

THE EXPERIENCE OF ORGANIZING MICHELIN, 1971-1989¹

by

Andrew Anningson, Gregor Bertram, Darren Burns, Pamela Chase, Paul Holt, Chris McDonald,
Steven Montgomerie, John Russell, Alex Stevenson, Jane Taylor, Todd Taylor,
and Melanie Tonge. Edited by A. Thomson.

1992

Introduction

Gregor Bertram and Andrew Anningson

The experience of organizing Michelin workers in Nova Scotia was quite different for each of the parties involved. Labour struggles are two-sided affairs. When the crunch comes, there is no neutral, middle ground. Each party presents its part of the story as though only their version does justice to the issues. This sense of bias is found, to a certain extent, in the media coverage of the events. Depending on the point of view of the writer and on the intended audience, the author gives more weight to certain issues and interpretations than others, either blatantly or more indirectly. Much of this story about organizing Michelin concerns the actions and reactions of the contending groups to each other in their determination to win the struggle. Michelin was determined to remain union-free; various unions operating in Nova Scotia had other ideas. If the situation were to be described simply, it would appear to reflect constant jockeying for position in the control of the worker's situation. By the end of the nearly two-decade battle, Michelin had the upper hand, as they had through most of the time, and as had been the case from the very beginning, they had the full support of the provincial government in ensuring that a union did not make headway with Michelin workers.

The events that make up the organizing experience at Michelin are dealt with here in several sections. First is an overview of Michelin Tire Ltd. and of the historical setting of the organizing events, outlining key issues and their consequences. Then various sections review the

¹ The research for this brief monograph, compiled largely from secondary sources such as newspapers, was completed in April 1992 as a class project in SOCI2553 Organized Labour in Canada at Acadia University. Authors of the various subsections are indicated in the text.

main events in the three major organizing drives over Michelin's first two decades in Nova Scotia. We attempt to analyze briefly the successes and failures of these drives. Particular attention is given to the "Michelin Bill," enacted in 1979 and probably the most significant event of the whole decade in terms of its effects on the workers and the unions. Finally, the paper presents a consideration of media coverage, which focuses on the media's effects on the way the organizing was seen and reacted to.

Michelin Tire Ltd.: A Product Perspective

Steven Montgomerie and John Russell

Michelin Tire began manufacturing inner tubes for bicycles in Clermont, France in 1889 out of a machine shop owned by the brothers Edouard and André Michelin. Clermont became a company town and Michelin employees were treated paternalistically. Francois Michelin, the company's president and Edouard's grandson, said, "The presence of a union in a company merely reflects the inadequacy of the bosses." In 1981, when François Mitterand's Socialist party came to power in France, Michelin was one of the industrial giants not to be nationalized.² Completely out of the blue in 1969 Michelin stockholders gave the company the right to borrow \$72 million in France and another \$54 million abroad. Just after this was approved, negotiations began in Nova Scotia for the construction of new tire production facilities. The expansion was part of Michelin's breakthrough into the North American market.

By the time it came to Nova Scotia in 1971, Michelin Tires of France Ltd. had grown to be one of the top manufacturers of tires in the world, with plants in such countries as England, Brazil, and Morocco, as well as France. Now [1992], Michelin is a dominant player in the world tire industry. Under François Michelin, president of Michelin, the company owns fifty-four plants in twenty countries. Twenty-seven of these plants have been built since 1970. They hold an estimated thirty-six percent share in the European market and 10% in the United States. In 1980 it became the world's second-largest tire maker just behind Goodyear.³ How does a tire manufacturer become so large? After all, they're just tires. What's so special about a Michelin tire?

² "Michelin," *The Global Marketplace*, p. 360.

³ "Michelin," *The Global Marketplace*, p. 359.

If one were to pick one word to describe Michelin that word could easily be secrecy. The company goes to considerable lengths to keep their tire-making process a secret. Michelin is structured so that no one person knows everything. The company even takes this ideal one step further. You will not find a motor-cycle tire plant or car-tire plant at one specific location in the world. Michelin breaks up its manufacturing processes so that part is done at one factory and then it is shipped to another to be touched up or finished. Each plant has a hand in the manufacture of the final product, whether it is a tire for a car, truck, bicycle or heavy piece of machinery. In this shroud of secrecy Michelin has managed to keep its tire manufacturing process a secret.

The three Nova Scotian plants are no different. The Granton plant, for example, prepares all of the rubber mixes used in the other plants. The Bridgewater plant manufactures the wire used to belt each tire. Each plant is also specially equipped to manufacture a certain variety of products. The Granton plant manufactures the high performance line of tires. The Bridgewater plant produces thin tires such as those used on trailers and bicycles. Motorcycle tires made by Michelin are available but are not produced in Canada. The Waterville facility is responsible for industrial-strength products. They manufacture tires for earth-moving equipment and metro train tires such as those found in Montreal and Toronto. As we shall see, this inter-connected production process has other uses for Michelin in its efforts to thwart unionization.

Michelin introduced the radial tire to the European market after the Second World War. It took competitors fifteen years to market a radial tire. About the same time that Michelin was contemplating its expansion to Nova Scotia, their radial tire was becoming highly successful. Michelin's radials were generally 25% more expensive than the top North American tire lines. Michelin was able to justify this extra value added with a guaranteed service use of 40,000 miles. With some estimates giving Michelin 25% of the European market, the North American market was also booming but not with radials, and Michelin wanted in.

From the period 1966 to 1971, tire sales quadrupled in response to a strong market push which opened the way for tires manufactured in Canada. During this period the steel belt had not yet become the major tire in the North American market. But steel was becoming more popular both as a belting material and for tire-wall cords. In 1969, as the demand for steel-belted radials was on the rise, Michelin's competition, Goodyear and Firestone were poised to take advantage

of the market swing towards steel. It was believed that they were just waiting for an increased supply to fuel their steel radial plants.⁴

Not wanting to wait for increased supply, Goodyear was building its own steel wire plant in Luxembourg. At the same time, Michelin's Granton plant was nearing completion amidst an air of speculation. The market took a definite swing towards the steel belt when, in 1970, only Goodyear was prepared to promote the polyester-fibreglass combination. In the same regard, DuPont of Canada announced that it was halting the construction of a \$20 million facility that was to be dedicated to the production of polyester tire cords.⁵

With all these changes in the tire industry, Michelin was on the verge of commencing operations in Nova Scotia. The government of the province was in the business of providing financial and other incentives to multi-national corporations to set up shop in Nova Scotia. Michelin is in the business of making money. That is why it was no big surprise that Michelin was out to get the best deal possible when attempting to become established in Nova Scotia. With the initial agreement, the total investment was valued at over \$100 million with Michelin providing \$35 million, Nova Scotia Industrial Estates providing \$50 million, and the provincial and federal governments kicking in various grants. In addition to the money, the Canadian government agreed to waive duty for three years on those tire lines not made in Canada which the company needed for its domestic production slate.

From Michelin's point of view this was a great deal. The Canadian opposition parties thought differently. They argued that the Canadian government was simply subsidizing a French corporation as well as bending its own laws by waiving the tariff collection. The carbon black, the key ingredient in Michelin tires, which makes the rubber wear better, is imported cheaply. The carbon black comes directly from the United States in small quantities and is stored in hoppers under lock and key by the management. The rubber used in the tires is imported in large quantities from Indonesia.

Things seem to be going Michelin's way, but there was even more. Ford Motor Co. of Canada represents Michelin's success among the big four automakers. In 1971 Ford offered Michelin's radial tire as equipment on one of its Lincoln models. At the same time, Sears Roebuck in the United States began selling Michelin's car and truck tires through its mail order

⁴ "Michelin Stands Alone in World-Wide Battle," *Halifax Chronicle-Herald*, 1971, p. 2.

⁵ "Michelin Could Upset Trend in Tires," *Chemical Processing*, Toronto, March 1971, p. 28.

catalogues, sold under its Allstate brand name. Meanwhile in Canada, Simpsons-Sears was also test marketing Michelin products. Prior to the war in Kuwait, Michelin held valuable contracts with the United States military to provide military vehicle tires. The military situation in Canada mirrors that of the United States. From all indications, Michelin eagerly awaited their Nova Scotia plant coming on-line.

With the incentives and the break into the North American market, all appeared to be going well for Michelin. With this success Michelin was taking only one gamble: the success or failure of the steel-belted radial. Although a front runner in the steel-belted tire industry, Michelin was not running unopposed. Pielli of Italy and the UK's Dunlop merged to market Pielli's steel-belted tire in the North American market under the Dunlop name. The acquisition by Dunlop took a dent out of Michelin's steel-belted radial position, but not much more could be done to knock Michelin out of its number three position in the world at that time among the top tire manufacturers.

Prior to 1982, the trucking industry dominated demand for the products of Michelin. In 1982 however, trucking companies began replacing worn tires with those from trucks they used less often in an attempt to salvage some capital. Demand dropped off and Michelin cut production. Then, after a time, these tires also began to wear, and Michelin found itself faltering with under-supply as it had to play the catch-up game to meet demand. Since 1988, the company has been slowly cutting back production and stockpiling inventory in anticipation of this trend reoccurring. Slow-down has been so severe that Sunday shifts have been abolished and a complete plant shutdown lasted for one week at Easter, 1991.

