

*Paper makers, Int'l Brotherhood of*

# PAPER MAKERS in CANADA

by W. E. GREENING

A Record of Fifty  
Years' Achievement



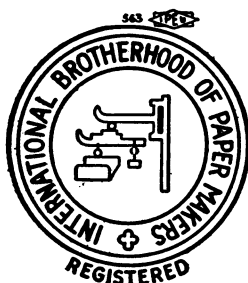
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INSTITUTE OF  
INDUSTRIAL RELATIONS

# PAPER MAKERS IN CANADA :

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*A History of  
the Paper Makers Union in Canada  
by  
W. E. Greening.*



UNION MADE

"PRINTED ON CANADIAN UNION MADE PAPER  
MANUFACTURED BY MEMBERS OF CORNWALL LOCAL NO. 212,  
INTERNATIONAL BROTHERHOOD OF PAPER MAKERS,  
AT THE HOWARD SMITH PAPER MILLS LIMITED,  
CORNWALL, ONTARIO."



*h.p.*

INTERNATIONAL BROTHERHOOD OF PAPER MAKERS

1952



# *Origin of the Union*

Because of the great abundance and wide extent of her mighty forest resources, and the almost limitless water power of her northern rivers, Canada was marked by nature to be one of the great paper-producing countries of the world. And yet paper making as a trade was very slow to develop on Canadian soil. It was not until the beginning of the nineteenth century that the population of the country was sufficiently large to supply a market for various types of paper. In 1806, two centuries after the first settlement of Canada by Europeans, the first paper mill in the Dominion was set up at Argenteuil near Montreal on the Ottawa River, at a time when much of Eastern Canada was still a backwoods wilderness. Two decades later, in the eighteen twenties, Anthony Holland — a newspaper editor — constructed a paper mill at Sackville, New Brunswick, in the Maritime Provinces, and during the same period the first paper mill in Central Canada came into existence near the city of Hamilton, in what is now the province of Ontario. All these mills were very small by modern standards. The paper was made and dried by hand — no machinery was used except a water wheel. In the eighteen thirties, a new step forward was made with the introduction of the Fourdrinier machine into Canada, from England and the United States. The initial Fourdrinier machine in Canada was installed in a mill at Portneuf, a town in the province of Quebec, near Quebec City, in 1840. The machine had been made in Scotland; its width was seventy-two inches and it produced 1500 pounds of writing paper a day. This was indeed a far cry from the huge and fast newsprint machines which are installed in many of the Canadian mills today. Portneuf still remains a small centre of paper making in Quebec, the mills having been in control of the same group of families for well over a century.

At this time rags were the chief raw material used in the production of paper; and one of the most important reasons for the limited production of these mills was the scarcity and high cost of the essential supply. Even though the appearance of the Fourdrinier machine in the Canadian mills increased the volume of paper production, yet the large development of the industry in both Canada and the United States awaited the discovery of some less expensive and more plentiful raw material which could be used as a substitute for rags. In the middle of the nineteenth century many experiments were made and much research was done in Europe and in the United States towards the discovery of such a material. By this time European scientists definitely had found that the use of large quantities of wood fibre and pulp in the manufacture of paper was practicable. As early as 1840 Henry Voteler, in Germany, had devised the first satisfactory machine for grinding wood fibre into pulp. Twenty years later the first large wood pulp mill in the world was built in Belgium. In the eighteen sixties Alexander Buntin, a paper manufacturer in Montreal,

went to Germany to investigate the Voteler process and succeeded in obtaining the exclusive rights for the use of this process in Canada. In 1867 he set up what was probably one of the original ground wood mills in North America, at Valleyfield, near Montreal. This innovation had a very important effect on the whole future development of the pulp and paper industry in Canada and the United States, since it made possible the effective utilization of the far flung soft wood forests of the northeastern regions of the Continent in the manufacture of much larger quantities of paper at a much lower cost than ever before.

At the same time, soda and sulphite processes were invented and developed, which facilitated the production of a cheaper yet higher quality of wood pulp. In England, in the eighteen fifties, Hugh Burgess invented a process by which wood chips were treated chemically with caustic soda lye and reduced to wood pulp. Shortly afterwards, Benjamin Tilghman devised a similar process involving the treatment of wood chips with sulphuric acid. Both of these processes were infinitely more economical than the treatment of rags. The first mill in Canada to use the soda process was one erected at Windsor Mills, in the Eastern Townships, in 1864, and it is interesting to note that this part of Canada has been the centre of paper making ever since that time. In 1884 E.B. Eddy put up the first mill to use the groundwood process of making wood pulp, at Hull, Quebec, across the river from Ottawa. This was the start of the E. B. Eddy Co., which has since become one of the most important paper producers in Eastern Canada.

About this time another centre of paper making developed on the Niagara Peninsula, in southern Ontario, where large quantities of cheap water power were becoming available. In 1863 John Riordon erected a paper mill at Merritton, near St. Catharines, which expanded into one of the leading paper companies of the period. This mill turned out the paper for the Toronto Globe and a number of other important Canadian newspapers. However, all this development was on a comparatively minor scale, because of the smallness of the Canadian population and the lack of foreign markets. Progress in Canada was overshadowed by the progress in the neighbouring United States where the market for paper was growing at a tremendous rate because of the general spread of literacy and reading habits among the people, and the appearance of cheap newspapers and magazines with a vast mass circulation. As a result of this greatly increased demand, the pulp and paper industry in the United States was undergoing a remarkable expansion. The size and capacity of the paper making machines were steadily being increased. Big mills sprung up in Northern Maine, New York State, Wisconsin and Minnesota, tapping the forest reserves of these states for wood to use in the ground wood and the sulphite processes.

By the beginning of the twentieth century, new developments in the American industry were beginning to affect the situation in Canada. Due to the intensive logging operations which had been



going on for almost half a century, the forests which had provided raw material for the American paper mills in the Northern States, were beginning to show signs of gradual exhaustion at a time when the market for newsprint and paper products in the United States seemed to display limitless possibilities of growth. It became apparent to the American newspaper publishers that if stripping the American forests continued at the present rate, they would be faced with a critical shortage in the paper supply and consequently the price of newsprint in the United States would rise to levels which would make the newspaper business unprofitable. This caused them to direct their gaze northwards to the practically virgin and untouched spruce and softwood forests covering such a large section of Northern Ontario and Quebec. Here they saw the answer for the problem which was being created by the growing scarcity of wood pulp in the United States. By 1900 quite large quantities of wood pulp were being shipped from Northern Canada to American centres. At this time there was a small duty on both wood pulp and newsprint imports from Canada into the American market. Around the year 1900 the American newspaper publishers began a concerted campaign at Washington for the complete removal of the duties on Canadian wood pulp and newsprint. Here they came up against the strong opposition of the American paper companies who feared the competition of cheap newsprint from Canadian mills and who were determined to keep the American market for themselves. During the whole of the period between 1900 and 1910 there was a continuous battle between these two groups of interests in American political and governmental circles at Washington.

At the same time, other influences within Canada itself were aiding the development of a strong native Canadian newsprint and paper industry. The governments of the Canadian provinces, and particularly those of Ontario and Quebec, were beginning to grasp the full economic value to Canada of the vast stands of softwood timber which extend northwards through the Laurentian Shield region of Canada right to the Arctic barren lands. They saw in these immense quantities of wood the possible basis for the growth of paper production on a vast scale within the boundaries of Canada. It became the aim of these provincial governments to promote policies which would encourage the building of mills on Canadian soil, which would help the transformation of Ontario and Quebec wood pulp into newsprint on the spot, instead of being shipped to the American mills. After 1900, in pursuit of this objective, the Governments of Ontario and Quebec began to place export duties and eventually a complete embargo on the shipment of pulpwood cut on crown lands lying within their provincial boundaries to the United States. As the great bulk of the forest lands from which this wood pulp came were under the control of these two governments, and were leased by them to private interests, this policy proved to be very effective in stopping the flow of Canadian pulp to the United States and stimulating the growth of the paper industry north of the border.

This action on the part of the Canadian provinces created fresh alarm among the American newspaper publishers concerning the safety of their sources of supply in Canada and caused them to intensify their campaign at Washington for the free entry of Canadian newsprint into the American market. The opposing influences of the American paper companies on the governmental officials at Washington were shown in certain clauses of the Payne Aldrich tariff which was passed by the United States Congress in 1908. These stated that if the provinces of Ontario and Quebec continued this policy of shutting Canadian pulp wood out of the United States, the present duties on Canadian wood pulp and paper would be further increased. But these threats on the part of United States failed to swerve the governments of Ontario and Quebec from the policies which they adopted for the stimulation of the growth of the Canadian newsprint industry.

It is interesting to note that in this dispute between the American newspaper publishers and the paper companies, our Union took the side of the American companies. It took the stand that if Canadian newsprint was admitted free of duty into the American market a large number of the American mills in the Northern United States would be forced into bankruptcy. Editorials in the Paper Makers Journal strongly attacked the action of the Canadian provinces in placing duties and embargoes on the export of Canadian pulp wood as being very detrimental to the American companies. The Journal stated that it would only approve of free trade in newsprint between Canada and the United States, if these restrictions were completely lifted by Ontario and Quebec.

The free entry of Canadian newsprint and wood pulp into the American market was certainly an important topic in the discussion which took place between the American and Canadian governments in 1910 concerning the conclusion of a trade treaty between the two countries which would substantially reduce duties on goods moving in both directions between the two countries. The American newspaper publishers were among the chief groups which put pressure on President Taft for the conclusion of a reciprocity agreement. The Paper Makers passed a resolution attacking this reciprocity treaty. Of course, as every one knows, the reciprocity treaty of 1911 which provided for free trade in newsprint between Canada and the United States was rejected by the Canadian electorate in 1911, but two years later, with the passage of the Underwood Tariff by the Wilson Administration in the United States, the American newspaper publishers — after long continued agitation — reached their goal and scored a victory over the American paper companies. Under the terms of this bill, Canadian newsprint and wood pulp, and pulpwood, were to be admitted into the United States completely free of any tariff restrictions. This clause in the American tariff structure has remained in force right down to the present day. It was the most important single factor in the spectacular development of the Canadian newsprint industry which was to take place during the next few years.

The Union greeted this move of the Wilson Administration with anything but enthusiasm and sent a delegation to the Finance Committee of the United States Senate asking that an amendment be tacked on to the Underwood Tariff bill stating that the American tariff on Canadian newsprint would be kept in operation until the Canadian provinces agreed to remove their bars on the shipment of pulp wood from their forests to the American mills. The Paper Makers Journal, in an editorial in its issue of August 1913, said that the result of the removal of the duties on newsprint would be the gradual transfer of the news print industry from the United States to Canada. The Journal turned out to be a good prophet. After 1913, with the depletion of the forests in the Eastern United States and the free entry of Canadian newsprint, many of the large American newsprint companies began to realize that it was impossible for them to compete effectively with the Canadian products in their own home market, and they began to abandon the production of newsprint in their mills and convert the machines to the manufacture of various types of fine paper and kraft, on which they still enjoyed high tariff protection from Canadian competition.

There were other important factors in the Canadian situation which aided the expansion of pulp and paper manufacturing at this time. Large scale newsprint production is chiefly dependent upon two things — the presence of large bodies of water; either rivers or lakes . . . which are located close to the forest and down which the logs can be floated from the lumber camps to the mills; the other is the existence of large quantities of water power, since the amount of electricity which is used in the various phases of newsprint manufacture is enormous. Both of these factors were present in the northern regions of Ontario and Quebec, where the Canadian newsprint industry came to be centered. In Quebec there are many large rivers such as the Saguenay, the Saint Maurice, and the Gatineau, which in the course of their rapid descent from the heights of the Laurentian Plateau to the St. Lawrence and the Ottawa generate immense quantities of water power. Further to the west much the same situation is to be found in the northern part of the province of Ontario, where many rivers flow through the forest region either northwards to Hudson Bay or southwards to Lake Superior and Lake Huron.

With this favourable situation and the generous attitude of the provincial governments, who were willing to grant to the paper companies very large reserves of timber and an abundance of water power, it is not surprising that the development of the pulp and paper industry in Canada was very rapid in the years following the complete removal of the American duties on Canadian newsprint and wood pulp. American and Canadian financial and industrial groups were very quick to see the possibilities of the vast untapped resources of Northern Canada. In Northern Ontario the development of the paper industry was begun even before that date. At the end of the eighteen nineties, an American capitalist named E. E. Clergue erected a newsprint mill at Sault Sainte Marie, to take advantage of the water power of the Sainte Marie River which connects Lake

Superior and Lake Huron. During the next few years, large newsprint mills were built at Espanola on the Spanish River and at Sturgeon Falls along the line of the Canadian Pacific between Sault Sainte Marie and North Bay. In 1912 these three mills came under the same financial control and were amalgamated into the Spanish River Paper Company, which became one of the largest manufacturers of newsprint and paper products in Ontario. Then in 1912 the Ontario Paper Company, which was controlled by Chicago interests, opened a large paper and newsprint mill at Thorold, on the Welland Canal near Saint Catharines, in Southern Ontario, utilizing the vast water power of nearby Niagara Falls. The Abitibi Company, which afterwards was to dominate the whole Canadian industry, erected its first mill at Iroquois Falls, near Cochrane in Northern Ontario, about five hundred miles north of Toronto.

In the Great Lakes region, the Minneapolis financier and industrialist, E.B. Backus, began the building of another pulp and paper empire. In 1910 he formed the Minnesota and Ontario Paper and Power Company, which constructed mills at Fort Frances on the Canadian side of the Minnesota-Ontario boundary, and at Kenora another hundred miles to the north on the line of the Canadian Pacific Railway between Port Arthur and Winnipeg. The Backus interests also controlled the mill of the Great Lakes Paper Company which was built at Fort William at the head of the lakes in 1919, and which became one of the large newsprint producers in Ontario.

In the neighbouring province of Quebec the expansion of the industry was even more marked. There were already several small paper mills in existence in 1900 at such points as Windsor Mills, in the Eastern Townships, and at Crabtree Mills, near Joliette north of Montreal. But the first really big development came with the construction of the mill of the Laurentide Paper Company at Grand' Mère, in the Saint Maurice Region, in 1899. This was the first mill in Canada to devote its production entirely to newsprint, and by 1905 its output had already reached record levels for that period. Large newsprint mills were also built during the next few years in the same region, along the Saint Maurice River, by the Belgo Canadian Company at Shawinigan Falls and by the Saint Maurice Paper Company at Three Rivers. Farther to the north, important activity was under way along the banks of the Saguenay River, where some of the largest water power resources in the whole North American Continent are located. Here, Price Brothers, who had been active in the lumber trade since the eighteen thirties, laid the foundation of one of the dominant newsprint corporations of the Province of Quebec. In 1902 they built a mill at Jonquiere and in 1910 one at Kenogami, near the point where there is a great drop in the level of the Saguenay River in its descent from Lake Saint John to the Saint Lawrence River. The expansion of the E.B. Eddy and the Booth companies in Ottawa and Hull made this section another centre of paper making in Eastern Canada.

The growth of the pulp and paper industry in Ontario and Quebec was so rapid in the decade of the First World War, between 1910 and 1920 that by 1920 it had become one of the largest and most important industries in Canada, both in the volume of its output and the amount of capital invested. Between 1911 and 1921 the number of pulp and paper mills in Canada had increased from seventy-two to one hundred; and the value of the newsprint produced in Canadian mills had climbed from \$38,868,084 in 1914 to \$80,865,271 in 1920 - — rise of well over one hundred per cent in a period of about six years. American newspapers began to buy more and more of their paper supply from the Canadian mills, until by the end of the war over ninety per cent of the total American newsprint imports came from Canada. An important new economic link between Canada and the United States had been forged. Newsprint became the largest single item in Canadian export trade to the United States, and the forests and mills of northern Quebec and Ontario became the chief suppliers of paper for the great American daily newspapers in Chicago, New York, Philadelphia and Boston.

By this time the total number of employees in the Canadian Mills had increased from six thousand in 1900 to over twenty-five thousand in 1920, and the industry was ripe for unionization. As in the case of many other labor organizations which are strong in Canada today, the original impetus towards the development of unionism in the pulp and paper industry came from the United States, where industrial conditions were about twenty years in advance of those in Canada. The first effective organization of paper makers had its birth in Holyoke, Massachusetts, an important centre of the industry, at the end of the eighteen-eighties. About this time the union idea became very popular among the workers in industries in all parts of the United States, and this drive was particularly strong and widespread among the skilled workers of the craft type. It was a group of unions made up of workers of this type — in the building, printing and other trades, which came together in 1886 to form the first effective and enduring American national labour organization — the American Federation of Labour. It is significant therefore that the first men to organize in the paper industry were the machine tenders, who were the highest paid and most experienced group of employees in the mills at that time. When the Brotherhood of Paper Makers received its Charter from the American Federation of Labour, in 1893, the scope of its membership was to be confined exclusively to the machine tenders and the beater engineers. The more experienced workers on the paper machines had a strong sense of pride in their privileged position in the world of labour at that time. The machine tender was a boss himself, since he had the power to hire and fire the fourth and fifth hands. They tended to look down on these workers as an inferior group and were interested only in improving their own position; having no thought for the position of the lower paid and unskilled employees in the mills. This narrow feeling of "class" interest among the machine tenders proved to be a barrier to the effective unionization of the pulp and paper industry as a whole



since within a few years it became apparent that it was impossible to organize a paper makers union which restricted its membership to the machine tenders. In 1897 the constitution of the union was widened to extend membership to all classes of workers on the paper machines, but the conflict between the skilled and the unskilled workers was by no means ended.

At this time there were many different movements of opinion in the American Labour world. Rival groups with all kinds of radical and socialist ideas and programmes competed with each other in their attempts to win the allegiance of the majority of the American workers. Like the members of the other unions which formed the original nucleus of the American Federation of Labour, the members of the Paper Makers Union were hard-headed, practical men, who took a realistic attitude concerning the aims and the future of their own organization. They were not interested in high-flying and ambitious schemes of social reconstruction and of state control of industry, but devoted their energies to improving their own position through the gaining of shorter hours, higher wages, and improved working conditions. They shared the view of Samuel Gompers, that it was the aim of the American Labour movement not to change or overthrow the existing social and industrial system but rather to obtain the most and best out of it for themselves. The socialist ideas of the time, which were preached by such influential American labour leaders as Eugene Debs and Daniel De Leon, had little or no appeal for the majority of the paper makers. In their revised constitution, which was put out in 1897 the union repudiated any belief in the idea of the class struggle and of a conflict between the interests of labour and those of Capital.

During the next few years, the conflict between the interests of the machine tenders and the other higher paid men on the paper machines and those of the unskilled workers both in the machine and the pulp and sulphite sections of the mills continued. The workers in the pulp and sulphite division had been organized already in Federal unions, directly chartered by the National Executive of the American Federation of Labour. In 1902 the constitution of the Brotherhood of Paper Makers was again widened to allow the entrance of the pulp and sulphite group; but this fusion did not work well. The workers on the paper machines still tended to disregard the interests of the pulp and sulphite section, and to think only of their own interests in the negotiations with the companies for higher wages and better working conditions. The pulp and sulphite men naturally felt that they were not getting a square deal, and the inevitable split between the two groups soon occurred. In 1906 the majority of the pulp and sulphite members, under the leadership of Albert Fitzgerald, withdrew from the Brotherhood of Paper Makers and formed a new union — the International Brotherhood of Pulp and Sulphite Workers. The Executive group in the Paper Workers refused to recognize this secession movement and continued to work for the preservation of a single union which would cover all workers in the pulp and paper industry and in which they would have the

dominant place. Naturally this situation played into the hands of those paper companies which did not want a strong union movement. In 1907 a dispute broke out between the Paper Makers and the Great Northern Paper Co., which was one of the largest American companies, over the question of Sunday work in the mills. The Company announced that it would recognize Fitzgerald's Pulp and Sulphite Workers as the official union in their mills and told the members of the Paper Makers that they must resign from their union or lose their jobs. In the year following — 1908 — another strike broke out in the mills of the International Paper Company over the question of wage reductions. The Company then signed an agreement with Fitzgerald by which the latter was to supply men to take the place of the striking Paper Makers. The drive against wage reductions was largely a failure through the lack of cooperation between the two union groups and naturally incidents of this type did nothing to improve relations between the Paper Makers and Fitzgerald and his pulp and sulphite group. By 1909, however, the finances of the Paper Makers were becoming so low, and their membership was falling away so rapidly, that the officials of the two rival organizations realized that some kind of truce must be made in this disastrous fight. So, at the Convention in 1910, the Pulp and Sulphite and the Paper Making groups managed to draw a clear boundary between their respective jurisdictional claims within the pulp and paper industry as a whole. The jurisdiction of the International Brotherhood of Pulp and Sulphite Workers within the pulp and sulphite sections of the mills and the charter which had been granted to that union by the American Federation of Labour were both finally recognized by the International Brotherhood of Paper Makers and a period of fairly amicable relations between the two union followed, although the haughty and exclusive attitude of the better paid Paper Makers towards the unskilled pulp and sulphite group was very slow in dying out. Hitherto the two unions were to work in cooperation in their campaigns for better conditions for their members and this unity of approach was to be of immense help in strengthening their position in the pulp and paper mills in Canada and the United States during the next few years.

The ending of these internal feuds was followed by a period of expansion and prosperity for the union in the United States. It succeeded in winning recognition from the two largest paper companies in North America — the Great Northern Co. and the International Paper Co. — with agreements which contained very satisfactory terms, including the establishment of the six-day week and a five per cent wage increase.

By this date — 1910 — some organization had already begun in the pulp and paper mills which were springing up at so many points in Eastern Canada. The men who staffed the machines in these new mills, in most cases, had previous experience in the industry in the United States. There was quite a large migration from the mills in Massachusetts, Maine, and New York State as well as from other

regions of the Eastern States to the pulp and paper centers in northern Ontario and Quebec. Many of these men had already been union members in the United States, and as Canada at this time was about twenty years behind her southern neighbour in union organization, they served as transmitters of the union idea to regions of Canada where previously it had been almost unknown.

The men on the Canadian machines were such thorough unionists that the formation of locals in the new Canadian Mills was a purely spontaneous movement which went on without any aid from organizers or from headquarters in the United States. Almost before a new mill had been completed in Ontario or Quebec, the paper makers would set up the machinery of a local there and them would apply to union head office for a Charter and try to gain recognition from the company as the bargaining agency of the workers. This feature marks the growth of the Paper Makers very strongly as compared to the growth of some other unions in Canada. However, it was not until the middle of the nineteen twenties that the first full-time organizers were appointed for exclusive work in the Canadian field.

The average paper maker at this time was a very restless and mobile individual. He disliked being tied down in one place too long. When he became bored or dissatisfied with the conditions of work in one mill, or thought that the scale of wages was too low, he would move on to another one. And as the industry in Canada was expanding very rapidly at this time, and the demand for skilled men was so great, he was able to do this with comparative ease. Wherever he went he carried with him the union idea. Men in search of better jobs would travel from New England northwards to Quebec and Ontario, or perhaps westwards into Wisconsin in the Middle West, or even all the way to the Pacific Coast where new mills were being built in Washington and Oregon. Today, there are still old time members working on the machines in some Canadian mills who have had experience in every paper making region on the North American Continent. This resulted in an extraordinary and detailed knowledge by the paper makers of conditions in the industry in other parts of Canada and the United States. It also helped to create a sense of solidarity among the members, which was to make the task of general organization much easier than it has been in some other industries in Canada.

It is interesting to see to what a close degree the growth of the union in the Canadian field paralleled the expansion of the pulp and paper industry itself. By 1910 locals were already in existence or had been formed in the mills at such widely separated points in Ontario and Quebec as Sault Ste. Marie, Espanola, and Sturgeon Falls in Ontario and at Shawinigan Falls, Grand'Mere, Windsor Mills and Hull in the province of Quebec. In 1912, when a mill was built by the Anglo-Canadian Co. in remote Grand Falls in Newfoundland, paper makers were brought in from the United States to work the machines, and a local was started. It is true that, for the most part,

these locals were small, their financial resources were scanty, and their existence was precarious, nevertheless the very presence of widely dispersed locals in Canada at this time is a proof of the speed with which the union idea had caught on.

The union was faced with many difficult problems in its efforts to organize the Canadian field in the period after 1910. The general working conditions in the Quebec and Ontario mills were worse and the rates of pay were lower than those in many of the mills in the United States. At the beginning of the twentieth century the elaborate Federal and Provincial legislation which exists today regulating hours of work and general working conditions in Canadian mills and factories was almost non-existent. Up to the year 1910 a mere start had been made by the governments of Ontario and Quebec on the job of fixing by law the conditions of employment and the working hours of women and children in the industries of these provinces and putting an end to the worst abuses of sweat shop exploitation here. In the first decade of the twentieth century, the ten-hour-day and the sixty-hour-week were still common in many Canadian industries. The existing legislation which limited hours and set minimum wages covered only a restricted number of industries. The idea of monetary compensation to the worker for accidents suffered in the course of his work had as yet found no expression in legislation. The first workmen's compensation act in Canada was not passed until the year 1918 when the province of Manitoba put one into effect.

The question of long and unregulated working hours was a particularly pressing one in the pulp and paper industry in Canada at that time. Most of the mills in Ontario and Quebec still worked on a twenty-four hour work day, starting operations at seven a.m. on Monday and not shutting down until seven a.m. on Sunday. The hour workers generally worked on shifts from seven a.m. to six p.m., and from 6 p.m. to 7 a.m., with no time off for meals. The day workers were employed on shifts of twelve or thirteen hours, from seven in the morning until seven or eight o'clock in the evening. Vacations and holidays with or without pay, and pension and benefit plans were absolutely unknown. The individual workers had no control over the conditions of firing or promotion and were completely at the mercy of the company in this respect. These conditions, of course, were by no means unique to the pulp and paper manufacturing, but were common in many industries scattered across Canada at this time. The unions were too dispersed and weak to press for any effective improvement, in those conditions, either through company action or through Government legislation — Federal or Provincial.

One of the first objectives, therefore, of the Union in Canada, as in the United States, was to get a reduction of these long working hours and to put in effect for workers on the machines, a tour system, by which the twenty-four hour working period would be divided into three shifts of eight hours each. The union had already succeeded in

reaching this goal in some of the mills in Northern United States. By 1910 the eight-hour-day was in operation in at least five important mills in the East, including the large one of the Great Northern Paper Company at Millinocket, Maine.

This was, however, only one aspect of the Canadian picture which was very unsatisfactory to the men on the machines at that time. The average rates of pay for paper making jobs were almost unbelievably low by present day standards. Not only were they low, but there was a wide variance between rates paid in different mills for jobs on the same type of machines — same size, and same speed. In 1914, the first year for which we have a definite statistical record of wages in the industry, the average rate for machine tenders in the mills of Ontario was only sixty-three cents an hour, and fifty-three cents an hour in the mills in Quebec. Average rates for third hands at this time were around thirty-five cents an hour in Ontario and twenty-seven cents an hour in Quebec. This being the scale for skilled employees, one can imagine the rates received by unskilled workers in the industry. In some mills in Eastern Canada, of course, the rates were undoubtedly above these levels . . . but in others they were even lower.

