shouted insults, calling them "two turkeys," when they tried to defend the anti-inflation program. A few swore and made some obscene gestures as the politicians tried to make themselves heard above the 3,000 shouting demonstrators. The premier told the crowd the problem was money, and that without restraints "taxes would have to go up every year very substantially." His remarks drew a chorus of boos and heckling. Higgins did not fare much better. He was still reading from the same script he had at the 28 March rally in Saint John, saying "At least give the program a chance." The remark forced Higgins to ask, "How am I doing on the boo meter?"

After Hatfield and Higgins addressed the demonstrators, Paul LePage reaffirmed the Federation's opposition to the controls. "I'm totally opposed to the remarks made by the two previous speakers," said LePage, to the roar of the crowd. Referring to the upcoming CLC convention, he said "Within the next two weeks there will be talk of a national strike. This will be considered civil disobedience and I don't believe in this. I'd prefer the ballot box, but labour is losing its faith in the democratic system." The demonstrators then heard from a number of speakers, including Donald Montgomery, Secretary-Treasurer of the CLC, Gilles Beaulieu of the Students' Federation, Charles Pelletier of the Senior Citizens Federation and Rita Dubé, President of the Nurses Bargaining Council. At the conclusion of the rally LePage taped the "Anti-Inflation Declaration" on the door of the Legislature. He said he hoped that the rally would spark discussion on the wage and price controls in Question Period and that all MLAs would stand up and speak, so their position would be known. The issue, however, was not raised during that day's sitting of the Legislature.

The CLC convention was scheduled to take place in Quebec City from 17 to 21 May. A week prior to the convention CUPE's Director of Organization, John (Lofty) MacMillan, announced he would be seeking the presidency of the CLC. MacMillan said that the CLC executive council had not been tough enough. "I think the workers are ready, the time has come for a general strike," said MacMillan in announcing his candidacy.

I knew Lofty. Although a native of Cape Breton, following the war MacMillan had settled in Saint John. He joined the Saint John police force, became active in the police union and in 1957 was hired as the Atlantic representative for the old National Union of Public Employees. Following the merger that created CUPE, he became the Regional Representative for CUPE. In 1958 he got involved in municipal politics and won a seat on the Saint John Common Council. In 1964 he was elected President of the New Brunswick Federation of Labour and served in that position until 1967 when he moved on to Ottawa to become Director of Organization for CUPE. I liked Lofty and I liked what he was saying about a national strike. But I knew if he did not have the support of the top officers of the large unions, he could never pull it off.

I had been elected as the delegate to represent the Saint John District Labour Council at the convention. Following MacMillan's announcement that he would seek the top job at the CLC, the *Evening Times-Globe* was conducting a poll of all the delegates from the Saint John area to see whom they were supporting for president. I told the newspaper I had not made up my mind. I was not avoiding the question, but I wanted to see whom the top officers of the large unions were supporting. I was particularly interested in where the Autoworkers and Dennis McDermott stood.

I had a lot of respect for McDermott. He had visited the picket line when we were on strike at Canada Wire and Cable, and he had supported me when the city mayor and the president of the labour council wanted me to resign. In July 1975, Mayor Edis Flewelling asked me to attend a meeting in the mayor's office. When I arrived the mayor had Raymond McDevitt, president of the labour council, with him. The mayor explained to me he had received a call from Donald Pollock, the president of Canada Wire and Cable. Pollock had told the mayor he would not open the Saint John plant as long as George Vair was working there. He reminded the mayor the plant had been on strike for 14 weeks in 1972; the plant was now on strike again and there had been a number of wildcat strikes in between. Pollock put the blame squarely on my shoulders and convinced the mayor the plant would never open as long as I was president of the union. This was no surprise in itself. Pollock had told Bob White the same thing a few days earlier. But the mayor, with the full support of the labour council president, would spend the next hour attempting to browbeat me into resigning, in order to save the 65 jobs. The mayor told me he would see I got a "good paying job" with the City.

When word of this incident reached Dennis McDermott he called me at home. "What the hell is going on? Are the Mayor and the Labour Council

President smoking grass down there?" asked McDermott. He told me to not even think about resigning. He said that the UAW did not operate that way and I now had an obligation to the union to "hang in there." Dennis would later tell me he had called Pollock himself. According to McDermott, Pollock told him, "George Vair just lays awake at night, thinking of ways to screw the company." When Dennis started defending me, saying it wasn't so, Pollock interrupted him, saying, "Well if he's as good as you say he is, why don't you put him on your staff and solve my problem?" To which McDermott replied, "Well if he's as bad as you say he is, I'd be a god damned fool."

Donald Pollock, however, would finally get his wish. On 10 May I resigned my job at Canada Wire and Cable to accept a full-time position, as a service representative, with the Retail, Wholesale and Department Store Union, Local 1065. This was a single local serving the whole province, so it meant I would now be travelling throughout the province. But I kept my positions as President of the Labour Council and Chairman of the Wage Control Committee. I was able to adjust my calendar to be available for the Thursday evening meetings of the committee and to fulfil my responsibilities as labour council president.

When I arrived in Quebec City for the CLC convention in May, I immediately sought out where the UAW caucus would be meeting. Having resigned my position as president of UAW Local 1905 when I accepted the full-time position with RWDSU Local 1065, I was no longer a member of the UAW, but I attended their caucus meeting anyway.

Dennis McDermott opened the caucus meeting by indicating he was supporting Joe Morris for one more term as president. He then asked Morris, who had been invited to the meeting, to say a few words. Morris spoke briefly about the challenges facing the Congress and then left the meeting. I had made arrangements with a Saint John radio station to call in each day at the conclusion of the day's convention proceedings. When I called on Monday evening, I told the interviewer that I would be supporting Joe Morris for President. This was widely reported. The Saint John media were following the election closely, due to MacMillan's former high profile in the Saint John area.

Although Joe Morris did not inspire me, I rationalized that the election of Lofty MacMillan would split the labour movement at a time when we needed unity. I knew the ultimate decision to organize a general strike would not be decided by the CLC president alone, but by the top leaders of the larger organizations. I felt that the labour movement was more likely to be

successful in its campaign against the anti-inflation program under a Morris presidency than a MacMillan one. I did not think that MacMillan's confrontational style would get the co-operation that would be necessary to pull off a national strike. Indeed, I witnessed a few delegates wearing handwritten stickers, which read "If MacMillan Wins, We'll Withdraw From CLC." My decision to support Morris, however, did not go down well with a number of Saint John labour leaders. Lofty MacMillan was a popular figure in Saint John. Also, some members of our wage control committee suggested my endorsement of Morris had sent the wrong signal. They felt it looked like we were wavering on our commitment to a national strike.

At the end of the day, Lofty's candidacy wouldn't amount to much. When the ballots were counted on Thursday morning he received just 375 votes to 1,492 for Morris. In his autobiography, *The Boy from Port Hood*, MacMillan claimed he never expected to win, but only ran because he was opposed to a constitutional amendment that would have changed the method of selecting delegates to conventions. I don't question why MacMillan decided to run for the presidency, but it seemed to me at the time, and media reports of the day appear to confirm it, that his candidacy was based on the premise that the leadership of the Congress was not being tough enough in their fight against the government's wage and price controls. In fact, MacMillan had released his own Manifesto. It was an eight-point program that called for a general strike to defeat the government's wage controls. His candidacy helped keep the general strike idea front and centre.

Of the 376 resolutions submitted to the convention that year, the largest number dealt with the federal government's wage and price control program. The resolutions called the program "a wage freeze policy," "fascist legislation," "a direct attack on working people" and so forth. They demanded the withdrawal of Bill C-73 and called on the Congress to conduct everything from rotating strikes to a one-day strike, or a permanent shutdown of the country. The Congress executive council incorporated all these resolutions into a 12-page document entitled "Labour's Manifesto for Canada."

When the 11th constitutional convention of the Canadian Labour Congress opened at 10 a.m. Monday morning, the government's wage and price control program was the prominent issue on the minds of the delegates. Following the traditional opening ceremonies and the President's Report, "Labour's Manifesto for Canada" was distributed on the floor of the convention and read in its entirety. President Morris then moved, seconded by Secretary-Treasurer Donald Montgomery, that the convention approve the document. Having placed the document before the convention for debate,

Morris noted that it was now 12:30 and that it would be advisable to give everyone time to look at the document during the lunch hour and start the discussion when the convention reconvened.

The Manifesto was a comprehensive document that dealt with de-controls or post-control society, the economy, the centralization of government, tri-partism, national planning and labour's program for the future. In general terms, the document committed labour to the goals of social equity and justice, national economic and social planning, social democracy and labour's rightful role in national policy-making and the sharing of power.

Morris opened the afternoon session by stating "This is probably the most serious document that the Congress has discussed in convention for a long time." He said there was also an "action program" connected with the Labour Manifesto, to be distributed after the start of the debate.

Officers of the Congress rushed to the microphones to heap praise on the executive council for producing such a fine document. They characterized the Manifesto as one of the best documents ever produced by the Canadian Labour Congress, a historic document, a document that would change the social order of Canada, a document that proposed a total solution to all economic and social injustices, a document that would govern the labour movement for many years, a document that would set the labour movement on the course of democratic socialism. They said that the Manifesto was an indication of labour's coming of age. Executive Vice-President Shirley Carr went so far as to say, "This document is one that moves me more than I have ever been moved in my entire trade union life."

But a number of other delegates were not so impressed. Most of their criticism was directed at the section relating to tri-partism. Some speakers pointed out that the Congress had just removed itself from the Economic Council of Canada and the Labour Relations Council and was now, through this document, naively proposing to go back into a variety of advisory bodies in the name of "tripartism." Others saw the document as a retreat, a defensive document, at a time when we had to escalate the struggle. Some said there was nothing radical or new in the document. Still others worried that a tri-partite commission in essence would be just another Anti-Inflation Board with labour participation. Delegates questioned the procedure being used, claiming that both the Manifesto and the action program should have been distributed at the same time, as many of the delegates had come to the microphone not knowing what the follow-up document might be.

There appeared to be strong opposition to the Manifesto on the convention floor. As one delegate put it, "Right here, now, the delegates must and are going to say 'no' to the Manifesto, say 'no' to bureaucratic leadership, say 'no' to illusions about tri-partism, say 'no' to phoney social democratic alternatives, and instead, say 'yes' to unions which are ready to build class action against their enemies." Following the defeat of a motion by the militants to have the document referred back for amendments, the convention delegates voted to adopt the Manifesto by a substantial margin, notwithstanding the criticism it received during the debate. Yet the fight was far from over. The "Program of Action" would get a much rougher ride when it reached the floor of the convention.

The "Program of Action" was a one-page document. It was a commitment to mobilize the resources of the labour movement to carry out the principles contained in the Manifesto. The last four words of the document would cause a ruckus on the convention floor. The document concluded by asking the convention to give the executive council "a mandate to organize and conduct a general work stoppage, or stoppages, if and when necessary."

Many delegates saw the "if and when necessary" words as a "cop out" to avoid calling a general strike. Speaker after speaker condemned the document. It appeared the "Program of Action" could die, stillborn on the convention floor. The nastiest exchange would take place between Dennis McDermott and Lofty MacMillan. MacMillan said that the executive council would use the wording as "an escape hatch" not to do anything. McDermott accused MacMillan of indulging in "demagoguery." Speaking from the platform, McDermott said the convention did not need a lesson from MacMillan in what constituted militancy. As McDermott attacked him, MacMillan grabbed a microphone on the convention floor and asked for permission to speak on a point of privilege. He said that McDermott had no right to criticize individual speakers and referred to a recent contract McDermott had negotiated which amounted to a 15 percent increase over three years. His remark brought some boos and hisses from the delegates. McDermott then went on to say, "I am not interested in leading a silly Charge of the Light Brigade that would make a colourful page in the history books and take ten years to pick up the pieces." He said a national strike must be carefully prepared and launched at the right moment.

In spite of the vigorous criticism the document received, when the vote was finally called, the delegates overwhelmingly endorsed the "Program of Action." Lofty MacMillan did not even bother to stand in opposition to register his vote. Morris would later explain to reporters that "militant members

had ganged up on the mikes." As both the "Manifesto" and "Program of Action" were ambiguous documents, delegates seemed confused as to what it all meant. The debate would continue.