As we look to the present in Michelin's chronology it appears as though the tire industry is being affected by the world-wide recession which began in 1990. It is predicted that the tire market will shrink substantially in the early 1990s as car sales fall. Michelin announced that it would reduce its workforce in Claremont, France by 2,260 jobs in order to cut costs. When the company acquired Uniroyal Goodrich in the United States, not only did it extend its capital perhaps beyond its means, but it bought a company that was both backward technologically and heavily in debt.⁶

In the midst of the recession, Michelin in Nova Scotia is sticking to its proclamation that there will be no lay-offs. Although hirings have been few and far between, new positions are

⁶ "Michelin: Folie de Grandeur", *Business*, n.d., p. 68.

available. These positions appear to be going to highly skilled individuals who have degrees in engineering or show proficiency in chemistry. As the depression takes its toll, it's difficult to take time to train and promote for such positions from within and from people working on the production line.⁷

Until 1991, Goodyear was the leading tire retailer in Canada. Michelin has overtaken them with the recent acquisition of Uniroyal (who had acquired B.F. Goodrich).⁸ The leading world-wide competitors at this time are Goodyear and Japan's Bridgestone. Business dealings between Michelin and the United States are extensive. Michelin still manufactures and markets the B.F. Goodrich line south of the border. Under free trade (NAFTA), tariffs which had been in place since the 1970s have been abolished. Now tires can be exported with little cost.

Michelin utilizes various media to advertise their product. A recurring aspect of all the Michelin ads is the familiar Bib Bibendum figurine. The idea for the mascot to be a man made out of tires came from Edward Michelin in the early 1900's when he saw a pile of tires in France and had the notion pop into his head. On television they stress the belief in safety by utilizing a young infant as a model. The slogan says, "Because so much is riding on your tires." The more recent ads depict a tire as the needle on a record player. During the winter months, local radio stations broadcast ads stressing the safety of a Michelin all-season radial or snow tire.

Michelin is a big player in Nova Scotia as a producer and retailer of tires. Economic development agencies have gleefully calculated the wide spin-offs of thousands of reasonably well-paid jobs in otherwise economically depressed rural Nova Scotia (the Valley is an exception). But Michelin is notoriously anti-union. The story that follows describes the many attempts to break through that anti-union barrier and bring collective bargaining to Michelin's Nova Scotia employees.

⁷ "Michelin Says Thanks," *Halifax Daily News*, 20 January 1987, p. 8.

⁸ "Michelin Buys Uniroyal," *Halifax Chronicle-Herald*, September 1989, p. 23.

Michelin Comes to Nova Scotia

Gregor Bertram, Andrew Anningson, and Darren Burns

Although the construction of the two original Michelin plants, at Granton in Pictou County and Bridgewater in Lunenburg County began in 1970, negotiations had been going on with the provincial and federal governments (initially through the Nova Scotia Crown corporation, Industrial Estates Limited, and its executive vice-president, Robert Manuge)⁹ for two years beforehand.¹⁰ From those negotiations Michelin received grants and loans that equaled, and ultimately surpassed, its initial investment in Nova Scotia. The company was also the beneficiary of waived import tariffs and assistance in employee training programs.¹¹

On the outside, it seemed that Michelin's anti-union stand would not necessarily follow it to Canada. Some of those who were not directly involved in the negotiations were surprised about the anti-union reputation. Officials at Pictou County Research and Development Commission (PICORD) said that in their initial talks with Michelin personnel, the company made automatic reference to unions, from which they assumed that the new plants would be unionized. At one point, the personnel manager at Michelin said he would not attend a meeting between company and federation labour officials set up by Labour Minister Leonard Pace: "We would like to add we are surprised such a request has been directed to us. Our employees are free to be represented as they well wish, by any union at all, and we will not start conversation which would give the impression that we wish to take away that freedom."¹² He meant the 'freedom' to have no union at all. Controversy hovered around the company including accusations by NSFL president John Lynk, who felt that the workers of Michelin were brainwashed. The battle of words escalated throughout the press as one Michelin official was quoted as saying, "You just don't and cannot brainwash people from Nova Scotia. For one reason they're too stubborn and proud."

Strike threats arose during the construction phase although the provincial government acted to prevent any serious interruption in the building process. The two plants began operation

⁹ W.L. Dack, "How Michelin came to Nova Scotia," *The Financial Post*, 64, December 19, 1970, p. 13.

¹⁰ Michael Bradfield, "Michelin in Nova Scotia," *Canadian Forum*, 61, December/January, 1981, p. 9.

¹¹ Bradfield, "Michelin in Nova Scotia," p. 9.

¹² *Halifax Chronicle-Herald*, 9 October 1971, p. 24.

in 1974.¹³ Between 1970 and 1978 were four stages of expansion: the establishment of passenger car tire production facilities at Granton in 1972; the same at Bridgewater in 1973; the enlargement of truck tire manufacturing in 1976; and the introduction, in 1978, of light truck tire production at Bridgewater.¹⁴ Also, in 1979, came the announcement of a third plant to be built in Waterville in King's County.¹⁵

In the early 1970s nearly 3000 workers came to be employed at the Michelin plants with approximately two thirds of those workers employed at the Granton plant, where the first unionization attempts were made. The thinking behind this decision was to establish a union and work out a good contract at the larger plant in the expectation that the smaller plant would follow suit.¹⁶ These various expansions involved more and more workers and by the end of Michelin's first decade in Nova Scotia there were 3600 people employed at their two existing plants with a possible 1800 more to be employed at the third plant.¹⁷ Pictou County had a history of unionization in the mining and manufacturing sectors. It had an underemployed but potentially skilled workforce. It was perhaps the latter that attracted the French tire company to Pictou County. But Granton would prove to have the employees with the strongest aspirations to unionization.

The Waterville plant received its share of government grants and loans. For example, the village of Cornwallis Square decided that the Michelin plant in Waterville would be asked to pay property taxes on only 30% of the plant's total assessed value. The total value of \$40 million would be reduced to \$12 million for tax purposes. The decision saved Michelin \$22,400 in 1982, money the municipality sorely needed.¹⁸

Early Unionization and Michelin, Nova Scotia

Gregor Bertram and Andrew Anningson

In 1971 the United Rubber Workers of America (URW) came to Nova Scotia to organize the workers at Michelin into a union. They were soon deterred by both the company and the

¹³ Bradfield, "Michelin in Nova Scotia," p. 9.

¹⁴ Richard Russell, "Michelin: 200 new jobs seen," *Halifax Chronicle-Herald*, December 13, 1978, p. 7.

¹⁵ Ken Clare, "Michelin: The Fortress That Didn't Fall," *New Maritimes*, 4, July/August, 1986, p. 7.

¹⁶ Clare, "Michelin: The Fortress That Didn't Fall," p. 4.

¹⁷ Bradfield, "Michelin in Nova Scotia," p. 10.

¹⁸ Tara O'Blennis, "Village grants Michelin tax break," *Kentville Advertiser*, 10 February 1982.

provincial government, both parties being determined to keep the plants union-free.¹⁹ This was in accord with Michelin's view of the employee's role in company operations. It is a view which calls for an absolute commitment to the company's objectives which are, in the company's words, the maintenance of quality in both product and customer relations. Apparently, a key factor in attaining those objectives is to keep the operation free of unions.²⁰ Michelin maintains its union-free status through many means, including positive incentives. It tried to develop employee devotion through such benevolent policies as discounts on Michelin tires, a turkey and bottle of rum for each worker at Christmas, and low-interest mortgages to workers buying local housing.²¹

As early as 1972 Nova Scotia's labour leaders were giving Michelin a go for their money. Their first complaints revolved around the company's hiring policy. To the complaint that local labour was not being hired, Michelin pointed out that close to 59% of its employees were from local communities, over 75% were Nova Scotians, and over 80% were from the Maritimes. Another complaint focused on written personality tests used in employee selection which were said to be unfair to Nova Scotians because they sifted out the intelligent and independent, and accepted those who showed they were less secure and more compliant. Michelin's claim was that such tests are necessary in order to do justice to each worker's qualities.²²

The first union to effectively get a foot in the door at Michelin was the International Union of Operating Engineers (IUOE). In 1973 the union approached the boiler operators, carpenters, electricians, and machinists and managed to sign the majority of them (20) to union cards. The IUOE then applied for certification. Before the application could proceed through the Labour Relations Board, however, the provincial government amended the Nova Scotia Trade Union Act and passed a retroactive order preventing craft or skilled-trade groups from unionizing in an industrial plant. All employees in such a plant would have to be organized at once, not just a group of particularly skilled craft workers.²³

¹⁹ William Punnett, Letter to the Editor, "The URW and Michelin," *Labour's Side*, Vol. 5, No. 4, Nov., 1982, p. 9.

²⁰ Gordon McCaffrey, "Will the unions ever let the air out of Michelin's tires?" *Canadian Business Magazine*, 52, August 20, 1979, p. 20.

²¹ Hugh McIntyre, "The Michelin Deal," *The Financial Post*, 66, May 27, 1972, p. 33.

²² McIntyre, "The Michelin Deal," p. 33.

²³ Clare, "Michelin: The Fortress That Didn't Fall," p. 4. URW organizer William Punnett says that the union was the International Brotherhood of Electrical Workers (IBEW). He says that 100% of the unit signed cards and had previously signed with the URW. William Punnett, Letter to the Editor, *Labour's Side*, Vol. 5 No. 4 (Nov. 1982), p.9.

The United Steel Workers of America tried to unionize workers at the Bridgewater plant where steel belting was produced for both that plant and the Granton plant. The URW objected to this attempt because it was certified as the bargaining agent for steelworkers in Canadian tire plants and, after negotiations between the two unions' American presidents, the American Federation of Labour and Congress of Industrial Organization, and the Canadian Labour Congress, jurisdiction was settled in favour of the Rubber Workers. Because Bridgewater was a tire manufacturing plant, it came within the jurisdiction of the URW.²⁴

The URW Campaigns: 1975-1979

Gregor Bertram and Andrew Anningson

The story of the United Rubber Workers' first campaigns in Nova Scotia has been documented by Ken Clare. Between 1971 and 1973, the URW was unable to sign sufficient cards at the two plants to apply for certification. The URW made its first strong organizing drive in the fall of 1975. Two full-time URW representatives established an office in New Glasgow, Pictou County's main town, and with the help of six Granton plant workers, began distributing literature and signing workers to union membership cards.²⁵ Organizing employees at a worksite in Nova Scotia requires that 40% of those employees sign membership cards within three months. Following this membership drive, the union can apply for a certification vote to the Nova Scotia Labour Relations Board, which supervises the vote of all employees. The union must win at least 50% plus one of the potential members. In its first organization drive the URW's lack of organization seriously affected its ability to communicate with the workers and made it relatively defenseless against the efforts of Michelin to subdue its effects on the workers.²⁶

Michelin managed to deny the URW any in-plant union activity during employee time-off, and although such activity on the shop floor was not stopped, the constant legal battle for control of life in the plant was hard on the URW. The company also maintained communication with the workers through letters sent to their homes that emphasized how a union could possibly threaten their jobs. Without access to a list of the worker's names and addresses, the URW was

²⁴ Clare, "Michelin: The Fortress That Didn't Fall," p. 4.