The programme of the Union in Canada was first of all to obtain recognition from the companies . . . and then to get an agreement signed by which a union shop and the eight-hour day would be instituted, with some rise in the wage rates. But the mere task of gaining recognition from the companies was by no means an easy one in those days. It requires an effort of the imagination to go back into the atmosphere of that period when the state of labour management relations in the industry was very different from what it is today. Unionism in Canada was comparatively a new movement, even in the province of Ontario where industrial development had already made considerable progress. Many of the large companies in Canada and the United States were still bitterly opposed to the idea of any form of free organization among the employees in their mills or factories. They still thought that it was their divine right and prerogative to determine as much as possible the wage rates and the working conditions of their plants without interference from any union. It was very difficult and often impossible for a union official or the president of a local to get an interview to discuss working conditions or the terms of an agreement with a company official or mill manager. John P. Burke, the President of the Pulp and Sulphite Workers who, at that time, had many dealings with the Canadian companies in his efforts to get his union firmly established in Canada, gave evidence in this point in a speech which he delivered at a conference on labour management relations, which was held under the auspices of the Abitibi Company in Toronto, in January 1950. Reminiscing, he said that in those days there were companies which would not let an international union officer inside the door, and officials of a good many firms would not even meet their own employees when the latter brought forward a series of demands.



If a group of workers got together and tried to start a local in a plant, the chances were that they might be fired by the company and have their names placed on a black list which would prevent them from getting jobs in another plant. In some cases, the management would compel new employees to sign yellow-dog contracts by which they would pledge themselves not to join any outside labour organization during the period of their employment by the company. The comprehensive legal safeguards, which surround the process of collective bargaining today and which force an employer to recognize the union which has the support of the majority of the employees in his plant, were lacking forty years ago. In that kind of atmosphere the union members did not dream of making a drive for elaborate benefits such as health insurance, which have become so common in the industry today. It was hard enough to gain recognition from a company and to get an agreement signed. These facts make us realize the enormous progress which the union movement has made in Canada during the past half-century.

A few concrete examples will show the difficulties of organizing during this period. As early as the year 1904 the local union in the E.B. Eddy Co. at Hull, Quebec, had succeeded in cutting down the hours worked on Saturday nights on twelve hours shifts. Before that time, the work week had lasted from seven Monday morning until six on the following Sunday morning. By informal agreement with the company, the local had got the work week cut by about twelve hours, so that it ended at six p.m. on Saturdays. The company, however, soon became dissatisfied with the new schedule and claimed that it could not be continued because the production of the paper makers and the profits on its operations had gone down. It announced that the working schedule would be lengthened from six p.m. on Saturdays to twelve midnight. The local refused to accept the company's demands and suggested the institution of the eight hour day and the three tour system. A walkout by the local then took place and the Company said the strikers would have to re-apply for employment or else they would be replaced by non-union workers. The union members refused to agree to this and the company imported scabs to help run the mill. Many of the members of the local left Hull to seek work in other mills and the local fell apart for the time being. A few years later, the local of the union in the mill of the Imperial Paper Co., at Sturgeon Falls, which subsequently became part of the Spanish River chain, succeeded in getting an informal arrangement with the company by which the eight hour days was instituted and Sunday work limited. In 1907 a new management took over the mill and, in violation of the agreement, tried to start Sunday work. The members of the union then went out on strike, which the management claimed was also a violation of the agreement. Then the Company hired scabs to break the strike and the men in the generating plant shut down the mill completely. The Company then insisted that it had never officially recognized the unions and claimed that it had always declined to have any dealings

with an outside labour organization. A deadlock was reached and the mill shut down for several years, which meant that the union members were forced to seek jobs elsewhere.

One can see that it was very easy for a company to kill a strike at this time by the use of scab workers, because there were so many mills in both Canada and the United States where open shop conditions still prevailed.

In considering the situation in Eastern Canada as a whole, in the period of the First World War, it must be said that the barriers to union progress were much less serious and formidable in Ontario than in the neighbouring province of Quebec. For one thing, general industrial conditions in Ontario much more closely paralleled conditions in the United States, where the union had its birth, than did those in the French speaking province. In Ontario, there were none of those problems of the existence of a separate language, religion and customs among the workers which were to make organizing so slow and difficult in Quebec, as we shall see when we come to study in detail the growth of the union in that province. Hours of work were shorter in many industries in Ontario and general working conditions better. The workers in Ontario were much more familiar with the idea of banding together in defense of their collective rights and interests than were the French speaking workers east of the Ottawa River. The general outlook of the Ontario workers was a good deal wider than that of those in Quebec. They were more conversant with the labour movements and conditions in the United States and other parts of the world outside of Canada. There was no large and influential group in Ontario, like the Catholic clergy in the province of Quebec, which was definitely opposed to the idea or the organization of Canadian workers into unions with affiliations and ties in the United States. Then too, some of the Ontario paper companies became reconciled to the idea of union organization in their mills at a comparatively early stage of the game and adopted a conciliatory attitude towards the international unions, which was of great help to the latter in getting unionism firmly established in the pulp and paper industry of that province.

One of these companies was the Ontario Paper Company, with its large mill at Thorold, Ontario, which was completed in the year 1912. Two years after the completion of the mill, the company signed with the local of the Paper Makers at Thorold the first written agreement which the union had succeeded in obtaining in Canada. This was a real landmark in both the history of Canadian unionism and the growth of the International Brotherhood of Paper Makers. The terms of the agreement gave the union a forty-eight hour week with three daily shifts of eight hours each. There was to be no Sunday work. It is interesting to note the wage rates contained in this agreement and compare them with the rates current in this same mill at the present time. At that time machine tenders received sixty-five cents, back tenders, fifty cents an hour; third hands were paid thirty-seven cents an hour, and fourth hands, thirty-one cents an

hour. Today, the lowest rate received by fifth hands in this same mill at Thorold is more than double the rate received by a machine tender at that time, and the top rate for a machine tender there today on 202 foot machines is more than two dollars and fifty cents an hour as against sixty-five cents in the old days, an increase of almost four hundred per cent. Even allowing for the great increase in the speed, size and productivity of paper machines since that period, this is indeed remarkable progress. It is also noteworthy that through the intervening thirty-five years, through periods of boom and deep depression which the Canadian newsprint industry experienced, the agreements with the Company have always remained in force.

By 1914, the Spanish River Paper Co., with its mills at Sault Sainte Marie, Espanola, and Sturgeon Falls, had become one of the largest and most important of newsprint companies in Ontario, and its organization was essential if the two paper mill unions were to get a real footing in the Canadian field. As we have seen from the Sturgeon Falls strike of 1908, the mills which formed part of the Spanish River chain had not been very friendly to the idea of union organization in the past. When the Pulp and Sulphite Workers had tried to organize a local in the same mill at Sturgeon Falls, the Organizer of this local — Maurice Labelle — was fired from the company for union activity. However, the Spanish River Company, in 1917, seeing the trend towards union organization in the mills in the United States, apparently decided to reverse its tactics and signed an agreement which covered the three mills in Espanola, Sault Sainte Marie and Sturgeon Falls. From the union standpoint, this represented a considerable advance over the original one which had been signed with the Ontario Paper Co. in 1914. In Canada, it was the first agreement signed by either of the International paper mill unions which contained a union shop clause and had a form which afterwards became almost standard in all of the agreements signed by the union in Canada. All permanent employees were to be members of the union, and new employees were to join the union within fifteen days of their hiring by the Company. Preference was to be given to union members in hiring and in lay-offs. A joint committee was to be set up, consisting of representatives of the union and of management, to discuss such matters as the establishment of unemployment and death benefits. Considering the crude state of labour management relations in Canada at that time, this agreement showed a remarkably enlightened attitude on the part of the Company regarding the subject of relationships with its employees.

Another sign of progress was the fact that by 1913 the eight-hour-day was in operation in several large mills in Ontario and Quebec, including the Spanish River Co., Price Brothers, The Belgo Canadian Paper Co., the E.B. Eddy Co., and The Wayagamack Paper Co. at Three Rivers, the Canada Paper Co. at Grand'Mère, and the J.R. Booth Co. of Hull, Quebec.

During the whole period of the First World War, from 1914 to 1920, there is no doubt that the union in both Canada and the

United States benefited greatly from the general prosperity which was experienced by almost every important industry on the continent. Skilled labour was scarce, and in Canada conditions in the newsprint industry were approaching the boom level, with a continual construction of new mills and a steady rise in the price of newsprint. In 1917, when the United States entered the war, the pulp and paper industry was placed under the control of the Administration at Washington and attempts were made by the Federal Government to get standard wage rates and working conditions in the industry. The President of the Union — J. T. Carey — presented demands for a uniform eight-hour day and a basic rate of forty cents an hour in the mills. The two International paper mill unions also presented demands for wage scales which would be forty-five per cent above those in force in 1916. The companies which took part in these negotiations, and which included the Canadian mills with which the union had agreements, took the stand that such wage raises would be impossible without corresponding raises in the price of paper. When the union threatened a walk-out in all of the mills in which they had bargaining rights, in the spring of 1917 they agreed to submit the matter to the arbitration of the war Labour Board at Washington, which had been set up by the Wilson Administration for the settlement of labour disputes. At the hearing of the Board in Washington, the union asked for a twenty-three cents an hour wage raise, to meet the climb in the cost of living. The War Labour Board finally granted the two paper mill unions a ten cents an hour increase over the existing rates which were being paid in the mills of the International Paper Company. In the negotiations in the spring of 1919, further wage raises were gained.

The general improvement in the wage rates in the newsprint industry in Canada during the period immediately following the First World War are shown by the following, which presents the average wages paid in the two provinces —

		Ontario	Quebec
<i>Machine Tenders</i>	1914	\$ .63 an hour	\$ .53 an hour
	1920	\$1.20 " "	\$1.08 " "
<i>Back Tenders</i>	1914	\$ .51 " "	\$ .36 " "
	1920	\$1.10 " "	\$ .87 " "
<i>Third Hands</i>	1914	\$ .35 " "	\$ .27 " "
	1920	\$ .80 " "	\$ .58 " "
<i>Fourth Hands</i>	1914	\$ .30 " "	\$ .22 " "
	1920	\$ .64 " "	\$ .46 " "

By 1920 the average levels of wage rates in the industry in Eastern Canada had reached a peak to which they were not to attain again until the end of the nineteen twenties. Of course far too few

mills were organized in Canada during the period of the First World War to make this wage raise possible solely by Union influence. And it must be remembered also that this general rise in wages was accompanied by an even greater climb in prices and in the general cost of living. In 1919 the United States and Canada were in the throes of one of the worst inflationary periods in their history — an inflation which threatened to wipe out the value of most of the wage raises gained by the workers during the previous period.

Through the years between 1916 and 1920, the labour movement in both Canada and the United States experienced one of its greatest periods of growth and expansion prior to the New Deal days of the nineteen-thirties. In the American field the union scored notable gains in organizing the mills in the North East and Middle West in such states as Wisconsin and Minnesota. One innovation that was of great help to the union was the drawing of the first Paper Makers Standard Minimum Wage Schedule in 1915. This represented the first attempts to classify wage rates systematically for the different classes of workers on the paper machines, according to the size, the width, and the speed of the machines. It was an effort to end the great variations between the wage paid for the same type of jobs in different mills. By the end of the war, several of the mills in Ontario had adopted the wage rates set up under the Schedule.

By this time the pulp and paper industry in Canada and the United States was becoming continent-wide in its operations. Attracted by the forest wealth and the rich water power of the Pacific Coast, important financial and industrial groups had begun to erect large mills in the states of Washington and Oregon. This industrial expansion began to penetrate northwards across the boundary into the province of British Columbia. The first news print mill on the Canadian Pacific Coast was built at Powell River on the coast north of Vancouver in 1912. Most of the men on the machines at the mill there had been union members in the East and they quickly set up a local there. Although the company instituted the eight-hour day almost immediately upon the opening of the mill, the struggle for recognition by the local was a tough one. In 1913 the union members were locked out by the Company because they refused to sign a petition giving up their right to organize the mill. During the next few years, Pacific Mills — a subsidiary of the Crown Willimette Co. which was the largest Pacific coast company on the American side of the boundary, built a newsprint mill at Ocean Falls, about half way between Vancouver and Prince Rupert on the Coast. A local was started at Ocean Falls and relations with the company were good, since the latter had granted its employees the rates set up in the Paper Makers Schedule, although no formal written agreement had been signed.

In 1918, the union started a strong drive to organize the mills of the Crown Willimette Company in Washington and Oregon. The company put up obstinate and stiff resistance. Strike breakers were imported from the East and the strike was marked by much violence



both on the part of the company officials and the local police and municipal authorities. The Crown Willimette Company then decided to use the paper from its Ocean Falls mill, which was still operating, to relieve the situation in the mills south of the border. A difficult situation then arose as the union members at Ocean Falls were, in effect, helping to break the strike which was being staged by their fellow-members in the United States. Finally, the President of the Union in the United States ordered the members of the local at Ocean Falls to walk out. The Pacific Mills Company responded to this move of the union by using its influence with the Canadian Government to get the union members on the paper machines called up for military service and the strike collapsed. When George Schneider, one of the Vice- Presidents of the union, started northwards to Ocean Falls to investigate the situation, he was first of all refused admittance to Canada by the Canadian authorities at the border, on the grounds that he was a German agent. When he was finally allowed to cross the border and reached Ocean Falls, he had no sooner landed than the agents of the Company forced him to board the boat again and return to Vancouver, before he had a chance to contact the members of the union. Soon afterwards the strike in the American mills of the Crown Willimette Company was called off by the union, having resulted in a complete victory for the Company. Union organization in the Pacific Coast mills then petered out, not to be revived again until the New Deal period of the nineteen-thirties. The Powell River local managed to survive into the nineteen twenties and even signed an agreement with the Company in 1919, but eventually it fell to pieces because of the opposition of the Company and dissension among its members.

But in spite of these reverses on the Pacific Coast, the prosperous times were enabling the union to make much headway in the Ontario mills. The acceptance by the Ontario Paper Co. and the Spanish River Paper Co. of the union apparently encouraged some of the other Ontario companies to make similar moves. In 1917 an agreement was secured in the mill of the Abitibi Paper Co. at Iroquois Falls, which was already developing into one of the large Canadian newsprint producers. During the next two or three years, the unions managed to gain an entrance into the newsprint mills which were being built in the Northwestern region of the province of Ontario, west of Lake Superior and east of the Ontario-Manitoba boundary. Agreements were signed in the new mills of the Great Lakes Paper Company at Fort William, at the head of the Lakes, in the mill of the Minnesota and Ontario Paper Company at Fort Frances on the international boundary between Ontario and Minnesota, in the mills of the Dryden Paper Co., at Dryden on the main line of the Canadian Pacific between Fort William and Winnipeg, and in the mill of the Provincial Paper Company at Fort William. An entrance was made into the fine paper field with the conclusion of an agreement with the Lincoln Paper Co. at Merritton in southern Ontario. Almost all of these agreements contained union shop clauses. Preference was to be given to union members in hiring and firing and in some of the agreements three annual paid holidays were provided.

In 1920, the union in both Canada and the United States seemed to be in a very strong position. Membership had taken a rapid upward curve and wage rates were at the highest levels in the history of the industry. This general attitude of optimism and aggressiveness on the part of union officials and members was reflected in the 1920 annual convention which took place in Buffalo, where the delegates approved a new wage schedule which would contain wage rates twenty per cent above those at present in effect in the Ontario and Quebec mills. At the Convention, the delegates had, first of all, come out for an across-the-board twenty-five per cent wage increase. But the President of the union, J. T. Carey, realizing that trouble was on the horizon for the industry, was able to get the delegates to cut their demands to twenty per cent. The demands of the union were accepted by the majority of the Canadian companies, since they were making plenty of money.

But when the delegates met again in annual convention, in the springs of 1921, the whole newsprint and paper picture in North America had begun to change. The price of newsprint, after reaching a record high of one hundred and twelve dollars (\$112.00) a ton in 1920, began to fall. The war time business and industrial boom in the United States and Canada was over, and a drastic drop of general prices had followed. In the face of these uncertain conditions, the large pulp and paper companies were in a much less amiable mood towards demands by the union for further wage increases than they had been the year previous. At the Convention, President Carey won much unpopularity among the delegates by warning them that the prosperity in the industry was temporary, and that any false move by the union at that time would wipe out the progress of the past few years and bring back the weak position in which organization had been twenty years before. The convention finally went on record for a wage raise of five per cent. This offer was flatly rejected by the majority of the American and Canadian companies, who came back with proposals of a thirty per cent wage cut and the restoration of a nine hour day, which by this time had been abolished in most of the mills in Ontario and in some in Quebec. Many of the Canadian locals, including those at Fort Frances, Iroquois Falls, Espanola, Sturgeon Falls, in Ontario, at Three Rivers in Quebec, and at Grand Falls, Newfoundland, decided to go out on strike rather than accept such terms.

Finally, the Canadian and American companies agreed to an arbitration of the wage issue, after a thorough investigation of all the problems and issues involved. A committee was set up consisting of representatives of the two paper mill unions and of the companies which made investigations of conditions in all the paper manufacturing regions of Canada and the United States. This committee came to the conclusion that there had been a general reduction both in the cost of living and in the price of newsprint since 1920, and that a general lowering of wages in industry was necessary if the companies were to continue to operate on a profitable basis, and that such a reduction could be made without any great lowering of the

wages paid to the workers. The award of the Arbitration Board, which was made in August 1921, called for a ten per cent reduction in wages for all employees receiving sixty cents an hour or more. Those employees receiving less than sixty cents an hour, including such classes of men on the machines as third, fourth and fifth hands, were to have their pay reduced by sixteen and two-thirds per cent. This reduction, in actuality, signified a return to the wage levels current in the industry in 1910. The final settlement was even worse for the more unskilled and lower paid workers, since the wages of all employees in the mills who received less than fifty cents an hour were to be cut eight cents an hour.

The acceptance of these terms by the union meant, of course, a considerable retreat from the comparatively high wages which had been obtained at the end of the war. But in the face of the depressed conditions in the industry, the course of action taken by Carey and his associates seemed to be the only realistic one.

Fortunately, however, for all parties concerned, the post war depression in the Canadian newsprint industry proved to be of short duration. After a fall of over thirty dollars (\$30) a ton in 1921, the price of newsprint in the New York market rose to eighty dollars (\$80) a ton in 1923 and remained at a comparatively stable level for the next two or three years, in fact, by the end of 1923, general conditions in the industry in Canada had entered another unparalleled period of expansion. Millions of dollars poured northwards from the financial centers across the border — New York, Chicago and Boston — into new mills and vast new water power developments in the northern regions of Ontario and Quebec. The size of the paper making machines was greatly increased and their productive capacity expanded. Newsprint production in Canada practically doubled in value between 1922 and 1929, rising from seventy-five million dollars to one hundred and fifty million dollars in 1929. Pulp and paper manufacturing became the leading industry in Canada, and by the middle of this decade, Canada had oustripped the United States in the volume and value of her newsprint production and had emerged at the top of the list among the nations of the world in the newsprint field. The general atmosphere of the industry during these years was one of most buoyant optimism. The sky seemed to be the limit as far as the future expansion was concerned. The air was full of talk of new mills, new water power developments, new mergers, and new combinations.

One of the chief features of the development of the industry during this decade was the concentration of control in the hands of a few very large corporations, whose total assets and whose productive facilities both ran into the millions. The older and smaller mills, which had been in existence since the beginning of the century, were bought up by financial groups and merged into chains of mills. In the Province of Quebec the mills of the Saguenay Paper at Port Alfred, of the Laurentide Paper Co. at Grand'Mere, of the Belgo Canadian Paper Co. at Shawinigan Falls, of the St. Maurice Paper

Co. at Three Rivers were merged to form the Consolidated Paper Corp. which became one of the giants of the industry in Canada. The Anglo Canadian Co., which already had large holdings in Newfoundland, built a mill in Quebec City. Other important developments in the Quebec field were the erection of newsprint mills by the Saint Lawrence Corporation at Three Rivers and by the Lake Saint John Paper Corporation at Dolbeau in the Lake Saint John district.

In the province of Ontario, the expansion of the Abitibi Corporation, which had started operations with a mill at Iroquois Falls, was very rapid. It built newsprint mills at Pine Falls in Manitoba and at Sainte Anne de Beaupré near Quebec City and came into the fine paper field with the purchase of the mills of the Provincial Paper Company at Fort William and Mille Roches on the Saint Lawrence River in Eastern Ontario. But the leader in the fine paper field in Canada was the Howard Smith Paper Company, which started operations in 1912 with a small fine paper mill at Beauharnois, near Montreal. Then in 1916 it bought the Crabtree Mill in the Province of Quebec, which was one of the oldest in Canada, and converted it from newsprint to fine paper production. In 1919 it got control of the mill of the Toronto Company at Cornwall, Ontario which turned out book and writing papers. In 1928 it purchased the two mills of the Lincoln Paper Company, located in the vicinity of Merritton, Ontario, and the Georgetown Coated Paper Mills. These were merged under the name of the Alliance Paper Mills. By the end of the nineteen-twenties, the Howard Smith Corporation controlled a chain of mills in Ontario and Quebec turning out a wide variety of fine paper and specialty products, including book paper, wrapping paper, cigarette paper, tissue paper, toilet paper, stationery. In the province of Quebec the Rolland Co., which has been in existence since 1882 with mills at Mount Rolland and Saint Jerome, manufactured fine paper products of a very high quality.

But probably the most important development of the nineteen-twenties was the decision of the International Paper Company — the largest producer of pulp and paper products in North America, when faced with the high cost and unprofitability of newsprint production in the United States, to transfer the bulk of its newsprint output from the United States to Canada. This company proceeded to build three of the largest newsprint mills in Canada at Gatineau Point on the Ottawa River, opposite Ottawa, at Three Rivers, and at Dalhousie on the Bay of Chaleur in New Brunswick. It also bought up some of the properties of the bankrupt Riordon Corporation, including sulphite mills at Temiskaming and Hawkesbury in Eastern Ontario. The International quickly became the leader in Canadian newsprint field.

There was a further spread of the newsprint manufacturing in the Maritimes with the construction by the Bathurst Company of a mill at Bathurst, New Brunswick, and the first newsprint mill in Nova Scotia which was put up at Mersey River in 1927.

Most of the large mergers and combinations which were made between mills in Eastern Canada were financed by large issues of

bonds and shares and these found a ready and large market among the American and Canadian investors. The tie-ups between the Canadian newsprint companies and the banks and investment houses became very close and intimate, since the latter found abundant opportunities for profit in promoting the mass sale of the securities which were issued as a result of the mergers. As we shall see, this method of financing proved disastrous to the companies when the depression hit the industry at the end of the nineteen-twenties.

Meanwhile the union was going through difficult and trying times. At the time of the negotiations over wage cuts with the companies in 1921, the two paper mill unions had refused to accept the scale of wage reductions put forward by the International Paper Co. and a long and disastrous strike began in the mills of that company in the United States, which lasted over five years and which ended in complete defeat for the union. The heavy burden of providing financial relief for the strikers in the International mills had a very weakening effect on the union's finances. By the time the strike was called off in 1926 it was approaching bankruptcy.

Then the internal unity of the organization was seriously threatened by a dispute over the control and direction at the top. J. T. Carey had been President of the union since 1905, and he had carried it through the most difficult period of its history. Under his leadership it had made wonderful progress in both Canada and the United States. But, by the end of the First World War, he had begun to show increasingly dictatorial tendencies and refused to take the advice of the Executive Board and the officials of the organization in charting union policy. He had gained considerable unpopularity among some groups in the industry by his action in 1918 in annulling a decision of the War Labour Board in the United States which had granted over-time pay to shift workers. In 1919 the group in the union who felt that Carey was trying to run things too much to suit himself asked George Schneider — an official who had done for the union and who was highly respected — to run against Carey for the presidency. This was the first time that Carey had not been re-elected President by acclamation since 1905. In the elections Carey was placed in power again by a large majority, but he proceeded to overreach his authority by telling Schneider that his services as an officer of the union were terminated. This action aroused a storm of protest among union officials and members, since Schneider was very popular. The Executive Board insisted that Schneider be reinstated as an officer.

At the 1921 annual convention, the battle over leadership of the union came to a head. Carey here made some concessions, after many of the delegates had openly expressed disapproval of his high-handed methods and agreed to have Schneider made Fourth Vice-President. The delegates decided to create the office of Secretary to provide a check on Carey's actions. During the next two years, Carey lost still more of his popularity with rank and file because of the fact that he had urged a course of wage reductions in accordance with the depres-



sion in the industry. At the annual convention of 1923, the opposition to his rule among the union members became open. Two men who had long experience in the organization, Matthew Parker and Henry Grasse, put themselves up as candidates against him in the race for presidency. The election returns were close and the Canvassing Board of the union finally decided that Parker had won. Carey very unwisely refused to accept this defeat and step down from the Executive post which he had held for almost twenty years. He was able to get the United States courts to grant him an injunction, which prevented Parker from taking office as President. A very difficult situation arose as Carey had control of a large portion of the union's treasury, and the whole organization was split into two opposing factions with damaging effects on its morale and unity. At the 1924 convention the delegates voted to have the Executive Board impeach Carey on grounds of misconduct if the American Courts declared that he was still legally President of the union. After much litigation which was very costly to the union, Parker was finally confirmed in his position as legal president of the Union by a United States District Court, and Carey was forced to surrender his post. Naturally, this incident created much bad feeling and dissension among the officials and members, and by the beginning of 1925 — because of the Carey dispute and the unsuccessful fight with the International Paper Company, the funds were so low that the organization was obliged to make an extra levy upon its members.

Yet, in spite of these reverses, the nineteen-twenties were kind to the union in the province of Ontario. By 1923 general business conditions in the newsprint industry in Canada had begun to pick up to such a degree that the union was able to recover the wage cuts which it had been forced to take two or three years earlier. In 1923 a wage conference was held at Montreal, where the delegates decided to ask the Canadian companies with which the union had agreements for the same scale of wages that had been paid prior to the reductions of 1921. In answer to these demands the companies took the stand that it was unfair of the union to ask for such extensive wage restorations at a time when the industry in Canada was still getting on its feet again after the post war depression. The union accepted these arguments of the companies and finally agreed to limit its demands to a five per cent wage increase, which was accepted by both sides.

