Relations industrielles Industrial Relations

RELATIONS INDUSTRIELLES DEPUIS 1945 SINCE 1945 INDUSTRIAL RELATIONS

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Volume 11, Number 4, September 1956

URI: https://id.erudit.org/iderudit/1022611ar DOI: https://doi.org/10.7202/1022611ar

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Publisher(s)

Département des relations industrielles de l'Université Laval

ISSN

0034-379X (print) 1703-8138 (digital)

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Cite this article

Gushue, R. (1956). The Newfoundland Woods Labour Board. Relations industrielles / Industrial Relations, 11(4), 268-279. https://doi.org/10.7202/1022611ar

Article abstract

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The Newfoundland Woods Labour Board

R. Gushue

In this article, the author intends to give to the reader a good idea of the Newfoundland Woods Labour Board. After a short description of the situation leading to its formation, he exposes its organization, development and continuance under several chairman; he also presents an interesting composition of the woods labour rates and working conditions in 1940 and 1955 and some activities and accomplishments of the Board. Finally, his analysis of the results of the Board's operations proves that labour and management can effectively co-operate.

As chairman of the Board, of the Newfoundland Woods Labour Board. I feel that I could not introduce my subject better than by giving you a comparison in which I shall employ two quotations, the first being a composite describing conditions which existed in the woods industry before the Board was formed, and the other appraising the position and influence of the Board in the industry today.

The situation before 1940 has been described in these words:

"Before the formation of the Woods Labour Board many labour troubles occurred in the Humber district and also on the east coast. Among these were the raid on the Glyn Mill Inn, the threats to the intake at Humber Canal calling for police protection to the property, the boarding of the ship at Robert's Arm, the strike in Indian Bay. There were unrest and threats. It was more by luck than good management that physical harm did not occur. There were four unions fighting one another, with jealousy and bitter rivalry between them, with the two Paper

Companies in the middle— a most unhealthy state of affairs. It was almost impossible to plan woods operations with any accuracy or certainty

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and the most important industry in the Country was definitely threatened."

The source of my second quotation is the report of the Newfoundland Royal Commission on Forestry, 1955, from which I extract the following:

"The outstanding feature of labour-management relations in the industry in Newfoundland is the Woods Labour Board. The success of this organization has been phenomenal. On the one hand woods labour in the industry is one hundred percent organized and the earnings of the men have been substantially increased. On the other hand all working agreements over a period of fifteen years have been faithfully implemented, and management has on the whole been well satisfied with the way woods operations have been carried out. Besides being a tribunal before which the labouring man can air his grievances, the Board has done much to acquaint labour with the difficulties and hazards inherent in great enterprises, and the fact that in the long run the interests of labour and management are identical.

Because of the smooth working of the agreements between the unions and the companies it was unnecessary for the Commission to make any detailed examination into labour conditions in the woods. The Commission did, however, visit as many operations of both Companies as was possible in the time at its disposal. Talks were held with the men on the job, and every opportunity was taken to sit at table and eat with the loggers. One very encouraging fact stood out from these talks, namely, the intelligent attitude of the men towards their work and their employer; a sense of belonging to an organization in which they had a personal interest. Nowhere was there any evidence of pressure on the employees or attempt to exact the utmost, but rather a fair give and take in consonance with realities."

There is a space of fifteen years between these two descriptions, and I cannot attempt, to fill in all the story which lies between. I shall, however, give you some of it in rather cursory fashion, and under several headings. They are:

1—The situation leading to formation of the Woods Labour Board.

- 2—Organization and continuance under several Chairmen.
- 3—The contrast in woods labour rates and working conditions 1940 and 1955.
- 4—Some ancillary activities and accomplishments of the Board.
- 5—Analysis of the results of the Board's operations.