²⁵ Clare, "Michelin: The Fortress That Didn't Fall," p. 4.

²⁶ Clare, "Michelin: The Fortress That Didn't Fall," p. 5.

hard put to counter such actions.²⁷ The URW was not successful in signing 40% of the employees of the three Nova Scotia plants.

During the 1975 campaign the URW had an in-plant organization of between 30 and 40 workers who rarely met together, or with the union representatives, and was given only sideline duties in the campaigns. When they did meet with the union representatives there was little discussion, and the representatives who ran the meetings showed little preparation, leaving the workers unimpressed.²⁸

The general opinion that workers formed about the URW following the first real unionization attempt was based on what, they complained, had been a second-rate, apathetic performance by the union representatives. URW union representatives typically work their way up through the union ranks and therefore have direct experience working on the shop floor. All the organizers in Nova Scotia were from Ontario. That Nova Scotians were not employed by the URW in the campaign was seen as a reason for its failure, although this could be accounted for in union policy that representatives have had experience as rubber workers.²⁹

A short synopsis of the URW's situation in the 1970s may help to clarify its problems in the earlier attempts at Michelin and its reasons for further efforts. In Canada the URW is a small union with a membership of 17,000 at its height. It had never had an organizing campaign of any real size because the Canadian tire industry had been completely unionized in a short period of time following World War II, and with no incidents or consequence arising, its organizing skills and ability to put up a fight had waned. In this state it was not ready for something as powerful as Michelin.³⁰

With hard times in the auto industry, and likewise in the tire industry, the URW also fell on hard times. Between 1971 and 1983 membership was almost cut in half. One URW response to these conditions was a series of organizing drives at several North American factories, including Nova Scotia's Michelin plants. The success of these campaigns would mean the maintenance of the URW in a strong position for representing its members.³¹

²⁷ Clare, "Michelin: The Fortress That Didn't Fall," p. 4.

²⁸ Clare, "Michelin: The Fortress That Didn't Fall," pp. 5-6

²⁹ Clare, "Michelin: The Fortress That Didn't Fall," p. 6.

³⁰ Clare, "Michelin: The Fortress That Didn't Fall," p. 6.

³¹ Clare, "Michelin: The Fortress That Didn't Fall," pp. 6-7.

Following the failure of the 1975 drive, in the following year the URW pulled its full-time representatives out of the province, under the assumption that Michelin workers were not sufficiently interested in unionization. Nevertheless, William Punnett, the chief organizer, said that the URW made four trips to Nova Scotia that year and, in December, decided that there was “some discontent.” Among the grievances was the seven-day work week, a measure Michelin was unable to introduce in its unionized European plants.³² By 1977 the URW realized that simultaneous campaigns at a number of plants was not working effectively. This led to a narrower focus of attention in Nova Scotia, and from 1977 to 1979 three major organizing drives were carried out at the Granton plant where union support was higher.³³

In the fall of 1977, Canadian Labour Congress staff arrived to assist with the organizing of the second major URW drive.³⁴ In what Punnett called an “all out campaign,” by December 1977 the URW believed that it had signed the required 40% of employees to require a vote of all for certification. They found, however, in Punnett’s words, that “Nearly two hundred additional names were on the voter’s list.” The URW could not “find bodies for the additional names, nor could [they] find evidence that they didn’t exist.” Consequently, they withdrew their application to the LRB for a certification vote.³⁵

During the union’s efforts in 1977, some union supporters, who had been involved in the earlier, unsuccessful unionization attempt, saw some of the same mistakes being made and gave their suggestions to Charles Barsoney, the URW representative in charge of the campaign. The suggestions ranged from simple matters such as coffee and donuts at the meetings with workers to more involved issues such as a regular newsletter from the local, more media coverage of the campaign efforts, and more involvement from other local unions.³⁶

The URW conducted a third campaign in the spring and summer of 1978. They succeeded in getting past the first, 40% card-signing hurdle, managing to sign enough cards to force an in-plant vote. In July 1978, the LRB conducted a certification vote of Granton’s Michelin employees. It was counted four months later and the union was told by the Labour Relations Board that it had failed to secure the required fifty percent plus one vote in the plant.³⁷

³² Punnett, Letter to the Editor, p. 10.

³³ Clare, "Michelin: The Fortress That Didn't Fall," p. 7.

³⁴ Clare, "Michelin: The Fortress That Didn't Fall," p. 7.

³⁵ Punnett, Letter to the Editor, p. 10.

³⁶ Clare, "Michelin: The Fortress That Didn't Fall," p. 7.

³⁷ Punnett, Letter to the Editor, p. 10.

This vote was lost by the union, with 900 workers opposed to the union and only 600 in favour,³⁸ a number actually fewer than 40% in that plant. The URW lost supporters between the drive and the vote.

Following the 1977 failure, in February 1978 the URW filed complaints of unfair labour practices against Michelin with the Nova Scotia Labour Relations Board. The URW charged the company “with interfering with its employees’ rights to join a trade union by using threats, coercive measures and undue influence.”³⁹ It was not until April 1979 that the Labour Relations Board gave its ruling. The ruling went in favour of the URW and found Michelin guilty of violating section 51(a) of the Nova Scotia Trade Union Act, which claims that “no employer, or person acting on behalf of an employer, shall participate in, or interfere with, the formation or administration of a trade union, or the representation of employees by a trade union.”⁴⁰ Michelin was then told that unless they ceased certain anti-union activities, they would be subject to a maximum \$10,000 daily fine.⁴¹

Michelin’s violations involved wrongfully telling its workers that, with the union certified to negotiate on their behalf, the company would start bargaining at the legal minimum wage entailing lost wages and benefits for the workers. Other violations were the company’s policy of no soliciting on its property during non-working hours, and letters to the workers claiming that the union’s certification could mean strikes, a possible loss of income, and threatening the loss of jobs.⁴² The LRB ruling did not stop Michelin. In September, 1978, the URW began to pursue legal action against Michelin because “the company continues to prohibit employees from soliciting union membership during non-working hours” and was therefore in violation of the LRB’s cease and desist order. “The URW says it has documented a number of cases which show that Michelin is threatening its employees not to sign union cards on company property.”⁴³

The 1978 campaign that led to the failed certification vote at Granton made Michelin and the provincial Conservative government sufficiently aware of the union’s potential for success that they began preparing new legislation requiring a union to sign the majority of employees in

³⁸ McCaffrey, "Will the unions ever let the air out of Michelin's tires?" p. 20.

³⁹ McCaffrey, "Will the unions ever let the air out of Michelin's tires?" p. 20.

⁴⁰ "Michelin violated labour act, report says," *Halifax Chronicle Herald*, April 19, 1979, p. 29.

⁴¹ "Michelin violated labour act, report says," p. 29.

⁴² "Michelin violated labour act, report says," p. 29.

⁴³ "URW to Sue Michelin," *Canadian Labour*, 28 September 1979, p. 2.

all of a company's plants in order to be certified. The objection taken to this wide legislation by numerous industries, such as fish processing, was sufficient that it was withdrawn soon after its introduction in March 1979.⁴⁴

Another organizing drive took place in August 1979 in the Granton plant and proceeded well, Punnett says, "because we could use an effective in-plant committee to sign cards." Michelin reacted to this success, Punnett says, by threatening the committee. Michelin again used various measures to deter workers from siding with the union. The URW sought and was granted an injunction against the company in October 1979 prohibiting its actions.⁴⁵ Punnett says the organizing drives in Nova Scotia cost the URW over one million dollars, much of it lost to court battles.

For a second time, enough cards were signed to force a vote of all employees. The Labour Relations Board as a neutral body supervised a certification vote on October 31, November 1 and 2, 1979. The local union President John MacDonald was informed that the vote would be counted within ten days, but it was delayed, and the LRB refused to give the URW a hearing.⁴⁶ The reason for the delay became obvious because, before the vote results were announced, John Buchannan's conservative government went through the process of re-introducing its multi-plant Trade Union Act amendment to the Nova Scotia Legislature.

What became known as the Michelin Bill was re-introduced in extreme haste. The government did not send the Bill to be vetted by the Nova Scotia Joint Labour-Management Committee, a well-established procedure for any such legislation. In addition, "it also failed to present the amendment to its own caucus before introducing it to the assembly." After an initial outcry, the Joint Committee was permitted to review it. NSFL President Gerald Yetman predicted the Bill would "be allowed to die."⁴⁷ Not surprisingly, the Bill survived, and the government quickly used its majority to pass it on December 28, 1979. The new legislation was basically the same as the previous legislation with some changed wording, requiring the simultaneous signing of workers from all "interdependent" plants. The term was designed to limit applicability of the Bill to Michelin, relying on its multi-plant production process. An additional crucial catch was that it was retroactive, and therefore it overruled the application for

⁴⁴ Clare, "Michelin: The Fortress That Didn't Fall," p. 7.

⁴⁵ "Michelin Injunction," *The Globe and Mail*, October 2, 1979, p- B6.