When the convention adjourned on Friday and the delegates returned home to report to their constituencies, there were varying views on what the convention had adopted and what would be the consequences. Many delegates, including several who did not support MacMillan for president, agreed with Lofty MacMillan when he said, "I'm convinced there will be no general strike; the loophole is there and they'll use it." Many other delegates agreed with New Brunswick Federation of Labour President Paul LePage, who said, "I have no doubt that a national strike is on the way." Still others felt that, facing the strike mandate, the government would meet with the Congress and some accommodations might be made. Others thought we could not deliver on a national strike, if one was called. When reporters asked Joe Morris if a strike was likely, Morris simply replied, "I wouldn't bet against it."

For my part, I told the media that the Manifesto was a turning point in the history of the Canadian labour movement. I said that the labour movement in Canada would never be the same again, that it would now be playing a much larger political role in the country. I predicted there would be a national general strike before the end of the year. In spite of my positive statements to the media, deep down I thought Lofty MacMillan might well be right: that both documents were simply designed to get the Congress executive through the convention without making any commitment to do anything, other than stonewall those of us who wanted to take some direct action like a general strike. Now that the Congress had the mandate, I believed the rank and file would have to agitate to make sure they carried it out. I returned to Saint John determined to work in that direction.

The 19th convention of the New Brunswick Federation of Labour was scheduled to take place in Moncton from 7 to 10 June. I felt if we could convince the Federation to endorse the idea of a general strike, it would put pressure on the CLC to proceed. Through the labour council, our Wage Control Committee had submitted a resolution to the convention calling for the federation to adopt a policy of a general strike to force the withdrawal of Bill C-73. Another resolution, submitted by the Campbellton-Dalhousie and District Labour Council, called for the federation executive to withdraw labour participation from provincial government boards on a selective basis.

Like all labour assemblies in 1976, the main issue at the convention was wage and price controls. President Paul LePage reported to the convention

that "The past 12 months, without question, has been one of the busiest and trying years in the history of the Federation." He reported that while regular responsibilities and tasks of the federation continued unabated, the effort to counteract the anti-inflation policies of both the provincial and federal governments had been time-consuming and costly.

On Monday afternoon, the Saint John resolution calling for a general strike was brought to the floor of the convention, with a recommendation of concurrence from the resolution committee. Unlike the CLC documents, our resolution was clear. The resolve of the resolution simply stated: "Be it resolved that the N.B.F.L. adopt a policy of being in favour of a general strike, in an effort to have Bill C-73 withdrawn." Delegates lined up at the microphones to vehemently announce their support. Many delegates described it as the most important resolution ever to come before a federation convention. One delegate said, "Every person in this room should be prepared to go to jail, if necessary." Another suggested the resolution didn't go far enough. Lofty MacMillan was living in Ottawa, but always returned home to take part in the NBFL conventions. Speaking in support of the resolution, he called on unions to defy ex-parte court injunctions: "The only thing left is for workers to violate these injunctions, violate them and take the consequences," said MacMillan. He said that salaried leaders like himself and Paul LePage should not draw any salary in the event of a general strike.

There were a few delegates who thought we should be putting our efforts into political action by supporting the NDP Eldon Richardson, a delegate from Saint John, representing Local 1751 of the International Association of Machinists and Aerospace Workers, said that he had grave doubts about a national strike. "I wonder where we're being led?" asked Richardson. He said that "if labour entered a confrontation with the government by calling a general strike, it could be the 'War Measures Act' of 1970 all over again." He said that he could see Trudeau calling out the troops. Richardson argued that we should put our efforts into the ballot box. Richardson had been a Saint John NDP candidate in a number of federal elections. Fred Hodges also urged the delegates to get involved in politics. "If we want our views reflected in legislation, we have to sit in the places where the power is made," said Hodges. But for the majority of us, this plea fell on deaf ears. We had just witnessed the NDP government in British Columbia legislate paperworkers back to work in a legal strike and watched as NDP governments in Manitoba and Saskatchewan signed onto Trudeau's wage control program. We were not about to turn the fight against wage controls over to a political party.

In the end, the resolution passed almost unanimously. Following the vote, President LePage told the delegates, "If the CLC calls a national strike, it would be in support of programs in the Manifesto, not only the Federal Government's wage and price controls program. I don't want anyone saying the strike was just to get rid of Bill C-73." Most of us, however, had little interest in the Manifesto. Our fight was with the federal government's Bill C-73, the provincial government's Bill 105 and the Anti-Inflation Board.

The convention was divided over the resolution calling for labour to remove itself from government boards and commissions. The resolution committee had brought in a recommendation of non-concurrence. I argued that we should show support for the CLC and be consistent with their policies, as they had withdrawn from boards. Other delegates, however, pointed out the CLC had removed itself from only two bodies and labour's own goals would suffer if we withdrew from all boards and commissions. After much heated debate, the resolution went down to defeat. But as New Brunswick Labour Minister Rodman Logan would discover the next day, the decision was no indication that labour's attitude toward the Hatfield government was softening.

The Minister had been invited to address the convention, as was the practice in those days. When he was introduced on Tuesday morning, a number of the 400 delegates got up and left the hall and many others seemed inattentive when he was speaking. Logan told the delegates the government looked forward to labour's continued co-operation in the area of labour relations. He stressed how interested his government was in having a "co-operative relationship" with the federation.

Following Logan's speech, LePage took the microphone. Instead of the traditional, "Thank you for taking the time out of your busy schedule to be with us ...," LePage chastised the Minister. As Logan sat red-faced on the platform and the rest of us looked on with open mouths, LePage told the Minister, "You come here today and talk about co-operation. You and your department can't talk about co-operation. You must go back to your colleagues and opt out of the anti-inflation program. By entering into the Federal Government's program of wage and price controls, your government has undermined free collective bargaining and changed labour's course from co-operation to civil disobedience and we have no other recourse."

At the close of the convention, LePage would tell the media, "There is no road open to labour but civil disobedience. I've always felt that organized labour shouldn't get involved in civil disobedience, but that is the action the workers are calling for and the policy is now to stay and try to fulfill the

wishes of the workers." This was music to our ears; the moderates were coming around. We were now feeling confident that it was only a matter of time before we had our general strike.

Meanwhile, the legal fight over the control program had reached the Supreme Court of Canada. The court would spend the first week of June hearing legal arguments over the constitutionality of the federal legislation and whether Ontario could opt into the program without passing legislation. When teachers in Ontario challenged the constitutionality of the Ontario government opting into the program through a cabinet order, the federal justice minister sent both issues to the high court.

Legal experts were saying the issue was the most important to come before the court in 50 years. They claimed the court's decision would establish a precedent that would more clearly define the separate powers of the federal and provincial governments. At issue was the British North America Act, which outlined the separation of powers between the federal and provincial governments. There was no dispute that Bill C-73 interfered with provincial powers, but the position of the federal government was that its anti-inflation actions were justified under the peace, order and good government provisions of the Act. The federal government and Ontario would argue that inflation had become a serious threat to the national economy and an emergency existed. Quebec, Saskatchewan and British Columbia offered qualified support, leaving it up to the court to decide whether a national emergency existed. Four unions joined the Canadian Labour Congress and the Province of Alberta in arguing that Bill C-73 was unconstitutional. They argued no emergency existed that could justify the anti-inflation legislation. Maurice Wright, the Canadian Labour Congress lawyer, called Bill C-73 "an attempt to assume control over matters that are entirely provincial" and argued that economic evidence compiled for the CLC showed that inflation was not a problem of national dimension when the bill was introduced.

On 12 July the Supreme Court handed down their decision. In a 7-2 ruling, they found the federal Anti-Inflation Act to be constitutional. But they unanimously ruled that the Ontario decision to enter into the program by order-in-council was unconstitutional. They found Ontario would have to pass legislation if provincial employees were to remain under the federal anti-inflation program. Ontario Premier William Davis immediately recalled the Ontario legislature and passed the required legislation. All the other provinces had previously passed the appropriate legislation.

In writing the majority court decision, Chief Justice Bora Laskin said that the court would not be justified in concluding that the federal act was not necessary to meet a situation of economic crisis imperilling the well-being of the people of Canada as a whole. Writing for the minority, Mr. Justice Jean Beetz said that Ottawa had not clearly signalled, when it announced the anti-inflation program, that it intended to enter provincial jurisdiction and the word "emergency" was never used by Ottawa when it implemented the anti-inflation measures. Chief Justice Laskin countered that the preamble to the legislation was sufficient to show that Parliament was introducing a far-reaching program prompted by what Ottawa considered a serious national condition.

When contacted for reaction to the court's decision, Paul LePage told the media, "The court decision will put a little gas on the fire. A general strike is about the only avenue labour can take." I told the media I agreed with LePage and I now thought a general strike was imminent. The CLC had not only lost their legal challenge, but a meeting between the government and the CLC had not gone well. Joe Morris and the Prime Minister had met on 17 June. After their two-hour meeting, both Trudeau and Morris refused to give details of what they had discussed, but it was clear the meeting had not been productive. Speaking in the Commons, Trudeau said that labour cannot have an equal say in national decision-making because, "We answer to Parliament, not to any particular movement." Later he remarked sarcastically to reporters, "The labour movement hasn't asked, thus far, to be part of the Cabinet." Trudeau then confirmed that the government had no intention of scrapping the program. The Supreme Court decision and Trudeau's statements convinced many of us that the CLC had made little progress in promoting "tripartism" and now had little choice but to proceed with the "Program of Action."

The federal government might have won the legal battle in the Supreme Court, but their campaign to sell the anti-inflation program to Canadians had failed. Eight months after the program was introduced, criticism was coming from some unlikely sources. The Canadian Chamber of Commerce was threatening to withdraw support for the program, a New Brunswick judge was publicly criticizing the Anti-Inflation Board, the Canadian Real Estate Association complained the program was hurting the real estate market and the New Brunswick Hospital Association was complaining the program was causing recruitment problems. In spite of the best efforts of the government to persuade Canadians their anti-inflation program was working and necessary, opposition to the program continued to grow. By July, it

was difficult to find any group in Canadian society that had anything good to say about the program. The Atlantic Provinces Economic Council (APEC) reported: "The overall synopsis of the region's economic future hinges on the tenure of the federal economic controls and, if present indicators are lasting, the region's population and economy could suffer noticeably."

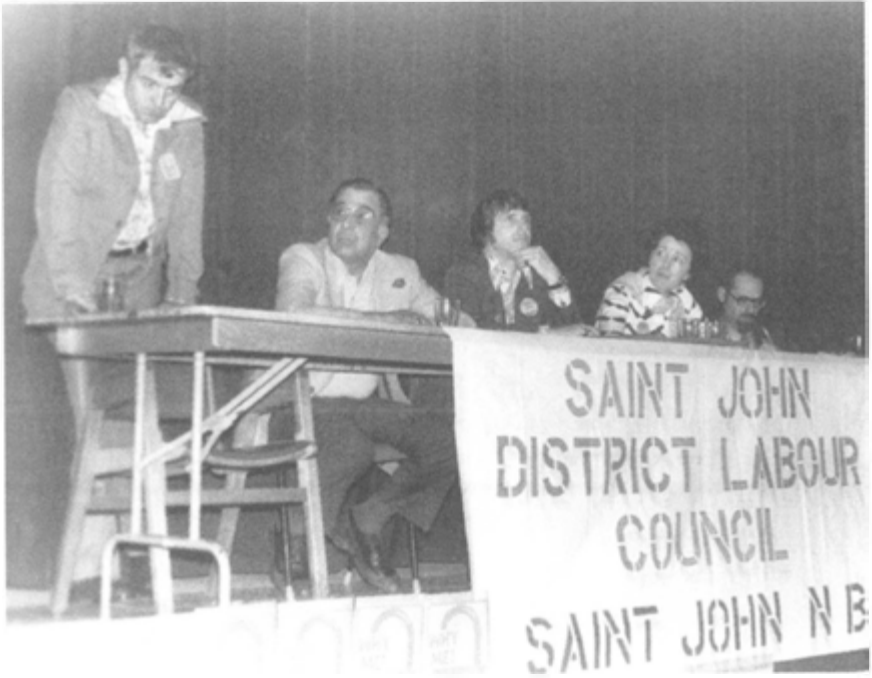
Even some Liberal politicians were speaking out against the controls. Quebec Premier Robert Bourassa told the provincial premiers, meeting in Edmonton, that "The federal anti-control program has to be adjusted to avoid discouraging investment." Herb Gray, Liberal MP for Windsor West and former Consumer Affairs Minister, accused the AIB of being insensitive to consumers and called on the chairman to make public the names of companies that make excess profits and the products involved. The *Financial Times* released the results of a survey they had conducted on AIB decisions. They found that in 104 cases decided by the AIB, involving 57,000 workers, 15,000 public servants received increases of 20 percent or more, while 7,500 private sector employees received more than 15 percent. Another 27,000 workers in private employment received raises of 10 to 15 percent. Of the 57,000 workers involved in cases considered by the survey, only 1,000 in private employment and 500 in public service were held to the strict limits of the guidelines. This survey prompted an editorial in the *Winnipeg Tribune* that was carried in other papers across the country, claiming the AIB itself was contributing to inflation. They maintained that the goal of the government for the year was to reduce inflation to eight percent, but the AIB had approved increases of more than 15 percent in half the cases it had considered.