In 1925, a serious dispute developed in the mill of the Thunder Bay Paper Co. at Fort William, Ontario, which had recently been taken over by the Spanish River chain. The local in the mill there was very dissatisfied because they had not been the same terms regarding Sunday work as had been given by the Spanish River Company to the locals at Sault Sainte Marie, Espanola, and Sturgeon Falls. The men in the mill walked out in protest against Sunday work. W. R. Smith, an organizer whose field of operations covered this region of Canada, came up to Port Arthur to investigate the dispute. The Spanish River Co. exerted pressure on the Canadian Government to have Smith — an American citizen — expelled from

Canada. He was informed by the Canadian immigration officials at Port Arthur that he would have to return to the United States and then apply for re-entry to Canada. Smith then went to Sault Sainte Marie via the United States and was allowed into Canada by the local Canadian immigration officials who seemed surprised at the treatment which he had received at Fort William.

In the meantime, the Spanish River Company maintained a highly stiff-necked attitude regarding the situation at Fort William. Colonel Jones, one of the officials of the company, told Smith that as far as the company was concerned the Fort William mill could shut down for good, since the company had been losing money there. Matthew Parker, who was President of the union at that time, feared that this action of the Spanish River Company represented the beginning of a general open shop drive against the locals of the union in Government to have Smith — an American citizen — expelled from Ontario by the Canadian paper companies. Smith finally got permission from the Canadian Government to return to Fort William, much to the annoyance of the local Canadian immigration officials there. President Parker wrote to Smith that if he had been in Smith's place he would have got really tough with the Canadian immigration officials. Smith, in answer, said that Parker was sadly mistaken if he thought such methods would get the union anywhere in Canada, and he also pointed out that George Schneider and other union officials who had been deported from Canada in the past could testify to this. Finally, after the men at Fort William had been on strike for several months, the Spanish River Company backed down and agreed to the demands of the local regarding Sunday work, and there was no further trouble in the Fort William mill.

During the next few years, the union succeeded in organizing most of the remaining mills in Ontario whose workers were not yet under its jurisdiction. Agreements were secured at the Kenora Mill of the Minnesota and Ontario Paper Company, at the new mill of the Abitibi Co. at Pine Falls, Manitoba, and in the fine paper mills of the Howard Smith Company at Merritton, and at Cornwall, in Eastern Ontario. Some trouble was met in getting a hold in the mill of the Spruce Falls Paper Co. at Kapuskasing in 1929, where the company had fired some men for union activity. The local went out on strike, but an agreement was finally reached with the aid of the Ontario Government and the Federal Department of Labour. The Company agreed to recognize the union and an agreement was finally signed. By the end of the nineteen-twenties, the great majority of the fine paper and newsprint mills in Ontario were fully organized and agreements were in force. By the end of the nineteen-twenties the union was in a strong position throughout the province of Ontario. In negotiations with the newsprint companies, which took place between 1924 and 1929, it was successful in getting back the wage cuts which had been made in the earlier depression years of the decade. In the newsprint mills in the province of Quebec, where the union had no agreement at that time, the improvement of the wage situation was even more noticeable. The following table will show the changes

in the average wages for the different occupations in the newsprint mills in Ontario and Quebec during the later nineteen-twenties.

		Ontario	Quebec
<i>Machine Tenders</i>	1922	\$1.19 an hour	\$ .96 an hour
	1930	\$1.30 " "	\$1.26 " "
<i>Back Tenders</i>	1922	\$1.02 " "	\$ .78 " "
	1930	\$1.18 " "	\$1.06 " "
<i>Third Hands</i>	1922	\$ .74 " "	\$ .61 " "
	1930	\$ .88 " "	\$ .79 " "
<i>Fourth Hands</i>	1922	\$ .58 " "	\$ .43 " "
	1930	\$ .64 " "	\$ .56 " "
<i>Fifth Hands</i>	1922	\$ .56 " "	\$ .39 " "
	1930	\$ .59 " "	\$ .46 " "

By this time the organizational framework of the union in Canada had been considerably expanded; as its membership in Eastern Canada steadily grew, it became apparent that the union needed officials and organizers with a special familiarity with Canadian industrial conditions and problems and more especially with the general situation in the province of Quebec where the union was up against a different set of problems from those which confronted it in other paper manufacturing regions of Canada and the United States. For several years, the correspondence pages of the Paper Makers Journal had been filled with demands from the locals in Canada for the appointment of organizers whose activities would be confined to the Canadian field and who would have a working knowledge of the French language, also who would know the right approach towards the French speaking workers in the province of Quebec. In 1920, the Canadian region for the first time received representation on the Executive Board with the appointment of Frank McLeod, who was a Canadian and who worked in the Espanola mill of the Spanish River Paper Co., as a Vice-President. A Canadian office which was jointly supported by the International Brotherhood of Paper Makers and the Brotherhood of Pulp and Sulphite Workers was set up with Arthur Huggins and Maurice Labelle in charge. In 1922, Arthur D'Aoust — the Corresponding Secretary of the Chaudiere Falls Local was also elected Vice-President. In the following year, he was also appointed full-time organizer for the union in the province of Quebec. Because of his fluent command of the French language and his wide experience of conditions in the industry in Ontario and Quebec, his work was of great value to the union in Eastern Canada. Another sign of the growing efforts of the union to make an appeal to the French speaking workers was the inauguration of a special section in the Journal, with articles and correspondence in French which would be of definite interests to Quebec members.

But, in the year 1930, more trouble was ahead for the union. Even as early as 1927 persons who were fully familiar with the newsprint situation in Canada had come to the realization that the industry was heading for a crash. New mills were being built and new and larger machines being installed at such a rate that it was quite obvious that the productive capacity of the industry in Canada would eventually outstrip the potential demands of its markets in the United States. Between the years 1925 and 1929 the total productive capacity of the Canadian mills had almost doubled, and actual production figures had soared to a world's record figure of 2,729,000 tons in 1929. But a stop to this expansion race had to come somewhere. By 1929 the annual production of the Canadian newsprint mills was beginning to run well behind their productive capacity. The signs that the American market for Canadian newsprint was reaching the saturation point became abundant in the years 1927 and 1928. The price of newsprint, which had been fairly stable during the past two or three years began to fall again, and in 1931 it reached a low of fifty-seven dollars a ton. This situation was made worse by the advent of the world economic depression at the end of 1929. American newspapers were faced with a shrinking sale, and they began to cut down their size and advertising lineage; as a result the demand for Canadian newsprint in the American market steadily fell until it reached a low of less than one million five hundred thousand tons in 1932.

The Canadian newsprint companies, of course, made efforts to check this decline in their sale, by the formation of an association called the Newsprint Institute of Canada, in which most of the large mills had membership. The aim of this association was to put an end to excess production, to spread orders among the mills in an even fashion, and to keep the price of newsprint stable and on a high level. But the Institute failed to achieve its purposes, partly because the International Paper Company — which was the largest producer in the Canadian field, refused to fall in with its plans and made an agreement to sell newsprint to the Hearst newspapers in the United States at prices below those set by the Institute. The American newspaper publishers regarded the formation of the Institute as an effort by the Canadian companies to make them pay "through the nose" for their newsprint, and they threatened a boycott of those Canadian firms who were members of this Institute. By 1931 the efforts of the Institute to stabilize production in the industry, and to keep the price of newsprint up, had failed and the whole movement collapsed. From then on, the Canadian newsprint companies abandoned any attempts at cooperation and competed against each other in supplying low cost newsprint to the American publishers, and this dog-eat-dog competition brought the industry to the brink of ruin by the end of 1932.

The majority of the Canadian corporations were in a particularly weak and vulnerable state when the depression started. They were very much over-capitalized and when their sales began to decline in 1929 and 1930 the interest payments on the large issues of bonds

which they had made during the previous decade proved to be a heavy and crushing burden on their financial structure. In addition, these companies were handicapped by the exceedingly heavy fixed costs in newsprint operation, such as hydro-electric power, and must therefore keep the mills running at a point near full capacity and enjoy a large volume of sales if any profits were to be made. The capacity idle in the Canadian mills steadily increased after 1929, until three years later, in 1932, the Canadian companies were running only at fifty-two per cent of what they were capable of producing, and the value of their total sales in the United States had shrunk from \$148,865,648 to \$69,200,515 during the same period.

Another result of this crisis was the efforts made by the Canadian newsprint industry to establish even larger consolidations and mergers of mills, by which out of date and unprofitable machinery and equipment could be scrapped and the costs of production cut down. The consolidation movement, which had been so marked in Canada ever since the end of the First World War, reached its climax. Consolidated Paper Corporation with its mills at Grand'Mere, Shawinigan Falls, Three Rivers and Port Alfred, was merged with the Anglo Canadian Corporation with mills at Grand Falls, Newfoundland, and Quebec City. This merger, however, was found to be unworkable and was afterwards dissolved. In the province of Quebec, the St. Lawrence, the Lake Saint John, and the Brompton Paper companies with mills at Three Rivers, Dolbeau, and East Angus, came together to form the Saint Lawrence Corporation chain. But the biggest development was the merger of the Abitibi and the Spanish River companies — the two largest newsprint producers in the province of Ontario — in 1929. This brought into being a corporation which controlled a large share of the Canadian and American markets, and which had newsprint and fine paper mills at many points in Eastern Canada, including Fort William, Sault Sainte Marie, Sturgeon Falls, Iroquois Falls, and Espanola, in Ontario, Ste. Anne de Beaupré, in Quebec, and Pine Falls in Manitoba. In 1931 there was talk of another giant merger, which would include practically all the newsprint mills in Canada not already controlled by the International Paper Company.

But all these desperate measures failed to save the industry. During the years between 1930 and 1933, Canadian newsprint production entered a period of acute depression and the impressive financial and industrial structure which had been built by the banks and bond houses in the nineteen-twenties crashed, bringing ruin both to many small investors and to countless employees in the industry. Mill after mill in Northern Ontario and Quebec either closed down completely or operated only at a fraction of its full capacity during these grim years. By the beginning of 1932 only one machine was operating in the mills of the Ontario and Minnesota Paper Company at Fort Frances and International Falls. One machine was operating two days a week in the Great Lakes mill at Port Arthur. Only three of the mills of the Abitibi chain were running — those at Iroquois Falls and Sault Sainte Marie. The mills at Espanola,

Sturgeon Falls, Fort William and Ste. Anne de Beaupré had all ceased operations, and plans were made to close the Pine Falls mill in the Spring of 1932. In the case of the mill at Espanola, the stoppage of production was permanent. It was never again to be run as a newsprint plant. In the Province of Quebec, the large mill of the Consolidated Paper Corporation at Port Alfred was shut for over three years and most of the other large mills were running on a very reduced production schedule. By the middle of 1932, practically all the large newsprint companies in Canada, with the exception of the International Paper Company and the Powell River mill in British Columbia, had been forced into bankruptcy or receivership and had been compelled to suspend the payment of interest on their bonds. The value of newsprint company securities went down to almost nothing on the American and Canadian stock markets.

The depression in Canadian industry was particularly bad from the union standpoint because the majority of the mills in Northern Ontario and Quebec were located in isolated rural districts where in many cases they provided the sole means of livelihood for the local population. Once that the men on the machines had been forced into joblessness by cuts in production, it was impossible for them to find any other local employment. The conditions which had been so common in the early days of the industry in Canada, when it was possible for a paper maker to shift from one mill to another, had largely disappeared. Although the union was able to provide some financial aid, often there was no alternative for the union members and their families except to go on relief. Such newsprint centers as Sturgeon Falls and Espanola, whose populations numbered several thousands, had become ghost towns by 1932. The sufferings of many union members in Canada were bitter during this period of depression when the whole bottom seemed to have fallen out of the paper industry.

By the middle of 1931 the general outlook in Canada was bleak indeed. Faced by ever increasing lay-offs and mass unemployment, the union appeared to be faced with the break-down of all its efforts at organization during the past twenty years. In fact the locals in the province of Quebec which were in a weak condition, were swept completely away. In Ontario it was only the courage, the perseverance, and the determination of the members and of such organizers as Arthur D'Aoust that kept the union alive at all. The affiliation with the paper makers locals in the United States, where the depression in the paper industry had not been quite so severe as in Canada, proved to be vital and indispensable. If it had not been for the financial aid which the headquarters in the United States was able to give to the Canadian locals, it is probably that the whole organization in Canada would have folded up. As it was, the union managed to hold the agreements which it had with the large Ontario companies, such as the Abitibi, the Minnesota and Ontario, and the Great Lakes Corporations, intact.

The men who directed the policies of the organization were now faced with some ticklish problems. On the one hand they were

anxious not to weaken the structure of the union and to preserve as much as possible of the high wage rates and the benefits which had been gained during the nineteen-twenties; but on the other hand, President Matthew Burns and the other members of the executive realized that, in face of the mounting joblessness and the steadily declining market for newsprint, extensive wage cuts had to come, and had to be accepted by the union members. Burns argued that it was better for the union to accept these cuts and preserve the organization already existing than to stage protest strikes which might prove to be utterly disastrous. No doubt his memory of the unfortunate strike in the mills of the International Paper Company in the United States, in the nineteen-twenties, coloured his thinking here. During the next year or two, he was continually pleading with the locals in Canada to take such cuts when they were demanded by the companies. The union did not lack its own solutions for the problems which were facing the industry. In May 1930, an editorial appeared in the Paper Makers Journal making an appeal to the Canadian companies to stabilize production and prices to the greatest degree possible and to spread orders among the existing newsprint mills so that as few men working on machines as possible would be thrown out of work. Again and again during the next two or three years, the Journal returned to this suggestion as the only effective solution for the conditions created by the depression in the industry. In the autumn of 1930, at a meeting of the Hull and Ottawa District Council of Paper Mill Unions, resolutions were passed asking the Federal Government for cooperation in the stabilization of employment in the industry by the adoption of the five-day week in the Canadian mills, and by the spreading of orders among the mills. In January 1931, the Ontario Executive Council of the Trades and Labour Congress — of which our union was a member — presented a legislative programme to the Ontario Legislature which made similar demands, asking the Ontario Government to put pressure on the Ontario companies for the fulfillment of this programme.

At the annual convention of the union, which was held in Montreal in the spring of 1931, President Burns informed the delegates that the situation in Canada had become so desperate that they were faced with the alternative of accepting large wage cuts or being forced into complete unemployment. There was much debate at the convention over the advisability of the adoption of the six hour day and the five day week as a means of increasing employment in the industry in Canada. The President favoured the six hour day in the mills, saying that it might save a portion of the industry from complete ruin, and that it would enable the companies to increase production while cutting their operating costs. He, however, did not favour the suggestion of a five day week, pointing out that the union in Canada lacked the power and the organization to force such a measure on the companies. After a long discussion, the delegates approved of the application of both the six hour day and the five day week in Canada. It was estimated that by the adoption of these measures, twenty-five per cent of the union members who were jobless could be put back to work.

But the success of any such plans for checking the spread of unemployment in the industry would have necessitated a united policy among the Canadian companies — and such unity was completely lacking. Some of the companies, such as the Abitibi, did try to soften the effects of the depression by the adoption of the six hour day which was brought into effect in the mills at Iroquois Falls and Sault Ste. Marie in 1931. But by this time the industry as a whole was in a condition of chaos. Some companies were operating on a three and a half day week, with only a few machines running, while others notably in the province of Quebec were working on a seven day week in an effort to flood the American market with low cost and low price newsprint. As the price cutting continued in the New York market, these practices grew worse.

In the face of this worsening situation, when the industry was in a state of bankruptcy, the wage rates for the men on the machines underwent a considerable decline from the high levels of the nineteen-twenties. These cuts, however, were considerably less severe in the mills in Ontario than in those in Quebec. This was partly due to the fact that in 1929, at the beginning of the depression, the great majority of the mills in Ontario had been effectively unionized, while those in Quebec had not. The downward trend of wages in the newsprint industry began in the fall of 1930, when a number of companies with which the union did not have agreements, put into effect a ten per cent wage reduction. Then in the Spring of 1931, Price Brothers in Quebec and the Mersey River Paper Company in Nova Scotia instituted a ten per cent wage reduction. There was an immediate protest on the part of the union. The latter asked the Quebec Government to make an investigation of the wage and price structure of the Price Brothers mills. The Quebec Government did this and attempted to get Price Bros to revise their attitude on the subject of wage rates, but the company refused to submit this matter to arbitration by the Taschereau Government. Then, in the meantime, the non-unionized mills in the State of Maine cut the wages of paper makers fifteen and twenty per cent. This was followed by general wage reductions in the Ontario mills, which the union was forced to accept — five per cent in the case of the Minnesota and Ontario mills, and seven per cent in the case of the E.B. Eddy Company and the Anglo Canadian mills. In the spring of 1932 with the price of newsprint steadily falling and unemployment increasing, another cut of ten per cent was forced on the two international paper mill unions by the Ontario and Quebec companies. Some of the Ontario companies also wanted the abolition of payment for overtime and for work on Sundays and holidays, but the union still had enough strength left to buck this move. In the next year, 1933, at the very bottom of the depression, another general seven per cent wage reduction was put through in the Ontario mills.

The general deterioration of the wage situation in the newsprint industry in Canada during the years between 1929 and 1934 may be shown by the following diagram of the average rates for various job classifications in the Ontario and Quebec mills.



		Ontario	Quebec
<i>Machine Tenders</i>	1930	\$1.35 an hour	\$1.26 an hour
	1933	\$1.07 " "	\$1.00 " "
<i>Back Tenders</i>	1930	\$1.18 " "	\$1.06 " "
	1933	\$ .93 " "	\$ .82 " "
<i>Third Hands</i>	1930	\$ .88 " "	\$ .79 " "
	1933	\$ .71 " "	\$ .62 " "
<i>Fourth Hands</i>	1930	\$ .64 " "	\$ .56 " "
	1933	\$ .51 " "	\$ .44 " "
<i>Fifth Hands</i>	1930	\$ .59 " "	\$ .46 " "
	1933	\$ .47 " "	\$ .37 " "

By 1934 the rates for fifth hands had fallen so low as thirty cents an hour in some of the mills across Canada. This decline in wages can also be seen in the changes in the rates in various mills in Quebec and Ontario. In the mill of the Consolidated Paper Corporation at Port Alfred, Quebec the rates on a 234 machine were as follows:

	1927	1932
Machine Tender	\$1.42	\$1.00
Back Tender	\$1.24	\$ .81
Third Hand	\$ .87	\$ .61
Fourth Hand	\$ .55	\$ .45
Fifth Hand	\$ .45	

The differential between the rates for the same jobs in Ontario and Quebec mills at this time may be shown by the fact that in the same year, 1934, on machines of the same size, the rates at Kapuskasing, Ontario, mills of the Spruce Falls Paper Company, and those of Price Brothers mill at Kenogami were as follows:

	Kapuskasing	Kenogami
Machine Tender	\$1.58	\$1.24
Back Tender	\$1.22	\$1.13
Third Hands	\$ .91	\$ .85

With this situation and with more members being thrown out of work every month, and, in some cases, being without employment for a period as long as two years, it is no wonder that the union suffered a considerable loss in its Canadian membership. The total membership of the union in Canada declined from over 2,000 in 1939 to 1471 in 1932, and the total number of locals in Canada sank from 33 to 26 during the same period.

By the middle of 1933 conditions in the newsprint industry in Canada had reached a very low ebb. Through the competition of

certain of the Canadian companies who were cutting costs to the bone, in an effort to undersell each other in the Canadian market, the price of newsprint in the American market had fallen to less than forty dollars a ton — a price at which the profitable operation of the industry was quite impossible.

But this was the darkest hour before the dawn. During the year 1933, several new and important developments in the United States heralded a new era for the newsprint industry. When the New Deal Administration of Franklin D. Roosevelt came into power in March of that year, it set up the National Industrial Recovery Administration — one of whose aims was to stabilize conditions in American industries and improve their working standards, and the situation of the employees, by the institution of price fixing arrangements between the companies and by the setting up of codes of minimum wages and maximum hours for the workers. During the latter months of 1933, with the cooperation of the two paper mill unions and the American companies, a code of this type was drawn up at Washington by the NRA authorities for the American newsprint industry. Matthew Burns, the President of the Paper Makers, and John P. Burke, the President of the Pulp and Sulphite Workers, both took part in these conferences and advocated the establishment of the six hour day and the six day week in the American and Canadian mills. Finally, it was agreed that the forty hour week should be instituted in the American mills and minimum rate of thirty-five cents an hour for male workers and thirty cents an hour for women workers should be put into effect. The presidents of both unions thought that these basic rates were far too low. When the conference took up the question of fixing a uniform price for newsprint, much objection was raised by the American newspaper publishers, who claimed that the Canadian and American companies were entering into a monopolistic combine to keep the price of newsprint high, and eventually this attempt to regulate the price of newsprint by legislation was abandoned by the American Government. In the Spring of 1935, the NRA legislation was declared unconstitutional by the United States Supreme Court, but the efforts at cooperation by the American and Canadian Companies to pull the newsprint industry out of the morass into which it had fallen continued. In 1934, a Newsprint Manufacturers Association was formed in Canada — in which all the large Canadian newsprint companies had membership. The purpose of the formation of this Institute was the enforcement, to the greatest degree possible, of the terms of the NRA newsprint code in the industry in Canada, and the elimination of the unrestricted competition and the price cutting which had had such ruinous effect on the Canadian newsprint industry. It was difficult to get the individual corporations to fall into line behind such a programme, but during the next two or three years conditions in the industry greatly improved. By the end of 1934, the Canadian paper companies began to feel the general effects of the widespread business recovery which took place in Canada and the United States during that year. The American newspapers began

to expand their advertising lineage and increase the size of their publications again and the demand for Canadian newsprint in the United States started to rise. Total newsprint consumption in the United States rose from a low of 2,692,000 tons in 1933 to 3,692,000 tons in 1936 — which was a figure almost on a par with consumption in 1933. Then the price of newsprint in the New York market began a slow rise from forty dollars a ton in 1934 to fifty dollars a ton in 1937. The industry definitely had turned the corner and better times were in store for both the companies and the workers.

At the same time the advent of the Roosevelt Administration in the United States had very important and far-reaching effects on the general situation of unionism in Canada and in the United States. The labor clauses of the National Industrial Recovery Act, which was passed in Washington in 1935, for the first time gave American unions some legal protection against the interference of employers in their organizing activities, and put pressure upon a company to recognize a union that had the support of the majority of its employees as the legitimate bargaining agent for those workers. Both this piece of legislation and the Wagner Act, which was passed in 1935, had a very stimulating effect on the spread of unionism in the pulp and paper industry in the United States. It gave the union entry into mills from which it had previously been barred and which had been strongholds of the open shop and of company unionism. Between 1933 and 1937 the two mill unions experienced a great growth of membership in the United States, especially in the Middle Western States. The union managed to get a really solid footing in the mills on the American Pacific Coast, where the open shop had ruled since the First World War.

Although Canada as yet had no Federal legislation, like the Wagner Act, yet these developments south of the border certainly helped the progress of the Canadian Labour movement. As conditions improved in the newsprint industry, the union was no longer dealing with companies whose finances were deeply in the red and it was possible to start a drive for higher pay which would wipe out most of the losses which had been suffered during the depression years. In 1934 a general campaign for the reorganization of the union in Eastern Canada was begun under the capable leadership of Arthur D'Aoust — who was the chief executive officer of the union in Canada. Many of the locals in the Ontario mills were reorganized and put on a more solid basis. Locals which had disappeared during the depression years were re-formed and efforts were made to get agreements with the remaining companies in Eastern Canada which had as yet not recognized the union.

With the emergence of this new organization drive in Canada—the question of the organization of the mills in the province of Quebec became an urgent one. Although Quebec was the leading centre of the newsprint industry in Canada, the Paper Makers as yet had not secured a single agreement there. This lack of unionism was a menace both to the companies and the union members in other

parts of Canada, as well as in the United States. By the middle of the nineteen-thirties conditions were very bad in the Quebec mills. The general level of the rates in many of the mills was below those in the province of Ontario and the Paper Makers Minimum Wage Schedule. Sunday work had become common, and in some mills one paper maker would work on two machines. The low rates of pay in Quebec helped to keep down wage rates in the industry throughout Eastern Canada generally. Whenever the locals in Ontario would ask the companies there for higher rates, the company representatives would point to conditions in the Quebec mills and claim that they had to keep their general production costs down to compete with the Quebec companies in the American market. By 1934 it had become one of the major goals of the union in Canada to get the paper makers in Quebec one hundred per cent unionized and to bring the level of wage rates in the mills there up to the levels of those paid in the province of Ontario. But the province of Quebec presented peculiar difficulties and problems which were not encountered by the union in other regions of Canada or in the United States, and it is with these problems that we will deal in the next section of this work.

### *THE STRUGGLE FOR RECOGNITION IN THE PROVINCE OF QUEBEC*

As it is well known, the province of Quebec has always been set apart from other regions of Canada and of the United States by sharp differences of race, religion, language, customs, and national outlook. During the three centuries which have elapsed since the first settlers from France set foot on the banks of the Saint Lawrence, the French-Canadians have built up for themselves in their native province a distinctive way of life which has given them a unique position among the dwellers on the North American continent.

In the past, this French Canadian way of life has been primarily a rural one. Before the appearance of modern industry in Eastern Canada, at the beginning of the present century, the great majority of the inhabitants of Quebec lived on small farms and in villages where life still moved at the pace of the ox cart rather than at that of the automobile, and where the general pattern of things had not changed very much since the middle of the eighteenth century. From the economic standpoint, the local people were completely self-sufficient. They grew and raised on their farms most of the food which was consumed by themselves and their live stock. They spun and wove at home most of the materials for the clothes which they wore. Therefore, they had very little occasion for any contact with the outside world. Many of them never traveled any farther away from home than Quebec City or Montreal, during the course of an entire lifetime, and their idea about life in English speaking Canada or in the United States was very vague and hazy. In addition, there was the barrier of language. French was the universal language of communication and only the better educated minority, such as the local lawyers or doctors, had any working familiarity with English. In some of the more remote of these communities, an English speaking person was so rare — in this era, before the invention of the radio

and the automobile — that he was an object of curiosity. Catholicism was the almost universal religious faith here and the local curé or parish priest enjoyed enormous prestige among the local population. He was the leader of the community and the guide and adviser of its members in material as well as in spiritual matters.

Since rural Quebec, at this period, was so far removed in spirit and outlook from the modern world of the United States and Europe, and since traditional ways of life were so deeply rooted here, it was quite natural that new ideas should meet with a good deal of opposition in this part of Canada. It must be remembered that during the past two centuries — as a tiny French and Catholic island in an Anglo-Saxon and Protestant ocean — it has been only by dint of hard and continuous struggle and effort that the French-Canadians have been able to keep alive their language and institutions. This long struggle for the survival of their national culture has bred in them, as the minority group in Canada, a defensive attitude which has appeared at every crisis in Canada's history. Their leaders — especially among the ranks of the clergy — have feared that new and strange movements which have had their origin outside of the province of Quebec, such as trade unionism, would Americanize or Anglicize the French Canadian people and win them away from their devotion to French Canadian traditions and customs. All new innovations coming from the United States during the past twenty or thirty years, e.g., radio and movies, have been suspect in the eyes of these people. Then too, the whole labour situation in the province has been made much more difficult because of the fact that the industrial revolution was so late in coming to French Canada. The factory system did not begin to develop in Quebec until after over half a century following its first beginnings in the United States. As late as 1900 there were few large factories or industries outside of Montreal and Quebec City. It is necessary to understand this background in studying the development of unionism in Quebec, since it was in these small and remote communities that the great majority of the newsprint mills were to be built and the whole pulp and paper industry to be centered.