1. Situation Before 1940

Shortly after the boom period of World War I, when newsprint reached a price of one hundred and twelve dollars a ton in the U.S. market, the paper industry dropped precipitately into a deep and prolonged depression. In 1922, the price was down to \$76.80 a ton and by the mid-thirties to \$40.00. During the 1920's many Canadian mills went into the hands of receivers and stayed there for a decade and more. The new mill at Corner Brook, built in the mid-twenties, was unfortunate indeed in the times in which it came into being and in the rigours of its early years. As many here will remember, the ownership of this mill changed hands twice by 1936. The thoroughly depressed condition of the industry and the pessimism engendered were reflected in low pay and wage rates and in unsatisfactory — perhaps unnecessarily so — living conditions in camps.

On April 11th, 1936, the first woods labour union was formed; known as the Newfoundland Lumbermen's Union, it is still flourishing, and I had the pleasure a year ago of attending the opening of a fine new headquarters building of the Union at Grand Falls, as I had the year before of another Union at Corner Brook. By 1938 three other unions were in the field, the Newfoundland Labourers Association with headquarters at Corner Brook, the Workers Central Protective Union at Deer Lake, and the Fishermen's Protective Union at Port Union. The first two-named unions were off-shoots of the Newfoundland Lumbermen's Union, while the F.P.U. had organized in the field of fisheries before World War I. The Unions did not work well together and there were also men engaged in woods labour not associated with any of them. The stresses and strains on both management and labour were massive, and the outbreak of the War in 1939 brought new and formidable problems. A sharp curtailment of the U.K. market for newsprint, and the diversion of shipping to meet military requirements added to the distress. But in this period of dissolution and turmoil I

think the sense of urgency and responsibility arising out of the fact of war provided the catalyst which fused together the conflicting elements.

2. Organization and Progress

The first formal expression of the desire to collaborate came from Labour, in a letter from the head of one of the Unions to the Commissioner for Natural Resources suggesting a meeting of the Companies and the Unions under the aegis of Government. The Commission of Government approved the idea and named A.J. Walsh, Esq., K.C., then an Assistant Secretary of Justice, now Sir Albert Walsh, Chief Justice of the Province, to act as Chairman. The first meetings took place in St. John's from March 26th to 29th 1940, and resulted in the formation of the Woods Labour Board, with equal voting rights in the four unions on the one side and the two companies on the other. It was decided to confine the Board's activities to the operations of the pulp and paper companies, the suggestion of including pit prop and saw-mill operators being discarded on the grounds of incompatibility of interest and because it was feared that the body might be cumbersome. It was agreed that the Board would remain in operation "for the duration of the War and as long thereafter as all members agreed to continue." The Board was to have an independent Chairman appointed by the Government, and in addition to his significant work in constituting and organizing the Board, Mr. Walsh presided for two series of negotiations in May and September 1940. Pressure of work compelled his resignation, and the Honourable Mr. Justice Higgins assumed the Chairmanship in November 1940 and filled the office with ability and vigour for about two years. During Mr. Justice Higgins' long illness, Mr. Walsh who had by then been appointed Labour Relations Officer, acted as provisional Chairman, and as Chairman from the autumn of 1943 until his appointment as a member of the Commission of Government in the Fall of 1944. The next Chairman to be appointed was the Honourable Mr. Justice Fox, whose sudden death in the summer of 1946 once more deprived the Board of an able guide and counsellor. The Labour Relations Officer, Mr. Selby Parsons, presided at the November meetings in 1946. I was appointed Chairman in time for the March 1947 meetings, so that I have now served eight years in that capacity. Mr. Newman W. Gillingham, M.B.E., has been Secretary of the Board since its formation in 1940.

3. Conditions of 1940 and 1955

The contrast of the conditions of 1940 with those of 1955 is a revealing one. Living conditions in camps have been improved to the point where they bear little if any resemblance to the accommodations of 1940. Transportation of men to and from camps has been organized. Food is better and the menu more varied and, what is equally important, a class of expert cooks has been established. A poor cook can do much wrong to good food. There is an agreed list of foods available in camps. There is provision for the settling of grievances of which I shall say more later.