All this disfavour with the anti-inflation program was manifesting itself in the polls. In early September, a Gallup Poll showed the Liberals' popularity had dropped below 30 percent. The polling showed that 47 percent of those polled favoured the Conservatives, 29 percent would vote Liberal and 17 percent supported the NDP. The Prime Minister conceded that the simple explanation for the party's popularity skid was the government's anti-inflation program. "We have dampened people's expectations," said Trudeau. "A political party that tells the people they can't charge the prices they want, they can't bargain for the wages they want, is bound to be unpopular." While his government was stomping on people's expectations, Trudeau spoke about the next decade being "a very good and progressive one." But Peter Stollery, the Toronto MP who was chairman of the Liberal caucus, acknowledged that a number of Liberal MPs "are a little bit nervous" about the public opinion polls. A senior organizer for the Liberal Party in New

Brunswick said that “Trudeau’s popularity ‘plummeting’ is a serious concern and has been discussed openly at at least two recent party meetings.”



22 March 1976: "In the bitter cold, 35,000 workers demonstrate in Ottawa against wage controls." SOURCE: Communist Party of Canada/Library and Archives Canada/PA-126352.



28 March 1976: The reason for the glum look on everyone's face is that to their right Liberal Opposition Leader Robert Higgins has taken over the podium and is telling the audience they should give wage and price controls a chance. Left to right: George Vair, Paul LePage, Bob White, Shirley Carr, Richard Deaton. SOURCE: Saint John District Labour Council.



22 September 1976: Saint John workers protest in front of the Admiral Beatty Hotel where Pierre Trudeau was speaking to a business crowd. SOURCE: Saint John District Labour Council.



14 October 1976: Labour Council President George Vair with West Side demonstrators in the early morning hours. With him on the right is Dave Shannon and on the left is Wayne Hall, both members of Local 24, National Harbours Board Employees. SOURCE: Saint John District Labour Council.



14 October 1976: King Street is filled as the demonstration moves down the hill from King's Square to City Hall. SOURCE: Saint John District Labour Council.



14 October 1976: Labour Council President George Vair speaks in front of City Hall. Standing to the right are protest coordinator Larry Hanley, Donald Montgomery of the Canadian Labour Congress and Paul LePage of the New Brunswick Federation of Labour. SOURCE: Saint John District Labour Council.

Chapter 6

A Long Hot Summer

THE CITY OF SAINT JOHN was experiencing a lot of labour unrest in the summer of 1976. Southern New Brunswick had witnessed legal strikes by electricians, labourers, plumbers and National Harbour Board employees. Wildcat strikes had occurred at the Saint John Dry Dock, the Irving Oil Refinery, the Willett Fruit Company and the city transit service. By the last week of July, decisions by the Anti-Inflation Board, an Anti-Inflation Board Appeal Tribunal and the Anti-Inflation Board Administrator had caused a hue and cry at City Hall, raised false hopes for 50,000 paperworkers and precipitated a week-long wildcat strike at the Atlantic Sugar Refinery.

On 23 July the AIB handed down their ruling on salary increases given to the non-union staff at City Hall and the city's firefighters. The Board approved the contract negotiated with the firefighters that provided increases of 36 to 42 percent over 18 months. The Board advised that they had approved the agreement because they had evidence from the city to show a verbal agreement had been reached with the firefighters prior to 14 October. They also approved increases for some non-union staff for the same reason. The majority of non-union staff, however, had their increases rolled back and were ordered to repay any monies received in excess of the AIB ruling. The non-union staff had received increases of 17 percent for 1975 and 16 percent for 1976, but the Board ruled the increases would have to be cut back to between 9 and 11 percent. The increases had been retroactive to 1 January 1975 and had been fully implemented, a situation which would result in substantial repayments for some employees.

The ruling was immediately criticized by Mayor Edis Flewelling. He said that a rollback in the wages of the non-union staff would leave some employees in the position that they were earning less than their subordinates. The city had negotiated hefty pay hikes with their four city unions. None of those agreements were required to go before the AIB, as they had been signed prior to 14 October. The *Saint John Telegraph-Journal* ran an editorial under the heading, "Saint John's Plight." The editorial read in part: "A crucial administrative dilemma faces the City of Saint John. It is in fact, nothing short of a

horrible mess, posed by the Anti-Inflation Board's rollback of non-union civic wage boosts. What a mess! A lot of innocent people are being hurt." Saint John Common Council decided to go to bat for the non-union employees. On 27 July Council passed a resolution condemning the AIB ruling and authorizing City Solicitor Frank Rogers to engage legal counsel to "carry out in the name of the city to its ultimate conclusion an appeal against the decision of the AIB."

Meanwhile, a three-member independent appeal tribunal, set up under the Anti-Inflation Act, was in the city to hear an appeal by CPU Local 30 and IBEW Local 1888, who were seeking to have the Administrator's controversial ruling of 13 February overturned. This would be the first case heard by an anti-inflation review tribunal that had been established as a result of amendments to the legislation to allow access to appeals. After hearing opening statements from the lawyers, Lucien Cardin, who was chairman of the tribunal, advised the lawyers that, in the minds of the tribunal, "Just what powers the administrator, Mr. Donald Tansley, had at the time of his 13 February ruling, was an important legal point." He said that the administrator's order was based on the Act and guidelines as they were at the time, but that the legislation was changed in May and it appeared to be retroactive. Cardin said that it was pertinent to establish whether Mr. Tansley was in a position at the time of the ruling to determine any more than whether the AIB ruling was in line with the guidelines and not make a determination on the amount of the award.

On completion of the presentations from the lawyers on this narrow legal point, the tribunal issued their order. They ruled the matter should be returned to Tansley. The tribunal found that retroactive legislation passed in May gave Tansley the power to decide if the amount allowed by the Board should be altered. In the judgement, Cardin said: "The tribunal is satisfied that at the time the administrator made his order he did not have the power and did not in fact exercise the power that was bestowed on him retroactively." Prior to the amendment, the legislation allowed the administrator only to approve or disapprove an order of the AIB. Under the new legislation the administrator could review the validity of the amounts that were allowed by the Board.

CPU President Henri Lorrain said he was satisfied with the judgement, "Even though it was made on a point of law rather than on the merits of our case." The decision raised a glimmer of hope for the workers at the Irving Mill and the 50,000 other paperworkers across the country who had "me too" clauses in their collective agreements. It was too good to be true, how-

ever. In the end, paperworkers from British Columbia to Newfoundland would still be held to wage increases in the range of 14 percent.

While the appeal tribunal was returning the Irving case to Tansley, Tansley was issuing an order on the AIB ruling at the Atlantic Sugar Refinery. The union and company had jointly appealed the March decision of the AIB. The company and the union attempted to convince Tansley that there were historical relationships with other sugar refineries and companies in the Saint John area, which would justify the negotiated 14 percent increase. On 29 July, Tansley issued his decision. He rejected all the arguments made by the company and the union and upheld the original AIB ruling. As was becoming his practice, Tansley went further. He also fined the company \$30,000 for continuing to violate the guidelines and ordered the company to deduct \$30,000 from the future wages of employees.

Following the original AIB order in March, the company had adjusted the wages to comply with the 8.29 percent increase sanctioned by the board. But in his order Tansley said that the \$30,000 the company had been ordered to deduct from the future wages of the employees and paid to the crown represented the amount which the employees received in excess of the guidelines. The administrator and his auditors had found the company had not made the proper calculation when they made the adjustment. According to Tansley's figures, the employees were still being paid a cent or cent and one-half too much!

"We're not going to take this lying down," said Lorne Kilpatrick, president of Local 443. "We're definitely going to fight it." Kilpatrick said that he couldn't understand why the workers had been fined. "Ever since the AIB ordered the rollback in March the company was supposed to be paying us at the 8.29 percent level. Now the administrator and his auditors have found we've been getting a cent or a cent and one-half more and are fining us. Why should we be fined? We don't keep the company books. We're not sure of our next step, but we'll take it to the Supreme Court, if necessary," said Kilpatrick. But about 50 of the workers at the sugar refinery had no difficulty in figuring out what their next step would be.

In the early morning hours of 30 July about 50 of the 300 union members established a picket line at the gates of the sugar refinery. Carrying placards reading, "AIB Unfair To Sugar Workers" and "Sugar Workers To Fight Decision," they were successful in preventing anyone from reporting to work. Other union members refused to cross their picket line. Longshoremen who arrived to load a ship also refused to cross the picket line, bringing the entire site to a standstill. A spokesman for the picketers told the media, "This is not

against the company. This is a wildcat walkout not backed by the union, not called by the union. We're just fed up and disgusted." Kilpatrick, who was on vacation, showed up at the gates, but had no success in attempting to talk the workers into abandoning their picket line. A number of workers said that they didn't think the strike would do any good, but they would not cross the picket line. As one worker outside the gate put it, "This is only hurting the company and ourselves, not the AIB, but who can blame them? I wouldn't cross their picket line." Picket lines remained at the refinery site over the long weekend. Following a union meeting Monday evening, Lorne Kilpatrick emerged to announce there was "no way" the workers would go back to work, but stressed the strike was not supported by the union executive.

Meanwhile, Labour Minister Rodman Logan was appealing to the workers to return to work. He said that the New Brunswick Industrial Relations Act did not allow a strike in protest of a decision by the AIB or its administrator and that he was "advising the workers to return to work." He said that wildcat strikes of this kind placed strains on the industrial relations system. But Logan also advised the workers he was calling on the administrator to reconsider his decision. In his telegram to Tansley, Logan said, "The acceptability of the entire anti-inflation program is placed in grave danger by a series of decisions and reversals that has characterized the handling of the Atlantic Sugar case." He asked the administrator to reconsider his ruling that upheld an earlier AIB decision to roll back wages from 14 to 8.29 percent.

On 5 August the company purchased a half-page ad in the *Evening Times-Globe*, where they posted "An Open Letter to our Employees." The company said that they understood the employees' dissatisfaction with the order. They explained that it was difficult to calculate exactly 8.29 percent of wages and benefits and apparently the existing rates were one to two cents per hour above the required level. The letter said that the average sum in overpayment, which would have to be collected, was approximately \$85.00. The letter concluded by threatening legal action against "those responsible" if the employees did not return to work.

Over the weekend I visited the picket line and met with the executive members of Local 443. We issued a news release condemning Tansley's decision and said that the labour council was offering moral and financial support to the union. I said that Labour Minister Logan was being hypocritical. I accused the minister of talking out of both sides of his mouth at the same time, as his government was fully supporting the wage control program. I said, "This decision made it clear that Tansley was attempting to intimidate

workers into not appealing Board decisions." The case had illustrated the warning given by Tansley in a speech shortly after the legislation was amended to allow for easier access to appeal. He had said, "Employee groups who insist their cases come before the administrator, risk having the Anti-Inflation Board's recommendations for pay awards slashed."

That week Leo Labrosse, President of Atlantic Sugar, flew to Saint John from the company's head office in Montreal to meet with the union executive and the union membership. Following the meeting with the company president, the union membership voted to end their one-week wildcat strike and return to work. The workers had decided to fight the decision through an appeal to the federal cabinet. The union would appeal the decision, but each union member would also file an individual appeal. The union said that there were provisions in the Anti-Inflation Act that, where an order is made by the administrator that affects a person, that person can petition the government to have the order changed. "We want them to realize that there are some pretty disgruntled people down at this end of the country," said Lorne Kilpatrick, "If the union made a single appeal to the Cabinet it would probably get less consideration than three hundred individual appeals."