It was inevitable that the building of these mills and the invasion of modern industry in general should exercise a deeply disturbing influence on the peaceful villages. Modern industrialism brought in its train a multitude of new problems, which had been unknown in Quebec, such as those of the relations between labour and management, and unemployment. Such developments were almost bound to have unsettling effects on the minds of people whose lives had been regulated for so many generations according to a rigidly fixed pattern.

From the very start, modern industrialism found its strongest opponents among the clergy. The old self-sufficient and self-contained mode of life which had prevailed during the nineteenth century had suited them perfectly, because it helped to preserve their position of leadership in the community, and because it helped them to exercise a strong influence on the behaviour and thinking of the people. Now

they saw clearly that with the arrival of the factory system would come a whole host of modern secular and democratic ideas which in their opinion would weaken the strong religious faith of the French Canadian people and cause them to adopt a questioning attitude towards the directives which came to them from their spiritual guides among the clergy. They also felt, with some justice, that the material situation of the people in these villages was not going to be improved by the transition from life on a small independant farm, to life as a factory worker in an industrial slum.

Their knowledge about the labour movement in the United States and Europe was very imprecise, but they already had a prejudice against labour organizations with affiliations in the United States. This was due to the fact that Cardinal Taschereau, one of the leaders of the Quebec Catholic clergy, had made strong attacks on the Knights of Labour in the eighteen-eighties, a time when that movement was gaining members among the workers in Montreal and in some of the large cities of the Province. Cardinal Taschereau had declared that it was impossible for a good Catholic in the province of Quebec to be a member of the Knights of Labour, which he had attacked as an anarchist organization. Also the Catholic clergy in the rural regions have always had a deep suspicion of all forms of organization or movements which have had their origin in the United States, having always considered the States to be a land of paganism, divorce and radicalism.

Another factor which slowed up the development of the union movement in Quebec was the peculiar nature of the financial and industrial set-up there. During the past century the banks, trust and insurance companies, and the industries of the province have been largely in the control of English and American financial groups. If one examines the lists showing boards of directors of the large corporations in Quebec, French-Canadian names are conspicuous by their absence. For example, even today there is only one paper and pulp company in Quebec which is controlled and financed entirely by French Canadian interests, and that is a comparatively small one. In the average Quebec mill and factory, directors, managers, supervising personnel down to the rank of foremen, have been English, English-Canadian, or American by birth, and the French Canadians have held the less skilled and lower paid jobs. This control of industry by non-French-Canadian interests resident outside of the Province has aroused a great deal of resentment among the French-Canadian nationalist groups who feel that the huge natural resources of their native province are being exploited for the profit of foreigners. This kind of sentiment has been the stock-in-trade of the various nationalist political movements which have swept across the province in recent years. These nationalist groups have always placed the expropriation of the English and American controlled industries of Quebec for the benefit of the French Canadians in the forefront of their programme. These groups have found allies among certain members of the Catholic clergy, particularly in the rural areas, who have had an almost fanatical belief in the future and the mission of

the French Canadian race and who have desired to see all English and American influences eliminated from Quebec.

In the past, the Catholic Federation of Labour has used this French Canadian nationalist cry as one of their chief weapons in their attacks on the international unions. Naturally this nationalist agitation and sentiment has been very harmful to the growth of a strong and united national labour movement in Canada. The nationalists have tried to erect barriers between the French speaking workers in Quebec industries and their fellow English speaking workers in the mills and factories of Ontario and the Maritime Provinces. They have tried to convince the Quebec workers that their interests are not the same as those of other Canadians and that their only salvation lies in the support of a movement for the transfer of the industries and banks of Quebec into French-Canadian hands. This has worked against the progress of unions of our type, which have been trying to unite all workers in the industry in Canada, from Nova Scotia to British Columbia, irrespective of race or creed, into one common organization which will strive for improved working conditions and a better way of life.

Yet an effective and militant labour movement was far more needed in Quebec than in the other provinces, because of the very bad working and living conditions which became common and widespread in the new industrial towns and cities that came into being in the period between 1900 and 1920. The general health and housing conditions in these towns were very unsatisfactory. Popular education was not developed; there was no effective legislation regulating hours of work or working conditions in Quebec industries. Children went to work in some industries as early as the age of fourteen years. The lack of familiarity with the idea of union organization in defence of their rights made the Quebec workers particularly defenseless against such tactics on the part of the employers. Due to the factors which we have mentioned, the workers in the pulp and paper industry in Quebec were much slower to gain the eight-hour day than those in the province of Ontario. There were still quite a number of Quebec mills which operated on twelve and thirteen hour shifts at a time when this practice had almost disappeared in industry in Ontario. The general level of wages in almost all Quebec industries was noticeably below that in Ontario. From the very start of the development of the newsprint industry in Canada, there was a considerable differential between the wages paid for the same jobs on the machines in the mills of Ontario and those of Quebec, and this differential was not to be completely wiped out until the nineteen-forties. The differential was particularly larger in the case of the lower paid and unskilled classes of workers. As late as 1920 in some Quebec mills the basic rate for unskilled labour was as low as fifteen cents an hour.

Yet in spite of all unfavourable factors, union organization in the Quebec mills began as early as the period between 1900 and 1910, when the first large newsprint mills were built in the province. As

in Ontario, the formation of the first locals was largely the work of the paper makers, who had come northwards from the American mills where they already had held union membership cards. In the year 1902, there were locals existent in such paper-making centres as Grand'Mère, Three Rivers, Hull, and Windsor Mills. In 1905 the local at Grand'Mère succeeded in gaining some type of informal recognition from the Laurentide Paper Company, which put into effect the eight-hour-day for tour workers, which was an amazing gain for those early days. In 1908, however, the organization at Grand'Mère was seriously weakened when the local staged a walk-out in connection with the strike of the union against International Paper Co. in their mills in the United States. The union wanted to prevent the Laurentide Company from shipping paper to the International mills. It was not long before the union members met with a type of opposition which was to become very familiar in Quebec. The local members of the Catholic clergy, the town officials, and the business men formed a movement to pressure the union members into returning to work. The clergy held a meeting of the employees in the mill, at which they endeavoured to keep the French and English speaking workers apart. The clergy started to stir up local sentiment against the union as an American controlled organization. This campaign was successful. The French speaking workers returned to work on the company's terms and many of the American paper makers left Grand'Mère, and the local was dissolved for the time being.

At the mill of the Belgo Canadian Paper Co., in the neighbouring centre of Shawinigan Falls, when the members tried to organize a local in 1908 the company announced that it was putting into effect an open shop policy. The President of the local was forced to resign his job and leave Shawinigan Falls. During the next two years, however, the local was reorganized and when the company instituted Sunday work a committee of the union members approached the management on this question. The company refused to listen to the demands of the local and the union conducted a strike which lasted over two years, and which centred around the question of recognition. However, the strike was not successful and the open shop policy of the company continued.

The slowness of the advance of the union in Quebec at this time is shown by the fact that in the years before 1930 only once did a local in any Quebec mill succeed in getting a written agreement with a company. This was the local in the mill of the St.Maurice Paper Company at Three Rivers, which in 1918 signed an agreement with the company containing a union shop clause, providing the forty-eight hour week and a scale of wage rates which was on a par with those in force in the Ontario mills in that period. But the signing of this agreement was a product of the very prosperous conditions which prevailed in the industry in Canada during the years of the First World War, and when the depression came in 1921, the strength of this local declined to such a degree that it was unable to keep the agreement in operation.



The union also made some gains in organizing the paper makers in the mills of Price Brothers at Kenogami and River Bend in the Saguenay region. But when these locals began a strike against large scale wage cuts by the company; at the beginning of the depression in 1921, the company — which was basically opposed to all forms of union organization in its plants — was able to break the locals, and union organization in the Price Brothers mills died out for the next few years.

In general, these Quebec locals were unable to keep up a sustained existence because of the factors which have already been mentioned—the opposition of the Catholic clergy and the companies, and the lack of understanding among the French Canadian workers of the idea of union organization. Also, at this period the union lacked officials and organizers in Canada who were at home in the French language and who had a detailed knowledge of the peculiar problems presented by the Quebec situation.

In the middle of the nineteen twenties, the union was faced with another formidable source of opposition in Quebec — namely, the presence of a rival and competing labour federation which was organized on sectarian and nationalist lines. By this time the directing groups among the Catholic clergy in French Canada realized that both modern industrialism and unionism had come to stay in their province and that the future development of Quebec was to be along industrial rather than agricultural lines. Not only was this so, but the international unions affiliated with the American Federation of Labour in the United States and with the Trades and Labour Congress in Canada were gaining considerable backing among the workers in the larger cities of the province, such as Montreal and Three Rivers. By the year 1912, there were one hundred and twelve locals of various international unions in the city of Montreal alone. Since it was impossible to block this movement towards organization among the French Canadian workers, the clergy decided that the next best thing to do was to try to divert the development of the union movement in Quebec along paths which would be in harmony with their interpretation of Catholic social doctrine and with the programme of the nationalist movement in French Canada. With this aim in view, some of the members of the clergy who took an interest in social and labour questions began to study current union developments in the countries of Europe, which had a large Catholic population, such as France, Italy, Belgium and Germany. At this period, a type of labour organization had developed in these countries which went under the title of Catholic trade unionism. These unions were made up of exclusively Catholic workers, and their policies and principles were based on the social and labour teachings of the Church. A group of Catholic clergy, led by the influential Archbishop of Montreal, after a close study of the workings of these organizations decided that their introduction into the Province of Quebec was the answer to many of the problems which had been created by the growth of modern industry there. Isolated and scattered beginnings

had been made by members of the clergy in the formation of Catholic unions or syndicates in such industrial centres as Chicoutimi and Three Rivers as early as the war 1912, but it was not until the end of the First World War, in 1918 and 1919, that the Catholic groups in all regions of Quebec came together in a common movement to form a Catholic Labour Federation which would be a competitor both to the American Federation of Labour and the Trades and Labour Congress, and which would aim at the organization of all the Catholic and French speaking workers in the industries of the province. In 1921, at a conference which was held in Quebec City and which was attended both by prominent Catholic clergy and laymen, the Catholic Federation of Labour was set up with affiliated unions in a number of industries including pulp and paper manufacturing.

On the surface, the organizational set-up of the Catholic Federation of Labour resembles those of the other Canadian labour federations — the Canadian Congress of Labour, and the Trades and Labour Congress. Like them it has a central executive — affiliated unions — city centrals — and regional and industrial councils. But from the very start of its history, the whole spirit of its operations and policies was very different from that which animated the international unions. To begin with, although it has claimed to be non-sectarian, in actual fact its membership has always been confined to workers of the Catholic faith. In the province of Quebec, this has meant that for all practical purposes, its members have been one hundred per cent French speaking, since English speaking and other non — French Catholic workers in the industries there, although free to take out membership in its locals, have never shown any interest in its activities. All its propaganda and literature, and the discussion in its locals, are exclusively carried on in French. Nor, in spite of its Catholic title, has it attempted to gain members among the English speaking and other non-French Catholic workers in regions of Canada outside of Quebec, such as New Brunswick and Ontario. Unlike the other Canadian labour federations, it has confined its operations absolutely to the province of Quebec and has always found its greatest following in the more remote regions such as the Lake Saint John district where the workers in the local industries are wholly French in race and tongue, and Catholic in faith, rather than in the large cities such as Montreal, where the population is racially mixed and cosmopolitan. Therefore it is, to a much greater extent, a French Canadian and Quebec nationalist organization than a truly Catholic one in the broad sense of the term.

It is the only large labour federation in Canada which has no ties with any labour organization in the United States. In fact, in the past it has prided itself on this fact. Its literature and the speeches of its officials have been full of the same narrow French-Canadian nationalism, which one finds in the propaganda of the Jean Baptiste Society and of similar French-Canadian nationalist groups. At the start of its activities, its chief stock-in-trade in its appeal to the Quebec

workers, in rivalry to the international unions, was its claim that it was the only truly Canadian labour federation in Canada run by Canadians for Canadians and possessing a truly Canadian spirit and make-up. It must be emphasized here that the term "Canadian" in this context has always meant "French Canadian" since the Federation has never had any membership outside of Quebec. In the past its officials and organizers have delivered the most violent and ill-informed attacks on our organization and on other unions affiliated with the A.F. of L. and the C.I.O., on the grounds that they are foreign and un-Canadian outfits, run by Americans who have no knowledge of conditions in Canada and that membership in them by Canadians is a sign of servitude to the United States. Overlooking the fact that both the A.F. of L. and the C.I.O. have millions of Catholic members, they have tried to make out that both of these labour federations are anti-Catholic as well as being radical and communistic in their policies and that they aim to corrupt and lead astray the French-Canadian workers. This propaganda in past years has had a considerable amount of effect among the workers in the rural regions of Quebec, where knowledge of and contact with the outside world has been lacking.

The direct influence of the members of the Catholic clergy on the policies and activities of the unions affiliated with this Federation has been very strong. To each local of each union is attached a chaplain or spiritual adviser who sits in on the union meetings, and who has had a guiding voice in some cases in the determination of the union policy in the negotiations with the companies. The doctrines of the Federation have been based on the social teachings of the Catholic Church as contained in such encyclicals as the *Rerum Novarum*, the *Quadragesimo Anno*, and as interpreted by the Catholic authorities in Quebec to suit local Canadian conditions. These teachings warn against the idea of the class conflict and of revolution and lay great stress on the principle of social harmony and peace and of close cooperation between management and labour for the attainment of social justice. In actual tactics, this has meant, in the past, that the Federation has been opposed to the idea of strikes as a means of obtaining better conditions for its members and has emphasized the idea of the formation of corporations along the European line, in which both management and labour should have membership. As a result of the existence of such an attitude, the unions affiliated with the Catholic Federation of Labour, such as the Federation of Pulp and Paper Workers, have — up to recently — shown a notable lack of drive and energy in getting a better deal for their members from the employers. In the factories and mills in Quebec in which they have had locals, the wage scales have been generally lower and working conditions worse than in those in which the A.F. of L. and the C.I.O. have had agreements. This failure on the part of the Catholic Federation of Labour to improve conditions in industry in Quebec has caused many of its members to become disgusted with its operations and they have gone over to the ranks of the international unions.

It is quite clearly apparent that the appearance of the Catholic Federation of Labour on the Quebec scene in the nineteen twenties had a highly unfavourable effect on the position both of the Union and of International Brotherhood of Pulp and Sulphite Workers. It proposed a damaging split both among the workers of Quebec and those of Canada as a whole, at a time when the need for unity was more urgent than ever. The situation created by these rival and competing groups of unions played right into the hands of those employers and companies who did not welcome the rise of a strong and independent labour movement in Quebec and who were only too glad to see the strength of unionism dissipated by these internal rivalries and feuds. It was quite natural that some companies should have invited the Catholic Federation of Labour to form locals in their plants, so as to prevent the international unions from becoming too strong there. Like the Catholic clergy they tended to regard the Catholic syndicates as a safeguard and protection against the spread of radical ideas among the French speaking workers. It was only when, as in the case of the disputes in the Price Brothers mills in the Lake Saint John region in the nineteen forties, when the syndicates began to show dangerously strong anti-English and nationalist tendencies and began to press for a voice in the operation of the industry, that some of the companies began to see the danger of allowing them to become too strong. One must point out here that these ideas about sectarianism in labour organization and about the necessity of forming an exclusively Catholic labour movement in Canada have been confined to the ranks of the French Canadian Catholic clergy in the Province of Quebec. In Ontario and the other English speaking provinces, the Catholic authorities have adopted an attitude on this question which has been similar to that held by the Catholic leaders in the United States. As south of the border, they have given full approval to the idea of the membership of Catholic workers in labour unions of the secular or A.F. of L. and C.I.O. type in which workers of all religions, faiths and creeds have participation.

They take the stand here that the A.F. of L. and the C.I.O., although their membership includes non-Catholic workers, conform in their policies to the social teachings of the Catholic Church. Therefore the union has never run up against this type of opposition to its activities in Ontario and in the Maritime Provinces, although there are many French speaking and Catholic workers in both these regions.

Soon after the formation of the Catholic Federation of Labour in 1921 a union was set up under its affiliation to include the workers in the pulp and paper industry of the Province; The National Catholic Federation of Pulp and Paper Workers. At the outset this union claimed to have active locals in such paper making centres as Port Alfred, Hull, Bromptonville, Chicoutimi, and Three Rivers — in many of which our Union and the Pulp and Sulphite Union already had members. But the Syndicate seemed to lack both funds

and organizing ability, and in spite of the aid of the local Catholic clergy, its progress in the industry during the next fifteen years was very slight. As late as 1935, it had only eight hundred dollars in its treasury and it had failed to win recognition from a single company in the province.

Meanwhile all through the nineteen twenties, in pace with the great expansion of the newsprint industry in Quebec, the union made further attempts to gain a large following among the local workers. Arthur Huggins, one of the International Vice-Presidents, was very busy in the Quebec field and by 1929 he had locals organized and functioning at such points as the mill of the Howard Smith Company at Crabtree, and in the mills of the Saint Lawrence and Saint Maurice Companies at Three Rivers, and in the Belgo Canadian mill at Shawinigan Falls, the Consolidated mill at Port Alfred, and the Price Brothers mills at River Bend and Kenogami. Huggins at this time was quite hopeful of getting agreements from some of the Quebec companies and if good times had continued in the newsprint industry in Canada, this might have been possible. But, of course, after 1929, a period of extreme depression, much of the organizational work which had been done in the previous ten years was rendered fruitless.

As it has been noted in a previous section of this work, the effects of the depression, as far as the position of the workers was concerned, were even worse in Quebec than in Ontario. Unemployment of paper makers was widespread and due to the efforts of certain newsprint companies to cut their operating costs to the greatest possible extent, the wages of the workers on the machines, and especially those in the more unskilled categories, sank to very low levels indeed. By 1933 fifth hands in some Quebec mills were receiving as little as thirty cents an hour. The differential between the average wages paid in the Quebec mills and those in the Ontario mills, which had been narrowed at the end of the nineteen twenties, again became quite large. In 1932, there was a thirteen per cent differential in favour of Ontario in the average rates paid machine tenders, a seventeen cent differential in the case of back tenders, a fourteen cent differential in the case of third hands, a ten cent differential for fourth hands, and a thirteen cent differential for fifth hands. The rates in many of the mills were below those set by the Paper Makers Minimum Wage Schedule. Not only were wages low, but many other abuses were current in the Quebec mills. Sunday work was common and in some cases one man would be compelled to work on two machines. In the early nineteen thirties, according to the reports of organizers, the security of employment and freedom of organization were completely lacking in the Quebec section of the industry.

When conditions began to pick up in 1934, and the NRA Code was adopted in the United States, this Quebec situation threatened to become a definite menace both to the companies and to the union members in other parts of the North American Continent. Some of the large and important Quebec newsprint companies refused to

fall in with the plans of the NRA Administration regarding stabilization of prices and improvement of working conditions, and continued to operate their mills seven days a week, flooding the American market with newsprint at prices as low as thirty-five dollars a ton. By the beginning of 1934, when the Union was getting on its feet again in Canada, it became apparent that one of the first tasks that lay before it was the organization of the whole Quebec field in such a way that these practices on the part of the Quebec companies would become impossible. The importance of this whole Quebec problem to the Union at that time is shown by the amount of space devoted to it in the pages of the Paper Makers Journal in the 1934 July issue. The President frankly stated that the Union was preparing a boycott against the products of certain Quebec newsprint mills in the American market unless they were prepared to fall in line with the NRA agreements of the companies and the Union concerning wage rates and working conditions.

The first thing to be done in Quebec was to reorganize and put new life into the locals which had fallen by the wayside during the depression. Arthur D'Aoust was put in charge of this difficult task. During 1933 and 1934 he travelled through all the newsprint producing regions of Quebec, trying to get the locals on their feet again and to get the adoption of higher wage rates by the companies, which would bring their schedules more in line with those in force in Ontario. Here he came up against a solid wall of opposition on the part of the Consolidated Paper Corporation and Price Bros which were two of the largest newsprint producers in Quebec.

In June, 1934, the members in the local of the Lake Saint John Paper Company at Dolbeau, which had been reorganized by D'Aoust, went out on strike for higher wages and recognition by the Company. Immediately the company tried to stir up local opinion among the business groups and the clergy against the Union, claiming that both the Paper Makers and the Pulp and Sulphite Workers were Communist and foreign dominated outfits with which the workers in the region should have no dealings. Finally this campaign came to a climax with an incident which showed the lengths to which the companies were willing to go to bar union organizers from certain parts of the province at that time. Organizer D'Aoust at this time tried to get the locals reorganized in River Bend and Kenogami. E. B. Lambton was called upon to assist him and on making his first trip to the Lake Saint John District by bus, with D'Aoust, was forcibly removed from a bus on which he was travelling between River Bend and Chicoutimi by a gang of toughs, and was taken by car almost two hundred miles at Quebec City where he was dumped out on a sidewalk, and he was told not to show his face in the Lake Saint John region again. Shortly afterwards, another gang entered a room in the hotel at Dolbeau, where D'Aoust was staying, and tried to carry him off by force. D'Aoust, however, put up such a tough fight against his assailants that they turned and fled. It was afterwards, that it was pretty definitely established both these incidents had been financed by the Paper Companies in the district.

There was an instantaneous outburst of indignation among union officials and members in all parts of Canada and the United States over this high-handed action on the part of the Paper Companies. To add further fuel to the fire, a few days after this kidnapping incident, Premier Taschereau of Quebec, who had just paid a visit to the Lake Saint John section, made a public statement in which he attacked the activities of the international unions in Quebec and said that labour agitators from the United States should not be permitted to dictate labour and economic conditions in Canada. He said that the Federal Government should take steps to prevent foreigners from seeking to stir up trouble among the workers in Quebec.

Since Lambton was an American citizen, the matter of his kidnapping was taken up by the union with the American Consulate at Quebec City, and with the officials of the State Department in Washington. Official protests were sent by the union and the Trades and Labour Congress concerning both the kidnapping and Taschereau's blast against the international unions to the office of Prime Minister Bennett in Ottawa. A subsequent number of the Paper Makers Journal contained a statement by the President that if the Quebec companies persisted in their refusal to recognize the NRA News Print Code, either a complete embargo or a tariff would be placed against Canadian newsprint by the American Government or that American newspapers would refuse to buy Canadian paper. This would have a ruinous effect on the whole Canadian newsprint industry as production in the mills in the Southern United States would be greatly stimulated. Through the agency of the printing and typographical unions with which it was affiliated in the American Federation of Labour, the Union did try to put pressure on American newspaper publishers to stop buying Quebec newsprint, but with only a limited amount of success.

Meanwhile, the local representative in Canada was trying to get some legal redress from the Paper Companies in the district from the D'Aoust and Lambton incidents. But not much was accomplished. The men who beat up D'Aoust received laughable fines of ten and fifteen dollars in a local court and the union brought charges against five individuals regarding the kidnapping of Lambton, which dragged on for about five years and finally was settled by mutual agreement between the Paper Companies and the Union when the two parties got ready to sign an agreement in 1939. While this was going on, the situation in the Dolbeau mill was not improving. The Lake St. John Power and Paper Company began to hire scabs. The President of the local at River Bend was fired for union activity. The members of the union and their families who were living in company owned houses at Dolbeau were evicted by The Lake St. John Power and Paper Co. Finally the funds of the locals became very low and the headquarters at Albany were unable to give them financial help. The union was forced to call off the walk-out without gaining the objectives for which the strike had been started.

In order to gain a strong position in the province of Quebec it was absolutely necessary for the two international paper mill unions

to organize the mills of the International Paper Company at Gatineau Point, Three Rivers, and Dalhousie, New Brunswick, which were among the largest in Eastern Canada. But here the situation was difficult since relations between the International Paper Co. and paper unions were not good at this time. Ever since the collapse of the strike in the American mills, in 1926, the Company had maintained an open shop policy both in Canada and in the United States. The International was therefore in no mood to recognize our union when it began the intensive drive in Quebec in 1933 and 1934. When locals were formed in the mills at Gatineau Point, Three Rivers and Dalhousie, the management tried to head off the union campaign by the institution of so-called Plant Councils which were nothing less than company unions. In the mill at Gatineau Point, the company officials tried to compell all employees in the mill to attend the meetings of the Plant Council. Those workers who refused to fall in line with the company policy received a severe dressing down from the local manager. Finally the union decided that the best way to secure the abolition of the Plant Councils was for the union members to get complete control of them. In the mill at Three Rivers, within two or three years, most of the executive posts on the Council were filled with members of the local and the operations of the Council became a farce. Finally, in 1937, the International Paper Company seeing the progress of the union in Ontario and in parts of the United States, decided that the Plant Council system was too expensive and cumbersome to continue operations, and it decided to fall in line with the Ontario companies in recognizing the rights of its employees to have a bargaining agency of their own choosing. In 1938 it signed an agreement with the two international paper mill unions covering the locals in the mills at Gatineau Point, Dalhousie, and Three Rivers, and in the pulp and sulphite mills at Temiskaming and Hawkesbury, whose terms were very satisfactory. A union shop clause was obtained and wage rates were increased by two cents an hour with a promise of a further five per cent general raise at the beginning of 1938. This was a very important victory for the union both in the Canadian and the American fields. The International Paper Co. is by far the largest paper manufacturing corporation in Canada and the United States. It dominates the American and Canadian markets. When the Company shortly afterwards signed agreements with the two international unions covering its mills in the United States, the Paper Makers had moved a long way forward towards the goal of one hundred per cent organization of the industry in Canada and the United States.

Also the recognition by the International Paper Company of the union in Quebec speeded up its acceptance by the other large news-print companies in that province. During the next few years it managed to get agreements in such important mills as those of the Anglo Canadian Company at Quebec City, the Saint Lawrence Paper Corporation at Three Rivers, the Abitibi Corporation at Sainte Anne de Beaupré, and the E.B. Eddy Company at Hull and Ottawa. Another feather in the union's cap was the signing of an agreement



in the mill of the Quebec North Shore Paper Company, which was erected at Baie Comeau on the north shore of the Gulf of Saint Lawrence in 1938, and which is the only large newsprint plant which has come into operation in the province of Quebec since the depression period of the early nineteen thirties.