On the subject of wage and labour rates the comparison is equally striking. Although there are over seventy separate classifications of work provided for in the Woods Labour Board Agreements, it has come to be recognized that they revolve in an orbit and pattern around the general labour rate. In 1940 that rate was \$2.75 for a ten-hour day - in 1955 the rate is \$9.15, an increase of 232%. Pulp wood is necessarily cut at piece-work rates; in 1940 the average rate for rough wood with roads cut by the Company was \$2.10 per cord - now it is \$6.21. The average where men cut their own roads was \$2.26 per cord — it is now \$6.62. To take two contrasts in salaries: in 1940 cooks received \$80.00 per month as against \$286.00 and cookies \$55.00 as against \$249.00 now. These comparisons represent increases of from 200 to 350%. During this period the Board rate in camps has gone from \$18.00 to \$31.50 per month, or an increase of only 75%. It is true that the price of newsprint has increased, otherwise such sweeping raises in rates would not have been possible, but the comparison here also is interesting. In 1940 the price of newsprint in the American market was \$50.00 per short ton. The present price of \$126.00 per ton represents an increase of 152%. It is therefore obvious that labour in the Newfoundland pulp and paper industry is getting a much bigger slice of the cake than in 1940. Actually the "take home" pay of the logger in newsprint operations in Newfoundland is higher than anywhere else in Eastern Canada.

4. Activities and accomplishments of the Board

Before I give you my analysis of the procedures of the Woods Labour Board I feel that I should be doing an injustice if I left the impression that its discussions have been confined to conditions of work and rates of pay. Its beneficent influence of the Board has been far wider than this. Here are some examples of fields in which the Board has influenced policy: Its collaboration with food control authorities during the War clarified the incidence of rationing in woods camps and led to intelligent arrangements; in times of excess of labour supply over demand it has fostered other avenues of employment such as tie-cutting; it assisted the Workmen's Compensation Board in the difficult task of establishing a rational basis for calculation of Workmen's compensation in woods labour accidents; it improved transportation conditions to and from camps; it originated the idea of the regulations prohibiting outside fires in period of high hazard and it influenced the amendment of the law restricting the load in trucking of pulp wood, thus providing employment for many.

5. Analysis of Results

The final section of this paper will be an attempt to analyse the workings of the Board and to disclose the reasons for its being editorially characterized, as it has been, as "one of the most remarkable examples to be found anywhere in the western world of co-operation between labour and management." It would be more appropriate to do this in a submission many times the length of this address and I think you will be interested in knowing that the Federal Department of Labour is considering a research project on the operations of the Woods Labour Board. Here and now I can but skim the surface.

There are upwards of twenty thousand members in the four Woods Labour Unions, engaged in a multitude of operations scattered over tens of thousands of square miles. One would expect that there had been many disputes in camps in the period under review. He would not be wrong. Similarly if anyone thinks that the representatives of labour and management have sat together at the Board table several times a year since 1940 to negotiate, and that all has been sweetness and honey and cool reason, he would be far from right. In my eight years experience I can recall many occasions when relations were strained to what seemed to be the breaking point. Labour and management have been up against difficulty and deadlock over and over again. But the breaking point never came, the difficulties were overcome and the deadlock dissolved time and time again. That is the record. What has been the reason?

The Woods Labour Board is an unusual example of voluntary collective bargaining. Any one members, Union or Company, could have destroyed its record at any time during the last fifteen years simply by walking out. It has had one interesting feature, that of maintaining an independent and impartial chairman, who directs the discussions and weighs the pros and cons. I believe this has been of considerable value in the deliberations and indeed all members have testified to this. Because of the presence of the Chairman throughout, two of the three familiar steps in labour-management negotiations are blended and the third often informally but effectively used, all under the guidance of the same Chairman. The steps to which I refer are negotiation, conciliation, and arbitration. In addition to the negotiation of rates and conditions of work the Board has a procedure for the settlement of disputes which has been evolved through the years, and which is beautifully illustrative of the "cooling-off period" theory in operation. The relevant sections of the Agreement are as follows:

"In the event of any workman under this Agreement and any foreman or contractor being unable satisfactorily to settle a matter in dispute between them within one week, complaint shall be made by the employee direct to his Union or its duly accredited representative and settlement will be undertaken between the Union and the Woods Management of the Company concerned. In the event of the Union and the Woods Department failing to make a settlement within two weeks after the said matter has been referred to them the dispute will be referred to the General Manager of the Company concerned and failing settlement by him either the Company or the Union may refer the matter to the Secretary of the Woods Labour Board who will convene a special meeting of the Board within thirty days thereafter to consider and decide on the matter. The decision of the Board thereon shall be final and binding on all parties thereto...