The walkout at the sugar refinery over Tansley's ruling was not an aberration. Many workers went on wildcat strikes to protest decisions of the AIB or the administrator, including mineworkers in Sparwood, B.C., Alcan workers in Kitimat, B.C., hydro workers in Saskatchewan, steelworkers in the Yukon, marine workers in Saint John and Halifax, and workers at the Willett Fruit Company in Saint John, a unit which I was responsible for. Other workers prolonged legal strikes simply because the company decided to hide behind the AIB guidelines, refusing to implement the negotiated settlement. UAW Local 112 members at de Havilland Aircraft stayed out three and a half months to force implementation of what they had negotiated and UAW Local 195 workers at Canadian Salt walked the street for more than seven months before the company agreed to implement their negotiated contract. Many workers, however, did suffer rollbacks, notwithstanding their long and bitter strikes against the controls.

As a representative for RWDSU Local 1065, my first encounter with the AIB involved a collective agreement with the Willett Fruit Company. Willett Fruit, a wholesale food distribution warehouse, was a local Saint John company dating back to 1905. In the early 1970s, Dominion Stores bought controlling interest in the company and expanded the Saint John plant. The company became a subsidiary of Dominion Stores and began supplying all the Dominion outlets in New Brunswick. The wages at Willett Fruit had al-

ways been among the lowest in the industry. The workers saw the Dominion purchase as an opportunity to bring their wages in line with other Dominion Store warehouse operations. The company was willing to oblige, as they had been experiencing a large turnover, losing skilled workers to higher paying jobs in the construction industry.

My predecessor had concluded a collective agreement in February. The agreement provided for a 12 percent increase effective 1 January, an additional 5.3 percent on 1 August and an additional 2.5 percent on 1 November, for an increase on the rate of more than 20 percent in the first year of the agreement. The agreement was concluded at the same time Tansley was fining Irving and the unions \$125,000 for exceeding the guidelines. The company used this incident to convince the union that only 8 percent should be implemented, pending a decision on the remainder of the increase by the AIB. Apparently, the company had convinced the union they would have a decision within 30 days.

However, from the time I started servicing the group we had been badgering the company to implement the total wage increase. When the second wage increase came due in August, and there was still no word from the AIB, we staged a one-day wildcat strike to protest the delay and the refusal of the company to implement the negotiated increase. As a result of the wildcat strike, the company agreed to request a meeting with the AIB, where the union and the company would make a joint presentation as to why the negotiated settlement should be approved.

The company was successful in arranging a meeting, and on 17 September our Chief Shop Steward, Redvers Speight, the company personnel manager and I flew to Ottawa to make our case before the AIB. Unfortunately, we never laid eyes on a member of the Board itself, as we were only provided an audience with a single bureaucrat. We felt our strongest argument was the high turnover the company was experiencing and made the case that the increase was justified on the basis that the employer could not hold or attract workers at existing wage rates. We were confident the negotiated settlement would get approval, as the high turnover was affecting the company's productivity and many of the workers were making less than \$3.50 per hour. The 75 workers had been waiting since February for the AIB to rule on their settlement. They would not have to wait much longer.

On 24 September the AIB issued their ruling. They ordered the first year wage increase be reduced to 8 percent and the second year reduced to 7.9 percent from the negotiated 14 percent increase. Redvers Speight told the media that both the union and the company were appealing the decision.

He said that the reduction would be costing the workers more than \$1.00 per hour during the second year of the agreement. "That's a lot of money when you're only making \$160 a week," said Speight. He said that workers would not accept the AIB decision and would fight it in any meaningful way, including work stoppages.

Chapter 7

Planning the Day of Protest

AS THE SUGAR REFINERY WORKERS were returning to their jobs on 6 August, Joe Morris and the Prime Minister were again meeting in Ottawa. Prior to the meeting, Morris had said that he was giving the government "one more chance to withdraw the restraint program." Following the meeting, Morris released a statement saying that the government again had not seen fit to abandon wage and price controls and that a "Day of Protest" would be scheduled. The date of the "National Day of Protest" would be decided shortly.

On 12 August the CLC executive council met with approximately 100 top officers of its affiliated unions. Following the meeting, Morris told a news conference the executive council had decided, after consultation with their affiliated unions, that 14 October would be the "National Day of Protest." The date would mark a full year of wage controls. He said that the Congress was inviting the participation of senior citizens, students, farmers and people from all walks of life. He said it was decided to hold a "National Day of Protest," rather than just work stoppages, so that unorganized workers, pensioners, students, unemployed people and others not in a position to take part in walkouts could share in the demonstration. The theme would be "Out to Fight Controls." He announced that John Simonds, the Congress executive secretary, had been appointed as the national co-ordinator for the event.

John Simonds was well known in Saint John. A native of the city, he had worked at the Atlantic Sugar Refinery, where he served as president of Local 443. In 1953 he was appointed the Atlantic representative for the Bakery and Confectionery Workers, International Union and served in that position until 1966, when he moved to Ottawa to become national director of organization for the Canadian Labour Congress. In 1969 he became director of international affairs and in 1972 was appointed the CLC's executive secretary. I knew John Simonds, but not very well. He had moved to Ottawa about the same time that I was becoming involved in the Saint John labour

movement. But in the next eight weeks we would become much better acquainted.

Joe Morris hardly had the words "National Day of Protest" out of his mouth, when the media, business and government embarked on a campaign to discredit the union leadership and intimidate workers into not participating. The media were relentless, both in their news coverage and editorials. They called it irresponsible, reckless, foolish, labour's folly, wrong-headed, shortsighted, counter productive and any other negative adjective they could put their hands on. When Tom Saunders, president of the 3,700-member Canadian Airline Employees Association, said that his members would not support the protest and the Teamsters, who were not affiliated to the CLC, said that it was unlikely they would join the walkout, the *Saint John Telegraph-Journal* ran a huge headline across the top of the front page — "Popularity Of CLC Walkout In Doubt."

Editorials were designed to belittle the union leadership and split the labour movement. The following editorial, entitled "Hitting The Bricks" appeared in the 14 August issue of the *Telegraph-Journal*. This editorial was typical of editorials carried in newspapers from one end of the country to the other:

Millions of dollars are lost each year in Canada in strikes, work stoppages and lost production, and now we have the call of the Canadian Labour Congress for a national one day strike in defiance of the government's anti-inflation programme. In effect, the workers of Canada are being asked to toss more money down the sewer to show their disdain for the government of Canada. Some early calculations indicate that day of defiance could cost the workers of Canada \$75,000,000 or more. To what purpose? What is gained by asking the workers of Canada to rise on October 14th, to light a match and burn a fifty-dollar bill? Will that bring the government to its knees?

The answer is no, unless Pierre Elliott Trudeau and his colleagues in cabinet fall to their knees in laughter at the futility of labour's protest as all that money goes up in smoke.

John Simonds's response to such editorials was that they did not concern him much. He said, "I have read the newspapers for years and I can't really recall too many editorials that were all too favourable to us."

Unfortunately, Simonds handed the media some more ammunition. As if calling the "National General Strike" a "National Day of Protest" wasn't confusing enough, Simonds referred to 14 October as a "National Holiday." He had said, "When workers stay home on October 14th — a national holi-

day is the way to describe it — employers should take the adult approach and not prosecute employees for breach of contract.” The media quickly seized on his statement to degrade and trivialize the strike. *The Ottawa Citizen* ran an article by Russell Mills entitled “CLC’s Whatchamacallit — Will There Be Placards — Or Picnic Baskets?” Don McGillivray had an article in *The Hamilton Spectator* under the headline “Day Of Protest: Just A Holiday?” Both articles poked fun at Morris and the CLC, with McGillivray’s article stating, “It will be about as much like a general strike on the pattern of Britain in 1926 or Winnipeg in 1919 as a firecracker is like a hydrogen bomb.” Mills’s commentary said, “National holiday? — Gee, they hardly gave us time to get used to calling October 14th a ‘day of protest’ after it was changed from a ‘national strike.’” These and similar articles were carried in newspapers throughout Canada. The 6 September issue of the *Telegraph-Journal* carried a cartoon of Joe Morris, all decked out in hardhat, work boots, overalls and cigar. He had a picnic basket in one hand and a picket sign in the other. The picket sign read “Behold National Strike Protest Holiday Is Near.” The words “strike” and “protest” were crossed out.

As the media mocked and ridiculed the “National Day of Protest,” business establishments across the country carried out a campaign of threats and intimidation. The Canadian Manufacturing Association (CMA) urged its members to take legal and disciplinary action against workers who took part in the one-day protest. CMA president Rod Bilodeau said, “A strong consensus has already developed among our members to claim damages against the unions and discipline employees who strike illegally.” He said, “Along with every responsible Canadian we urge the Federal Government to stand firm in the face of threats of disruptive illegal actions.”

But the federal government needed little prompting. Speaking to a convention of labour mediators on 16 August, Labour Minister John Munro said, “A day of illegal work stoppage would do more harm than good to the labour movement. As a political instrument it is doomed to failure.” Munro warned that workers who went along with such a strike would risk retaliatory action from employers, including possible dismissal from their jobs and loss of pay. He said, “The threatened strike is now being used as, in a sense — blackmail is probably too strong a word — but as a weapon in a political way to mount an offensive against a legitimate government that was democratically elected.” Of course, Munro never thought to mention that his government had been democratically elected on a promise not to bring in wage controls. The speeches of cabinet ministers would be only a small part of the government’s campaign against the labour movement’s “National Day of

Protest." They also announced a \$1.1 million advertising blitz to emphasize the need for continuing restraint and the virtues of their anti-inflation program. The half-page ads, that appeared in newspapers across the country, all concluded by stating, "The co-operation of most Canadians has made the first year of the anti-inflation program a good one." As the Day of Protest neared, some Liberal MPs were handing out anti Day of Protest pins. The pins, about two inches in diameter, were appealing to Canadians' patriotism. There was a Canadian flag across the top half. On the bottom half was written "I'm going to work for Canada Oct. 14."

Meanwhile, unions rallied around the campaign for a National Day of Protest. Paperworkers, steelworkers, public employees, retail workers and the building trades all supported the CLC. In Quebec, the Common Front called a news conference to announce full support from all three federations. Mike Rygus, president of the International Association of Machinists and Aerospace Workers, said "We will not only wholeheartedly support the Canadian Labour Congress, but will also collect funds from our members to defeat those politicians who advocate wage controls." Dennis McDermott said, "Not one car, not one de Havilland Dash-7 aircraft or one reaper will be built that day in any factory represented by the UAW." There was, however, one major disappointment. The 177,000-member Public Service Alliance of Canada (PSAC) announced they would not participate. "Our Board of Directors have decided it cannot morally encourage people to break the law," said Andy Stewart, president of the Alliance.

In New Brunswick, Paul LePage immediately announced complete support for the CLC's "National Day of Protest." "The New Brunswick Federation of Labour," said LePage, "was the first provincial federation to endorse by convention a general strike to bring about the removal of wage controls." In Saint John, we immediately issued a news release from the labour council, pledging full participation in the "National Day of Protest." We were not deterred by the threats and intimidation. Our Wage Control Committee saw the government and business statements and their subsequent campaigns in a positive light. It was recognition of our strength. They were taking us seriously, even starting to panic a little. We would have been much more concerned had they ignored the CLC's call for a general strike.

We scheduled a special meeting of the labour council for Tuesday evening 31 August. It was advertised as a meeting "to formulate plans for the October 14th 'Day of Protest.'" It would be open to all members of any union in the Saint John area, but would be closed to the media because it involved "internal policy and strategy." Greg Murphy, a CLC representative from

Moncton, attended the meeting to inform union members of the CLC plans. Murphy told us that each labour council would be responsible for the organizing of activities in their area. "It's yet too early to say how the protest day will be observed," he said, "but there'll be rallies, demonstrations and meetings and the emphasis will be that all workers participate in them. It won't be just another day off for them to go fishing or whatever." Murphy said all full-time union representatives would be contributing an amount equal to one day's pay toward a fund to finance the CLC's public relations campaign for the "Day of Protest." He noted that "This proposal not only has merit in itself, but serves to dispel any criticism which may be levelled at those of us working full-time in the movement that, while we are asking our membership to give up a day's pay to participate in the protest, we will be losing nothing."