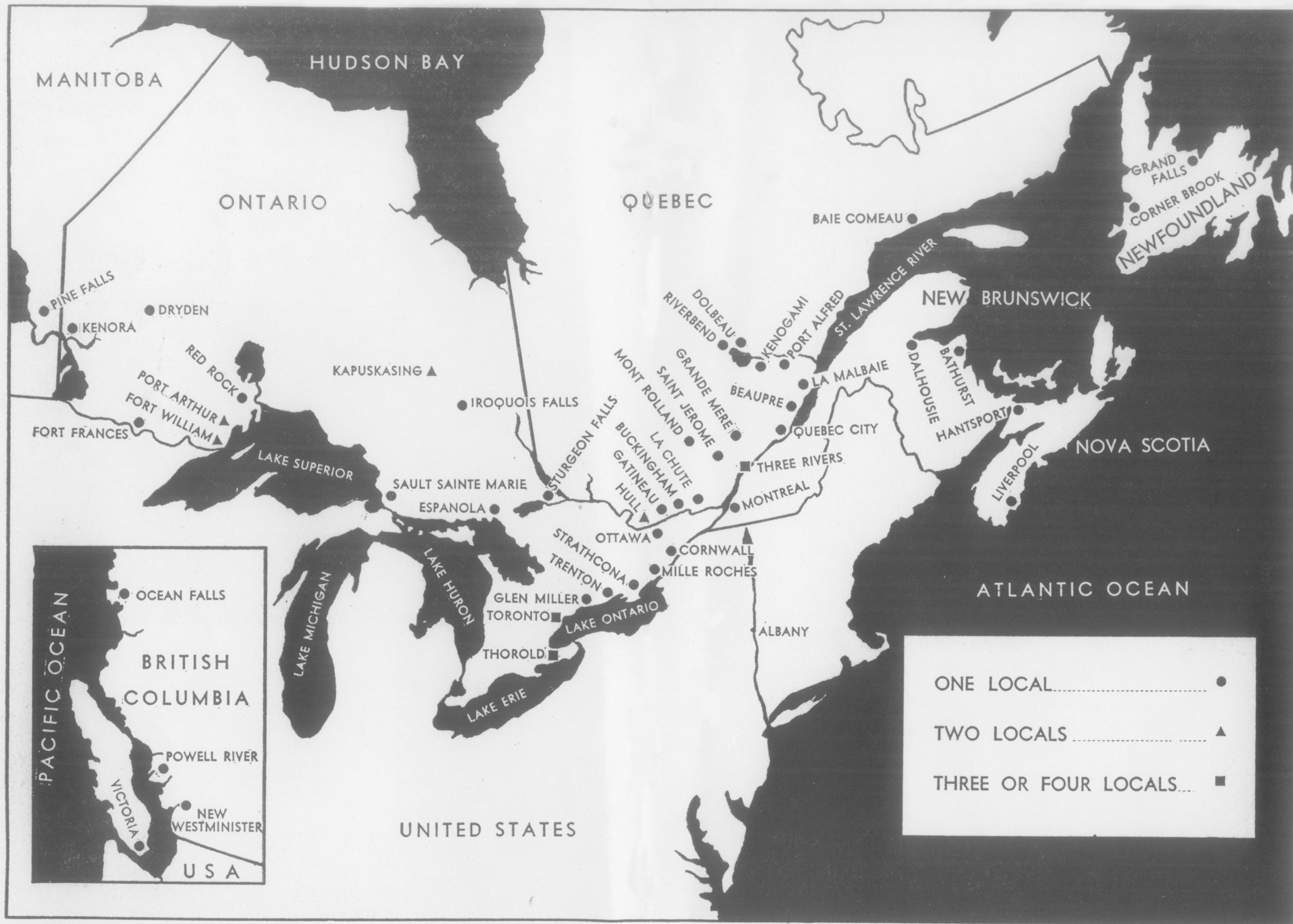
One of the large paper mill corporations in Quebec which persisted in maintaining the open shop was the Consolidated Paper Corporation, with mills at Three Rivers, Shawinigan Falls, Grand'Mère, and Port Alfred in the Saguenay region. There had been union organization in some of the mills of this chain, such as the one at Grand'Mère, as early as the year 1910 — but the locals had folded up during the depression. In 1937 the locals in the three mills at Shawinigan Falls, Three Rivers, and Grand'Mère felt strong enough to ask the company for recognition and for the signing of an agreement. When the company turned a deaf ear to these demands, the local in the Wayagamack mill of the Consolidated Company, which was situated on an island in the Saint Maurice River midway between Three Rivers and Cap de la Madeleine, conducted a walk-out. The strike, however, was not very well organized since there was not full cooperation from the locals in the mills at Shawinigan Falls and Grand'Mère, and some of the workers in the Wayagamack mill were apparently not fully behind the strike. The company made successful efforts to get the machines running again in the mill, by ferrying scabs across the Saint Maurice River from Three Rivers. Meanwhile, Arthur D'Aoust, and Phillip Lacroix of the Pulp and Sulphite Workers, negotiated both with the company officials and with the Quebec Government which had intervened in the dispute. Premier Duplessis publicly expressed his displeasure with the Consolidated Company for its refusal to bargain with the two international paper mill unions. Finally Duplessis announced that he had negotiated with the company and they had accepted the idea of recognizing the two unions, also that there would be no reprisals by the company if the strikers went back to work. When work was actually resumed in July 1937, the promises of Duplessis did not prove to be very binding on the company. Although wage rates were eventually raised and working conditions improved, the Consolidated Corporation still would allow no organizing by the international unions in its mills. Eventually the National Catholic Syndicate of Pulp and Paper Workers managed to get recognition from the company at Shawinigan Falls, Grand'Mère, Three Rivers, and Port Alfred, and it was only in the year 1944 — after a long battle — that our union and the Pulp and Sulphite Workers managed to oust the Syndicate in the Wayagamack mill.

By this time the competition from the Catholic Federation of Pulp and Paper Workers was becoming much keener and more serious than it had been in the past. After having completely failed in its efforts to attract the workers in the pulp and paper mills of Quebec to its ranks, the organization was rebuilt on a new basis in 1937 with Phillip Lessard as President. It then announced that it was going to

start a big province-wide drive for higher wages and for the closed shop agreements in the Quebec mills. One of the first regions of the province where it began an intensive campaign was the Lake Saint John district. Here local conditions were favourable for such a campaign, since there was a strong prejudice against outside labor organizations among the clergy and business groups.

In the years since 1934, the attitude of Price Bros. towards the international unions had undergone a change. As more and more Quebec companies, including the International Paper Corporation, gave recognition to both the Paper Makers and the Pulp and Sulphite Workers, the directors of Price Bros. came to the conclusion that it was better to work with the international unions rather than fight against them. In 1939 definite moves were begun towards the signing of an agreement with our union and the Pulp and Sulphite Workers in the mills at Kenogami and River Bend. The Catholic Federation of Labour, with the help of the local clergy, immediately began to campaign towards blocking the signing of this agreement. They held a series of meetings in the towns of the district at which considerable local opinion was stirred up against the international unions. In October 1939, at one of these meetings at Kenogami, the local Town Council promised its full backing to the Syndicate in its efforts to stop the international unions from getting agreements in the Price Bros mills and said that it would endeavour to get the Quebec Government to compell Price Bros to recognize the Catholic Federation of Pulp and Paper Workers. The mayors of Kenogami, Jonquiere and River Bend sent petitions both to the Provincial Government and to Price Brothers, asking for these things. Price Bros, however, did not pay much attention to this agitation and told the mayors and the town councils that this was a matter which concerned only the company and the unions, and that it was completely outside of their jurisdiction. In the early months of 1940 an agreement was signed between the two international paper mill unions and the Price Bros company in the mill at Kenogami. This agreement gave the members considerable wage increases and had a union shop clause which required that all present workers in the mill become union members, and that all new employees join the union within a period of thirty days after their hiring by the company. This union shop clause was to become a subject of much dispute three years later, when the Catholic Syndicate tried to break this agreement. During the next few months, similar agreements were signed with Price Brothers in the mills at Jonquiere and River Bend.

In the next year — 1941 — the international unions scored another victory in the Lake Saint John region, with the signing of an agreement with the Lake Saint John Paper and Power Co. in their mill at Dolbeau. Here the story was very similar to the one at Kenogami. Ever since 1936, the local branch of the Catholic Federation of Pulp and Paper Workers had made repeated efforts to gain recognition from the company at Dolbeau, without success. As the time for the signing of the agreement with the international



unions drew near, there — in March 1941 — the locals of the Catholic Syndicate sent a letter to the Lake Saint John Company in which they accused the manager of the Dolbeau mill of discriminating against their members and of conducting propaganda among the workers in the mill in favour of the international unions. The Syndicate claimed to have one hundred and fifty members of the mill. This accusation that the international unions and the paper companies were in league to destroy the Catholic unions was a favourite charge of the Catholic Federation of Pulp and Paper Workers at this time. When this move had no effect on the Company, the Catholic Federation of Labour took steps to get the Federal Department of Labour to intervene in the affair. It asked the Dominion Government for the appointment of a Commission of Inquiry under the wartime labour regulations — to inquire into conditions in the mill at Dolbeau. Finally, in July 1941, Judge Constantineau was sent by the Department of Labour to Dolbeau to make a thorough investigation of the state of things there. He arrived at Dolbeau about a week after the signing of the agreement. Between the company and the international unions. After questioning witnesses both among the membership of the international unions and of the syndicate, in which clear cases of perjury were proved among syndicate members, he came to the conclusion that the agreement which had been signed by the Paper Makers and the Pulp and Sulphite Workers was perfectly legal and that these two unions had the support of the majority of the workers in the Dolbeau mill. He informed the Federal Department of Labour to this effect and the Syndicate was naturally not very pleased at these findings. The Catholic Federation of Labour then made further futile efforts at Ottawa to get another Conciliation Board appointed to look into the matter and, for the time being, the two international paper mill unions remained secure in their possession of bargaining rights in the Dolbeau mill.

But this was by no means the end of the trouble in the Lake Saint John region. It must be remembered that there was a great deal of labour unrest in this part of the province of Quebec during the whole war period. At the giant aluminum plant at Arvida, which was only a few miles distant from the Price Bros mill, and where working conditions were very bad, the Catholic Syndicate conducted a stoppage of production in the summer of 1941, which brought accusations of sabotage from the Minister of Munitions and Supply — C. D. Howe — and which resulted in the dispatch of bodies of troops and members of the R.C.M.P. to the district. In the next year — 1942 — a struggle began between the Catholic Federation of Labour and the International Brotherhood of Machinists for the control of the bargaining rights in this plant, at Arvida.

During the autumn and winter of 1942 - 1943, the Catholic Federation of Pulp and Paper Workers began preparations for an all out campaign, by which it hoped to eliminate the international unions from all the pulp and paper mills in the Lake Saint John district.

The officials of the syndicate, aided by the local clergy, used every means possible to make the members of the two international paper mills unions renounce their membership in these organizations and come over to the Catholic Federation of Labour. The local curés delivered sermons in which they attacked the international unions as Godless, communistic, and foreign organizations and told the workers that it was their duty as Catholics and as patriotic French-Canadians to sever all connections with them. Members of the international unions would be summoned to interviews at the home of the local priest, at which officials of the Syndicate would be present. Then they would be threatened with spiritual penalties unless they took out membership in the Catholic Federation of Pulp and Paper Workers. Pamphlets attacking both the International Brotherhood of Paper Makers and the Pulp and Sulphite Workers which had been drawn up by Syndicate officials were slipped into the lockers of the men in the mills at Kenogami, Jonquiere, and River Bend. When the mass of local opinion was so strong as in the Lake Saint John region, it required great courage and independence of mind, both among the officers and the members of our union and of the Pulp and Sulphite Workers, to make a stand against a pressure campaign of this type. These tactics on the part of the Syndicate had much more effect on the men in the pulp and sulphite sections of the mills than among the workers on the newsprint machines. This was because the paper makers in many cases came from other parts of Canada and had more knowledge of labour conditions outside of the Lake Saint John district, while the pulp and sulphite workers were usually of local origin and were therefore more receptive to the nationalist propaganda which was the chief drawing card of the Catholic Federation of Labour.

During the winter months of 1943, the campaign steadily mounted in intensity. On January 14, 1943, the Catholic Syndicate of Pulp and Paper Workers held a mass meeting at Chicoutimi, at which representatives of many local Catholic and nationalist organizations, were present and at which the Rev. Omer Genest — a member of the Ecole Sociale Populaire in Montreal which had long been a centre of propaganda for the Catholic syndicates spoke. He assailed the Trades and Labour Congress of Canada as a hotbed of radicalism and said that it had levied contributions on its members to help the Loyalists in Spain. He also asked what right the American Federation of Labour, an American organization with its headquarters in Washington, had to interfere in the labour affairs of the province of Quebec. On February 4, 1943, there appeared on the front page of *Le Progrès du Saguenay* — a local weekly newspaper published in Chicoutimi — a message from Canon Joseph Tremblay, a prominent local Syndicate official, claiming that the international unions were spending \$40,000 in an effort to destroy the Catholic union movement in the Lake Saint John district. He then urged all the residents of the regions — farmers, business men, store keepers, workers — to buy honorary membership cards in the Catholic Federation of Labour, which were distributed by La Ligue du Sacre Coeur. He said that it

was the sacred duty of the local population to aid the Catholic Syndicates in their crusade against the evil American Federation of Labour.

During the month of February — the Bishop of Chicoutimi issued a pastoral letter condemning the international unions. The general tone of this document may be inferred from its attacks on freedom of thought and its references to the French writer Voltaire as a "monster of infamy" and as "a limb of Satan". The letter strongly urged the local workers to refrain from joining or from continuing to keep membership in any labour union having affiliations outside the province of Quebec. It said that the labour unions in Quebec should be as nationalist and Catholic as possible and that in regions such as Lake Saint John, where the workers were exclusively Catholic and French speaking, it was their moral obligation to take out membership in the Syndicates. This letter was immediately seized upon by the local curés in the paper making centres as the opportunity for the delivery of a series of sermons extolling the virtues of Catholic unionism. The pupils of the schools in the region were asked by the teachers to offer up prayers for the conversion of the members of the international unions from their ways of error. Then the local Town Councils who, acting in close cooperation with the Catholic Federation of Labour, sent petitions both to Price Brothers and to the Quebec Government, asking for the termination of the agreements which had been signed with the two international paper mill unions in 1940 and the signing of agreements with the Catholic Federation of Pulp and Paper Workers. The extent to which this campaign of the Catholic Federation of Labour against the international unions covered the entire province at this time is shown by a communication by Jean Marchand — an official of the Syndicate — which appeared in the issue of April 4, 1943, of the *Progres du Saguenay*. This communication referred to a strike which had been in progress in the mill of the Howard Smith Company at Beauharnois, near Montreal, and where the local branch of the Catholic Federation of Pulp and Paper Makers had managed to drive the two international unions out of the mill. It hinted that the same story might be repeated in the Price Brothers mills in the near future.

As the time for the negotiation of the agreement between Price Brothers and the international unions drew near, in April 1943, the Syndicate decided that the hour for action was ripe. First of all, they sent telegrams to the managers of the Price Bros mills asking recognition of their union as the bargaining agency of the workers in their three mills. When the company paid no attention to these demands, a front page message appeared in *Halte La* the local newspaper of the Catholic Syndicate, April 8, 1943; this also signed by Jean Marchand. The message ran as follows:

“ . . . more than one thousand workers in the mills at Jonquiere, Kenogami, and River Bend have told the company that they do want a continuance of the sham agreement which has been in effect there for several years. More than one thousand workers have told the company that they no longer wish to have membership in the international unions.

More than one thousand workers — which represent more than seventy per cent of the workers eligible to be union members in these mills — have expressed the wish to become grouped in the national Catholic Syndicates. More than one thousand workers are solidly grouped together and are marching irresistibly towards victory.

WILL we have victory?

We will have it because we believe that liberty is not only for the rich and powerful.

We will have it because the Atlantic Charter states that one of the war aims is the right of the people to choose freely their representatives.

We will gain it because we refuse to return to our former state of slavery.

We will have it because we have justice, right and strength on our side.

Let everyone work together.

Workers of the pulp and paper industry, break your chains and unite against those who wish wish to divide you.

Pulp and paper workers, boycott your false brothers who are willing to betray you for a mess of pottage.

Pulp and paper workers, arise to defend what is most sacred to you. The hour has come for you to gain control of your own destiny.

Together, comrades, towards freedom and victory

Let us work together, comrades, towards the common good of the working class.”

Then, shortly after the appearance of this message, the members of the Syndicate in mill at Kenogami, stopped operations in the plant by shutting off the power plant and putting certain pieces of machinery out of operation. The bridge leading to the mill at Jonquiere — a few miles distant — was barricaded and picketed by a group of the syndicate members and supporters — many of whom were

not paper mill workers but had come from the adjacent city of Arvida where a dispute was in progress between the Catholic Syndicate and a local of the American Federation of Labour in the Aluminum Company plant. At the mill at River Bend, the Syndicate members also put through a shut-down. In spite of the offers of the loyal members of the international unions, who had refused to be pressured into submission by the Catholic Federation of Labour, to operate the Price Bros mill in observance of their agreement, the officials of the company — fearing further trouble and possible violence — decided that it was better to keep all their mills in the district shut until members of both union groups were willing to return to work.

Then both sides took action. The Catholic Federation of Labour appealed to the Provincial Government in Quebec City for the abrogation of the agreement which Price Brothers had signed with the Paper Makers and the Pulp and Sulphite Workers in 1940, claiming that it had the support of over seventy per cent of the workers in the Price Brothers mills, and asked for the signing of an agreement with their own union which would give them a closed shop and which would exclude the international unions completely from the mills.

The two international paper mill unions immediately took up the matter both with Price Brothers and with the Quebec Government, sending organizers Lacroix and Reynolds to the scene. Colonel Jones, the General Manager of Price Brothers, informed them that his company would not agree to the recognition of the Syndicate in their mills under any circumstances. They, then, in company with Colonel Jones, went to Quebec City where they had interviews with Edgar Rochette, the Quebec Minister of Labour. Rochette appeared to be strongly opposed to international unions and to be biased in favour of the Catholic Federation of Labour. He told the international unions representatives that in 1940 he had advised Price Brothers against signing an agreement with the Paper Makers and the Pulp and Sulphite Workers. He furthermore declared that the local population in the Lake Saint John district was one hundred per cent behind the Catholic Syndicates.

By this time the whole affair had become a political issue in the Province of Quebec and a subject of discussion in the Quebec Legislature, which was then in session. Phillip Lessard, the President of the Catholic Federation of Pulp and Paper Workers, seemed to have a good deal of influence among the members of both political parties in the Legislature, and especially among the members who represented constituencies in the Lake Saint John region. He apparently managed to persuade Premier Godbout and the Liberal Administration that the Catholic Federation of Labour were completely right in this dispute, and that it had the support of the great majority of the workers in Lake Saint John. On April 16, 1943, Godbout told the Quebec Legislature that unless Price Brothers came into consultation



with the Quebec Government about the affair the Provincial Government would ask the Legislature to take the necessary steps to prevent Price Brothers from starving the workers in the Lake Saint John mills into submission. He said that Price Brothers were waging a war against the Catholic Syndicates, which were legally constituted labour organizations.

In the meantime, l'Action Catholique, the influential and widely read French language daily of Quebec City, was conducting a heated campaign against international unions in its editorial columns — both in connection with the Price Brothers affair and with the dispute which was raging between the Catholic Federation and the A.F. of L. in the aluminum plant at Arvida. It accused the American Federation of Labour of distributing free membership cards among the workers, and of cooking up false petitions and conducting subversive and communist propaganda activities. It called upon the American Government to withdraw from Canada the American officials of the international unions, who, according to this newspaper, were engaged in the sabotage of war production.

During the next few days, rumors circulated around the Quebec Legislature that the Godbout Government was preparing to take over the Price Brothers mills, unless they consented to come to terms with the Catholic Federation of Labour. On April 16, 1943, Godbout announced to the Legislature that the Quebec Government had passed an Order in Council, No 1012 which compelled Price Brothers to recognize all labour organizations having members in their mills no matter what their affiliation, under the penalty of losing the very extensive forest and water power rights which had been granted them by the Quebec Government. Maurice Duplessis, the leader of the Union National Party and most of the members of both parties, in speeches in the Legislature, backed up Godbout in this action of friendship towards the Syndicates and proclaimed their support of the Catholic of Labour.

On April 17, 1943, after further conferences with Price Brothers, Godbout announced that the strike in the three mills at Kenogami, Jonquiere, and River Bend had been settled on the following terms:

1. Re-employment by the company of all workers who had been dismissed by the company for union activities (This meant, of course, the supporters of the Syndicates in the three mills who had been suspended by Price Brothers because of their refusal to observe the agreement which had been signed between the company and the international unions).
2. Immediate arbitration of the dispute between Price Brothers and the Catholic Federation of Pulp and Paper Workers in accordance with the Order in Council which had been passed three days before.

3. The abrogation of the present agreement between Price Brothers and the international unions.
4. The immediate re-opening of the mills at River Bend, Jonquiere, and Kenogami.

When the news of this settlement reached the members of the international unions which were on strike at the Price Brothers Mills, they were very indignant, since it seemed obviously designed to destroy their position in Lake Saint John at the expense of the Syndicates, as well as being a violation of the agreement which they had signed with Price Brothers. Any kind of arbitration which would be held under these conditions would result in a victory for the Syndicates. Organizers Reynolds and Lacroix asked the members of their respective unions if they were willing to return to work under these conditions and the answer was a unanimous no. They also protested against the appointment of an Arbitration Board on which the only union representation would be that of the Catholic Federation of Labour, and whose decrees would be mandatory and not capable of appeal. The Company tried to re-open the mills with the aid of the workers who were members of the syndicates, but this attempt failed, since many of the key men in the mills were members of the international unions.

The officials of the international unions informed both Price Brothers and the Quebec Department of Labour of the determination of their men not to return to work until a more satisfactory settlement had been reached, and went back to Quebec City where they had held further conferences with Premier Godbout. By this time Godbout seemed to have realized that he had gone too far in his attitude of partiality towards the Catholic Federation of Labour and the international officials were successful in getting him to modify his stand. On April 24, 1943 he announced a revised settlement which was considerably more acceptable to the international unions. Under the terms of this new settlement. Order in Council No. 1012, under which Price Brothers had been forced to deal with the Syndicates, was rescinded and a Royal Commission was to be set up by the Provincial Government to investigate the whole background of the dispute in the Price Brothers Mills. The agreement which the two international paper mill unions had signed with Price Brothers in 1940 was to remain in force until the Commission had made its report. These conditions were accepted by the two unions and the men finally went back to work in the mills at River Bend, Jonquiere, and Kenogami.

In the meantime, Arthur D'Aoust, in giving evidence before an investigation of the National War Labour Board in Ottawa, claimed that Catholic priests in the province of Quebec were using undue influence to compel international unions to relinquish their membership in the Brotherhood of Paper Makers and the Pulp and Sulphite Workers and become members of the Catholic Federation of Pulp

and Paper Workers. According to him, in some cases in the Lake Saint John district, members of the local clergy had threatened the workers with excommunication and other spiritual penalties if they refused to do this. The Quebec Federation of Labour — of which our unions is a prominent member — made similar charges in a brief which it presented to the Provincial Government. The Federation made very serious criticisms of the whole conduct of the Godbout Government in the Price Brothers dispute. It objected strenuously to the action of that government in attempting to take a vote in the Price Brothers mills when a legal agreement was already in existence between the company and the international unions. It accused the Quebec Government of showing a marked hostility towards the unions affiliated with the A.F. of L. and the Trades and Labour Congress. Order in Council 1012 was attacked as an open menace to the whole international union movement in the province. The brief claimed that the statement of the Quebec Government that the international unions did not represent the majority of the workers in the Price mills was both untrue and ridiculous.

Then the Royal Commission which had been set up by the Quebec Government, and which was regarded by the international officers as a face-saving device, began its hearings in Lake Saint John and took evidence from all parties concerned — officials of the company, and officials and members of both groups of unions. The managers of the mills at River Bend, Jonquiere and Kenogami gave evidence as to the actual events of the strike and as to the reasons why Price Brothers had signed agreements with the international unions in 1940. They said that they had regarded the Paper Makers and the Pulp and Sulphite Workers as being more worthy or recognition than those of the Syndicates and because the international unions had already agreements with a large number of companies both in other parts of Canada and in the United States. They also made the point that when the newsprint produced in the Price Brothers mills entered the United States it was handled entirely by groups of workers who were members of unions affiliated with the American Federation of Labour. Phillip Lessard, the President of the Catholic Federation of Pulp and Paper Workers, when placed on the stand, took a very evasive attitude. He tried to deny that his organization had carried on a campaign among the workers to start a walk-out in the mills at Jonquiere, Kenogami, and River Bend. He attempted to make out that his union had the backing of the majority of the workers in these mills and that it was being denied the basic rights of organization and representation by the management of Price Brothers.

R. M. Devlin, an attorney of Quebec City who appeared on behalf of the two international unions, produced a very effective brief for submission to the Commission by these parties. In it he pointed out the wider significance of this whole affair as affecting the situation of the labour movement throughout the province of Quebec as a whole. He said that there was clear evidence that this

campaign of the clergy and the Catholic Federation of Labour in Lake Saint John was one of the first steps in a carefully planned and coordinated campaign to drive the international unions out of all companies in the province and to give the Catholic Federation of Labour complete control of the Quebec labour movement. According to him, it represented a deliberate attempt on the part of certain groups to divert the labour movement in Quebec along racial and sectarian lines.

Mr. Devlin produced some pamphlets attacking the international unions which had been drawn up by the Syndicates and distributed among the workers in Price Brothers mills. The appearance of these pamphlets in the court room caused much embarrassment among both the officials of the Catholic Federation of Labour who were present at the hearing, and some of the judges who were presiding. Finally, after consultation with the ecclesiastical authorities in Chicoutimi, one of the judges on the Commission asked Devlin, in a private conference, if he and the international union officers did not think it would be better that this line of inquiry be dropped, since its revelations seemed to be damaging to certain highly placed persons in Lake Saint John regions. In spite of the protests of the international officers, it was finally decided not to produce any more evidence of this type.

While the Royal Commission was holding its hearings at Chicoutimi, another battle was in progress in the nearby mill of the Lake Saint John Paper and Power Company at Dolbeau. In spite of its defeat in 1941, the local of the Syndicate there had by no means given up its fight to break the agreement between the company and the international paper mill unions here. As the annual negotiations approached, in 1943, the Syndicate made an application to the company for recognition and for the signing of an agreement. It produced a petition, allegedly signed by 195 workers in the Dolbeau mill, asking that the contract with the international unions be terminated. Immediately the Lake Saint John Paper Company informed the Catholic Federation of Labour that it already had an agreement in force with the international unions which could not be violated. As in 1941, the Syndicate then appealed to the Federal Department of Labour in Ottawa for the appointment of a Conciliation Board to investigate the dispute. The Lake Saint John Company then told the Department of Labour that it could not take the responsibility for violating the terms of an agreement which had been signed in good faith with the international unions. The locals of the Paper Makers and the Pulp and Sulphite Workers made it known to the company that if the latter disregarded any of the clauses of the agreement, the union would feel quite justified in going out on strike. On June 9, 1943 the members of the Syndicate in the mill began to walk out. Ostensibly this was a protest against the hiring by the company of a back tender who was not a union member, but the real purpose of this strike was to put pressure on the Lake Saint John Company to abrogate the agreement which had been

signed with the international unions in 1941, or at least to make inoperative the union shop clause in that agreement. A picket line of Syndicate members was formed around the entrance of the mill and the manager was unable to gain entrance. The Syndicate then again presented its demands to the company for an agreement. There were negotiations between both groups of unions and the Department of Labour in Quebec City. Finally, both Syndicate and international members agreed to go back to work if the scope of the Royal Commission, which was investigating the Price Brothers dispute, was extended to cover the affair at Dolbeau. Operations in the mill began again at the beginning of July, and the Royal Commission held hearings at Dolbeau on July 6, 7, and 8. These hearings were very similar to those which had been conducted at Chicoutimi a few weeks before. The managers of the Lake Saint John Company brought forward the same set of reasons for dealing with the international unions in preference to the syndicates, as had been stated by the Executives of Price Brothers.