⁴⁶ Punnett, Letter to the Editor, p. 10.

⁴⁷ McCaffrey, "Will the unions ever let the air out of Michelin's tires?" p. 20.

certification in the Graton plant that the URW had made in October.⁴⁸ The vote would not be counted.

Opposition to the Bill, once passed, focused on the provincial legislature in Halifax and was organized mostly by the Nova Scotia Federation of Labour. At this time the URW withdrew entirely from Pictou County. The workers at Granton were left pretty much in the dark.⁴⁹ A number of union supporters sent a letter to the President of the Canadian Labour Congress, Dennis McDermott, requesting both a withdrawal of the URW's jurisdiction and that another union be given the jurisdiction to take up their cause. The letter was passed on to Bill Punnett, Canadian director of the URW, who met with the unionists behind the letter as well as other union supporters in April 1980. At that meeting Punnett told the workers that the URW was still concerned about them and would return that October for another organizing drive. They did not return.⁵⁰ Following this debacle, a number of workers formed a new organization, Michelin Employees for a Union, intending to either find another union for the job or do it themselves. The members of this group remained key players in the organizing drive after the CLC took on the organizational task on its own.⁵¹

The Michelin Bill

Gregor Bertram and Andrew Anningson

In the winter of 1979 the Nova Scotia Government passed a law which dealt with the formation of Unions at multi-plant companies. This legislation was aimed directly at the prevention of the unionization of the two existing Michelin plants, especially the one in Granton. This correlation between Michelin and the new legislation was so overwhelming that the law became referred to as the "Michelin Bill."⁵²

The atmosphere which was present at the time the Bill was passed began to form decades earlier. During the 1960's, Robert Stanfield's government proposed a long term economic plan for the province of Nova Scotia. This plan was supposed to transform the province into a rich

⁴⁸ Punnett, Letter to the Editor, p. 10.

⁴⁹ Clare, "Michelin: The Fortress That Didn't Fall," p. 8.

⁵⁰ Clare, "Michelin: The Fortress That Didn't Fall," p. 8.

⁵¹ Clare, "Michelin: The Fortress That Didn't Fall," p. 8.

⁵² Bradfield, "Michelin in Nova Scotia," p. 9.

industrial power. To do this the government offered millions of dollars in loans and tax breaks to large corporations willing to open branch plants in Nova Scotia.⁵³ However, this plan failed and most of the business that did set up shop in the province left for cheaper labour in the south. Michelin, being one of the last to come, was given a great deal and, as it turned out, it was one of the only ones to stay in the province.⁵⁴ It was from this history of failure that the government so desperately wanted industrialization to the point where they, basically, let Michelin dictate its own labour laws.

In order that Michelin's involvement in the Nova Scotia law-making process be understood one must look for the time the Michelin Bill was first described. This event occurred in December of 1978.⁵⁵ The first to propose the amendments was a representative of Michelin Corporation. This representative appeared before a hearing of the Nova Scotia Labour Relations Board (LRB). The proposal set forth was simple: Michelin's two Nova Scotian plants should be considered inter-dependent. Regardless of their lack of physical proximity (170 miles apart) the Michelin representative argued that an exchange of goods took place to create a finished product.⁵⁶ The reason behind this move was that Michelin wanted the two plants to have the status of being a single bargaining unit. This would benefit Michelin because it would be far more difficult to organize workers if they were widely spread, and the Bridgewater employees were less union-oriented than those in Granton. On their own, Granton workers may well have unionized. If the LRB agreed, this would make it illegal for the plants to organize separately. However, this declaration of interdependence was not accepted by the Board, which decided that the two plants should be treated as independent bargaining units. The Granton plant was an appropriate bargaining unit under Nova Scotia law.⁵⁷

Michelin, being rejected by the Labour Board, next turned to the government. They managed to convince the labour minister, Ken Streach, of their importance to the province and of the necessity to recognize the interdependence of their plants. Subsequently, in the spring of 1979, Streach made the announcement that he intended to change the Trade Union Act. In fact, the amendment to change the act that became known as the Michelin Bill was announced in

⁵³ Bradfield, "Michelin in Nova Scotia," p. 9.

⁵⁴ "The Michelin Bill: Who runs Nova Scotia?" *Labour's Side*, 8, February 1, 1980, p. 2.

⁵⁵ "Where did the Bill come from?" *Labour's Side*, 8, February 1, 1980, p. 5.

⁵⁶ "Anti-Labour News," *Labour's Side*, 12, June 1, 1981, p. 6.

⁵⁷ "Where did the Bill come from?" p. 5.

April the day the LRB had issued its cease and desist order against Michelin.⁵⁸ He argued that the Bill would add another plus to the ledger in luring manufacturers to the province. It is important, he says, for Nova Scotia to offer some enticements that other provinces don't.⁵⁹ He voiced the opinion that the Nova Scotian Michelin plants were to be considered one bargaining unit. Streach made no attempt to hide the fact that the laws were going to be amended for the purpose of pleasing the Michelin Corporation. The result, as noted above, was very strong opposition to the proposed changes. In particular, the prominent Nova Scotia firm of Stanfield's in Truro recommended that the breadth of the Bill be reconsidered. As a result of the opposition, the amendments were temporarily put on hold.⁶⁰ Premier John Buchannan felt that the Bill merely continued a trend in Nova Scotia towards "broad-based bargaining" and denied his government was pushed by Michelin to pass the law.

Michelin could not let the government wait for long with the amendment pending because there was, at that time, another Rubber Workers card signing drive in the works.⁶¹ With increased pressure from Michelin the government once again set out to amend the Trade Union Act. To achieve a more positive response the government narrowed down the effects of the law so that it would only suit the needs of companies which would benefit from it – that is, Michelin. This decision removed a major point of contention upon it's first proposal. The law originally affected all multi-plant companies, stating that they must organize together and act as a single bargaining unit.⁶² That idea had been strongly opposed by multi-plant fish processing companies. These local companies had both unionized and non-unionized plants, and they feared that the legislation would result in the unionization of all their plants. The Nova Scotia government, in an attempt to appease these companies and win their support, altered the legislation so that it only affected plants which were functionally interdependent. This was a subtle way of directing the Bill at Michelin, as it was the only multi-branch plant that claimed interdependence.⁶³

For the government to win even more support, they sent representatives to talk with the manufacturing leaders. In June Premier Buchanan, Streach, and development minister Roland

⁵⁸ Ralph Surette, "Michelin Retreads Trade Union Act," *Atlantic Issues*, Vol. 4 No. 1 (Winter 1980), p. 2.

⁵⁹ "N.S. Government at the Service of Michelin," *Labour's Side*, #5, 1 May 1979, p. 3.

⁶⁰ "Michelin still running from unionization," *Labour's Side*, 7, November 1, 1979, p. 3.

⁶¹ Bradfield, "Michelin in Nova Scotia," p. 11.

⁶² Bradfield, "Michelin in Nova Scotia," p. 10.

⁶³ Clare, "Michelin: The Fortress That Didn't Fall," p. 8.

Thornhill attended a local meeting of the Canadian Manufacturing Association.⁶⁴ Also present was Michelin's plant manager Jean Gorce. At this meeting both Buchanan and Gorce gave presentations assuring the business leaders that the measure was meant to affect only Michelin operations.

With the support of much of the Nova Scotian business community, the Conservative government was ready to push the Bill through.⁶⁵ For several days the House sat from early morning to late evening well past the customary Christmas break.⁶⁶ The conservatives used this leverage of support and their majority government to force the Bill on the labour sector. One description of the passing of the Bill into becoming a law was as follow:

... The Bill met considerable opposition from the NDP and from the newly sensitive liberals. Despite extensive opposition, the Bill was passed by the conservative majority, without any attempt to respond to the criticism. The government's rationale was completely open: Michelin would build a third plant in Nova Scotia to employ another 1800 workers. The government wished to guarantee "stability" in the labour market....⁶⁷

The above quote describes a government that seems to be rushing to get the law established before a deadline, rather than addressing all sides of the issue. The deadline they were trying to beat was the certification vote at the Michelin plant in Granton. The vote itself had occurred, and the Labour Relations Board had set a date for the counting of the vote. The LRB delayed counting the vote until the Bill became a law and, since it was retroactive, the results of the vote were never known.⁶⁸ The membership drive which led to the vote had been conducted solely at the Granton plant. The United Rubber Workers, therefore, had no hope of quickly organizing a vote in both plants. This legislation had once again effectively stopped the unionization of Michelin.⁶⁹

⁶⁴ "Michelin makes the law...," *Labour's Side*, 8, February 1, 1980, p. 6.

⁶⁵ "...& Michelin breaks the law," *Labour's Side*, 8, February 1, 1980, p. 7.

⁶⁶ Surette, "Michelin Retreads Trade Union Act," p. 1.

⁶⁷ Bradfield, "Michelin in Nova Scotia," p. 10.

⁶⁸ Bradfield, "Michelin in Nova Scotia," p. 10.

⁶⁹ Bradfield, "Michelin in Nova Scotia," p. 10.