The meeting gave unanimous support to the 14 October "Day of Protest." Some members at the meeting questioned Murphy why the day was called a protest and not a strike. Others felt the protest or strike should continue on a national basis until the federal government resigned or removed the anti-inflation legislation. The meeting also decided that the labour council should hire someone full-time to co-ordinate the activities in the Saint John area. The meeting also voted to send a telegram to the Council of Maritime Premiers and Premier Frank Moores of Newfoundland, who were meeting in the city. We thought it was worth repeating the argument that wage controls were contributing to regional disparity. The telegram read: "It was fully endorsed that we, the Saint John Labour Council, oppose the anti-inflation legislation and support the 'National Day of Protest' and we urge you as our elected Premiers to be 'out to fight controls' as APEC has indicated that the program is discriminatory to the Atlantic region."

The labour council executive decided to appoint Larry Hanley as the full-time co-ordinator to organize the activities around the "National Day of Protest." Hanley worked at the MacMillan-Rothesay paper mill and was successful in getting a leave of absence. A member of CPU Local 601, Hanley was an active member of our Wage Control Committee and an executive member of the labour council. At just 27 years of age, Larry Hanley was known as a young militant on the rise in the Saint John labour movement. Indeed, in less than five years he would become President of Local 601, President of the Saint John District Labour Council and President of the New Brunswick Federation of Labour. Larry was a good orator, grasped things quickly, could think on his feet and had a strong following, particularly within the CPU Local 601 membership. But Hanley had his detractors. There

were few neutrals. We use to say that some people would walk off the end of the wharf for Hanley, while others wanted to push him off. Larry and I worked well together. We shared similar ideologies, mostly agreed on tactics, both had a sense of humour and we were not afraid to take risks. Hanley had an uncanny sense of how far you could push the envelope, and he was always willing to push it to the outer limits.

The attendance at the Thursday night meetings of our Wage Control Committee started to increase substantially. There were no longer only committee members attending the meetings, as almost every local in the city started sending at least one delegate. Larry Hanley would report on the response from the various unions and other information of importance from the CLC. Delegates would give us feedback on the situation at their workplace.

The Thursday night meetings became somewhat of a social event. The labour council had purchased stencils, paint and canvass. Delegates would remain after the regular meeting, talking, joking and working on their banners and placards. When locals indicated they wanted someone from the labour council to address their membership meeting when they would be voting on the 14 October walkout, either Larry or myself would arrange to attend these union meetings. In my recollection, the one-day work stoppage was not a hard sell to the membership. I never pleaded with anyone to participate. I would go over some of the AIB rollbacks in the Saint John area and explain what this meant for the workers. I would then say, "If you think this is good for you and you like the program, then you should be at work on October 14th. If you agree with us that the program is a sham, then join us on the streets on October 14th."

One new delegate who started showing up at our meetings was a chap by the name of Jay Baxter. Baxter worked at the dry dock and was a member of IBEW Local 2282. He was a large, stocky man, in his mid-30s and had noticeably red hair. He told me he was from Ontario and that he had been active in the Communist Party of Canada. He had, however, been in Saint John for sometime, as he had run in the Saint John riding as a Marxist-Leninist candidate in the 1974 federal election. Baxter made it a point to become very friendly with me. He started calling me at home on a regular basis. He would make suggestions about things we should be doing, some of which had considerable merit. He told me he detested "Labour's Manifesto." He said that we were in a class struggle and the CLC was moving in the wrong direction. Baxter seemed much too interested in my views on a wide range of subjects. One evening during a phone conversation, he said, "I don't think Trudeau

will do anything about these controls unless there's a little violence. History has shown that violence is the only way for workers to get the government's attention. What do you think?" Shortly after 14 October Baxter disappeared. Rumour had it he moved to British Columbia. I thought at the time, rightly or wrongly, that he was an RCMP informant.

John Simonds announced that he was setting up information meetings across the country. The meetings would start in Vancouver on 30 August and end in Moncton on 9 September. There were two meetings scheduled in each of the selected areas. In Moncton, one meeting would commence at 10 a.m. and the other at 2:30 p.m. The morning meeting would be for labour councils and the afternoon meeting for full-time staff representatives. As I was president of a labour council and a full-time staff representative, I attended both meetings.

Simonds told the meetings that the CLC was receiving tremendous support across the country. He reminded the full-time staff to make their one-day's pay donation to the CLC's special protest fund, if they had not already done so. He said that there were approximately 2,000 full-time union staff in the country and the response so far had been terrific. Upon receipt of the donation, the Congress would issue a business size card signed by John Simonds, National Co-ordinator. The card had the CLC crest on it and read: "This will acknowledge your contribution in the amount of \$_____ to the special protest fund. This display of solidarity will be greatly appreciated by your fellow trade unionists." I still have the card I received for my day's pay. The amount reads: \$45.68.

Simonds asked the full-time staff to hold special meetings of every local union in the area that they serviced and explain the CLC program and "solicit their wholehearted support." He asked each person to give an update as to what was happening in the areas. I reported that Saint John was planning a march, but plans had not been finalized. I said that the city would definitely be "going down" on 14 October. Simonds stressed that anyone planning a march or parade was to make sure they obtained a parade permit from the proper authorities.

Following the meeting John Simonds and Paul LePage held a news conference. LePage told the media there was every indication that a full labour shutdown in the province was likely on 14 October. He said there was not a major union in New Brunswick which did not support the NBFL stand behind the CLC: "October 14th won't be a beer party or a picnic, I can tell you that much."

Meanwhile, as Gallup was releasing an opinion poll showing the government's popularity had plummeted to 29 percent, the government was announcing amendments to the anti-inflation legislation. On 7 September, Finance Minister Donald MacDonald announced, in a 22-page review of the controls program, that the anti-inflation program would be easing controls over company profits, if they were investing in Canada. The finance minister said that the government was abandoning its requirement that companies hold down profit margins on individual product lines as well as on over-all operations: "In the future they need only obey the limits on over-all profits." Another key change was that companies would be allowed an investment tax credit for purchases of production machinery. Companies could now deduct 50 percent of the value of these investments from any excess revenues in calculating allowable profits. MacDonald said businessmen had submitted more than 500 briefs on the program to the federal government and that "Many of the briefs argued the existing controls might force reduced investment and the loss of jobs."

There was no question that these changes were made as a result of mounting pressure from the business sector. But the amendments did little to satisfy anyone. The reaction from business was that the government had the right idea, but didn't go far enough. The Saint John Board of Trade's general manager, Terry Alderman, said that the changes were only a partial measure. He said, "As far as we're concerned profits are still restrained too far." Labour, on the other hand, pointed out a different lesson: when big business leans on the government, the government backs down, but when labour attempts to bring pressure on the government, the government attacks it, threatening workers with prosecutions. In a CLC news release Shirley Carr said that the changes made the controls program more generous for business, while the allowable wage increases went down by another two percent after the first year. "The government has demonstrated once again it will respond to a refusal to invest — that is a strike by capital — by changing its policies," said Carr, "but is threatening workers with prosecutions if they join the 'National Day of Protest.'"

Locally, I told the media that the changes were proof that the program was a wage control program only. I said, "I'm not surprised with the changes, as both the Liberal and Progressive Conservative parties are arms of the business community." I said that business had great influence on the government and that the corporations had much to do with the control program from the very beginning. "The changes would convince more workers to join the October 14th 'National Day of Protest,'" I added.

Chapter 8

A Visit from Trudeau

ON 13 SEPTEMBER WE LEARNED that Prime Minister Trudeau himself would be making a tour of the Maritimes. He would be spending three days in New Brunswick and would be in Saint John on Wednesday 22 September. He was scheduled to address a combined meeting of Saint John service clubs, and a spokesman in the Prime Minister's Office said that his speech was expected to concern the economy and be of "national significance."

Soon after the announcement that Trudeau would be visiting the city, I started receiving calls from local labour leaders wanting to know what we had planned for Trudeau's visit. Our committee met immediately and decided to organize a protest rally. We wanted to let Trudeau know Saint John workers were not pleased with the treatment they had received from the AIB and were prepared to fight his anti-inflation program. In Ottawa John Simonds suffered an anxiety attack when word reached him that we were planning a rally to protest Trudeau's visit. Simonds called and pleaded with me to cancel the protest. He knew that workers at the sugar refinery, pulp mills and dry dock were extremely upset over AIB rollbacks and he was concerned some incident might happen that could jeopardize the entire "National Day of Protest." He told me, "Trudeau's just the guy who would provoke something." There was no doubt that Simonds viewed the Saint John Labour Council as a "loose cannon."

On 20 September Larry Hanley, Barb Hunter and I called a news conference to announce that workers protesting the controls program would be greeting the Prime Minister when he arrived in the city. Larry Hanley told the media that the labour council had not been able to obtain a detailed itinerary of the Prime Minister's Saint John tour but, "If you can tell us where he's going to be, I'll tell you where we will be protesting." Hanley said that the labour council expected there would be some work stoppages in some areas of the city, as workers might leave their jobs to join the protest. He said that it would be a protest rally only. No speeches would be made, and labour would not be talking to Trudeau. "We don't plan to do any talking with Tru-

deau," said Hanley. "He has been talking at us for the last 365 days. The time for talking is past. Now is the time for concrete action."

The reporters quickly switched the subject to the "National Day of Protest." They wanted to know how many local unions would be participating. Hanley said no locals had indicated they would not be participating. He said that some form of march or rally would be held, but plans had not been finalized. I told the reporters that 14 October was "just one step" in action leading to the withdrawal of the anti-inflation program. I said that the local labour movement was prepared for a second day of protest, or rotating strikes, or whatever action the CLC deemed necessary to end the program. When a reporter asked, "What are you people calling October 14th?" Hanley shot back, "It will not be a holiday or a picnic. Call it a general strike or work stoppage, we're not opposed to those words."

When it was confirmed that Trudeau would be addressing a noon-hour luncheon at the Admiral Beatty Hotel, we decided to organize a rally in King's Square. This was the only event our committee planned for Trudeau's visit, but union activists from the sugar refinery again took the initiative. When Trudeau arrived at the hotel Tuesday evening, about 50 jeering demonstrators, all members of Local 443, Bakery and Confectionery Workers, were on hand to greet him. They had a large hand-painted banner, strung out on two mops. The banner read: "ROLL BACK TO OTTAWA TRUDEAU — YOU MAKE US SICK." The Prime Minister proceeded quickly into the hotel, completely ignoring the demonstrators despite their loud boos and catcalls.

Shortly before noon on Wednesday, members of CPU Locals 30 and 601 at both paper mills and workers from Local 443 at the sugar refinery, started to arrive in King's Square to protest the Prime Minister's visit. Members of the building trades, workers from Willett Fruit, autoworkers from Canada Wire and Cable and Northern Electric plants, workers from the oil refinery, dry dock workers (including carpenters, marine workers, electricians and machinists) soon arrived to swell the ranks on King Street South in front of the hotel entrance.

The city police and the RCMP were out in full force. City police officers quickly moved to barricade King Street South, diverting traffic along Charlotte Street. By 12:30, public employees, letter carriers, and postal workers had joined in, bringing the number of protesters to between 500 and 600. The demonstrators chanted such slogans as "Down With Trudeau," "Make The Rich Pay" and "Fight Inflation Not Workers." Many of their signs bore the familiar padlock with the "Why Me?" slogan. Other signs read "AIB Unfair to Sugar Workers," "Let's Fight Trudeau," "AIB Must Go," "Trudeau is

Dictatorship." The activists from the sugar refinery were back, displaying their hand-painted banner spread out between two mops. A photo of Barb Hunter, carrying a placard with a picture of a monkey dressed up in a Napoleon uniform, was picked up by the Canadian Press and ran in newspapers across the country. She had written "Trudeau" across the bottom of the poster and the caption read: "Let's screw the working class!!" The *Ottawa Citizen* carried the photo, with the caption "So there, Mr. Trudeau — Prime Minister Trudeau paid a visit to Saint John, N.B., Wednesday and was met by chanting labour union members protesting his wage and price controls program. Among the demonstrators was this woman, carrying a placard, which left no doubt as to how she feels about Trudeau and his policies."