In August 1943 the Royal Commission, after completing its hearings, issued its report and recommendations. In the report the Commission said that the basic cause of the dispute in the Price Brothers Mills was the fact that while the two international paper mill unions had an agreement with the company, there were a large number of workers in the mills who gave their allegiance to the Catholic Federation of Labour and who had representation. After the investigation, the Commission believed that the Paper Makers had the majority in the newsprint sections of these mills, while the Catholic Federation of Pulp and Paper Workers had the majority in the pulp and sulphite sections.

The Commission recommended that votes be taken in the three Price Brothers mills and in the mill of the Lake Saint John Paper Company at Dolbeau, to determine to which union the majority of the employees wished to give their allegiance and that the companies should sign agreements with the unions having the majority as a result of this balloting. The Commission expressed strong disapproval of the activities of the Catholic Syndicate in making and spreading false charges and accusations against both the two international unions and Price Brothers.

Specific recommendations were made by the Commission concerning future collective bargaining legislation in the province of Quebec. The Commission suggested that a tribunal should be set up by the Quebec Government, whose task would be the determination of the right of representation in a plant or mill where there were disputes over jurisdiction between rival and competing unions. The Commission also advised the institution in Quebec of a system of collective bargaining which would give minority groups the right of legal protection for their bargaining activities. In the future, to submit claims as representing the bargaining agency for the workers in a plant, a union should have to be able to prove to this board

that it had the backing of over fifty per cent of the workers in the shop.

The report of this Commission resulted in the following year — 1944 — in the setting up by the Quebec Government of the Labour Relations Board, which has the job of determining representation in a plant where there is a dispute between two competing unions on this score.

On the basis of the findings of this report, in September 1943, the Quebec Government ordered votes to be taken in the three Price Brothers mills and in the mill at Dolbeau. Devlin and the officials of the two international unions immediately put in a strong protest to the Quebec Department of Labour for taking such a move. They said that the international unions could not agree to the holding of such a ballot because it would be a violation of the agreements which these unions had signed with Price Brothers and with the Lake Saint John Paper Company, and also because under the conditions which prevailed in these mills and in the Lake Saint John towns, the results of such voting could not be considered as a free expression of opinion. Devlin frankly told Rochette, the Minister of Labour, that the holding of such a vote would only make the situation in Lake Saint John worse. The Quebec Government, in spite of these protests, went ahead with the voting. The international union officers ordered the members in the mills to take no part in it. When the voting took place, in spite of the long continued and intensive pressure campaign which had been put on by the Catholic Federation of Labour and the local clergy, the Catholic Syndicate only succeeded in getting the support of the majority of the employees in the pulp and sulphite sections of the Price Bros. mill. The workers in the paper making sections of these mills who voted remained faithful to the international unions. At Dolbeau, the Syndicate was unable to get a majority vote either in the pulp and sulphite section of the newsprint section. Finally, after further prolonged negotiations between the international union offices and the Quebec Department of Labour, the newly set up Quebec Labour Relations Board — in 1944 — informed them that the International Brotherhood of Paper Makers retained its jurisdiction in the newsprint sections of the Price Brothers mills, and that the jurisdiction in the pulp and sulphite sections of these mills was transferred from the International Brotherhood of Pulp and Sulphite Workers to the Catholic Federation of Pulp and Paper Workers. In the case of the Dolbeau mill, the Labour Relations Board granted jurisdiction in both sections of the mill to the Catholic Syndicate. When this decree was handed down in the summer of 1944 by the Labour Relations Board, the members of the two international locals at Dolbeau immediately put up a protest. They adopted a resolution that if the Lake Saint John Paper Company signed an agreement with the locals branch of the Catholic Federation of Labour, they would begin a strike. Phillip Lessard, the president of the Catholic Federation of Pulp and Paper Workers, conferring with company officials, claimed that his union members, with the aid of

one hundred and twenty scabs brought from outside the region, could put the machines in the mill in operation again. The Lake Saint John Company, realizing that such an action would probably result in bloodshed, wisely refused to listen to these suggestions.

Judge Boivin, head of the newly constituted Labour Relations Board, paid a visit to Dolbeau, and after listening to representatives of both union groups instructed the Lake Saint John Company to suspend negotiations with the Syndicate, until the Labour Relations Board had given further consideration to the whole matter. Finally, after much effort on the part of Arthur D'Aoust — acting for the Paper Makers — and Phillip Lacroix — acting for the Pulp and Sulphite Workers, full bargaining rights in the Dolbeau mill were restored to the two international unions in the spring of 1945.

The net result of this very intensive campaign which had been undertaken by the Catholic Federation of Labour in the Lake Saint John district in 1943 and 1944, was that they had obtained bargaining rights in the pulp and sulphite sections of the Price Brothers mills; the newsprint sections of these mills, and both sections of the Dolbeau mill, still remained under the jurisdiction of the two international paper mill unions. The situation that now developed in the Price Brothers mills was very unsatisfactory, since rival and competing groups of unions had jurisdiction in the two sections of the mills. The Catholic Federation of Labour was not content with this result, since it wished the entire elimination of the international unions from all sections of the paper mills in the Lake Saint John and Saguenay district.

During the next two or three years the officials of the Syndicate were awaiting a favourable time for another drive of the type conducted in 1943 and 1944. All the time they were trying to exert underhand pressure on the workers in the local mills which still had membership in the international unions. In the early months of 1948 the Catholic Federation of Pulp and Paper Workers decided that conditions were suitable for beginning another campaign and this time the centre of the agitation was Dolbeau. The local curé, during the month of February 1948, delivered a series of sermons in which the usual accusations and attacks were made against international and secular unionism. He enlisted the aid of Abbé Lockwell, an official of the Catholic Federation of Labour, who through the use of similar methods had been able to drive the international unions out of the mill at Donnacona, near Quebec City. On February 2, 1948, the Syndicate held a public meeting at Dolbeau at which the curé of Dolbeau and Lockwell were present. Abbé Lockwell assailed the International Brotherhood of Paper Makers as a radical organization and as an agency of freemasonry and said that its entrance into the Lake Saint John district was a violation of the rights of the French Canadians. The curé of Dolbeau called upon the local nationalist and Catholic organizations, such as the Knights of Columbus, for assistance in ridding Dolbeau of this plague and frankly proclaimed

that the plan of the Catholic union was to put pressure on the workers in the local mill to resign from the two international unions in a bloc.

On Sunday, March 7, 1948, the curé of Dolbeau preached a sermon which was similar in tone to the speeches which had been made in the public meeting two weeks before. He said that international union were godless and atheistic organization and that these union officers were instruments of Satan. He hinted that it would be a good idea if the local representative of the Pulp and Sulphite Workers, who was standing right there in the congregation, were made to take the next train out of the Lake Saint John district.

As in 1943 and 1944, the local town officials in Dolbeau backed the Catholic unions. On March 8, 1948, the Town Council at Dolbeau passed a resolution stating that it was believed it was their duty to intervene with the officials of the Lake Saint John Paper Company in order to give the employees of the mill the freedom to join the unions of their choice. The Company replied by sending to the Town Council a sharply worded message stating in no uncertain terms that these officials were meddling in an affair which was completely outside their jurisdiction and that it was of no concern to the Company whether it negotiated with a Catholic or an International organization.

Two weeks later the higher clergy of the province entered the fray. The Bishops of Chicoutimi and Three Rivers issued pastoral letters which were similar in tone to the one which had been issued in February 1943, supporting strongly the idea of the organization of labour along racial and sectarian lines. The nationalist tone of the pastoral letter of the Bishop of Chicoutimi may be judged from the following extract:

"They (the French Canadian workers) have understood the economic, social and political inconveniences of this humiliating colonialism which allows foreign unions to direct the working class of Canada. They have rejected a false internationalism and have chosen a national and (French) Canadian union for French Canadian workers".

At the beginning of April 1948, the National Catholic Federation of Pulp and Paper Workers appealed to the Labour Relations Board in Quebec City for certification as the bargaining agent for the workers in both sections of the mills at Kenogami, Jonquiere, River Bend and Dolbeau. The local officers of the two international paper mill unions put up a strong protest to the Board against these demands on the part of the Syndicate, asserting that the signatures of the workers supporting the Syndicate had been extorted from them through the use of pressure. Another long series of negotiations with the Board followed, with the taking of at least two votes in the Price Brothers and the Lake Saint John Paper Co. mills. The final upshot of the whole affair was that the International



Unions were able to keep their bargaining rights in the newsprint sections of the mills at Kenogami, River Bend and Dolbeau, and in the pulp and sulphite section of the last named mill. But the Catholic Syndicate retained control of the pulp and sulphite sections of the Price Brothers mills and gained domination in the machine section of the mill at Jonquiere which produces paper board. At the present time, the Pulp and Sulphite Workers are conducting an active drive to get back their lost bargaining rights in the Price Bros. mills, and their officials think that it is only a matter of time before they will be able to do this and oust the Syndicate completely. During the past two or three years, the general situation in Lake Saint John has been working in favour of the international unions. Local observers on the spot agree that the campaign of the Catholic Syndicates in 1948 was so violent and unfair in its methods that it defeated its aims and brought a lot of local opinion over to the side of the international unions. The Lake Saint John district is steadily becoming more closely linked with the outside world, and, as knowledge of conditions in other parts of Canada and in the United States increases among the local population it will become steadily more difficult for the Catholic Federation of Labour to conduct drives with the crude and unethical methods which they have used in the past.

The Lake Saint John campaign was the most important and long drawn out of the many campaigns which the Catholic Federation of Labour launched against the two international paper mill unions in Quebec during these years. In the summer months of 1942, a similar fight began in the mill of the Canada Paper Company at Windsor Mills, in the Eastern Townships, where both the Paper Makers and the Pulp and Sulphite Workers had locals, but no agreement with the company. Here, as usual, the local clergy and town officials and store keepers helped the Syndicate in their activities. One night in the summer of 1942, when the two international unions were holding a meeting in a hall in Windsor Mills, a mob organized by the Syndicate paraded down the streets of the town, entered the meeting hall, ran wild, attacked the people present, and smashed up everything in sight. One of the organizers for the Pulp and Sulphite Workers was severely beaten, was thrown down a flight of stairs and almost had his back broken. Another representative of the international unions was held prisoner for several hours by members of the Syndicate, and a third had to be spirited out of town secretly — with the aid of the local station agent. Shortly afterwards, the Syndicate started a walk-out and made demands of the Canada Paper Company for an agreement, claiming that it had the backing of seventy per cent of the workers in both sections of the mill. The Company refused to give in to the Syndicate's demands, claiming that the latter had begun a strike without taking a proper vote among the employees in the mill and that it had acted in a violent and disorderly fashion by causing damage to company property and bodily injury to company officials and employees. Finally the matter came up before the National War Labour Board in Ottawa for settlement. At the hearings of the Board in Ottawa, at which no officials of the

international unions were allowed representation, the Company claimed that the Catholic Federation of Pulp and Paper Workers had used much violence during the dispute and had attempted to use illegal forms of pressure against the employees in the mill who refused to take out membership in its locals, and the Company could not consent to deal with a union which employed tactics of this type. The Conciliation Board appointed by the Federal Department of Labour decided that an arrangement be set up by which both the International Unions and the Catholic Federation of Pulp and Paper Workers would have representation in the mill. This was obviously an impossible situation and the Catholic Syndicate by the further use of the same methods was able to expel the two international unions of the mill and gain recognition from the company.

At the small fine paper mill of the Howard Smith Company at Beauharnois, near Montreal, the Paper Makers had succeeded in getting an agreement with the Company in the year 1940. By the end of 1942 the workers in the mill were dissatisfied with the terms of this agreement and wanted wage raises which were unobtainable under the war time wage freeze legislation of the Canadian Government. Here the Syndicate saw its chance. Against the advice of the local international union representatives, the men went out on strike and the officials of the Federal Department of Labour told them that the walk-out was illegal. An influential member of the Federal Parliament — a nationalist, Maxime Raymond — who was strongly friendly to the Catholic Federation of Labour, told the men in the mill to return to work and to sever their connections with the A.F. of L. and take out membership in the Syndicate. They did so and made application to the Federal Department of Labour for the appointment of a Conciliation Board.

The Catholic Federation of Pulp and Paper Workers then ask the Howard Smith Company for recognition of their union, the negotiation of an agreement, and the same wage scale which was being paid in the mill of the company at Cornwall. With the aid of Maxime Raymond, who had much political influence at Ottawa, they were able to oust the international union from the mill and get an agreement signed with the Company.

Thus the situation in the province of Quebec remains at the present time. The pulp and paper mills in that province today are almost complete organized and the membership of its 75,000 workers is divided fifty-fifty between the two international unions on the one side and the Catholic Federation of Pulp and Paper Workers on the other. The international unions have the bargaining rights in the majority of the large mills in the province, including those of the International Paper Corporation, the St. Lawrence Corporation, the E.B. Eddy Co., the Anglo Canadian Paper Co. at Baie Comeau, and the mill of the Abitibi Company at Sainte Anne de Beaupré, also in the fine paper mills of the Rolland Company at Saint Jerome and Mount Rolland, and the James MacLaren Co. at Buckingham. The Catholic Federation of Labour claims jurisdiction

in the mills of the Donnacona Co., of the Consolidated Paper Corporation at Grand'Mère, Shawinigan Falls, and Port Alfred, in the mill of the Donahue Co. at Murray Bay, and in the fine paper mills of the Howard Smith chain at Beauharnois, Windsor Mills, and Crabtree. The ultimate jurisdiction of the Price Bros mills at Kenogami and River Bend is still in doubt. Some of the mills in which the Catholic Syndicate claims jurisdiction are very small ones, in others — such as those of the Consolidated Corporation at Grand'Mère and Shawinigan Falls — the real control of labour relations seems to rest with the management. During recent years, the Catholic Federation of Pulp and Paper Workers has not been able to gain jurisdiction in any further large newsprint mills. Since the battle at Dolbeau, in the spring of 1948, it has soft pedalled the extremist nationalist propaganda which was so typical of its attacks on the internationals in the past. The officials of the Federation at the present time seem satisfied to rest with what they have gained and to let the two international paper mill unions keep the jurisdiction in the mills in which they already have bargaining rights.

Most of the locals of the Catholic Federation of Pulp and Paper Workers have the union shop and vacations with pay in the mills in which they have agreements, but their members lack the other benefits which are enjoyed by the members of the two international paper mill unions. The rates in the Quebec mills in which the Syndicates have the bargaining rights are lower than those in which the international unions have the jurisdiction. In 1949, the highest base rates in the pulp and sulphite sections of the mills controlled by the Syndicates was one dollar an hour, and in one mill on the north shore of the Gulf of Saint Lawrence, the base rate was as low as sixty-five cents an hour. What has usually happened is that when the international unions have secured a wage raise in a certain region of Quebec, the Federation of Pulp and Paper Workers has tried to follow their lead, sometimes without success.

The most hopeful sign for the future in Quebec, both from the standpoint of the international unions and of the Canadian labour movement in general, lies in the important changes of attitude towards labour and social questions which have been taking place among officials of the Catholic Federation of Labour and certain groups among the Catholic Clergy in Quebec. A few years ago, a number of the more progressive and liberal minded members of the clergy led by the former Archbishop Charbonneau of Montreal came to the conclusion that some of the tactics and methods of organization used by the Catholic Federation of Labour in the past were wrong and were bringing discredit upon the Church. They realized that the extreme nationalist stand taken by the Federation and its close identification with the narrowest type of anti-English and anti-American separatism has not been helpful to the interests of the Church or of the labour movement. Since they possessed a much wider knowledge of labour movements in other parts of the world than did the Quebec clergy in the past, they realized that the Catholic Federation of Labour had

identified itself far too much with private property and with the interests of the employees — and that both it and the Church must take a more advanced stand on social questions and one more in accord with the twentieth century conditions if they were to keep the allegiance of the French speaking and Catholic workers in the province. This group believes that the Catholic Church in Quebec should follow the example of the clergy in English speaking Canada and in the United States, and drop their attitude of hostility towards labour organizations of purely secular and non-sectarian type — devoid of French Canadian nationalist implications — where all workers of all religious faiths and creeds can freely cooperate for the common good. There has been also a good deal of recent discussion of the idea of dropping the chaplains altogether. Archbishop Charbonneau, during the period of his tenure of office, saw the importance of this whole question and was making efforts to bring the officials of the Catholic Federation of Labour in closer touch with the officials of the A.F. of L. and C.I.O. for the purpose of a mutual understanding. Representatives of both of the international paper mill unions were working with Archbishop Charbonneau on this project in 1948 and 1949. Traces of Archbishop Charbonneau influence can be seen in the fact that within the past three or four years there has been a far reaching change in the attitude of the higher leadership of the Catholic Federation of Labour. The older officials, such as Alfred Charpentier, who were never noted for their dynamicism, have been replaced by a group of much younger and more active men such as Jean Marchand and Gerard Picard, who realize clearly that the Syndicates must be transformed from company dominated outfits into real labour unions which make a definite effort to secure higher wages and better conditions for their members if the Catholic Federation of Labour is to survive. This new militant attitude on the part of the Catholic Federation of Labour was very visible during the Asbestos strike of the spring of 1949 — which was one of the most violent and hard-fought labour conflicts in the whole history of the province of Quebec. The Catholic Federation of Asbestos Workers, which had the backing both of Archbishop Charbonneau and Archbishop Roy of Quebec City — took such a radical stand in demanding a better deal from the Asbestos companies that it aroused alarm and displeasure both in the ranks of the employers and in the Union Nationale Administration, of Maurice Duplessis, which in the past had been a strong supporter of the Catholic Federation of Labour.

Since the sudden and unexplained resignation of Archbishop Charbonneau in January 1950, and his replacement by Monseigneur Paul Leger of Montreal, there has been much doubt and uncertainty as to the attitude of the high groups in the Quebec clergy in labour matters. Very shortly after Monseigneur Leger's installation as Archbishop of Montreal, the Quebec bishops issued a collective letter on labour and social questions which represented a considerable advance on any pronouncements they had previously made on these subjects. The letter came out openly for the idea of partnership of labour and management in the running of industry, and strongly

encouraged the growth of consumer's and producers' cooperatives and of various profit-sharing schemes. But the section of the letter dealing with the question of labour organization was not very clear in its intentions. As in previous messages of this type, the Bishops urged Catholic workers in Quebec to join the Catholic unions in preference to other unions. But there was no express prohibition upon joining non-Catholic unions, and direct attacks on international unionism were avoided. The issuance in November 1951 by the Bishops and the Archbishops of the Catholic ecclesiastical provinces of Quebec. Montreal and Ottawa of a catechism for use in the schools of these regions of the province recommending the setting up of Catholic associations of employers and employees shows that there is still much that is unclear in the attitude of the Catholic hierarchy of Quebec towards the memberships of Catholic workers in that province in non confessional unions of the A.F. of L. and the C.I.O. type. The appearance of this catechism was followed by immediate protests on the part of the Quebec Federation of Labour, on behalf of the international unions and there is no doubt that this question must be settled along lines which are satisfactory to the international group before the labour movement in French Canada can make any real progress towards unity and strength.

In the meantime, there have been some encouraging signs of new cooperation between the Catholic Federation of Labour and the A.F. of L. and the C.I.O. in Quebec. One factor which brought them closer together was the proposal by the Union Nationale Government in January 1950 of a Labour Code which was so restrictive in its clauses that it made the Taft Hartley Act look very mild in comparison. The three labour groups in Quebec worked together in a common campaign to successfully block the passage of this bill. Another sign of a closer understanding between the international unions and the Catholic labour groups has been the formation by them of a Committee for Joint Legislative Work in the Canadian Parliament at Ottawa.

From the broader standpoint, the general position of the international unions in the province of Quebec will undoubtedly improve and become stronger as the narrow and fanatical nationalist clericalism which had been the rallying cry of the Catholic Syndicates in the past gradually dies away, even in such remote corners of the province as the Lake Saint John district. As the Chinese wall which has sealed off Quebec from the modern world for so many decades gradually breaks down, French Canadian workers are becoming steadily more aware of the fact that Catholics in other regions of Canada and the United States are allowed by their spiritual directors to have membership in the unions of the A.F. of L. and the C.I.O. type, and that organizations such as the international paper mill unions are not the evil and subversive agencies which the Syndicates and some members of the clergy have pictured them as being in the past. They are beginning to see that the workers in all the province of Canada, from Nova Scotia to British Columbia, have

the same problems and interests and that they can get much more out of joining labour organizations which represent the united strength of Canadian labour than through the ones that are confined solely to the Province of Quebec. In negotiating with the large Quebec paper companies, the two international unions are in an infinitely stronger bargaining position than the Catholic Federation of Pulp and Paper Workers, because they have very favourable agreements with the companies in other regions of Canada, such as Ontario and New Brunswick, and because they have brought the wage levels in the mills of Quebec in which they have agreements up to the levels of the wages paid in Ontario. This is one of the chief reasons why the wage rates and the working conditions in the mills in Quebec — where the international unions have agreements — and so much better than those in which the Catholic Syndicate has bargaining rights. As the barriers which separate the province of Quebec from the rest of Canada disappear, the prospects of expansion of the International Brotherhood of Paper Makers and the Pulp and Sulphite Workers in French Canada are going to become steadily brighter.

### *RECENT PROGRESS*

Aside from this conflict with the Catholic Federation of Labour in the province of Quebec, the record of the union in Canada, ever since the end of the depression period in 1934, has been one of steady and unbroken progress and achievement. No further serious setbacks such as those of the early nineteen thirties have been encountered and the organization has developed into one of the strongest and most prosperous labour unions in the whole of Canada. To some extent this progress has been the result of the remarkably rapid come-back of the newsprint industry in Canada itself. The total value of Canadian newsprint exports to the United States, after reaching the rock bottom level of a value of \$1,500,000 in 1933, began to climb again until they reached \$2,899,000 in 1937 — a figure considerably above that of 1929 when the conditions in the industry had started to become bad. The problem of large excess capacity in the mills soon disappeared. By 1937 Canadian newsprint production had attained record levels and the industry was operating at ninety-three per cent of total capacity.

By this time the majority of the Canadian newsprint companies were in a much sounder financial condition than they had been ten years before. Most of them, with the exception of the Abitibi, had emerged from receivership and were beginning to operate on a paying basis. Their financial structures had been completely reorganized and the huge burden of bonded indebtedness had been substantially cut down. The painful experience of the depression years had taught the newsprint companies some lessons about the dangers of over-expansion and about the necessity of keeping a close relationship between the productive capacity of the mills and the actual demand for newsprint in Canada and in the United States. By this time, the great period of expansion in the newsprint industry in Canada was

definitely ended. New profits went into the building up of reserve funds and into the improvement of the existing mills by the installation of large and faster machines, rather than into the building of new mills. During the next fifteen years only one large newsprint mill was built in Canada—that of the Quebec North Shore Paper Co. at Baie Comeau. Conditions in the industry gradually reached a condition of comparative stability, in spite of a brief depression in 1938 whose effects were much more serious and widespread in the fine paper industry in the United States than in Canada.

The gradual stabilization of prices and production in the newsprint industry during these years was aided by the attitude adopted on this whole question by the governments of Quebec and Ontario. By this time, both of these governments had begun to show a keen interest in the well being of that industry, because of the fact that it provided the chief and often the sole means of livelihood for the local population in the northern regions of these provinces. Early in 1935, Premier Taschereau of Quebec, aroused by reports that the Saint Lawrence Corporation had entered contracts to sell newsprint to an American newspaper chain at a price below that agreed upon by the Canadian companies, announced that the Quebec Government was going to take definite measures to regulate the price of newsprint produced in that province. In the Spring of 1935, a bill was passed by the Quebec Legislature which provided that if companies operating in Quebec sold newsprint at prices lower than those agreed upon by the Canadian companies, the timber duties which they had to pay to the Quebec Government for the leasing of forest lands would be substantially increased. This bill also contained forest conservation measures which limited the amount of timber which a company could cut on the lands which it leased from the provincial government in any one year to the quantity necessary for the carrying out of its orders received from the newspaper publishers. This legislation was designed by the Quebec Government to be a kind of threat to those Quebec newsprint companies who still refused to fall in line in the matter of price cutting. Even though it was never actually applied, there is no doubt that it helped the movement towards cooperation in price fixing among the newsprint companies in Canada.

The result of the return of good times was another great expansion in the membership of the union in Canada. During the period between 1934 and 1939 total Canadian membership increased from 1934 to 3480 — almost doubling in less than five years, and the number of Canadian locals grew from twenty-four to thirty-eight. The scope of the organization was extended to cover the newsprint and fine paper mills in the province of Ontario which had not been covered by previous agreements. During these years, agreements with union shop clauses and with wage increases were signed for the first time in the mills of the E.B. Eddy Company at Hull and Ottawa, in the fine paper mills of the Howard Smith chain at Merritton and Cornwall, with the Provincial Paper Company at Port Arthur and

Mille Roches, and in the mill of the Interlake Tissue Company at Merritton, Ontario. By 1939 the entire newsprint and fine paper fields in the province of Ontario were practically one hundred per cent organized.

Notable progress was also made by the union during these years in the Pacific Coast region of British Columbia. The entrance of the union into the British Columbia Field at the end of the nineteen-thirties was to a large extent a result of the great expansion of the union in the mills on the American Pacific Coast during these years. Almost immediately after the passage of the NRA labour legislation in 1933, both of the international paper mill unions had begun a mass drive for the organization of the mills in Washington and Oregon where the open shop had been prevalent ever since the end of the First World War. This movement was the product of the efforts of the workers themselves in the Pacific Coast mills, without much assistance from headquarters in the East. By the end of 1933 locals were already successfully functioning in a dozen mills in Washington and Oregon. These locals decided to form an association to strengthen their general position and to facilitate the signing of agreements with the Pacific Coast paper companies. Out of this movement developed in 1934 the Pacific Northwest Council of Pulp and Paper Mill unions, which by the middle of that year included unions in well over fifty per cent of the mills on the American Pacific Coast. By this time the hostility of these companies, and notably that of the Crown Zellerbach Company — the largest corporation of the group — towards free union organization in their mills had lessened. In this same year — 1934 — with the approval of the companies and the aid of Vice-President Sullivan of the Pulp and Sulphite Workers — the Pacific Coast Council of the Paper Industry was set up. This included workers in most of the mills south of the border in the states of Washington, Oregon and California. It was formed for the purpose of creating closer relations between the unions and the companies and more especially to facilitate the conducting of wage and other negotiations. The practice gradually developed on the Pacific Coast, through the agency of this Council, of joint negotiations between the representatives of the locals on the Pacific Coast and the representatives of the various companies. The increased wage rates and other benefits secured through these joint negotiations were extended to cover all the locals taking part in the conference.