The Michelin Bill is essentially a creation of big business to manipulate the rights of their workforce to extract greater profits. The government of Nova Scotia was lured to the side of the corporations by promises of jobs and prosperity for the province. In this way the government of Nova Scotia sold the rights of the workers and lost a large degree of political control in exchange for 1800 jobs. Michelin managed to gain a third non-unionized plant and demonstrated their ability to manipulate the government into re-writing the laws for their own benefit. Ralph Surette said that the intent of the Michelin Bill was to “effect a change in the entire social climate of the province [by] ‘stabilizing the labour climate’ bringing ‘labour peace’ and ‘establishing an environment for development.’” What this boils down to, in Michelin’s eyes, is to make Nova Scotia labour relations equivalent to those in Alabama and North Carolina, two notorious anti-union state where Michelin has built five plants. “‘Labour stability’ is a euphemism for ‘cheap jobs and docile labour,’” Surette argues.⁷⁰

The *Canadian Business Manager* pointed out that the legislation went “against the mainstream of labor relations in other Canadian jurisdictions.” For example, the Canadian Labour Relations Board had recently “made it possible for unions to organize bank workers branch-by-branch.” But the Michelin Bill was a deliberate quid pro quo: a provincial guarantee of “labour peace” in return for a new, 1800-employee plant in Nova Scotia. NSFL President Gerald Yetman said that Minister of Labour Ken Streach had twice explicitly admitted to him this connection, “a charge the Labor Minister denies.”⁷¹

At its September, 1980 Convention, 70,000-member the Nova Scotia Federation of Labour’s 400 delegates gave the organization “a clear mandate of ‘aggressive confrontation’ with the provincial government.” The delegates agreed to increase the per-capita fees from 15 to 25 cents, with the additional money, amounting to about \$50,000, to add to the Federation’s defence fund and help defray the costs of the NSFL publication, *The Nova Scotia Worker*. The Federation said that the Buchanan government was following an anti-union agenda in many other cases in addition to Michelin.⁷² Michael Harris wrote in the *Globe and Mail* that the Federation “withdrew from all Government boards and commissions and refused to communicate with the Buchanan Government after the bill became law.” The boycott lasted until

⁷⁰ Surette, “Michelin Retreads Trade Union Act,” p. 1.

⁷¹ McCaffrey, “Will the unions ever let the air out of Michelin's tires?” p. 20.

⁷² “N.S. Fed. Declares war on Buchanan government.” *Canadian Labour*, October 1970, p. 7.

1984. Harris said that “[t]he new law, tailor-made for Michelin's legendary anti-union policy, was an affront to a wide range of Nova Scotians at the time. A committee of Oxfam Canada compared Bill 98 with repressive legislation in Chile and South Africa while the Roman Catholic Church said the Michelin Bill violated the church's social teachings.”⁷³

International Support

Daren Burns

The United Rubber, Cork, Linoleum, and Plastic Workers is an international union and, in 1980, after the passing of the anti-union Michelin Bill, labour groups in 15 countries marshalled their forces behind the 325,000-member URW's attempt to organize the new Michelin Tire plant at Granton. The controversy over the Michelin Bill resulted in the declaration of a world-wide boycott of Michelin products and a surge of moral support from organized labour in Canada. The Rubber Workers' union is affiliated with the powerful American Federation of Labour-Congress of Industrial Organization (AFL-CIO) and that body pledged its support. In October, 1980 the AFL-CIO executive council called a US-wide consumer boycott of Michelin tires because of its “unrelenting anti-union policies” in the US and Canada. The AFL-CIO also advised consumers that Michelin-made tires sold at Sears under the Allstate label were not union-made.⁷⁴ “Congress president Dennis McDermott said in announcing the move ... that 10 years of frustrated tries at unionization were capped with passage in 1979 of Nova Scotia's so-called Michelin Bill.”⁷⁵

The URW is also affiliated with the International Federation of Chemical and General Workers which established a Permanent World Michelin Council in Geneva in an attempt to spearhead international support for the Nova Scotian organizing drive. It is quite obvious that the impact of such affiliations could potentially provide excellent support for workers of a factory located in out-of-the-way Nova Scotia. After all, the union movement had been successful enough to represent 80% of Michelin Employees in England, France, Algeria, Argentina, and Morocco.

⁷³ Michael Harris, “Workers, law stymie bid to form union,” *Globe and Mail*, 05 Apr 1985, p. 4.

⁷⁴ “AFL-CIO Calls Michelin Tire Boycott,” *Canadian Labour*, October 1980, p. 7.

⁷⁵ CLC seeking boycott of Michelin products,” *Globe and Mail*, 17 Mar 1981, p. 9.

The support came in several forms: An organized boycott of Michelin products similar to the grape boycott which was called on behalf of union rights for California migrant workers; pressure on governments to cancel Michelin contracts; and instructions to Michelin employees to refuse to work overtime and generally attempt a work slowdown. The boycott, however, was principally a moral manoeuvre and it did not have a significant effect on Michelin operations. The Michelin Bill, on the other hand, had profound consequences for all subsequent union drives at Michelin in Nova Scotia, as the government had intended it to have. Despite the Bill, the Canadian union movement was not through with Michelin.

The CLC Drive

Pamela Chase, Paul Holt, Chris McDonald, Alex Stevenson, Jane Taylor, Todd Taylor and Melanie Tonge

Early in 1984, the URW was back in Nova Scotia with what national union director Len Bruder called a “low key” campaign to ascertain whether enough workers at the three Michelin plants were interested in forming a union. He announced the campaign to Bridgetown employees in mid-January. According to Bruder, the URW would not begin a leafletting campaign or hand out literature at the gates because, in the past, this tactic had resulted in a counter-leaflet drive by Michelin. It would become “confusing, leaving the workers not knowing who to believe.” His main sales pitch was the better wages and benefits that workers received in Ontario’s unionized tire plants. Workers were reported to be concerned about union dues and strikes, and some suggested that the wage and benefit gap was not particularly large. What the low-key campaign actually amounted to, however, was unclear, and Jerry Shea, an acting director of URW in Toronto, said that “the union is assessing the situation, and reassessing the situation, and ‘reviewing the possibilities of organizing’ in Nova Scotia.”⁷⁶

Meanwhile Michelin struck back by circulating to its employees part of a union document that had been provided to an employees’ committee working on the drive. The document said that URW dues would amount to \$20 a month. National director Len Bruder complained that Michelin had released only a part of the text and had excluded the part that said “that for the first two years, the monthly dues would be held to \$5 under the URW’s

⁷⁶ “Union tries again at Michelin,” *Kentville Advertiser*, 25 January 1984.

‘constitutional provision for new unions.’” Employees could vote an increase of dues from \$5 to \$8 monthly, he said, and the extra money would stay in the local. Michelin had said that union dues would go to the international union in the United States, but did not mention how the money would be used.⁷⁷

The campaign had apparently ground to a halt in Granton in mid-January of 1984 when, according to the plant organizing committee at Granton, the union had too few signed cards. The drive was a “dead issue.” Lou Mills, a veteran of four organizing drives, said that company employees were soliciting card signings and had expected more help from the URW. She was disillusioned with the union, however, because “they didn’t help.” She predicted the URW would not get much support in the future. Michelin employees, Mills said, were now appealing to Canadian unions to take on the task of organizing Michelin. She said, “The plant has to be organized.... It’s like a detention camp over there. She said that employees are often hired for one job, but end up doing two or three.” You can’t talk to company officials, she added. “You can either do it, or you can quit.” Michelin “brainwashed its workers on the consequences of union representation” and backed this threat by using “foreman to deliver ‘under-the-table’ threats.”⁷⁸

By March, employees at Granton who were disenchanted by URW’s performance in the province had formed an organization called Michelin Employees for a Union (MEFU). Gerrard Robinson said the group had met with some Canadian labour leaders and had discussed plans that could be implemented if they were granted the jurisdiction. The MEFU had written Dennis MacDermott, president of the Canadian Labour Congress asking that the jurisdiction to organize Michelin in Nova Scotia be removed from the URW. They had “little apparent success,” Robinson said. They approached Leo McKay, the secretary of the Nova Scotia Federation of Labour, and were told that that body could do nothing because it was “a child of the CLC.” They planned to petition the labour leaders again, and send a copy to the Nova Scotia Labour Relations Board.

The petition said the employees were dissatisfied with the direction the URW had been taking in its organizing and that “this union may be suited for American industries, but it is not the proper union for us.” The URW had opposed the Michelin expansion, announced in

⁷⁷ James Latter, “Michelin misleading employees, union says.” *Kentville Advertiser*, 22 February 1984.

⁷⁸ James Latter, “URW blames for apparent failure of certification bid,” *Kentville Advertiser*, 25 April 1984.

conjunction with the Michelin Bill, but expansion will mean “promotions and wage increases for a great many of us.... This is just one example of how little the URW thinks of us as Michelin employees.” He said that William Punnett had announced the boycott of Michelin products on June 9, taking quick and concrete action, but complained that the action came about “when Ontario and Quebec workers feel they might be in trouble.” In Robertson’s view, the boycott would harm workers in Nova Scotia and benefit plant workers elsewhere. The petition called for a Canadian union to organize Michelin. Canadian dollars would be kept at home and a Canadian union “would also be more concerned about the creation of jobs in Nova Scotia rather than the destruction of jobs.”⁷⁹

In December, 1984, the Canadian Labor Congress announced it would make a decision about trying to organize the 3,500 Michelin Tires employees. Allister McLeod, the CLC's Atlantic regional director, said that “information meetings with employees began recently in Granton” and would end “after meetings at the French tire maker's two other Nova Scotia plants, in Bridgewater and Waterville.”⁸⁰ Just after New Year’s in 1985, CLC president McDermott announced that the Congress would undertake the organizing of Michelin Tires (Canada) in Nova Scotia on behalf of the more than 3,000 plant workers.⁸¹ Allister MacLeod said the campaign would begin January 6 and continue through April 30. “Most Michelin workers are satisfied with their wages and benefits,’ MacLeod said, but they are concerned about working conditions. ‘They want some appropriate way of handling day-to-day problems and a grievance procedure would be important to them.’” “If the CLC attempt is successful, the Michelin Bill could ‘come back to haunt the Government and company,’” said Gerald Yetman, the president of the NSFL “If a large majority of workers voted to organize at two plants, unwilling employees at the third plant would be forced to join a union, he said.”⁸²

The campaign would include organizing the three Michelin tire plants in Nova Scotia. To accompany this action, the CLC called off the consumer boycott instituted against the French-owned company in March, 1981. It was lifted to avoid holding the impact of the boycott over the heads of the workers at the same time the CLC was appealing to them to join their ranks. The unionization drive followed the significant labour-relations turmoil rising from the 1979

⁷⁹ Jay Underwood, “Michelin employees’ union wants URW charter lifted,” *Chronicle-Herald*, n.d.