Many of the protesters were in work clothes and hard hats as they had just "downed tools" to join the protest. At Willet Fruit we simply advised the company that we would be taking an extended lunch hour. Most companies, however, were left with skeleton crews. The press reported that the employees' absence from work affected the companies, but enough employees had remained on the job to prevent complete shutdowns. After about an hour of shouting slogans, the protesters marched once around King's Square and dispersed. Larry Hanley told the protesters to "Go home and come back on October 14th." The press reported: "While vocal, the demonstration was not violent." Interviewed at the rally, I said we were pleased with the turnout: "This will give you some idea of what October 14th will be like." I said that the labour council had not planned to protest Trudeau's visit, but so many calls had been received from union locals that it was decided something should be done.

Inside the hotel, Trudeau received a much friendlier reception. The audience of about 375 gave Trudeau a standing ovation when he entered the hotel ballroom. Seated at the head table with Trudeau were Pat Rocca, President of the Board of Trade, who was acting as master of ceremonies, Fisheries Minister Romeo LeBlanc, Saint John MP Mike Landers, Liberal Opposition leader Robert Higgins and Mayor Edis Flewelling. Trudeau began his speech by trying to make light of the demonstration. "I could hear through my window chants of 'down with Trudeau, down with Trudeau,'" he said, "So I came down and here I am." But with hundreds of jeering demonstrators outside, Trudeau felt compelled to try to explain away his "flip-flop." The demonstration had put the Prime Minister on the defensive. He spent most of his speech explaining why the program was necessary and why his government had flipped-flopped following the 1974 federal election.

According to the *Saint John Telegraph-Journal*, Trudeau said he could “understand the people outside who protest.” Several times in his remarks he said his government had not wanted to bring in controls. “Timing is all an economic decision,” he said, “the thing can be wrong at one point and right at another, and that’s what happened in the story of controls in Canada.” Trudeau acknowledged his government had flip-flopped. “Why did we lie to you?” he asked, “Unless we can explain that, the people out there are right to be mad. Unless we can say why we flip-flopped, they have a right to say this government has lost its credibility.” He added that controls would not last more than three years, possibly less if inflation was reduced to four percent sooner.

The Prime Minister’s Office had said that his speech would be on the economy and be of national significance, but no significant announcements were made. With the Day of Protest less than a month away, Trudeau was sending a message to the labour protesters in the street: the controls are only temporary measures; the controls will be removed as soon as possible; the controls will definitely not be extended. You don’t hear a prime minister say that kind of thing; and there he was talking to a business audience inside but really he was addressing the labour protesters outside in the street. But before Trudeau left New Brunswick, he would have a less conciliatory message for the labour movement.

Following his Saint John appearance, Trudeau moved on to the northern part of the province where he received a much friendlier reception. Before leaving for Ottawa, however, he would bare the tough side of his personality. Organized labour in both New Brunswick and Prince Edward Island had refused invitations from the Prime Minister to meet with him. Trudeau was trying to divide the labour movement by meeting with the provincial federations instead of the CLC. When labour refused his invitations, Trudeau said it was “corrosive of democracy” for regional organizations to leave all the talking to “their bosses” in Ottawa. He said by doing so the local unions were admitting their impotence. Whether it was the refusal of labour to accept the Prime Minister’s invitations that made him angry or whether it was the protests that greeted him in Saint John that got under his skin, is anybody’s guess. In any event, he was not about to leave the province without giving labour a parting shot. Speaking at a news conference in Edmundston, Trudeau said that if labour refused to listen to reason and continued to resist wage controls, “Maybe I’ll have to try bludgeoning them.”

When contacted for a response to Trudeau’s statement, Paul LePage shot back, “We’re being bludgeoned now. The Prime Minister is taking our blood

now; I don't know how much more he can get." Larry Hanley said he "welcomed" the Prime Minister's remarks: "They will add a little fuel to the fire and strengthen the day of protest." John Murphy, executive secretary of the New Brunswick Federation of Labour, said, "It's definitely a hard-nosed approach, but Trudeau is wrong if he thinks labour will surrender its fight against the controls."

The Evening Times-Globe commented that Trudeau had ended his visit to New Brunswick "on a tough note": "Mr. Trudeau dropped the gloves momentarily and bared the battling side of his nature. Labour's reaction suggested the Prime Minister's tough talk would only add 'fuel to the fire,' thereby stiffening labour's resistance." Obviously the newspaper was taking the threat of the Day of Protest seriously. The editorial concluded: "What makes this especially worrisome is that Canada hardly needs that kind of eyeball-to-eyeball challenge as labour's day of protest nears."

Chapter 9

October 1976

BY EARLY OCTOBER most of the local unions in Saint John had proclaimed their support for the "National Day of Protest." Workers at the paper mills, sugar refinery, dry dock and other industries had been victims of AIB roll-backs and had been agitating for a general strike. The Saint John building trades and oil refinery workers had declared their support. Now, more unions were coming onboard. Members of the Saint John Council of the Canadian Union of Public Employees announced they had voted unanimously to support the walkout. Council President Gerald Shannon said that all 22 locals in the Saint John area would be out, although essential services would be maintained. "We have no fight with our employer and no fight with the citizens," said Shannon, "We are protesting the inequality involved in the anti-inflation program."

The New Brunswick Police Association released a statement saying that they were in full support of the 14 October protest. Sergeant Charles Swain, president of the association, said that the association "strongly endorsed the day of protest." He said that the association would advise its members across the province to provide essential services to the public in the interest of safety, but would expect every available police officer to participate fully in the activities planned for 14 October. The Firefighters also announced their support, urging all off-duty firefighters to participate. The New Brunswick Nurses Union took a similar position; Glenna Rowell, the nurses' employment relations officer, said that nurses would provide essential services, but off-duty nurses would be encouraged to participate in marches or rallies in their area.

Postal workers and letter carriers said that they would not be working, and port workers said that the waterfront would be idle. The city's public transportation system would be shut down, as members of Local 1182, Amalgamated Transit Workers Union, said that no buses would be running. The city taxi drivers, who had no formal union, announced that they had voted to shut down for a 24-hour period in support of the protest and that no cabs would be available in the city from 6 a.m. Thursday until 6 a.m. Friday.

CUPE Local 963, representing liquor store workers, announced that all New Brunswick liquor stores would be closed on 14 October, as the 500 members would be joining the protest. The New Brunswick Teachers Association had purchased newspaper ads condemning the anti-inflation program, but announced that they would not participate in the "Day of Protest." However, the New Brunswick Council of School Board Unions, representing 3,000 non-teaching staff, voted to stay off work and join the protest.

Workers were making these commitments in spite of the well-funded campaigns by business and the government to discredit the "Day of Protest" and to intimidate and coerce them into reporting for work. The Canadian Federation of Independent Business announced that they were proclaiming 14 October as "A Day of Mourning." The Federation said that full-page ads would be appearing in major newspapers across the country at a cost of \$35,000. The advertisement, in both English and French-language newspapers, showed the Canadian flag flying at half-mast against a black background. It appealed to Canadians to go to work. "Are we to be governed by law or by the wishes of a few union leaders?" asked the ad. In the meantime, companies were sending letters to their employees urging them not to take part in the protest. The letters, sponsored by the Canadian Manufacturing Association, said that participation in the protest was not proper because it was "not Canadian and is imported from other countries."

The Saint John Board of Trade would also do their part. Board President Pat Rocca released what he called an open letter to the President of the Labour Council. I read the letter for the first time when it was carried on the front page of the 30 September issue of the *Evening Times-Globe*, with pictures of Rocca and myself. I received my copy in the mail the next day. Rocca's letter may have been addressed to me, but its contents and the way it was published were intended for the rank and file. The purpose was an attempt by the Saint John business establishment to weaken the resolve of Saint John workers to participate in the "National Day of Protest." He argued that British labour had accepted wage limits of 4 percent and U.S. workers were averaging just 6 percent increases without controls, while Canadian workers were averaging 10 percent annual increases under the control program. Rocca also said the strike was illegal and would force law-abiding citizens to break the law. "The strike would be both futile and an economic waste, as both organized labour and we are well aware that the proposed action would have no discernable impact on the position adopted by the Federal Government," he concluded.

Meanwhile, the Prime Minister had started talking about dumping the controls completely. Speaking in Niagara Falls on 1 October Trudeau said, "If we can get an undertaking that they (business and labour) will not ask for more than their fair share of the national pie, we'll take controls off tomorrow." The controls, said Trudeau, were imposed to stop runaway price and pay demands and to curb inflationary expectations, he said: "The government does not like controls and would quickly abandon them if it could obtain the voluntary consent of powerful economic groups to show moderation." The government's recent Throne Speech had made references to "more consultation, more co-operation, and more involvement." Trudeau's remarks and the Throne Speech references were an attempt to weaken the workers' resolve to join the walkout. Who in their right mind would lose a day's pay and risk discipline from their employer, to protest a program that the government intended to remove anyway?

Not all statements from politicians were against labour. In Manitoba Premier Ed Schreyer said that Manitoba would end its formal participation in the federal anti-inflation program next April unless major changes were forthcoming. "Some of the decisions made under the program are so illogical that renewal of the province's agreement with the Federal Government is extremely unlikely," he said. Also, the Saint John Harbour riding of the Progressive Conservative Association announced that they were submitting a resolution to the party's annual meeting calling for revisions to the anti-inflation program, which would make its application "more equitable" to New Brunswick wage earners.

Our organizing activity was going strong, and it sometimes had its humorous side as well as some conflicts. As a result of the Thursday evening committee meetings becoming more of a general meeting, a small core of the committee started meeting separately to make strategy decisions. During one of these evening meetings Marshall Leavitt asked if I had the information we were looking for from the CLC. Thirty years later no one can remember what the information was that we were seeking. I advised the meeting that I had put in a call to John Simonds, but he had not returned my call. Leavitt stormed out of the meeting, slamming the door behind him. We all assumed we had seen the last of him for the evening, but later he returned, looking like the cat that had just swallowed the canary. Leavitt said that he had obtained the information we were after. When someone asked where he got the information, he told us that he had called Joe Morris "at his home." The next morning I had a call from John Simonds. Simonds was furious. His first words were, "If you fucking guys are looking for co-operation from the

Canadian Labour Congress, you're going about it the wrong way." When I told our committee about the phone call I had received from Simonds, we all had a good laugh.

Leavitt's call to Joe Morris was not the only problem Simonds had with our committee. We complained that the materials provided by the CLC were too wishy-washy and ambiguous. We questioned why the "Day of Protest" wasn't called a "General Strike," and we also complained about the "Why me?" logo. Larry Hanley never liked the logo. He refused to put it on any materials he was distributing to the local unions. Hanley said that it sounded like "we were crying." There was another logo that Hanley used to place on notices from the committee. It was a little man, with a large screw driven through his middle. The notation read: "Whatever Happened to Price Controls?"

Also, there was the issue of a "parade permit." The Congress had sent out a letter from Secretary-Treasurer Donald Montgomery advising that "any organization planning a march, was to make sure it obtained a parade permit from the proper authorities." In almost every conversation I had with John Simonds, or any other CLC official, they would ask if we had obtained our parade permit. I would reply that our plans were not finalized. But we actually had no intention of requesting a parade permit. We felt that if we asked for a parade permit, they would put so many restrictions on us that we might as well stay home. For us this was not a "Labour Day Parade"; it was a "General Strike." As Larry Hanley put it, "Asking the city for a parade permit would be like striking a company and asking the boss where you could set up the picket line." The parade permit became somewhat of a joke within our committee. Whenever anyone wanted to lighten things up a little, they would say, "George, have you got that parade permit yet?" and the room would break out in laughter.

The weekend before the strike, I had an unusual visitor. On Sunday afternoon, I was working in my backyard when Elton Haines, the district manager for Dominion Stores, arrived. Haines had a hobby of collecting old cars and he was driving a Model "A" Ford. He said that he had stopped in to take my wife and I for a drive in his antique car, but I knew Haines had other things on his mind. When we returned to the yard after a short drive around the neighbourhood, Haines opened up. He told me that he was concerned that if the Dominion Stores were closed on 14 October the company could lose customers to the non-union stores on a permanent basis. He told me that Thursdays were one of their busiest days and sometimes when customers were forced to shop elsewhere, they did not return. He told me at best

this could result in fewer hours for our part-time members and at worst the lay-off of full-time staff. He pleaded with me to let him have just two or three cashiers in each store. At the time, every employee in the store, with the exception of the store manager, was a member of our bargaining unit.