Under this system an annual conference is held in the spring of each year — at which representatives of the locals and of the companies jointly work out an agreement whose terms cover all the mills in the American Pacific Coast region, and these terms are then discussed and approved by the delegates of the locals. This system has worked exceedingly well during the past fifteen years, and relations between the companies and the paper mill unions have been uniformly good. There has been an absence of strikes and of industrial strike and the union has made great progress in getting better con-



ditions for its members. Preference to union members in lay-offs and in re-hiring has become almost uniform in the Pacific Coast mills and the principle of seniority prevails. A job classification system has been worked out through cooperation between the unions and the companies, which has aided greatly in the achievement of uniform wage rates for the same types of jobs in the mills of this part of the continent.

By 1939, this organization had spread northwards from the state of Washington into British Columbia, and the long defunct local in the Powell River mill was revived and a very satisfactory agreement signed with the company. Agreements were also put through in the Pacific Mills mill at Ocean Falls and in the smaller mills at New Westminster and on Vancouver Island. These locals have enjoyed most of the benefits which have been gained by the union on the American side of the Pacific Coast region; even before the union had gained a footing in British Columbia there was a notable differential between the average rates for the same jobs on machines in the newsprint mills of British Columbia and those in Eastern Canada. In the year 1948, for example — a year of good times in the industry in all parts of Canada — there were still differentials of twenty-four, twenty-two, and twelve cents an hour between the average wages received by machine tenders, back tenders, and third hands respectively in the mills of British Columbia and those of Ontario. During the past few years, however, the locals in Eastern Canada have succeeded in pushing up their wage rates to such a degree that differentials have been greatly narrowed. For example, a comparison between the wage rates in the Ocean Falls mill of the Pacific Mills Corporation in British Columbia — on 208 machines having speed 1109-1176 — with the rates paid in the mill of the Ontario Paper Corporation at Thorold, Ontario, — on 202 inch machines — in 1950 shows the following results .

	<i>Ocean Falls</i>	<i>Thorold</i>
Machine Tender	2.40	2.30
Back Tender	2.19	2.10
Third Hand	1.79	1.75
Fourth Hand	1.41	1.38
Fifth Hand	1.33	1.32

In the course of the next few years, it is possible that this differential may disappear, although it must be pointed out that in the past it has been valuable as a bargaining weapon for the locals of the unions in Eastern Canada in their negotiations with the newsprint companies there.

In the past, this wage differential between British Columbia and the east of Canada has been due to a number of factors which are present along the whole of the Canadian and American Pacific Coast, and which do not exist in the East. These include the scarcity of skilled and highly trained labour, and the fact that the operating

costs of the Pacific Coast companies are — on the whole — lower than those in the East, because of the presence of very large supplies of cheap and easily available timber and water power resources. It should be noted also that this differential between wage rates in British Columbia and Eastern Canada is by no means peculiar to the pulp and paper industry. In the year 1946 the average wage in the manufacturing industries in British Columbia was \$1,750, as against \$1,522 in Ontario and \$1,445 in Quebec.

The workers in the British Columbia mills have also benefited from the advanced and progressive social welfare legislation which has been passed by the British Columbia Government in the past decade. The forty-four hour week is in effect in British Columbia mills in conformity with legislation limiting the hours of work in British Columbia industries which was passed in the year 1946. During the past three years, the Province has also instituted a system of compulsory low cost hospital services which has been of great help to all groups of wage earners in the province, including the pulp and paper workers.

By 1940 the union had become a truly nationwide organization with members and locals in every paper manufacturing region of Canada, including the Maritime Provinces, Ontario, Quebec and British Columbia. Considerable advance was also made in Newfoundland where locals had been in existence since the year 1910. By 1939, agreements had been gained in the mills of the Anglo Canadian Newfoundland Co. at Grand Falls, and in the mills of the Bowater Company at Cornerbrook.

As soon as conditions began to pick up in the newsprint industry in Canada — in 1935 and 1936, the union began a drive to recover the wage cuts which it had been forced to take in the earlier part of the nineteen-thirties. This drive started in the fall of 1935, with a restoration of the seven and a half per cent wage cut which the companies had compelled the organization to accept in the spring of that year. From then on, each annual negotiations brought a steady climb in general wage rates until by 1938 they had reached the highest level in the history of the newsprint industry in Canada. A temporary depression in the industry in the year 1938 failed to halt this march of wage rates. The improvement was especially noticeable in the province of Quebec, where the position of the union in dealing with the companies had been greatly fortified by the fact that it now had agreements in some of the largest newsprint mills in the province, among which were those of the International, the Quebec North Shore, the St. Lawrence, and the Anglo Canadian Paper Corporation. The following diagram of wage rates for the different job classifications will show the improvement in the wage situation in Eastern Canada in the period between 1934 and 1940:

	Ontario	Quebec
<i>Machine Tenders</i>		
1933	\$1.07	\$1.00
1940	1.45	1.46

<i>Back Tenders</i>		
1933	.93	.82
1940	1.28	1.26
<i>Third Hands</i>		
1933	.71	.62
1940	1.00	.97
<i>Fourth Hands</i>		
1933	.51	.44
1940	.73	.66
<i>Fifth Hands</i>		
1933	.47	.37
1940	.67	.61

It will be seen from this table, that during the years between 1933 and 1940 the differential between the average rates for the same type of job in the mills in Ontario and Quebec had been very much narrowed. During the same period the average base rates for fifth hands in all the newsprint mills across Canada had advanced from thirty cents an hour to forty-eight cents an hour.

The growing strength and importance of the union in Canada was shown by the increased prominence in the affairs of the Trades and Labour Congress, in which it came to be a large and important affiliate. In 1934, Arthur D'Aoust, International Vice-President and chief officer of the union in Canada, was elected a member of the Executive Committee for the Province of Quebec, which represented the Trades and Labour Congress in legislative matters. He was also elected Vice-President of the Trades and Labour Congress, and in 1940 became its Secretary-Treasurer. During the illness of Tom Moore, an outstanding Canadian labour leader, he was acting president until the appointment of Percy R. Bengough by the Executive Council.

In 1944, Arthur D'Aoust was awarded the Order of the British Empire by His Majesty King George the Sixth for his distinguished services to the Canadian labour movement and to the war effort.

Another important development during this period which strengthened the position of the union in dealing with the companies was the formation of the various regional councils of paper mill unions, which were made up of representatives of both the Paper Makers and the Pulp and Sulphite Workers. In 1928 a district council to cover the locals in the Throld-Niagara Peninsula region was formed and this was followed by the setting up of councils in the Ottawa district mills, in the Quebec mills, and in the mills of Northwestern and Western Ontario. These councils have had a variety of functions. In the province of Quebec they have helped the creation of a closer understanding between the workers and management in the Canadian pulp and paper industry. Then the Councils have been of considerable help in aiding the locals of the regions in which they are located, in unifying their activities, and in developing a common programme of action which would be of mutual benefit

to all parties. The Quebec and Northern Ontario Councils hold annual conferences in the winter months of each year, in advance of the annual negotiations with the companies. At these conventions, the locals can present their ideas of the demands which should be made upon the companies and the legislative proposals which should be presented to the Provincial Legislatures. They afford a clearing house for discussion of local problems which affect the union members in the various regions of the country. These discussions influence the final proposals which the international officers of the union make to the companies when the negotiations begin in April.

The value of having close ties with the Executive of the Trades and Labour Congress was shown when Canada entered the Second World War, in September 1939. The most important and serious effect from the union standpoint of war time conditions in the industry was the decision of the Canadian Government, at the end of 1940, to institute a programme of rigid price and wage controls in an effort to prevent wartime run-away inflation and to stabilize the cost of living in Canada at pre war levels. In December 1940, Order in Council No. 7440 was passed, which froze the basic rates of wages in industries in Canada at the level which had prevailed between the years 1926-1929, or the higher levels which had been established since that time, except in cases where it could be shown that such wage levels were depressed or sub-normal. All future rises in the cost of living in Canada during the war were to be met by the payment of a cost of living bonus by the Canadian Government. As originally announced by the Government in October 1941, this policy was designed to cover all the war industries in Canada, and through the interpretation of the Federal Department of Labour, pulp and paper manufacturing was placed within the category of war industry. When it was first made public, this policy was the subject of protest on the part of the international paper mill unions. The Paper Makers Journal, in an editorial in the issue of February 1941, said that the application of Order in Council No. 7440 by the Canadian Government to the pulp and paper industry was unfortunate in the extreme, and that the union considered this action to be a clear violation of the principles of collective bargaining which was to be used for the exploitation of the workers and the protection of the profiteering tactics of the companies. A resolution was adopted by the Executive Boards of both unions that this Order in Council did not apply to the pulp and paper industry and that the locals in Canada would proceed with their negotiations with the Canadian companies in the spring of 1941 on the assumption that these regulations were non-existent. The chief objection of the paper unions and many other labour organizations in Canada to the wage stabilization programme of the government was based on the fact that, in spite of the great headway that had been made in wage increases since 1934, there was still a noticeable variation between the wages in the Ontario and the Quebec mills. If this Order in Council was applied to the pulp and paper industry, these inequalities might be preserved

for many years and the strenght of the union in Canada might be permanently weakened.

Arthur D'Aoust had an important role, acting as an intermediary between the paper mill unions and the Federal Government, since early in the war he had been appointed to the National Labour Supply Council which had considerable influence over the general war time labour policies of the Canadian Government. As a member of this Board, when the policy of the application of the wage freeze to the paper industry was discussed, he emphasized the fact that pulp and paper manufacturing was a very highly organized industry and the relations of its unions with the companies were very harmonious. He also pointed out that the determination of wage rates in the industry was a matter which the unions and the companies could very well settle themselves without any intervention from outside. D'Aoust, on behalf of the international paper mill unions, stated that if the Canadian Government proposed to establish the uniform base rates which would be standard for the same types of jobs in all the mills across Canada, from Nova Scotia to British Columbia, and if it proposed to put pressure on the companies to observe such scales, the unions would be favourable towards the adoption of such a plan. He also said that the unions had no objection to the idea of the cost of living bonus, provided the Federal Government made a real attempt to keep the rates of this bonus in tempo with the rise or fall of the cost of living in Canada.

However, as the Federal Government refused to alter its stand on the question of the application of Order in Council No. 7440 to the pulp and paper industry, the union decided to try to use the Order in Council for the fulfilment of a long desired aim — the gaining of equality of wage rates between Ontario and Quebec.

Definite work was begun on the project in the years 1943 and 1944, when a general conference was held on this question with the representatives of the Ontario and Quebec Companies. The two paper mill unions decided to make joint applications to the various Regional War Labour Boards which had been set up by the Canadian Government for the application of the war time labour legislation, for an equalization of the wage rates for the same types of jobs in the mills in Quebec, Ontario and New Brunswick, using as a basis for the job rates classification the rates paid in the mills of the Abitibi Company at Iroquois Falls, Ontario. The result of these various applications to the Regional Labour Boards in 1944 was a general wage increase of five cents an hour, save in the case of mills where the unions had asked for less. This five cent an hour increase applied to a group of mills in the province of Quebec in which the two paper mill unions had agreements, including the Anglo Canadian Paper Company, the Saint Lawrence Corporation, the Lake Saint John Paper Company, and Price Brothers. This increase was later applied to the mills of the International Paper Company and the Bathurst Paper Company in New Brunswick. In 1945, further progress was made in this campaign. The Quebec division of the

National War Labour Board granted the workers in the Quebec group of mills another raise of three cents an hour. The Quebec North Shore Paper Company, whose mill at Baie Comeau was one of the large ones in the province, agreed to the principle of the equalization of rates for similar types of jobs between its Baie Comeau mill and that of the Ontario Paper Company at Thorold. Similar raises of five and then nine cents an hour were granted to the workers in the mills at Grand Falls and Cornerbrook in Newfoundland, in 1944.

Another campaign, in which headway was made during the war years, was the one for the granting of vacations with pay. Some of the Canadian companies, in Ontario, had been granting one week's annual vacation with pay to their employees at the end of the nineteen thirties. As a result of negotiations with the National War Labour Board in 1945, all the workers in the Ontario group of mills which included those of the Abitibi, the Great Lakes, the Provincial, the Spruce Falls, the Ontario and Minnesota, and the Ontario Paper Companies, were granted two weeks annual vacation with pay after five years of service with the company. Since then, this benefit has been extended to the fine paper mills in Ontario and to the newsprint mills in Quebec and New Brunswick with which the Union has agreements.

As soon as the restrictive war time wage controls of the Canadian Government were finally removed in 1946, the whole drive for higher wage rates was much facilitated. With the continually mounting demands for newsprint in the American market, the industry entered another period of boom and prosperity which resembled that of the First World War. Total newsprint production in Canada more than doubled between 1945 and 1948 — increasing from \$189,023,636 to \$402,099,718 — attaining the highest peak in Canadian history. At the same time, the price of newsprint began to soar in the New York market — climbing from sixty dollars a ton in 1945 to ninety-seven dollars a ton in 1948. This was the highest price at which Canadian newsprint had been marketed in the United States since 1920. Against this background of general prosperity and with their finances on a stable basis, the Canadian companies were now well able to make extensive wage concessions to the unions. In addition, the two international paper mill unions were in an immensely stronger bargaining position than they had ever been before, because they now had agreements in almost every large newsprint mill in Canada with the exception of the group in the province of Quebec in which the Catholic Federation of Labour held the bargaining rights. Then too, the unions were no longer on the defensive. They had won the right of recognition and their relations with the individual companies were on a much more amicable plane than they had been during the period of the early expansion of the union in Canada. Suspicion and hostility had been replaced by mutual confidence and understanding on both sides.

Another factor which has been of great help to the unions in bringing the rates of the men on the machines to such high levels

during the past few years was the development of a pattern of collective negotiations with groups of companies or mills on a regional basis. These negotiations which cover the groups of pulp and paper mills in each region of Canada take place in the month of April, in the period immediately preceding the expiration of the annual agreements. One conference covers the locals in British Columbia on the Pacific Coast; another, which meets in Toronto, embraces the newsprint and sulphite mills in Manitoba and in Northern and Southern Ontario; and a third, which meets in Montreal, covers the same type of companies with which the union has agreements in Quebec, the Maritime Provinces, and Newfoundland. The locals in the fine paper and board and specialty mills in Ontario and Quebec have a separate conference. The companies in the Northern Ontario group include the Abitibi, the Minnesota and Ontario, the Great Lakes, the Spruce Falls, and the Ontario Paper Company. The companies in the Quebec and Maritime group include the James MacLaren, the Anglo-Canadian, the Saint Lawrence, Price Brothers, the Lake Saint John, the Bathurst, Fraser Companies, the Bathurst, the Mersey River, Bowaters and the Anglo-Newfoundland. The one large corporation in Canada which still remains outside of this group bargaining is the International Paper Company. This company has so many pulp, sulphite, and newsprint mills in Canada that it forms a group in itself. The locals in the International mills meet in a separate conference with the company in Montreal, in April. Both of the international paper mill unions take part jointly in these negotiations, as well as the locals of some of the mechanical trade unions such as the electricians, who also have members in the newsprint and fine paper mills. First of all, a pre wage conference is held, at which the delegates from the locals and the international officers work out a general programme of demands, which is to be submitted to the companies on behalf of all parties concerned. Then the actual negotiations start and last anywhere from three days to a week. Usually the Vice Presidents of the participating companies present the case for management, while the Presidents of the two international paper mill unions lead the discussion for the union side. The unions generally begin by presenting their demands. There are counter proposals on the part of the companies and a final agreement is reached by the process of give and take. In most cases, only the general demands of the unions concerning wages and benefits are covered in these conferences. With the exception of the British Columbia mills, each agreement is signed separately by each local with the company concerned. After these negotiations are over, separate questions which affect only the members in individual mills and companies are taken up by the union officers. In Eastern Canada, the Toronto conference usually takes place first and sets a pattern which is followed in the negotiations in Montreal with the Quebec and Maritime and Newfoundland companies.

This system of group negotiations is obviously of great help to the two international paper mill unions. It enables them to get the maximum amount of benefit out of their

united strength in their dealings with the companies, and neither group could get as much acting separately, as the two obtain working in unison, in this fashion. The companies, in turn, are affected in an advantageous way, since all of them grant the same set of conditions and are no longer influenced in their bargaining with the unions by the fear of lower labour costs and price cutting on the part of their competitors. They are enabled to pass along the increased costs of production created by the acceptance of the union demands to their customers.

In the annual negotiations in the spring of 1946, still further advances were made towards the goal of wage equalization. The Ontario group of newsprint mills and the Canadian International Paper Company agreed to recognize the rates set forward in the 1946 Paper Makers Schedule with a base rate of one dollar an hour. The acceptance of the schedule was to be regarded as permanent and no changes might be made in it except by the processes of collective bargaining. A ten per cent general increase in wage rates with a minimum increase of ten cents an hour was also gained by the union in this group of mills. During the next two years — 1947 and 1948 — the mills in Quebec, New Brunswick, Nova Scotia, and Newfoundland having agreements with the union all agreed to the adoption of the Paper Makers Minimum Wage Scale. Thus after many years of effort, and striving, the long sought goal of equalization of the wage rates in the mills of Ontario and Quebec was at last attained. This was one of the most valuable achievements of the union during the whole thirty or so odd years of its existence in Canada, and it was of importance not only to the workers in the pulp and paper industry but to the Canadian labour movement as a whole. As we have seen, the low and sub-standard wages paid in the factories and mills of the province of Quebec have been a drag on the general progress of labour in all regions of Canada. In creating an identical wage structure for the whole of Eastern Canada, the international paper mill unions were showing the ways to other Canadian unions towards creating better conditions in other industries in Quebec where the rates of pay were still low and working conditions bad. The differential, of course, still remains between the levels of wages paid in the mills in British Columbia and those paid in Eastern Canada, but this differential is steadily being narrowed down year by year.

The result of their campaign has been that the wages in the mills in Eastern Canada have reached the highest levels in the history of the industry in Canada, and that they are beginning to approach the rates paid in the mills of the Northern United States. These trends will be shown in the following table of average rates for the five types of machine jobs in the mills in Quebec and Ontario.

	Ontario	Quebec
<i>Machine Tenders</i>		
1945	\$1.63	\$1.63
1950	\$2.39	\$2.34



<i>Back Tenders</i>		
1945	\$1.45	\$1.45
1950	\$2.18	\$2.09
<i>Third Hands</i>		
1945	\$1.14	\$1.14
1950	\$1.82	\$1.77
<i>Fourth Hands</i>		
1945	\$ .82	\$ .81
1950	\$1.44	\$1.40
<i>Fifth Hands</i>		
1945	\$ .76	\$ .76
1950	\$1.35	\$1.32

Wage rates have therefore made a far larger increase in the period between 1945 and 1950 than in any similar previous period during which the union has been operating in Canada. The averages rise during these years was greater than in the preceding period between 1925 and 1945. Today, machine tenders on the very large and fast machines, such as those in the Powell River Paper mill in British Columbia, are getting more than two dollars and sixty-nine cents an hour: a rate which would have been far beyond the wildest dreams of paper makers twenty or thirty years ago. In 1950 the average rates for fourth hands in the Ontario and Quebec mills in which the union had agreements were one dollar and thirty cents an hour and one dollar and fifty-two cents an hour respectively. The rates for fifth hands in the same class of mills in both of these provinces were one dollar and thirty cents an hour. In no newsprint mill in which the union had an agreement across Canada were the rates paid fifth hands less than one dollar and twenty cents an hour.

Today the men on the paper machines in the newsprint mills represent the highest paid class of skilled labour in any industry in Canada. In 1948 the average yearly wage of employees in the pulp and paper industry was fifty-four dollars a week as against forty-five dollars a week for the workers in the non-ferrous metal industries, and forty-four dollars a week for the workers in the chemical industry. The average yearly wage for workers in the pulp and paper industry was \$2,764. in 1948, the latest year for which figures are available, and there have been further upward advances since that time. Looking back at the average wages paid in the newsprint in Canada when the first locals came into existence, around the year 1910, the progress has indeed been amazing. The following table will show this advance:

	Ontario	Quebec
<i>Machine Tenders</i>		
1914	\$ .63	\$ .53
1950	\$2.39	\$2.34
<i>Back Tenders</i>		
1914	\$ .51	\$ .36
1950	\$2.18	\$2.09

<i>Third Hands</i>		
1914	\$ .35	\$ .27
1950	\$1.82	\$1.77
<i>Fourth Hands</i>		
1914	\$ .30	\$ .22
1950	\$1.44	\$1.40
<i>Fifth Hands</i>		
1914	\$ .55	\$ .42
1950	\$1.35	\$1.32

These figures are enough to show the remarkable rise in the wages in the newsprint industry in Eastern Canada during the past thirty-five years. This rise has been even more marked in the mills in the province of Quebec than in those in the province of Ontario. There has been an increase of more than four hundred per cent in the case of machine tenders in the Quebec mills — six hundred per cent in the case of back tenders — eight hundred per cent in the case of third hands — and seven hundred per cent in the case of fourth hands. Today fifth hands in a mill in Ontario or Quebec receive more than twice as much as a machine tender received in the year 1921. During the period between 1914 and 1948, the last year for which accurate figures are available, the average annual wage of workers in the Canadian pulp and paper industry increased from \$574 to \$2835. These figures also show how the base rate in the newsprint section of the mills has been brought up during the past three decades. In 1921 the average rate for fifth hands in the Eastern Canadian mills combined was in the vicinity of forty-eight cents an hour, in 1950, it was one dollar and thirty cents an hour. Of course comparison of wage rates current today in Canada with those thirty or forty years ago is difficult, because during the intervening period there have been great changes in the cost of living and in the general living standards of the Canadian population. There are many things which the Canadian worker considers to be necessities today which were regarded as luxuries in 1910. Yet, nevertheless, this is a noteworthy record of steady achievement and progress such as few other Canadian labour unions rival.

Some of these great advances in the wage rates in the Canadian newsprint industry — especially in the period since the end of the Second World War — have been due to the fact that many of the Canadian companies, in response to the ever rising demands for Canadian newsprint in the American market, have greatly increased the productive capacity of their mills. New and larger machines have been installed and the older ones improved, and in some cases completely rebuilt. The progress in this line during the past thirty or forty years has indeed been surprising. This is shown by the fact that in the year 1900, when the newsprint industry in Canada was in its first stage of development, the maximum speed of the paper machine was about five hundred feet per minute. The largest machine in the world at that time was in the mills of the Rumford Falls Paper Company at Rumford, Maine. It had a width of one hundred and

fifty-two inches. By the middle of the nineteen forties, almost half a century later, some machines in the Canadian mills had a speed of fifteen hundred feet a minute and the largest paper machine in Canada — installed in the mill of the Great Lakes Paper Company at Port Arthur — had a width of three hundred and four inches. Today many of the machines in the Canadian newsprint mills are over two hundred inches in width, and the average is about one hundred and eighty inches. The giant Fourdriniers in such mills as those at Powell River in British Columbia and at Baie Comeau at the other end of Canada turn out quantities of paper per hour which would have been quite unimaginable twenty years ago. This progress in equipment is demonstrated by the fact that although only one large news print mill has been built in Canada since 1932, yet the total annual production of newsprint in the Canadian mills has almost doubled since that date. As the rates contained in the Paper Makers Minimum Wage Schedule are to a large extent based upon these factors of size and speed there has been a great advance of wages, particularly at the top end of the scale. But it must never be forgotten that the fortunate and almost privileged position of the Canadian paper maker in the field of labour today is without doubt the result of hard fought and long drawn out struggles which have been conducted by the union officials themselves, particularly in such periods of crisis as the years between 1930 and 1934 when it required a good deal of guts and determination, and staying power, to keep the organization in existence at all.

In the field of fine paper manufacture, the situation is not nearly as satisfactory from the union standpoint as in the newsprint mills. Wage rates paid in the fine paper and specialty mills in Canada have been always considerably lower than those paid in the newsprint field. For example in the year 1929 — one of comparative prosperity in the Canadian pulp and paper industry — the average rates for machine occupations in the fine paper mills in Canada were as follows:

Machine Tenders	\$ .77
Back Tenders	\$ .64
Third Hands	\$ .47

At this time the average rate for machine tenders in the newsprint mills in Eastern Canada was in the vicinity of one dollar and thirty cents an hour, and the average rates for back tenders and third hands in these groups of mills were one dollar and ten cents an hour and eighty-five cents an hour. Twelve years later — in 1941 — when rates in the newsprint mills recovered from the low of the depression of the nineteen-thirties — the rates in the fine paper mills had not advanced very much, as the following figures show:

Machine Tenders	\$ .84
Back Tenders	\$ .66
Third Hands	\$ .59

There have been a number of reasons for this large differential between the rates for the same type of jobs in the newsprint and in the fine paper mills in Canada in the past. One of the most important ones has been the smallness of the Canadian home market for fine paper products and specialties. Then, unlike the Canadian newsprint industry, the Canadian fine paper mills have been excluded from a large and potentially profitable market in the United States by a very high and almost exclusionary tariff wall; and the market for Canadian fine paper products in Europe and other parts of the world outside of North America has never been large. And since the end of the war, the Canadian export trade overseas in these products has been materially cut down by the exchange and currency difficulties. The consequence is that Canadian fine paper and specialty production has been only a fraction of that of newsprint. In the year 1947, for example, the total production of book, wrapping, writing, tissue, cigarette and miscellaneous types of paper in the Canadian mills was only 564,441 tons as against a total of 4,474,264 tons of newsprint. And even if the American tariff on Canadian fine paper was completely removed, this situation would not be likely to change until the Canadian fine paper companies had expanded their productive capacity to a sufficient degree to compete with the large companies in the United States. The result is that the operations of the fine paper companies have been on a smaller and more restricted scale than those of the newsprint giants in the past. Practically none of the Canadian fine paper mills have the tonnage and capacity of the very large newsprint ones, such as those of the Great Lakes and the Powell River companies. There is only one machine installed in a fine paper mill in Canada which has a width exceeding two hundred inches and the average width of the machines in these mills is less than a hundred and fifty inches. Then, on the whole, the smallness of the Canadian market and the specialization in the productions of small quantities of many types of paper make the operating costs much higher than those in the newsprint industry. This helps to rule out the possibility of the attainment of wage rates on the same levels as those paid in the newsprint mills.