"In the interim between meetings of the Board any matter of interpretation of this Agreement or any dispute within or without its terms not covered by paragraph 4 hereof, which cannot be settled between the Union and the General Manager of the Company concerned may be referred in writing by either to the Chairman for his ruling. The Chairman may, in his discretion, thereupon make an interim ruling to be applicable only until the next meeting of the Board or may convene a special

meeting or withhold decision until the next regular meeting of the Board. The Chairman before giving his ruling may consult with all or any of the other members of the Board. The decision of the Chairman shall be binding upon the parties during such interim.

- (a) "During the period of this Agreement, should any dispute, difference or grievance arise between any Union and any Company, there shall be no strike, suspension, stoppage or interruption of work unless and until every effort has been exhausted to settle and adjust such dispute, difference or grievance in the manner and following the procedure set forth in Section 4 of this Agreement.
- (b) "The Company undertakes that no member of the Union shall in any way be discriminated against nor shall he be prejudiced in his employment by reason of the fact that he has made complaint under the provisions of this Agreement."

The rather unusual provision for interim arbitration by the Chairman between meetings has been in effect for several years and has been employed several times. More than once also in the course of meetings, a seeming impasse has been left with the Chairman to provide a solution. In every such case his decision has been accepted unanimously and without demur.

The constitution of the Woods Labour Board, like most constitutions, has its defect. The Agreement refers to a man paying the fees of "the Union which has jurisdiction over the area in which he starts work," but no rigid areas or spheres of influence have been laid down. The Unions have by the exercice of common sense realized the difficulties of exact demarcation and of meeting changing conditions. They have given the problem a practical solution in that when a man takes out and pays for a Union card of one Union at an operation of one of the Companies at the beginning of his season, the card is good without further payment in any of the operations of either Company. Although this was not so at the beginning, all Union rates are now uniform. The "check off" system, or collection of dues at the gate by the Companies for the Unions is in operation. This system is open to criticism but with the features which I have described, has worked well over a period of years with four Unions and upwards of twenty thousand men involved.

The existence of the Woods Labour Board is of immense convenience to the Companies. It provides for direct industry-wide bargaining. With their far-flung operations, if the Companies had to deal with craft unions for the different classifications of work the situation would be intolerable. It would be similarly so if labour were split up into completely lacalized and somewhat fragmentary unions, each requiring a separately negotiated agreement. Even if they had to negotiate with four unions individually, it would be a formidable prospect. But there were four unions in 1940, each prepared to fight for its own existence and identity. That was the inescapable fact which had to be faced by companies and unions alike. Through emergence rather than immediate original adoption of principles, the unions have maintained their individual identities and by co-operating together have established industry-wide bargaining to a measure and with an ease which I doubt they either foresaw or expected at the beginning.

The record of the Board has been that of fifteen years of amity and agreement between labour and management. They have met at least twice a year and as many as five times in one year of stress. During that period there has not been a strike or shut-out in the industry. There has not been a dispute, disagreement, or incident which has not been resolved within the machinery provided by the Woods Labour Board greements. The lot of the man working in the woods operations of the Companies has been immeasurably improved through the efforts of his representatives and the agreement of the Companies. The Companies, by adherence of the unions to the agreements signed through the years, have been given assurance and security upon which costs could be estimated and operations planned with confidence. The original concept of such a Board was indeed fortunate. It has changed gradually, almost imperceptibly, from that original concept but that is indicative of the genius for compromise in operation. Its meetings too have changed in character. While points of view may differ and be as strongly and tenaciously held as ever, the Chairman does not have to deal with the flare of temper and the lash of invective as often as formerly. That is of course a sign of maturity and restraint, both of which are assets in good bargaining.