⁸⁰ “French tire firm eyed as CLC target in N.S.,” *Globe and Mail*, 05 Dec 1984, p. B22.

⁸¹ “CLC launches drive to organize Michelin workers,” *Winnipeg Free Press*, 4 January 1985, p. 11.

⁸² “CLC plans organizing campaign at Nova Scotia Michelin plants,” *Globe and Mail*, 04 Jan 1985, p. 3.

Michelin Bill. Interest in unionization was still strong among many Michelin employees, who sought a fresh union representation under the CLC. Allister MacLeod was placed in charge of the campaign.

Macleod felt that the national labour organization would succeed where the United Rubber Workers had failed when they last attempted to unionize Michelin in 1979. He stated that they were looking to organize a 70% majority. Under provincial labour laws, the CLC had until April 30th to sign up 40% of the 3430 hourly-paid workers at Michelin plants in Bridgewater, Granton, and Waterville. If the bid was successful, the Labour Relations Board would then order a vote. The vote would determine whether official certification would be given to the union representing a majority of employees in the prospective bargaining unit. MacLeod's first news release stated that he was confident the campaign would succeed.

During the first month the CLC opened union offices at the three locations to serve as operational bases and to give the Nova Scotia Michelin Tire Employees Union Local 1699 a presence. Card signings proceeded in each location through January, February, and March. The CLC had to wait for Michelin's official notification of the union's application, and a check of union documentation with the company employee list to determine the percentage of hourly workers who wanted certification. If a vote was ordered by the Labour Relations Board, the union would have to obtain 50% plus one of the hourly workers' votes to gain certification to represent the workers and bargain on their behalf. Macleod said that the latest union drive was difficult because of the distance between the plants, and because industrial unionism was something new in Bridgewater and the Valley.

On March 17, 1985, about 140 Michelin Tire workers paraded in cars through downtown Bridgewater to protest against the CLC attempt to unionize the plants. Most of the demonstrators were from the Bridgewater plant, but representatives from Granton and Waterville were present as well at the peaceful protest.⁸³ On April 3, a local radio station in Bridgewater conducted a talk show to debate the CLC's attempt to organize Michelin. Allister MacLeod represented the CLC and Lewis Williams, a spokesperson for a group of anti-union workers, represented the anti-union group among the employees. Williams spoke about the many benefits that Michelin gave its employees even though they were not represented by a union. No representative from Michelin appeared on the show. People who called to take part in the debate were about evenly

⁸³ "Tire workers march against unionization," *Globe and Mail*, 18 March 1985, p. 3.

split on the union question, but this may have been an artefact of the selection of viewpoints to be aired. MacLeod said that most of the benefits workers at Michelin received had been put in place by management during previous union organizing drives. He gave examples of a list of workers' benefits being provided by the company, which had been placed in their mailboxes only that week. One caller said her husband, after voicing pro-union sentiments, was forced by the company to do impossible jobs, such as working with pure ammonia.

On the 30th of April, 1985, the CLC filed two applications for certification from Michelin Employees with the Nova Scotia Labour Relations Board. One covered all company employees, while the second covered only the employees at the Granton plant. The Granton plant was said to have a majority of employees in favour of the union, more than 70%. Under the terms of the Michelin Bill (Bill 98 clause 24(a) 1979), the second application was not valid because it requires that all interdependent manufacturing plants be unionized together within the same 90-day period. Consequently, on May 9, the CLC filed an action in the Supreme Court of Nova Scotia to have this controversial section of the provinces' Trade Union Act struck down.

Lawyers for the CLC appeared before a N.S. Supreme Court Justice on June 18, 1985 asking for a court order directing the Nova Scotia Labour Relations Board to reconsider the CLC application to become a bargaining agent for the workers. The court was asked for an order compelling the Board to hold a certification vote that would determine whether the required majority of workers were in favour of forming a CLC union local. The Judge was asked to order the Board to release the list of employees it used when making the decision. Finally, the counsel for the Canadian Labour Congress asked Justice Dennis Burchell to dismiss the Nova Scotia Labour Relations Board's May 9th decision that had denied the CLC application to become the bargaining agent for the workers. The company had argued and the Board had agreed that the list need not be supplied to the CLC because, as Michelin lawyer Peter McLellan argued, if the list was supplied to the CLC, it could be used in future campaigns to organize the company's labour force. McLellan said the Board determined from the list of employees that the CLC was clearly short of signing the minimum 40% from all three plants to warrant a vote.

Justice Burchell overturned the May 9th Nova Scotia Labour Relations Board decision that had dismissed the CLC application for a certification vote of Michelin's production and maintenance employees in Nova Scotia. Justice Burchell said the Board denied the union "natural justice" by not providing the CLC with a list of employees that Michelin had, and that

had been used by the Board at the May 9th decision. In his June 21 decision Justice Burchell ordered that a copy of the employee list be given to the CLC because the Labour Relations Act made no provision for withholding an employee list and, in denying access to the list, the Board “went beyond it’s jurisdiction.” He turned down, however, the CLC’s request that a vote be taken to determine union support. The CLC regional director of organization, Allister Macleod, said he was “partially” pleased with the judge’s decision, stating, “the list of employees will put us in a position to know whether we have the required number of cards signed.”

The other major court challenge was on the constitutionality of the Michelin Bill. Lawyers for the CLC stated that the Bill was unconstitutional because it violated the equality section of the Charter of Rights and Freedoms, which came into effect on April 17, 1985. The CLC contended that workers at Granton, the company’s largest plant in N.S., were being denied their constitutional right to organize because the majority of the workers in that one plant supported the union. Macleod also stated, “if the employees of the Granton plant were employed in a plant in any other part of Canada they would belong to a certified union local.” On May 23rd, the Supreme Court refused to hear the CLC’s challenge of Nova Scotia’s Michelin Bill. It did not give reasons for refusing the appeal.

On May 9, the Labour Relations Board announced that the CLC had failed to secure 40% of the employees from the three Michelin plants and that they had lost the Michelin certification bid. The CLC had followed the same path repeatedly laid down by the United Rubber Workers. In response to the ruling, the CLC again turned to the courts, this time asking the Nova Scotia Supreme court to quash the Labour Relations Board’s decision to dismiss the CLC’s application to become a bargaining agent for the Michelin workers. CLC Lawyer Raymond Larkin stated that the Labour Relation Act should be interpreted as requiring a vote by employees to determine whether or not they want to be organized.

The CLC’s request to unionize only the Granton plant had been turned down by the Labour Relations Board based on the “Michelin Bill.” Finally, the Nova Scotia Michelin Tires Employees Union conceded that it had failed to sign up the minimum of 40% of the employees required for a vote to determine union support, although the CLC declared that another attempt to unionize was not out of the question.

According to Allister Macleod, the unionization attempt at Michelin cost the CLC between 150,000 and 200,000 dollars. Without the minimum 40% of the production and

maintenance employees in the three plants having signed union cards at any one time, the CLC was forced to withdraw its union application. Michelin stated that the CLC was at least 150 workers short of the minimum. In August 1985, the CLC announced that it would no longer proceed with the unionization campaign.⁸⁴ A spokesperson from Michelin felt their employees didn't want a union and the CLC was wasting its time. Michelin's vice president and general manager, Paul Calvi was not surprised that the CLC had to pull out, stating, "He believed most employees feel that Michelin is a good place to work." Calvi said Michelin is committed to continuously improving its operations. In response, Macleod stated, "if things were as rosy as Mr. Calvi believes they are at Michelin, particularly the Granton plant, we would have been gone long ago." He also felt that the main reason employees indicated interest in forming a union was that the workers were simply told what to do; they had no say or control in any situation in the workplace.

Macleod said that Michelin supervisors were trained to thwart campaigns to organize company employees.⁸⁵ He felt that despite public opposition in Bridgewater there was also support for a union at the South Shore plant. When a secret vote was held by members of the Nova Scotia Michelin Tire Employees Union Local 1699 (CLC), MacLeod said, they voted for him as their sole union spokesman. Macleod said that he was voted spokesman because of the fear the employee's had of retaliation from the employer.

Looking back at this unsuccessful attempt to organize Michelin, one thing the CLC had in its favour was size. They were a very large, national organization with about two million members. They had plenty of resources to draw upon and had many affiliates they could call on for help. During the union drive they opened union offices at the three locations that served as operational bases. They were also able to hire a law firm, Kitz-Matheson, of which they made frequent use during and after their two union drives.

A second plus for the CLC was that they are a Canadian organization. They were interested only in unionizing the Michelin plants that were located in Canada. An international (American-based) union, on the other hand, might be more concerned with achieving success in the United States rather than in Canada. The CLC believed that Michelin workers wished to be organized through the Canadian labour movement rather than through an international labour

⁸⁴ "CLC drops third bid to unionize Michelin plants," *Montreal Gazette*, 13 August 1985, p. B4.

⁸⁵ "McLeod says Michelin supervisors trained to thwart union campaign," *Chronicle-Herald*, 28 March 1985, p.29.

body. CLC lawyer Ray Larkin said the workers wanted to be unionized under the wing of the CLC rather than become a local branch of an international union.⁸⁶

The final card in the CLC's deck was the fact that the majority (70%) of workers in Granton, Michelin's largest plant in Nova Scotia, were believed to be in favour of unionization. The United Rubber Workers discovered this back in 1979, and the CLC confirmed it during their union drives. This fact spurred the CLC to go to court to argue that the Granton workers were being denied their constitutional right to organize. The Granton situation gave the CLC a toehold to stand on.