I explained to Haines that I was also concerned about losing business to the non-union competitors, but I was fully committed to the general strike. I told him that even if he could somehow co-opt me, I probably couldn't get anyone to work. I also told him if I did agree to let some of our members work, I would be tarred, feathered and run out of town by the Saint John labour movement, as I had been leading the campaign. I told him he was wasting his time. Elton Haines, however, was a persistent man. He would jawbone me for the next hour, trying to convince me it was in the union's best interest to keep the stores operating. Finally, we agreed that the union would set-up picket lines at the non-union stores, handing out leaflets requesting people not to shop that day, and that is what we did. After the marches and speeches were over, some of our members from the Dominion and Sobey stores set-up picket lines at the entrances to the non-union Save Easy stores.

On 12 October, Larry Hanley and I called a news conference to release details of the activities planned for the Day of Protest in Saint John. Workers would be congregating at four points of the city at 7:30 a.m. The four points were: (1) Kane's Corner on the East side, (2) in front of the Dry Dock on Bayside Drive, (3) the Tourist Bureau at the Reversing Falls Bridge and (4) at the West end of the Harbour Bridge. We intended to march across the Harbour Bridge, even though the Harbour Bridge has no sidewalk and it was illegal for pedestrians to be on the bridge at anytime. At 8 a.m. all groups would proceed towards King's Square, where workers would march around the square until all groups arrived. The procession would then continue down King Street and gather in front of City Hall. To ensure an orderly demonstration, we produced a pamphlet to be distributed to the local unions advising them where their union was to congregate.

There would be just three official speakers, representing the three central bodies. I would be speaking as President of the Saint John District Labour Council, Paul LePage would be speaking as President of the New Brunswick Federation of Labour and Secretary-Treasurer Donald Montgomery would be representing the Canadian Labour Congress. We had originally planned to have more than three official speakers, but decided to keep it to the three central bodies, so that no local union would be offended that their organization did not have a speaker. The committee decided, however, that follow-

ing the official speeches, anyone who wanted to address the protesters could do so. We had attempted to get Joe Morris as a speaker, but he had made a commitment to speak in Toronto. We were pleased to have been successful in getting one of the top four officers of the congress. The other top officers, Executive Vice-Presidents Shirley Carr and Julien Major, would be speaking in Vancouver and Quebec City respectively.

Larry Hanley told reporters that it was impossible to estimate how many workers would be in the streets on Thursday, but that the city would definitely be shut down. He said that essential services, such as police and fire, would be maintained, but off-duty personnel would be participating. Asked about reports that the provincial government would not pay employees who participated in the strike, Hanley said, "I don't know of anyone who expected to be paid anyway." We advised the media that the protest would be going ahead rain or shine. The forecast was calling for rain. Both Hanley and I were feeling very confident. Only one local union in the city had indicated they would not participate. CUPE Local 486, the City Hall inside office workers, said they had voted to be at work. But we knew the city was going down; the only question that remained was how many would join the demonstrations.

The four designated areas where we had chosen for protesters to congregate meant that all the main routes in and out of the city would be blocked. In 1976 the East end of the throughway had yet to be completed. We designated a "Parade Marshall" to be in charge of each group. Joe McLeod would be in charge of the protesters congregating at the dry dock; Larry Hanley would lead the protesters from Kane's Corner; Marshall Leavitt would head up the protesters at the Reversing Falls Bridge; I would be in charge of the protesters congregating on the West Side of the Harbour Bridge. The Wage Control Committee had hotly debated whether we should have just one area for everyone to meet, so that the crowd would look large, or to have two, three or four areas to march from. Some thought that we would never have enough participants to have respectable numbers at four different locations, but the majority of the committee were resolute to have our presence felt in all areas of the city. The instructions given to the Parade Marshals were simple: emergency vehicles were to be let through, we were to avoid any violence and we did not want anyone injured. But we clearly intended to block the streets and bridges, provided enough protesters turned out. We were determined to make our presence known. It was not going to be a holiday or a picnic.

Larry Hanley and I walked out of the news conference to discover the dry dock workers were not waiting for 14 October to take on the anti-inflation program. The 1,400 workers, represented by five different unions, walked out at 1 p.m. on 12 October to protest a ruling by the AIB administrator Donald Tansley. The unions had originally negotiated increases which provided for a 13 percent increase the first year of the agreement. The AIB had rolled that increase back to ten percent. The union and the company then appealed the AIB decision to Tansley. Tansley ordered a further rollback to eight percent — thus the walkout. The workers would stay on strike for one week. On 19 October they returned to work under what was described as “a temporary agreement with the company.”

On the eve of the “National General Strike” workers from coast to coast were receiving letters in their pay envelopes advising them to be at work. These letters advised the workers that no matter what the Canadian Labour Congress called 14 October, it was a one-day general strike. The letters said the strike was illegal, in violation of both provincial labour laws and their collective agreement. The letters would conclude by advising the employees that the company intended to operate and “would expect that our employees will accept and live up to their responsibilities under the collective agreement and provincial labour laws by reporting to work on their regularly scheduled shifts on Thursday, October 14th.” Some of the letters threatened to take legal action against the workers and the union if they participated in the strike. It was more than pure coincidence that letters from different companies were similar in content and language. It was obvious that a central business body was instigating them.

On Wednesday afternoon I picked up Donald Montgomery at the airport. After checking him into the Admiral Beatty Hotel, we went for a coffee. Montgomery wanted to know the details of what we had planned and where he would be speaking. I explained that we would be marching from four different areas of the city and all main routes in and out of the city might be blocked. Montgomery asked, “How to hell did you get a parade permit for that?” When I told him we did not have one, he was not pleased. Montgomery told me that if we got in trouble for not having a parade permit, he hoped I didn’t think that the Canadian Labour Congress was going to bail us out.

Chapter 10

The Saint John General Strike

WHEN MY ALARM CLOCK went off at 6 a.m. Thursday morning, I woke to the sound of torrential rains pounding against the windowpane. My first thoughts were that anyone who was not totally committed to this protest was going to roll over and go back to sleep. The rain was accompanied by high winds and a temperature of just nine degrees — not a pleasant day to be in the streets.

I arrived at the lower West Side shortly after 7 a.m. About 7:15 a.m. others started to arrive and we got out of our cars and gathered on the corner of King Street West and Market Square. By 7:30 a.m. more protesters had showed up, but not as many as we had anticipated. The Harbour Bridge area had been designated for port workers. The port was completely closed down as no one reported for work, but apparently most of the longshoremen had rolled over and gone back to sleep. By 8 a.m. approximately one hundred protesters had arrived, fewer than we had hoped for, but the other designated areas would not disappoint.

This was long before the days of cell phones. We had not made any arrangements for communications between the parade marshals. As we were getting organized to commence our march over the Harbour Bridge, someone arrived to tell me there was an ugly incident at the Reversing Falls Bridge. He said that he thought I should get over there. I asked longshoreman Jimmy Orr, a member of our Wage Control Committee, to lead the protesters over the Harbour Bridge and I headed for the Reversing Falls Bridge.

When I arrived, the protesters, who had been blocking the bridge for more than an hour, were now starting to move off the bridge and down Chesley Drive. Police had been diverting the traffic to the Harbour Bridge. The incident had been resolved. Apparently a woman in a Volkswagen arrived at the bridge and claimed she had a dental appointment for her daughter. While the leaders were discussing whether or not this was to be considered an emergency, she stepped on the accelerator, attempting to drive through the crowd. Two or three large men quickly lifted the rear of the car off the ground, while another opened the engine hood and removed

the plug wires, bringing the car to an abrupt halt. The woman got out of her car screaming at the protesters. Part of the car bumper had been broken off and the woman complained to the policeman, Blake Morash, but she could not identify who had caused the damage. By the time I arrived, someone had put the plug wires back on and sent her on her way.

I joined in with the protesters as they moved off the bridge and down Chesley Drive. The heavy rain had eased up and it was now alternating between a drizzle and heavy showers. A CHSJ-TV station wagon and cameraman were travelling in the middle of the procession. As we passed Thornes Hardware, the protesters noticed a number of cars in the parking lot. Thornes employees were not unionized at the time — in 1980 they would join the Retail, Wholesale and Department Store Union, Local 1065 — and the employees were at work. Some overzealous protesters decided to let the air out of the tires of the cars in the parking lot. Paul Von Richter, the CHSJ-TV cameraman, followed the protesters and started to film them loosening the tire stem valves. Marshall Leavitt quickly brought the entire procession to an immediate halt. As the protesters circled around the cameraman, Leavitt ordered him to remove the film from his camera. Von Richter nervously dumped the film out of his camera onto the street; the film was promptly deposited into the Saint John harbour by one of the protesters. When the procession moved on, the CHSJ-TV station wagon was left sitting in the middle of Chesley Drive with four flat tires.

Meanwhile, some of the cars the police had diverted from the Reversing Falls Bridge to the Harbour Bridge ran into the same problem there. Jimmy Orr and the protesters from the West Side had the Harbour Bridge blocked. Police were diverting them back to the Reversing Falls Bridge, which had now been vacated by the demonstrators. The march from the Reversing Falls Bridge proceeded without further incident until we reached Market Square. As we moved through Market Square, en route to King's Square, we met up with Jimmy Orr and the protesters from the West Side and others who, for whatever reason, did not march from the designated areas. They had gathered at Market Square, in front of City Hall. They were setting up roadblocks at King Street, Prince William Street, Water Street and Dock Street (now St. Patrick St.).

There was another incident when a car tried to push through the demonstrators on its way from Dock Street to Water Street. As the protesters moved to block the vehicle the driver stepped on the gas, sending one protester flying onto the street and another riding on top of the hood as the car proceeded to Water Street. The protester jumped off the car as it entered

the Parr Town Tavern parking lot. With other protesters in hot pursuit the driver managed to get back on Water Street where police flagged him down and protected him from the angry crowd, who were threatening to overturn his vehicle. Some other cars tried to run the barricades, but backed off when protesters started pummelling their cars with their placards. Finally, Police Chief Eric Ferguson arrived and ordered policemen to block off Dock and King Streets. Marshall Leavitt and I then led the entire procession up King Street where we joined protesters who were arriving from the other destinations.

The protesters gathering at the entrance to the Dry Dock had Bayside Drive blocked off early, despite the chilly wind and heavy rain. After blocking the street in front of the Dry Dock for more than an hour, the protesters started marching eight to ten abreast toward the causeway. With loudspeakers on top of vans blaring out "Solidarity Forever," the protesters were taking the rain and chilling wind in stride. Traffic Inspector Russell Moore arrived on the scene and asked the protesters to open one lane so traffic could alternate going to and from the city. Joe McLeod decided to hold a vote among the protesters. Not surprisingly, the Inspector received a resounding "No." But Joe McLeod did have the road cleared on several occasions. Hugh Fitzpatrick tried to ram his way through, but the protesters would not move. Fitzpatrick got out of his car in a fighting mood, but McLeod calmed him down and had the street cleared when he discovered Fitzpatrick was on his way to a funeral. Also, a truck was let through when it was learned they were taking a man with an injured foot to the hospital.

The procession ran into some difficulty at the intersection of Bayside Drive and Mount Pleasant Avenue as traffic was coming from all directions. Once on the causeway, slowly marching eight to ten abreast, the marchers forced a number of motorists to turn around and return to the city. Some of the protesters ran ahead and set up a blockade at the western approach to the causeway to prevent any more vehicles from entering. This resulted in what could have been a tragic incident. A driver in a pickup truck was coming down Union Street and approached the barricade at high speed, shouting at the protesters to get out of the way. The truck veered off just before hitting a number of them. It finally got hung up on a guardrail, but not before injuring two people. With blood running down the side of his head and face, protester Kenneth Hobbs told a reporter, "This guy is crazy. It's the only trouble we've had. He made no attempt to stop until he got caught up on the guardrail." "Then we smashed the back window out of her," said another protester who refused to give the reporter his name. "Someone could have

been seriously hurt," said marine worker Donald Urquhart, and added, "Everyone else has been real courteous to us." A woman had also been injured when she was pinned against the guardrail, but both refused hospital treatment.

As the demonstrators proceeded along Union Street, another incident occurred. A car coming down Wentworth Street crossed through the marchers at Union, sending them scrambling to get out of its way. "We don't want any violence," shouted Joe McLeod through a megaphone as some of the protesters broke ranks in chase of the vehicle. "It's a good job he got out of here," said McLeod, "or they'd have upset him." The procession then continued without further incident to King's Square, where they met up with the other protesters.