Out of all this, if I were asked to say what more than anything else has been instrumental in the results achieved, my answer would be that it has come through the realization of the parties that labour and management cannot benefit the industry if they sit down as ad-

versaries, and that they recognize that they are mutually dependent parts of an inseparable endeavour. Each realizes that the other side has its obligations — the Unions to its members, and Management to those whose investments have made the enterprises possible. They are both remarkably well-informed. Through the years the portion of the meeting spent in examining facts together has expanded; for example, at the meetings held in September last, intimate figures covering fortythree newsprint operations in Canada were studied. While they have disagreed and will disagree again, and while any one of the six parties - Unions and Companies - can, by being implacable or recalcitrant, quickly end the life of the Board, the risk in my opinion is not imminent. I believe that both Labour and Management have a full awareness of the unique value of what has been their creation, and a pride in its record and accomplishments, which has filtered down through to the man with the buck-saw and the man on the drive. There is a feeling on both sides of the industry of belonging to something worthwhile - a sense of tradition. This is more important and durable than exact clauses in iron clad constitutions.

SOMMAIRE

THE NEWFOUNDLAND WOODS LABOUR BOARD

Avant la formation du Woods Labour Board, un grand nombre de difficultés patronales-ouvrières s'élevaient dans le district Humber et sur la Côte de l'est; depuis la mise-sur-pieds de cette institution, quinze ans après, le climat a complètement changé. Il est donc intéressant d'étudier les points suivants: la situation qui a fait naître cette commission; son organisation et sa marche continue sous plusieurs présidents; le contraste dans les taux de salaires et les conditions de travail dans le bois, de 1940 à 1955; quelques activités et réalisations; analyse des résultats obtenus

1. SITUATION AVANT 1940

Peu de temps après la période de prospérité de la première guerre mondiale, l'industrie du papier tomba précipitamment dans une dépression longue et prolongée. En effet, cet état de dépression et de pessimisme eut des répercussions: salaires bas et conditions de vie inacceptables dans les camps.

Le 11 avril 1936, le premier syndicat des travailleurs de bois fut formé; connu sous le nom de Newfoundland Lumbermen's Union. Il est encore très prospère; dès 1938, trois autres syndicats se constituèrent. Cependant, les syndicats existants

ne travaillaient pas bien ensemble et il y avait aussi un bon nombre d'hommes engagés dans ce domaine qui n'appartenaient à aucun syndicat. Les efforts du côté de la direction et des travailleurs furent massifs et la déclaration de la guerre en 1939 apporta de nouveaux et de sérieux problèmes. Il semble bien, toutefois, que l'accroissement du sens de la responsabilité et de la prise de conscience de l'état d'urgence dû à la guerre furent la cause de la fusion des deux éléments opposés.

2. ORGANISATION ET PROGRÈS

La première manifestation du désir de collaboration émana des travailleurs qui suggérèrent à la Commission des Ressources naturelles une rencontre des compagnies et des unions sous l'égide du Gouvernement. La Commission gouvernementale approuva l'idée et la première rencontre eut lieu à St-Jean du 26 au 29 mars 1940. Elle donna naissance au Woods Labour Board avec droit de vote égal pour les quatre unions d'un côté et pour les deux compagnies, de l'autre. On décida de limiter les activités de la Commission aux compagnies de pulpe et de papier. Il était entendu que cette Commission demeurerait en opération pour la durée de la guerre et aussi longtemps après que les membres voudraient continuer. Un président indépendant devait être nommé par le gouvernement.

3. Conditions en 1940 et 1955

Il existe un contraste réel et révélateur entre les conditions de vie en 1940 et en 1955; en effet, elles ont été tellement améliorées en 1955 qu'elles n'ont presque plus de ressemblance avec celles de 1940. Le transport des hommes pour se rendre aux camps et en revenir a été organisé; la nourriture est meilleure et les menus plus variés. Il y a une liste acceptée de nourriture disponible dans les camps. De plus, une clause est prévue pour le règlement des griefs.