The Canadian Labour Congress, however, did not stand much of a chance of success when it announced its intention to unionize Michelin workers. The forces lined up against it were simply too powerful for the organization to overcome. The major roadblock in the CLC's way was, undoubtedly, the Michelin Bill. Without the Bill the Congress would probably have succeeded in organizing the Granton plant. The fact that they had to treat all of Michelin's workers as if they belonged to the same bargaining unit was simply too high a mountain to climb. The Bill left the CLC with an all but impossible task as, Harris says, trying to "sign up 50 per cent plus one of Michelin's 3090 employees within the three-month certification period."⁸⁷

The CLC strategy was to use information sessions to spread their message. The Congress trusted that negative reports they had received about working conditions would be the key to victory; as Napier explains: "MacLeod said serious concerns over working conditions expressed by Granton plant employees supports CLC hopes for a majority vote in the three Michelin plants."⁸⁸

The information sessions clearly did not pan out for the CLC. They did not convince the workers in Bridgewater or Waterville plants that a union was in their best interests. The CLC was up against deeply entrenched anti-union attitudes from many of the workers. In fact, worker attitudes in these plants was the other major obstacle (the first being the Michelin Bill) in the Congress's path. Most workers in Waterville and Bridgewater were simply not interested in joining a union. Lewis Williams's anti-union campaign was a sign of how a large number of workers at the Bridgewater plant felt, and anti-union sentiments may have been even stronger at

⁸⁶ Jo Ann Napier, "CLC takes aim at Michelin's plants," *The Chronicle-Herald*, December 6, 1984, p. 35.

⁸⁷ Michael Harris, "Workers, law stymies bid to form union," *The Globe and Mail*, April 5, 1985, p. 4.

⁸⁸ Napier, "CLC takes aim at Michelin's plants," p. 35.

the Waterville plant. During the CLC's certification drive the *Globe and Mail* reported that one Waterville employee said the union would be lucky to sign five percent of Michelin's workers in the Annapolis Valley town.⁸⁹ Many people from rural areas would jump at the chance to work for Michelin. They look at the wages and benefits the company pays and they don't see the need for a union. Any union would have a tough time making headway if it was faced with these types of attitudes. It's no wonder the CLC did not succeed in its quest.

When the CLC had launched its constitutional challenge of the Michelin Bill, this action was probably a long shot, born out of frustration with the way things had gone. Allister MacLeod, commenting on the challenge, displayed this sentiment when he stated: "and we must try every angle that could offer us some relief."⁹⁰ When the Supreme Court refused in May 1986 to hear the challenge, it ending any hopes the CLC had of restarting the union drive. In August of 1986 the Congress passed the torch to Bob White and the Canadian Auto Workers and wished them luck.

The Canadian Auto Workers Union: 1986-1989

Alex Stevenson, Jane Taylor, Todd Taylor and Melanie Tonge

The CAW represents about 140,600 workers across Canada. Bob White felt that the workers in Michelin wanted a union, "My sense in terms of the meetings that our staff has held and meetings I've been involved with, is that there's a desire by a lot of Michelin workers who want to have a union." As noted above, several unions have tried to organize workers at Michelin's Granton, Bridgewater, and Waterville plants, but over those previous years, they were thwarted by Section 24 (A) of the Trade Union Act of Nova Scotia, better known as the "Michelin Bill," which states that a union must win a company-wide certification vote among Michelin employees. The Bill basically prevents a union from organizing one plant at a time.

After the CAW announced its intention to organize workers at Michelin to a packed news conference, on August, 2, 1986,⁹¹ White said, "It's a challenge for our union but it is one which we don't have any hesitation in stepping up to.... If somehow my profile or my role in the labor

⁸⁹ "CLC plans organizing campaign at Nova Scotia Michelin plants," *Globe and Mail*, 4 January 1985, p. 3.

⁹⁰ Jo Ann Napier, "Michelin survives latest union drive," *The Chronicle-Herald*, August 13, 1985, pp. 1, 20; Allister MacLeod, commenting on the challenge.

⁹¹ Deborah Jones, "Labour resumes the battle," *Macleans*, 99 (August 18, 1986), p. 13.

movement can add to helping to get our union in Michelin, then . . . I'm glad to be here and I hope to be here to lead the bargaining.” Michelin tires predicted its three thousand workers would resist another round of “union promises and pressures” and reject membership in the Canadian Autoworkers Union. A company spokesman in Granton suggested the auto workers were “flogging a dead horse.” Ron Musgnug, the new Vice-President and General Manager for Michelin said the employees did not need a union. He stated, “I regret that all employees are going to be subjected again to union promises and pressures and the disruptive environment they were forced to put up with last year when they rejected the CLC.”⁹² He also stated, “it is our opinion the employees of Michelin don’t require a bargaining agent and will again reject this latest attempt by another union that has come to Nova Scotia seeking membership and money.”

By October 14, CAW president Bob White announced his union had succeeded where three other labour groups had failed: it had signed up the required 40% share of workers at Michelin’s three Nova Scotia plants, the number required to apply to the LRB for a certification vote. The *Globe and Mail* called the signing a “toe hold.” Eight previous union drives had come up short. White said, “‘we haven't won yet’ and predicted that Michelin officials ‘will do everything possible’ to ensure that the auto workers don't win” the upcoming vote. In part, White attributed the success to the fact that the CAW is a Canadian rather than an American union. He “said he would ‘love to be in the plants today’ to see the tire workers reaction ‘to this important accomplishment’ for the Nova Scotia and Canadian labor movements.”⁹³ White stated that “it’s certainly not going to be easy. It’s going to be difficult.” He felt that within a couple of weeks they would know whether or not they had a reasonable chance at unionizing. A spokesperson for the Nova Scotia Labour Relations Board confirmed that the Board had received a certification application from the CAW union, and a secret certification vote was to take place at all three plants.

This first-stage success sounded the starting gun for the real battle between the Canadian independent union and the French tire maker for the loyalties of Michelin workers in Nova Scotia. White said the CAW now faced a larger contest: it must win a majority union vote from Michelin workers or “see our name carved on the Michelin tombstone.” Paul Cerisano, a Michelin spokesperson stated that the company was aware that, “the CAW is escalating its

⁹² “High profile of White may aid CAW drive to unionize Michelin,” *Globe and Mail*, 2 August 1986, p.A4.

⁹³ “Union wings toe-hold at Michelin,” *Globe and Mail* 14 November 1986, p. A8.

organization campaign,” but felt management was confident that its workers would reject the union invitation, stating, “We have a very intimate relationship with our employees, we’ve worked well together for 16 years and Michelin is untouchable in terms of quality and efficiency as a result of the success of that relationship.” Cerisano went on to state, “our workers were approached by the [International] Electrical Workers Union in 1973, the United Rubber Workers in 1978 and 1981, and the Canadian Labour Congress in 1985; we think they’ll say no again.” However, Bob White was also confident that a majority of workers would cast pro-union ballots because they want an organization to protect their interests.

In the Annapolis Valley, workers interviewed as they left the Waterville plant at the end of the day shift expressed surprise at the union’s claim it had signed 40% of the workers. Some said the level of union support there is so low they doubted the union’s claims. In commenting on conditions inside the plant, which had been a union organizing issue, one worker said there is hard work there, but health and safety standards are high. One worker commented that the only ones who want a union are those who don’t want to work, or had something wrong.

CAW organizer Barrie Farrow said he and everyone associated with the campaign were pleased with the outcome, and he believed the union had a good chance of winning a certification vote. The CAW spent close to \$100,000 on the campaign. In Bridgewater, local labour leaders heralded the announcement of a certification vote for Michelin workers as a major step forward, but municipal officials in the region said the move could seriously hurt the town. Former mayor of Bridgewater, John Hirtle said, “the CAW needs 40% for the vote, but 50% to unionize. That other 10% may take a hell of a long time to get.” Hirtle was a key figure in convincing the tire manufacturer to locate in Bridgewater. He predicted the certification vote would have no effect on the town as the vote was doomed to fail due to a general pro-free enterprise attitude among South Shore workers. He also stated, “We are one of the last strongholds of a day’s work for a day’s pay. Michelin employees are getting and giving that.” Michelin, the largest manufacturer in the province, used radio and newspaper ads to encourage workers to vote because they were confident of victory.⁹⁴

Julian Beltrame said the vote lost steam” almost immediately. “Alan Rugman, a Dalhousie business school professor, predicted in a story carried on the front pages of two Halifax newspapers that Michelin would leave the province if the union succeeded.” Organizer

⁹⁴ “Controversial Michelin Vote Completed,” *The Ottawa Citizen*, 22 Nov. 1986, p. A18.

Buzz Hargrove said that the CAW had “received a lot of worried calls from workers after that.”⁹⁵ The deputy mayor of Bridgewater Ernie Bolivar said he doubted the Michelin employees would vote to unionize, but predicted a devastating effect on the town if the CAW was certified as the bargaining agent for Michelin employees. He said, “the company is certain to react, and when it does, the results are not going to be good news for Bridgewater.” Bolivar would not say exactly what the ramifications would be of any company backlash to being unionized.

The ballots were cast during November 1986 to determine whether they would form the first unionized Michelin Tires Ltd. division in North America. The voting began with both sides claiming to be confident in the outcome. Michelin vice-president Alain Redheuil said that 98% of employees had voted.⁹⁶ The ballot boxes were sealed on November 21 but the announcement of the results was delayed. The earliest that the votes could have been counted was Dec. 1. The release of the results depended upon the outcome of interventions filed with the provincial Labour Relations Board, which would hear the interventions and allegations of wrong-doing during the vote. Judge Robert McCleave said intervention could have been made by any person with an interest in the vote. Allegations of wrongdoing can be filed by either side. Interventions would delay the vote count until hearings could take place in January.