The protesters from Kane's Corner were the largest group and, perhaps for that reason, marched to King's Square without a major incident. Led by Larry Hanley and Paul LePage, they proceeded along Thorne Avenue, City Road and up Garden Street, completely blocking traffic along the way. In a letter to the newspaper after the protest, a businessman from London, Ontario, complained the demonstrators had made him late for a meeting in Moncton. He had stated in his letter, "I left the Colonial Inn to drive to Moncton to keep an appointment and was prevented from driving down City Road by several hundred persons surging towards me."

Once all the protesters from the designated areas arrived at King's Square, they marched around the Square three or four times, blocking all traffic from entering Charlotte Street, Sydney Street, King Street North or King Street South. They shouted slogans and carried large banners displaying the name of their union, and placards with such messages as: "Where Are Our Freedoms?" "Why Us?" "The Lord Giveth and the Trudeau Government Taketh Away," "The AIB Is Anti-Labour Legislation," "We're Out To Fight Controls," "We've Been Patient Much Too Long!" "Whatever Happened To Price Controls?" and "Make The Rich Pay." They then proceeded down King Street to Market Square where they gathered in front of City Hall. Although soaked through to the skin, the rain and cold didn't seem to bother the crowd. The workers were in good humour, joking, singing and chanting slogans.

While waiting for the speeches to begin, some of the protesters noticed the office workers in City Hall looking out the windows. They started shouting, "Come on down, Come on down." When someone shouted, "Let's go up and get them," about 20 of the protesters charged through the front doors of City Hall and up the escalators into the lobby. The police and some labour

leaders quickly scampered after them. They were hurriedly ushered back out to the street, but not before one of them set off the building's fire alarm.

The speeches were all short — ten to 15 minutes. I told the demonstrators that workers were the ones who built this country, but that every time the economy got a hiccup, workers were the first to be attacked. I said that today was only the beginning in our struggle to force the removal of the government's Anti-Inflation Program. I predicted that there would be more general strikes or rotating strikes within the next year and urged the workers to continue their support. Donald Montgomery appeared caught up in all the excitement. He told the crowd, "You have done your part and I know you'll continue to do your part ... until we get rid of this god damned ill-advised controls program." To roars of approval, he said "We'll get that bastard Trudeau yet."

Following the official speakers, I advised the demonstrators that anyone who wished to address the crowd was welcome to do so. A number of the demonstrators took me up on the offer and delivered short speeches, including Fred Hodges, who told the crowd, "This is the best day of my labour life, to see so many people in unity." Larry Hanley told the demonstrators, "It was the workers who made the day a success." He then added, "Don't shop today. Let's not give the labour dollar to this city today." Jay Baxter also addressed the demonstrators, but he ran into trouble when he started condemning "Labour's Manifesto." When boos and shouts of "communist, communist" came from the demonstrators, he gave up trying to speak and left the platform.

In spite of some of the shenanigans that took place, no one was arrested or charged. Police Chief Ferguson told the media, "Generally speaking I was pleased with the way the protesters handled themselves." He said he was appalled at the closing of the two bridges, but "We have to make decisions on the spot and one wrong move could have meant trouble." The Chief said that no charges were laid nor any arrests made. He said that two young men were taken into custody and detained for a short time after they started to "act up" inside City Hall. Mayor Edis Flewelling, who had watched it all from inside a police cruiser, had no comment. Prior to 14 October the mayor had said that he personally supported the "Day of Protest."

Larry Hanley told the media that he was pleased with the participation. He said that there were some unfortunate incidents during the marches to the uptown area of the city, but from everything he heard and saw, "I have no apologies to make." He blamed violent incidents on those who tried to run through picket lines, provoking the protesters. I described the day as a "tre-

mendous success" and "a demonstration that the government should be able to understand."

A success it was. Some estimates put the number of demonstrators as high as 5,000. It was estimated that 12,000 workers stayed off the job in Saint John on 14 October. The newspaper headline was correct: labour had shown its "anger and power." Labour had also shown its solidarity. In an act of civil disobedience, Saint John workers had walked off their jobs and in the face of unpleasant weather conditions had taken to the streets. Led by new young leaders, they had taken control of the streets and for four hours placed the city under siege. They had sent a loud and clear message to the federal and provincial governments that Saint John workers were fighting back and would not accept the anti-inflation program.

Across Canada the Canadian Press reported that more than one million Canadian workers had stayed off the job on 14 October and that four communities were completely shut down. They were: Thompson, Manitoba; Sudbury, Ontario; Sept-Îles, Quebec and Saint John, New Brunswick. Predictably, business, government and the media would play down the significance of the strike. The headline in the 15 October issue of the *Saint John Telegraph-Journal* read: "CLC Showing Falls Short." Politicians and business leaders said that the protest was an admission of the weakness and failure on the part of the labour movement. These headlines and partisan statements, however, were not an accurate assessment of the event.

The "National Day of Protest" was the largest organized labour protest in the history of the Canadian labour movement. It may be the only "National General Strike" ever carried out in North America. In Ontario alone, 450,105 workers walked off the job, notwithstanding an order from the Ontario Labour Relations Board declaring the strike illegal. In Quebec, 230,000 workers joined the protest. In British Columbia 189,000; Alberta 48,360; Saskatchewan 27,279; Manitoba 30,800; New Brunswick 27,300; Nova Scotia 30,400; Prince Edward Island 1,900 and Newfoundland and Labrador 18,500.

This remarkable achievement was accomplished in the face of million-dollar advertising campaigns, threats, intimidation and coercion from the government, the corporations and the media. The 1,054,744 trade unionists who participated represented an impressive number, considering not only the resistance from the authorities but that one of its largest affiliates did not participate and that the Congress had asked essential services workers to remain on the job. In an act of civil disobedience, workers from St. John's, Newfoundland to Victoria, British Columbia, from all sectors of

the economy, represented by many different unions, defied the government and their employer to walk off the job.

Speaking at a rally in Queen's Park, in front of the Ontario Legislature, the historical significance of the event wasn't lost on Joe Morris. The CLC president told the demonstration they were making history: "Today is a massive demonstration of democracy in action. One of the most fundamental rights of all Canadians is the right to dissent and today that right is being exercised in a continuing struggle to free our country from one of the most iniquitous laws ever enacted." The next day Morris told a news conference, "Whatever the effects, it marks a giant step in the determination of working people to gain a stronger and more determined voice in the shaping of their own future and the planning of social and economic policies of their county."

The government and some employers would make good on their promise to take reprisals against workers. The federal government put letters of reprimand on the files of all employees who participated. Some employers used the grievance procedure in collective agreements to seek damages for lost production. Some employers suspended union officers and shop stewards, but withdrew the sanctions when other union members walked out in protest. In Campbellton, N.B. the city council fired 41 workers who joined the protest; they were quickly re-instated when CUPE national representative, Adrien Charette, threatened to pull all CUPE workers in the city off the job, including hospital workers and firefighters.

Corporate profits continued to climb during the control period and the controls had little impact on inflation. When the controls ended, the inflation rate was 9.4 percent. The program had been successful in transferring millions of dollars of negotiated wages out of the pockets of workers and back into the coffers of the corporations. But the impact on wages was mitigated by the labour movement's fight against the program and its policy to negotiate as if the controls did not exist. When contracts were rolled back by the AIB, unions became very skilled at negotiating within the program. Corporations were forced into some creative accounting. Benefits such as break periods and wash-up times would be temporarily suspended in the collective agreement in order to increase the wage package and still remain within the guidelines. The employer would then agree to turn a blind eye as employees continued to take their break periods and wash-up times. The suspension of breaks was what we did at Willett Fruit to get more money on wages.

The AIB had no particular concern about where the money went, just the overall compensation package for the years the program was in effect. Some-

times wages would be loaded on the back end of the agreement to end up with a higher rate when the agreement expired. For example, instead of applying a 10 per cent increase on January 1, you could apply a 20 per cent increase on July 1, and the employees would be in a much better position when the contract expired. There were other things, such as temporarily suspending shift premiums and putting the money on the wage rate where it would count for overtime instead, or a verbal agreement to classify a number of employees into a higher classification, once the agreement received board approval. A United Auto Workers study of 110 collective agreements negotiated during the control period found that in 70 percent of the cases, covering 90 percent of workers, the UAW eventually had the agreement approved or the workers kept everything they had coming to them.

Impressive as Canada's "National General Strike" was, it would turn out to be an isolated event. When addressing the protesters on 14 October, I believed the one-day strike was the beginning of a massive campaign to defeat the controls. In fact, when I was re-elected president of the labour council in January 1977, I told the media that it would be another year of massive protest against the government's wage controls and it would be the labour council's top priority. Unions did continue to fight the controls, at the bargaining table and on the streets, but the one-day strike had signalled the end and not the beginning of massive protests.

It has been said that the CLC leadership wanted to protest the controls, but was not confident enough to take the next step and defeat the program. There may be some truth in that, but I would argue there were other reasons why the massive protests did not continue. First, there can be no denying that many Canadian workers blew off a head of steam on 14 October. Those who had been pushing for a general strike felt a great sense of relief at having struck back at Trudeau and the Anti-Inflation Board. The main thing, however, that weakened both the leadership and rank and file resolve to continue a campaign of civil disobedience was that the government changed course and made it clear the controls were temporary measures that would end as soon as possible.

Regardless of Trudeau's initial statement that "Controls could last indefinitely," as early as April 1976 he was already backing down. Following the announcement of the "National Day of Protest," Trudeau said, "The controls will definitely not be extended." It was clear the government was looking for a way out of the program without losing face. It was not a matter of "if" but "when" the controls would be lifted. By 1977 most workers had already felt the wrath of the AIB and were under collective agreements that

would not expire until after the control period. These workers were looking forward to the next round of bargaining. They were also turning their minds to the next election. Even before Trudeau dropped the writ for the 1979 election, workers throughout Canada were wearing pins stating: "Election '79" Remember Wage Controls." It was no surprise to see the Trudeau government go down to defeat in 1979.

At the time of the Day of Protest, the Canadian labour movement had, for all intents and purposes, defeated the program. When the controls were introduced, the only opposition to the government's anti-inflation program was from organized labour and the federal NDP. Trudeau was saying that controls could last indefinitely and opinion polls were showing more than 60 percent of Canadians supported the program. One year later, however, it was almost impossible to find any support for the program. The government's popularity had dropped badly and the prime minister himself was talking of scrapping the program completely. Had the government announced that the program was being extended indefinitely, there is little doubt that labour's campaign against the controls would have continued. In the end, the controls lasted for 30 months. The government ended the program eight months early, on 30 April 1978.

The government's decision to end the program as soon as possible was an acknowledgement that the labour movement's policies had been effective. Unions negotiated as if the program did not exist and insisted that negotiated agreements be implemented following ratification. Decisions of the AIB were appealed to the highest level, which started to turn the AIB itself into a huge bureaucracy. Along with all the protests and strikes, this was making the cost of the program too expensive for the government, politically and otherwise, for the limited effect it was having on holding wages down. After one year of the AIB, it was clear the government was not going to extend the program and was looking for a way out. This was not so apparent to us at the time, but organized labour's campaign against the wage controls program had more than a little to do with this complete turnaround.

The historic importance of the Canadian labour movement's fight against this ill-conceived federal legislation should not be underestimated. The labour movement was successful in lessening the impact of the controls on its members and eventually killing the program. They also mobilized and educated millions of workers about the worth of their unions. Workers saw their leaders standing shoulder to shoulder with them at the bargaining table and in the streets. As a result, the Canadian labour movement took a strong position against attempts to wring concessions out of collective

agreements throughout the 1980s. Canada was the only major industrial country where union membership increased following the control period, again preparing workers to better defend themselves in the future. If I could borrow a phrase from Fred Hodges, the Canadian labour movement never stood taller than it did on 14 October 1976.

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In October 1976

one million Canadian workers walked off the job to protest the wage controls imposed by Prime Minister Pierre Elliott Trudeau. In a memorable personal account of this historic general strike, Saint John labour activist George Vair recalls how workers in one New Brunswick industrial community mobilized to defend their unions and defeat the unpopular program.

*Edited and introduced by historian David Frank.
Foreword by Bob White.*

*“a story that needs
to be known
all across the
country”*

**- Bob White,
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