En ce qui a trait aux taux de salaires, ils gravitent autour d'un orbite qui est sensiblement celui des taux généraux de salaires. De 1940 à 1955 les salaires ont augmenté de 232%; ils passèrent de \$2.75 à \$9.15. Le montant que retire le bûcheron de Terre-Neuve est supérieur à celui touché dans les régions de l'Est du Canada.

4. ACTIVITÉS ET RÉALISATIONS DE LA COMMISSION

L'influence de la Commission ne se limite pas aux salaires seulement. En effets sa collaboration avec les autorités chargées du contrôle de la nourriture pendant la guerre eut pour conséquence d'aboutir à un arrangement intelligent relativement au rationnement dans les bois; au cours des périodes où l'offre de main-d'oeuvre était supérieure à la demande, elle a réussi à trouver d'autres sources d'emploi; elle a également fourni sa collaboration à la Commission des accidents du travail en établissant une base rationnelle de compensation au cas d'accidents survenant dans les bois; elle a amélioré les conditions de transport aux camps; elle est l'initiatrice de l'idée en vue de règlements interdisant tout feu extérieur en période de grand danger et contribua à faire restreindre le poids des charges de bois pour les camions.

5. Analyse des résultats

Une analyse des résultats obtenus par la Commission pourra peut-être permettre de déceler les raisons pour lesquelles cette Commission est reconnue comme « l'un des exemples les plus remarquables de coopération entre patrons et ouvriers ».

Il y a plus de 20,000 membres dans les quatre unions du bois préposés à de multiples opérations et dispersés sur plus de dizaines de mille milles carrés. Même si employeurs et employés de ce secteur ont rencontré de réelles difficultés et se sont tenu tête, jamais ils n'ont rien cassé même s'ils sont venus très près de cette impasse. Pour quelle raison?

Le Woods Labour Board est un exemple peu ordinaire de négociation collective volontaire. Une de ses caractéristiques intéressantes, c'est d'avoir toujours maintenu un président indépendant et impartial qui dirige les discussions et pèse le pour et le contre. A cause de la présence de ce président au cours de toutes les négociations, deux des trois stages des négociations se fondent et le troisième est utilisé de façon officieuse mais effective sous la direction du même président: ce sont, la négociation, la conciliation et l'arbitrage.

En plus de négocier les taux de salaires et les conditions de travail, la Commission a établi une procédure pour le règlement des griefs qui s'est développée au cours des années et qui illustre de façon magnifique l'application de la période de « refroidissement ». La clause prévoyant l'intervention éventuelle du président entre les réunions est en vigueur depuis plusieurs années et a été utilisée à plusieurs reprises.

Comme la plupart des constitutions, celle du Woods Labour Board a ses défauts. En effet, au sujet de la juridiction territoriale de l'Union, aucune sphère ou territoire défini n'est délimité.

Toutes les cotisations syndicales sont uniformes et sont déduites par la Compagnie pour les unions. L'existence de cette Commission est très utile à la compagnie; elle permet la négociation collective directe à l'échelle de l'industrie. Les quatre unions en existence ont maintenu leur identité individuelle et, en coopérant, elles ont réussi à établir ce genre de négociation à un degré imprévu et avec une facilité insoupçonnée.

Patrons et ouvriers de ce secteur se sont réunis au moins deux fois par année et jusqu'à cinq fois la même année en période de tension. Depuis 1940, il y a eu ni différend, désaccord ou incident qui n'a pas été soumis à cette commission; il n'y a pas eu de grève. Le sort des travailleurs du bois a été énormément amélioré.

Mais de toutes ses réussites, la plus importante est celle-ci: les deux parties ont elles-mêmes réalisé qu'elles ne peuvent contribuer au progrès de l'industrie si elles se considèrent comme adversaires; elles ont appris qu'elles sont mutuellement dépendantes d'une entreprise commune. Chacune réalise que de part et d'autre, l'on a des obligations respectives; les deux sont très bien informées. Il semble exister pour les deux un fort sentiment d'appartenir à quelque chose qui en vaut la peine.