However, there is still much room for improvement in the fine and specialty paper wages and the union, in recent years, has been giving greatly increased attention and effort to the situation there. It has been successful in effecting a marked advance in the wages paid for the jobs on the machines in these mills and in bringing them more into line with the rates paid for the same classes of work in newsprint manufacture. In the year 1947, the union obtained a fourteen cent an hour increase in the Quebec and Ontario group of fine paper mills, in which it has agreements with the companies, including the E.B. Eddy mills at Hull and Ottawa, the Rolland mills in the province of Quebec, and the Howard Smith mills at Cornwall and Merritton, also the Provincial mills at Port Arthur and Mille Roches, and the Interlake Tissue and Garden City mills at Thorold and Merritton. The result of this steady drive for higher wages in the fine paper mills is shown by the fact that the annual average wage per

hour for machine tenders in the Ontario paper mills had risen from \$1.25 an hour in 1946 to \$1.48 an hour in 1950. There were corresponding increases of thirty-two cents and thirty-six cents per hour in the average wages of back tenders in the Ontario and Quebec mills during the same period, and a boost of thirty-three cents and thirty-one cents an hour in the case of third hands. In addition, the workers in the fine paper mills in Canada, in which our union has agreements, now enjoy most of the same benefits which are possessed by the union members in the newsprint mills, such as the union shop, vacations and holidays with pay, and the preference to union members in hiring and lay-offs.

There has also been a steady and continuous progress in the job or reducing the hours of work, both in the newsprint and the fine paper mills. By the end of the nineteen thirties, the eight hour day and the forty-eight hour week had become practically universal in the mills right across Canada, from Newfoundland to British Columbia. Today, Sunday work is severely regulated and only permitted in cases of emergency and only with the agreement of the local concerned. This is indeed a far cry from conditions in the industry forty years ago, when the union was making its first struggle for recognition and when the eleven thirteen hour day were all but universal.

During the past few years, the union has been conducting a continuous campaign for the institution of the forty-hour week in the Canadian mills. The workers in the British Columbia companies, of course, have had the benefit of the forty-hour week because a law which was passed by the British Columbia Legislature in 1946, and which applies to all industries in that province. Prior to 1951, the Great Lakes was the only company in Eastern Canada whose mills operated on a week less than forty eight hours. In the spring of 1951, after quite a prolonged battle, a group of the Ontario and Manitoba companies including the Abitibi and the Minnesota and Ontario groups agreed to the installation of the forty hour week in their mills with forty eight hours pays. Later in 1951, arrangements were made for the gradual extension of the forty hour week to the workers in the two Newfoundland newsprint mills, in the Abitibi mill at Beaufré Quebec and in the newsprint mills in British Columbia. This marks the achievement of another important goal towards which the Paper Makers have been working for many years. It also represents a gain for organized labor in Canada in general since there are not many industries in Eastern Canada in which the forty hour week is widely prevalent at the present time. Of course, the majority of the mills in Quebec and New Brunswick and the fine paper mills in Eastern Canada are still on the forty eight hours week, but when we take into consideration the strong bargaining position of the international paper mill unions, it will probably only be a question of time before the forty hour week is universal across Canada.

Another important achievement of 1951 was the signing of an agreement in the mill of the Mersey River Paper Company in Liver-

pool, Nova Scotia providing for the establishment of a thirty six hours week and a wage scale better than those of the Ontario news print mills. This means that there are now two newsprint mills in Eastern Canada on the thirty-six hours week — the other being that of the Great Lakes Paper Co. at Fort William, Ontario.

Today, in the industry in Canada, extra pay for over time work on week day, Sundays and holidays has also become universal. Time and a half for over time is the most common arrangement in the mills in all regions of the country, but some companies are beginning to pay double time for work on Sunday and double time and a half for work on Statutory holidays, and in 1950 two companies were paying double time for overtime on Sundays.

Hour workers also receive overtime when they are compelled to work beyond the time of their ordinary shift, because of the illness or absence of another worker, or for some other reason. The payment of this overtime usually begins after they have performed this extra work continuously for a period ranging from three days to three weeks. Six hours, or time and a half for overtime is also paid for the putting of wires on the machines and for the performance of hour work which is not part of the regular duty of the employee.

The number of statutory paid holidays granted by the pulp and paper companies in Canada has been steadily growing in recent years. In the year 1944, for example, the great majority of the Canadian mills had four paid holidays a year, including Christmas Day, New Years Day, Dominion Day, and Labour Day. The number of holidays in Ontario today is four shut down days and two floating holidays, and in the Quebec mills there are four shut down days and one floating holiday.

As a result of a vigorous campaign put on by the officials of the two international paper mill unions, vacations with pay had become almost universal in the industry across Canada since the end of the nineteen thirties. Today, practically every worker in every Canadian newsprint and fine paper mill receives a week's vacation with pay fater a year of service with the company. In 1949, 5344 employees in forty-six Canadian mills received two weeks annual vacation with pays in the majority of the cases after five years of service with the company. The trend towards granting eighteen days of paid vacation to the workers who had been in the employment of a company for fifteen years is also growing.

The position of the organization within the various Canadian mills is well safeguarded by the presence of union security clauses which appear in every agreement which the Paper Makers had in force in Canada. These union shop clauses are nearly uniform. They provide that all existing employees in a mill must be members of the union and that all new employees must become members of the union within a period ranging from fifteen to thirty days after their employment with the company. This is one matter in which the Canadian locals are in a much more favourable position at the present

time than those in the American mills. Although provincial labour legislation, particularly in Quebec, still leaves much to be desired as to means of protecting the bargaining rights of the union members, yet up to now, no Federal legislation of the Taft-Hartley type has been passed in Canada which had deliberately tried to weaken the position of the unions in certain industries by outlawing the closed shop and by putting restrictions on the union shop.

The principle of seniority is also respected in practically all of the Canadian agreements. Usually the seniority clause states that preference is to be given to seniority in any promotions which are made by the company and that in lay-offs and in re-employment preference will be given to employees with a long period of service with the company.

Over the course of time, the union has also worked out a fairly satisfactory machinery for the adjustment and settlement of the grievances of employees and of causes of disagreement between them and management. In many mills, under the terms of the agreement, grievance committees are set up which are composed of representatives of the employees and of the management. In the agreement with the International Paper Company, for example, a grievance or complaint is reported by the employees' Committee to the District Superintendent. If the District Superintendent is unable to adjust the grievance in a satisfactory manner, the question is then referred to the Plant Superintendent who meets with the Committee, and the Department Superintendent. If the Plant Superintendent cannot work out a solution, the matter is then referred to the President of the union who may take up this grievance with the General Manager of the Division, personally. If this move fails, the matter can then be referred to an impartial Board of Arbitration which is composed of a representative of the union, a representative of management, and a third arbitrator who is completely outside the ranks of the company and the union. The decision of this Board is final and binding. In some mills, mutual interest boards, which have been set up and the members of which have been appointed jointly by the union and by management, discuss matters of health, safety, and recreation in the mill.

In recent years it has become generally recognized both in labour and in industrial circles in Canada that adequate protection of the worker against the ills and hazards of the modern industrial system, such as joblessness, illness, injury, and old age, are as vital and as necessary as a high level of wages.

During the past few years, there has been a great progress made within the pulp and paper industry in Canada in providing this type of social security for the union members. Practically every fine paper and newsprint mill in Canada today has a pension plan in operation which is financed by the joint contributions of the employees and the company. These pension plans vary in their form and in the exact amount of their benefits, but in most cases they provide for a fixed amount of pension to be paid to an employee

for a period of years after his or her retirement from service with the company. The age of retirement is sixty-five in the case of men, and sixty in the case of women. In some large groups of mills, such as those of the Abitibi Company and the International Paper Corporation, the participation of the employees in the plan is practically one hundred per cent. A typical plan is the one in force in the mills of the Great Lakes Paper Company. Here the regular male employees aged twenty-one or over, with one year's service or over, and female employees with three years service with the company, are eligible for inclusion in the plan. The employee contributes four per cent of his annual earnings, and the company contributes the balances of the cost of the plan. The benefits include one and one half per cent of the employees total earnings as a member of the plan.

In addition, many companies in Canada today have group life insurance plans and joint contributory insurance plans which cover sick leave, and the types of accidents which are not covered by the various provincial Workmen's Compensation Laws, and the medical and hospital costs of injuries and illness incurred while off the job. A typical group insurance plan is in operation in the mill of the Anglo-Newfoundland Company at Grand Falls, Newfoundland. Here all employees of the company are eligible for membership in the plan after one year of service with the company. Employees earning sixty cents an hour or more, under the plan, will be paid twenty dollars a week for any sickness or accident not arising out of employment with the Company. An employee will receive the sum of \$2,000 if he becomes totally incapacitated before the age of sixty. In the case of his death, this amount will be paid by the Company to his beneficiaries. In several companies in the province of Ontario a Blue Cross Hospital plan is in effect which gives the employees medical care and hospitalization at low rates. More and more employees in an increasing number of pulp and paper mills in Canada are becoming enrolled in various plans of this type, and it will be only a matter of time before they cover the entire industry.

One of the greatest contrasts between conditions today and conditions forty years ago, when the union set up its first locals in Canada, is the excellent state of its relations with the companies. During the past twenty years, with the exception of the fights with the Catholic Federation of Labour in the province of Quebec, there has been hardly one serious strike in any mill or groups of mills in which the union has had an agreement or locals. In some cases, such as those of the Abitibi and the Great Lakes companies in the province of Ontario, there has been an unbroken record of harmonious relations between union and management during a period of over thirty-five years. The union won and kept recognition from the companies in Ontario long before the workers in other important industries, such as steel, automobile and rubber manufacturing where the record of labour has not been very peaceful. This state of mutual good relations has been of great benefit to the union officers and members, both because it has meant that they have not been compelled to divert their energies into a struggle for the recognition of their union, and



because it has enabled them to concentrate on getting higher wages and increased benefits.

This condition of mutual amity has been the result of several factors. One of these in recent years has been, of course, the great prosperity of the Canadian newsprint industry which has made it possible for the companies to pass on the wage demands of the union to their customers. But another far more important and basic factor is the good sense, the realism, and the moderation of the union officials themselves. Since the early days of union development, unlike some other labour leaders they have never aimed at the impossible. In their dealings with the companies their demands have always been governed by a very accurate knowledge of general business conditions in the industry and by a fair estimate of what concessions the financial state of the companies would enable the latter to grant to the union members. An example of this is the general policy of the union during the depression period of the early nineteen thirties, when it was willing to take considerable wage reductions which were unavoidable or necessary. The union leaders wisely deemed it inadvisable to begin a strike campaign which might have resulted in the complete destruction of the union in Canada. Then, on the side of management, the Canadian pulp and paper companies, and notably the ones operating in the province of Ontario, were far in advance of many other Canadian industrial corporations in taking a reasonable attitude towards union organization in their plants and in recognizing that their employees had the right of combining in collective organizations of their own choosing for the defence of their interests. They have seen that more could be achieved in the field of production by coming to an understanding with the unions than by blocking them. This is the reason why the history of the pulp and paper industry has not been characterized by long drawn out and bitter struggles and conflicts which have made the achievement of industrial peace difficult in some other Canadian industries.

Indeed, the history of the paper makers organization as a whole provides a perfect answer to many of the stock attacks which are directed against labour unions in general by ignorant and unthinking opponents. Although its record is by no means completely spotless, yet on the whole it has been largely free of those abuses which have brought so much criticism on some sectors of the labour movement in Canada and in the United States during the past twenty or thirty years. Its presidents and officers have been, for the most parts men of high honesty and integrity, who have never sold out their cause to the employers and who have never attempted to use their positions of authority and power for their own personal profit and advancement at the expense of the union members. The international paper mill unions have produced no labour czars and petty dictators of the John L. Lewis type. The only possible example of this type of thing in the history of the union was the presidency of Carey in the nineteen twenties, and even in this case the power of the rank and file members was strong enough, in the long run, to overthrow his autocratic rule. One of the reasons for this satisfactory state of affairs

in the comparatively democratic form of government of the union with its referendum system by which every major decision on the part of the Executive has to be approved by the members of all of the locals. The union has also been free of racketeering, and the other similar evils which anti-labour publications and writers in the United States dwell upon at such great length.

One important problem is the question of the relationship between the Paper Makers and its twin brother — the International Brotherhood of Pulp and Sulphite Workers. During the past ten or fifteen years there has been much on and off discussion in the ranks of both organizations of the question of the amalgamation of the two unions into one outfit, which would include the great majority of the workers in the pulp and paper industry in Canada and the United States. At the 1935 convention a resolution was passed approving the project of the fusion of the two unions. In the fall of 1936, the officers of both unions had a meeting to discuss jurisdictional problems. At this conference, the representatives of the Paper Makers proposed the idea of amalgamation, but John P. Burke, the President of the Pulp and Sulphite Workers, said that he did not have the power to discuss this question and that it would have to be brought before the annual convention of his union. At the 1937 convention of this union proposals for amalgamation were turned down. In 1944, at the convention of the Pulp and Sulphite Workers, this matter was again brought up by Matthew Burns, the President of the Paper Makers. Burns made the point that the only safeguard against the effects of jurisdictional raids by competing and rival unions in the pulp and paper industry was the fusion of the two organizations. But the idea was again rejected and thus the matter remains at the present time.

Amalgamation would undoubtedly bring considerable advantage to the members of both unions. It would create large savings in administrative costs and in general expenditures. The two organizations together would have a combined membership of 195,000 members in Canada and the United States. The combined union would rank high in membership among the unions forming part of the American Federation of Labour in the United States and of the Trades and Labour Congress in Canada. But there are many mechanical obstacles in the path of amalgamation. The Paper Makers union has a referendum system of government, while the union of the Pulp and Sulphite Workers has a convention system. The Paper Makers has a system of death benefits, while the Pulp and Sulphite Workers has none. Then there are the deep sentiments against union among the members of both groups. Numerically today — both in Canada and in the United States — the Pulp and Sulphite organization is a far larger union than the Paper Makers. In Canada, its total membership is in the neighbourhood of 30,000, while that of the Paper Makers is only about 6,500. This is, of course, chiefly due to the fact that the number of employees in the pulp and sulphite sections of the mills is far larger than those in the paper making sections. The members of the Paper Makers always fear that in the

event of a fusion their influence in the new combined organization would be swamped by the mere force of numbers in the determination of union policy. Then, too, even today the Paper Makers still feel that they are a "superman" group by virtue of their ability and skill, as compared to that of the men in the pulp and sulphite section, and consider that they would be taking a step downwards by throwing in their fortunes with those of the other group. Also, it might be difficult for the two unions to get from the Executive Council of the A.F. of L. a charter giving the new combined union as broad jurisdictional powers in the pulp and paper industry, as the two paper mill unions were unable to gain individually when they first began organizing in the 1900's. The unions in the mechanical trades which are affiliated with the A.F. of L. have always been anxious to cut into the jurisdiction of both unions.

The organizational set-up of the union today in Canada is, as follows. During the war years, the pressure of local work was so heavy in connection with the war time labour legislation and the applications to the various governmental boards and officers that it was decided in 1944 to set up a Canadian Regional Director. In 1948 the headquarters of this office were moved from Montreal to Ottawa. This office has the supervision of all the locals across Canada, from Newfoundland to British Columbia. Arthur D'Aoust, as well as being Canadian Regional Director, is also an International Vice-President of the Union. The other Canadian International Vice-President is Joseph Arsenault, who is stationed at Thorold, Ontario. Canada is, therefore, one of the geographical regions of the union and is probably the largest in the amount of territory to be covered by officials and organizers. The other regions include the South, New England, the Middle Atlantic States, the Great Lakes, Michigan, Wisconsin and Minnesota, and the Pacific Coast — each of which has a regional office and director.

During the past half century, not only in the province of Quebec but in England speaking Canada attacks have been directed against the idea of the affiliation of Canadian labour unions with organizations in the United States. It has been claimed that interests of the Canadian workers have been neglected in these organizations while those of the American workers were looked after, and that the men who are in charge at the top across the border do not understand Canadian conditions and pursue American interests and objectives rather than those which are Canadian. Several attempts have been made by employers' groups, such as the Canadian Manufacturers Association, in the past to put bills through the Canadian Parliament prohibiting the affiliation of labour unions in Canada with organizations outside the boundaries of that country. In the province of Ontario, in 1937, the Provincial Premier, Mitchell Hepburn, tried to block the entrance of the C.I.O. into the Canadian automobile industry, claiming that this move represented an invasion of Canada by foreign radical forces. This attack, which was unsuccessful, was very obviously the product of the close ties between Hepburn's Administration and certain powerful Canadian financial and industrial interests. In recent years, the

Communist dominated unions affiliated with the Canadian Congress of Labour have made strong criticisms of the American affiliation of Canadian labour unions, denouncing this as colonial slavery, in accordance with the current anti-American stand of the Communist Party in Canada. Several efforts have been made to form national federations of labour unions in Canada which would be completely free of any ties with the United States. The only one of these which has had any success has been the Catholic Federation of Labour in the province of Quebec and its hold among certain groups of workers in that province has been due to the fact that it has played not only upon the differences between the French speaking workers in Quebec and the workers in the United States but also upon those which separate the workers of French speaking Quebec from the English speaking workers in industries of Ontario and other parts of Canada.

But it will be seen that as far as the workers in the pulp and paper industry in Canada are concerned, the American connection has been of priceless benefit. The original impetus towards union organization in that industry in Canada, in the first years of the present century, came from the United States; and without this aid from across the border it is quite probable that the growth of unionism in the industry would have been a much slower and more painful process than it actually was. The slow progress of the Catholic Federation of Pulp and Paper Workers in the province of Quebec is a proof of this fact. The financial backing and the organizational experience of the American section of the union were of vast assistance to the union in gaining a footing in the Ontario mills in the period during and after the First World War. And in the depression years, between 1930 and 1935, there is no doubt that organization in the industry would have completely disappeared without the help from south of the line. It is indisputable that taking the last thirty-five years as a whole, the members of the union in Canada have gained far more from the Head Office in Albany in the shape of various services and benefits than they have contributed in the form of dues and levies.

At the present time the future of both of the international paper mill unions in Canada seems to be very promising. The Canadian newsprint industry has never been in a more flourishing state, even in the boom days of the First World War, than it is at this time — the beginning of the nineteen fifties. Almost all of the large mills in Canada are operating at one hundred per cent of capacity, and the unprecedented demand for Canadian newsprint in the American market shows no sign of slackening. The chief problem now appears to be the one of allocating a proportion of the total Canadian newsprint output to give relief to the newspapers in the paper-starved nations of Western Europe, such as Great Britain and France. If the Canadian Government takes measures to divert some of this newsprint from the United States across the Atlantic, many of the smaller newspapers in the United States who always feel that they are never given a fair share of Canadian paper, are certain to raise a howl. The financial structure of the Canadian companies is now very stable, and

here the contrast with conditions in the industry fifteen or twenty years ago is very striking. In the year 1950 the earnings of these companies were the largest for any single year in the whole history of the industry in Canada. The total gross earnings of a group of Canadian companies, which included the Consolidated, the International, the Saint Lawrence, Price Brothers, Powell River, Bathurst, the Minnesota and Ontario, and the Lake Saint John, in 1950 was \$35,000,000 greater than in 1949. These companies have also managed to reduce the burden of their indebtedness by more than thirty-five per cent since 1940.

Indeed, the dangers of the present position of the pulp and paper unions come rather from the general state of economic conditions in Canada — and in the world at large. The war crisis already has injected an element of instability into the general situation in Canada by causing a dangerous rise in the cost of living. This rise has been especially marked in the price of such necessities as food, clothing and lodging. The average worker in all regions of Canada is beginning to feel the pinch here very keenly. An inflationary wave similar to that of the First World War may be in the process of development. This rise in the cost of living, which has been so visible since 1949, has — to a large extent — cancelled the effectiveness of the large wage-boosts which have been received by the union during these years in raising the general living standards of the union members. Already the three national labour federations in Canada — the Trades and Labour Congress, the Canadian Congress of Labour, and the Catholic Federation of Labour — have come together in a united pressure campaign to force the Federal Government to take effective measures to deal with this crisis; but, thus far, their efforts have been unavailing. This general rise in prices is also, in the long run, bound to have an effect on the financial position of some of the pulp and paper companies by increasing the costs of their raw materials. Already the growing cost of lumber and pulpwood operations has been creating problems. In Canada, an emergency control has been established over the newsprint industry by the Federal Government and there are rumors of a projected control over the price of newsprint by government agencies, both at Ottawa and at Washington.

If this inflation continues unchecked during the next year or two, the paper mill unions in common with all types of Canadian labour organizations, are going to step up their wage demands. At the same time, if the operating costs of the companies rise, and there is a decline in the demand for newsprint, the companies are going to become steadily less amenable towards further demands for wage boosts than they have been since the end of the war. Signs of this change of attitude are already visible in the 1951 negotiations in Ontario, where the unions met unusually tough opposition from the companies in their efforts to gain the forty hour week. If the companies take a stand of this type in the future, and if they try to hold wages at their present levels . . . or even force a reduction from their

present high peak, or if another depression develops, the two unions are in a much stronger position to put up effective resistance than they were in the depression years of the nineteen thirties. The industry is now one hundred per cent organized in Canada. The finances of both organizations are in good shape. There is a strong feeling of unity and solidarity among the rank and file, in spite of the rivalries which still exist between the paper makers and the pulp and sulphite workers. Neither union has suffered from the internal feuds and conflicts which have wrecked so many seemingly powerful labour organizations in Canada and the United States during the past few years.

Looking back over the seventy-five years which have elapsed since the formation of the first locals in the pulp and paper industry in North America in the eighties of the last century, it is surprising what a little change there has been in the general attitude of the union on the subject of its goals and the range of its activities and operations. Although there have been many far reaching and profound social and economic developments in the United States and Canada, since 1900, the conception of the labour movement held by the union and the Pulp and Sulphite Workers, is still the one which was formulated by Samuel Gompers at the time of the creation of the American Federation of Labour at the end of the eighteen eighties, namely that the aim of labour unions in North America is not to change or overthrow the free enterprise system of private property, but to get the most out of it for their members in the shape of job security and better living and working standards. And, taking the history of the two paper mill unions as a whole, they have been remarkably successful in the attainment of these goals. Here, the International Brotherhood of Paper Makers may be classed as being among the more conservative of the unions affiliated with the American Federation of Labour and the Trades and Labour Congress. Its presidents and officials have always kept their gaze firmly fixed on the problems that are immediate and close at hand, and have never allowed their energies to be diverted into unprofitable and visionary projects. In recent years — some of the more radical of the unions in the C.I.O. and the Canadian Congress of Labour have made extensive demands for a greater voice in the operation of industry in which they have membership, in such matters as production policies. No trace of any such attitudes can be found in the records of the international paper mill unions. Up to now, they have been content to leave the sphere of production planning exclusively in the hands of management, and they are satisfied as long as they get a square deal in wage rates and benefits, such as pensions and health insurance.

The influence of Gompersism comes out very clearly in the attitude of the two unions towards political activity. If possible they have always preferred to get increased benefits through negotiations with the companies, rather than by the passage of Federal and Provincial legislation. Although at various times, in Canada and the United States, certain regional groups within the unions, such as the

Councils of Paper Mill Unions in Canada, have exerted pressure upon members of the Federal Parliament and of the provincial legislatures to get the passage of specific laws which the unions have wanted, yet they have always clung to the traditional Gompers policy of rewarding labour's friends and punishing labour's enemies at the polls. In Canada they have given little, if any, official support to the formation of left wing parties of the C.C.F. type which have a frankly socialist programme. This is probably one reason why the doctrines and ideas of communism have made such little progress among their membership as compared with some other American and Canadian labour unions. Indeed, as an affiliate of the Trades and Labour Congress, the Paper Makers union, under the leadership of Arthur D'Aoust, was one of the chief agencies during the past two or three years in the fight against communism on the Canadian labour front as represented by the activities of such organizations as the Canadian Seaman's Union and the Canadian section of the Amalgamated Textile Workers. It was largely due to D'Aoust's influence that these unions were expelled from the ranks of the Congress in 1949 and 1950.

The continuance of such an attitude in the ranks of the Paper Makers over such a long period of time is, to some extent, due to the fact that there has been comparatively little change in the basic features of the process of paper making during the past five years. Although many improvements have been made in the machines, such as the invention of more efficient methods for the removal of water from the rolls and in the drying of paper, yet the basic classifications of jobs on the paper machines remains pretty well what it was in 1910 — boss machine tender, machine tender, back tender, third, fourth and fifth hands. The great innovations in pulp and paper manufacturing in recent decades have been in the pulp and sulphite stages of the production rather than in the strictly paper making stage. The Paper Makers have suffered much less than some other craft unions, which were formed during the same period, from the effects of what is known as technological change — the process in production techniques by which manual skill is replaced by machinery and by which skilled labour is supplanted by unskilled labour.

Thus, today, in the United States and Canada the union is a powerful and far flung organization including within its ranks groups of workers from almost every part of the continent in which there are pulp and paper mills. In Canada, its locals extend from the rocky coasts of Newfoundland and New Brunswick, through the vast forests regions of northern Quebec and Ontario, westward to the rugged mountainous wilderness of British Columbia on the Pacific Coast. In the United States, it has locals in almost every important region of the nation, including New England, the Middle Atlantic States, the Deep South, the Great Lakes States, and the Pacific Northwest. This geographical dispersion of its membership reflects the wide scale of the operations of the pulp and paper industry today on the North American continent.

One of the chief obstacles in the road of the creation of a strong and unified labour movement in Canada has been the existence of

barriers of geography, race, and language which have separated workers in different provinces of the country from one another. This is one reason why the development of unionism has been so much more slow and painful in Canada than in the United States. It is only within the past twenty years that labour in Canada has become a truly national force with a nation wide programme and outlook. The international paper mill unions have been important agents in this process of bringing together the Canadian workers. They rallied behind their banners — men of different races and creeds, working in mills hundreds and even thousands of miles apart. Here the work of these unions has been of great value, particularly in the province of Quebec. In opposition to the narrow cries of separatism and sectionalism, they have preached the doctrine that the only road to progress in the labour field lies in unity, and thus they have helped to create a much needed understanding between the French speaking workers of Quebec and their English speaking fellow-workers in other regions of Canada.

Thus, looking back over the past forty years, although like every other labour organization it has had its internal feuds, and its periods of depression, the record of the Paper Makers in improving the general position of the men who work on the paper machines has on the whole been an inspiring one. It is a long way indeed today from the conditions of the nineteen hundreds in the mills with the thirteen-hour day and the eleven-hour shift, and much of the remarkable progress which has been made was due not only to the officials and leaders but to the members themselves. And, in the case of the Paper Makers, the union has been fortunate in its type of membership, as well as in its brand of leadership. There is no doubt that future prospects for the union look very encouraging if it continues to evolve along its present lines, and that during the next few years it will become an ever more important and influential factor, both in the pulp and paper industry and in the labour world of Canada and of the United States.



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