On January 15, 1987 the LRB announced that the Auto workers had lost the Michelin campaign. The CAW’s plan to unionize the 3000 employees and crack Michelin’s non-union bastion had failed. The Board did not release numbers, but the Toronto-based union needed 50% of the vote in order to be certified. The loss meant that the union could not try again for six months. Once again, the Michelin Bill had decided the outcome. The union faced an “up hill battle” because two of the three Michelin plants are in rural areas where there is little union influence.

After hearing the vote count in his Ontario office, Bob White said, “‘We’ll be back’.... The question is not will Michelin workers become members of the CAW, but when. We were up against a company that works very hard to keep unions out, the Michelin Bill, historical precedent and the time constraint.” Voicing the disappointment in Nova Scotia, “Sonny Campbell, a 12-year Michelin employee at the pro-union Granton plant” said, “‘I want a union.... I want the CAW. ... But yes, the plants are kept clean, the wages are good. The main

⁹⁵ Julian Beltrame, “Bob White and the Canadian Auto Workers...,” *CanWest News*, 5 Jan 1987, p. 1.

⁹⁶ “Controversial Michelin Vote Completed,” *The Ottawa Citizen*, p. A18.

thing is that as far as having a say in the plants, you're nothing.”⁹⁷ White charged that Michelin used a number of anti-union tactics to intimidate workers, who were afraid that voting for a union would mean that Michelin would pull out of Nova Scotia.⁹⁸

White said the CAW would wait another year before beginning another drive, saying, “You can't do this back-to-back because it wouldn't be fair to the workers. ... It depends on the workers. If they want us back, we'll be back.”⁹⁹ On May 3, 1988 the Auto Union returned to its campaign to unionize Michelin. According to Michelin's general manager Alain Redneuil, the CAW seemed to be disregarding a vote by the workers rejecting unionization at the Nova Scotia plants. The workers had said “no” to the union three times in the last four years, he said. Peggy Nash, spokesman for the CAW said that the union travelled to the three plants to gauge support for yet another certification bid after their last unionization bid had fallen short. White said that the CAW would test the amount of union support in the plants.¹⁰⁰

Since the first CAW bid, employees had formed both pro- and anti-union organizations. On May 14, 1988 the union planned to test the workers' interest again. The CAW started testing the water for a new certification bid. CAW president Bob White said if the surveys and contacts were positive another full-scale campaign would be launched in June to analyze the situation. The CAW would not launch another campaign if the support was not there. White said the Michelin Bill continued to make it difficult for the union to organize the company's Nova Scotia workers. In addition, after the CAW had achieved the 40% support in its initial campaign, Michelin was forced to deal with the concerns of the employees, which resulted in a number of improvements.

On July 12, 1988 the CAW announced that it will decide in two weeks whether to ask for another certification vote at the three Michelin Tire plants. The union felt that it had an obligation to the employees who wanted a union.¹⁰¹ But on July 28, 1988 the CAW decided to give up its hard-fought battle to unionize the workers at the three Michelin plants.¹⁰² “White said that at the request of some Michelin workers, the union had recently been talking to people,

⁹⁷ Julian Beltrame, “Bob White and the Canadian Auto Workers...,” *CanWest News*, 5 Jan 1987, p. 1.

⁹⁸ “CAW charges about union vote unfair, (Michelin Tire Canada) says,” *Chronicle-Herald*, 17 Jan 1987, p. 3.

⁹⁹ Beltrame, “Bob White and the Canadian Auto Workers.”

¹⁰⁰ “CAW eyes new Michelin drive: union to test worker interest, says White,” *Chronicle-Herald*, 14 May 1988. pp. 1, 2.

¹⁰¹ “CAW looks again at Michelin,” *Globe and Mail*, 12 July 1988, P. B8.

¹⁰² “CAW bows out of bid to unionize Michelin plants,” *Chronicle-Herald*, 28 July 1988, pp. 1, 24.

making phone calls and handing out pamphlets to test whether a full-scale drive should begin. ‘While we're in a position that we believe we could apply for certification, we're not in position where we could win a vote,’ said White.”¹⁰³

This latest attempt was the fourth in five years. The CAW was the first union to sign 40% of the Michelin workers needed to apply for certification, which eventually failed. Between 1975 and 1988, as many as thirteen attempts had been made to organize Michelin, including forays to gauge support and full-fledged drives. Alain Redheuil, Michelin’s vice-president, released a statement saying “that employees have clearly expressed that they don't want a union, ‘They said no to the (United Rubber Workers) in 1978, no to the URW again in 1984, no to the (Canadian Labor Congress) in 1985, no to the auto workers in 1986 and now, no again to the auto workers in 1988. That's four times in the last five years. How many times does a person have to say no?’” Since the CAW failure in 1986 Michelin has made reforms which included higher wages, indexed pensions, and more flexible working hours.¹⁰⁴ In the end, the CAW was added to the IUOE, URW, and CLC on the Michelin tombstone.

A few days after the CAW announced that they intended to abandon another certification bid (August 4, 1988), the Michelin Company announced they planned to pump 500 million dollars into its three Nova Scotia plants. The announcement sparked some controversy with a provincial election looming in the near future. Allegations were made that this was a pre-election vote-buying attempt by the Conservative Government. Donald Cameron, Industry Minister, denied that it was a vote winning ploy. Part of the deal involved an interest free 48.3 million-dollar loan from the provincial government, and the federal government made concessions on raw material import duties which were valued at 25 million dollars. Michelin and the government said that they had waited for the union to make their plans clear so that it would not appear that the company was trying to buy the employees off, but after the union abandoned their plan for certification the road was clear for the company to make the announcement. Cameron said that if the announcement was made at the time the plans were worked out it would have appeared that the Michelin Company was trying to interfere with the rights of the workers to decide whether they wanted a union or not.

¹⁰³ “Labor leader admits defeat in Michelin Drive.” *Toronto Star*, 28 July 1988, p. A12.

¹⁰⁴ “Labor leader admits defeat in Michelin Drive.” *Toronto Star*.

The 500 million-dollar expansion would result in the modernization of each of the three plants and the addition of 600 jobs over the following eight years. One hundred fifty people were to be hired to begin preparing for the expansion. About 400 new jobs were to be created at the Waterville plant, 150 jobs at the Granton plant and 50 at the Bridgewater plant. Approximately 40% of the expansion money was to be spent at Granton, 35% at the Waterville and the remainder at the Bridgewater plant.

Michelin employed a full arsenal of measures to defeat the union drives. During the time the CAW was active in the province, Michelin provided its workers with benefits they had been looking for, for years, in order to dissuade the workers from joining the union. Michelin offered the workers higher wages, indexed pensions and more flexible working hours, and they followed through with this offer. Michelin told the workers that if a union was formed, the workers would not make as much money as they were at that time. Although the CAW denied this, the seed was already planted.

Allister Macleod, the Atlantic Regional Director for the CLC, felt the main reason Bridgewater failed to become unionized was due to the fear of retaliation. When employees made him sole union spokesperson for the Bridgewater plant, he said, “that decision was made for one specific reason: fear of retaliation from the employer.” The CAW blamed the union’s failure on “discriminatory labour practices” by the company and “anti-labour legislation” which was introduced by Nova Scotia’s Progressive Conservative government. There was enough evidence of coercion for the LRB to have ordered a cease and desist order against Michelin. Whatever the case, the CAW could not succeed in attaining the majority of votes for unionization for the company’s three plants in Bridgewater, Granton and Waterville.

Analyzing the Campaigns

Pamela Chase, Paul Holt, and Chris McDonald

Why did the Rubber Workers, the Canadian Labour Congress (CLC), and the CAW fail to unionize Michelin? To answer that question one must first examine what each side, i.e., the company and the unions, had going for them. In doing so it should become obvious that, in this dispute, Michelin was the stronger player; in effect, the deck was stacked in their favour.

One thing the company had going for it was its sheer size. Michelin is a huge multinational corporation. In 1985 Michelin was the second largest tire maker, ranking behind Goodyear, with 53 plants and 120,000 employees.¹⁰⁵ The company has three plants in Nova Scotia and five plants in the United States. Its massive bulk means that it has a lot of internal resources at its disposal, which it can use to fight attempts to unionize it. Its size also gives it a great deal of clout when dealing with governments. It is the number one private employer in Nova Scotia. When Michelin talks, governments listen. This brings us to the second card in the company's deck, the so-called Michelin Bill.

When the United Rubber Workers of America was on the verge of succeeding in its first attempt to unionize Michelin in 1979 the company asked the Nova Scotia government for help. The government responded with Bill 98, an amendment to the Nova Scotia Trade Union Act (it now makes up Section 24(A) of the act). Under the legislation, if a company's plants are interdependent (that is, they are dependent upon each other to stay in production), then any union attempting certification must do so on a company wide basis – they cannot organize the plants separately. Before Bill 98 was passed, the United Rubber Workers (URW) union declared that they had signed a majority of the Granton workers. In October 1979 a vote was taken but it was never counted because the retroactive Bill required that Bridgewater employees also had to agree to certification and they had not voted. The Nova Scotia Labour Relations Board ruled against the union by pronouncing that the certification vote at Granton had become illegal. This view was later upheld by the Nova Scotia Supreme Court.

Many Maritimers were outraged at the fact that Bill 98 was clearly aimed at appeasing Michelin, as Harris reports: "The new law, tailor-made for Michelin's legendary anti-union policy, was an affront to wide range of Nova Scotians at the time."¹⁰⁶ The Nova Scotia Federation of Labour was so angry with the Buchanan government that it refused to communicate with them after the Bill passed into law. Not only did the Michelin Bill kill the URW's certification drive, it also remained a major obstacle for any other organizations trying to unionize Michelin workers. It proved to be a real headache for the unions.¹⁰⁷

¹⁰⁵ Wilkie Taylor, "Workers attitudes helping company compete -- Cocker," *The Chronicle-Herald*, March 28, 1985, p. 29.

¹⁰⁶ Harris, "Workers, law stymies bid to form union," p. 4.

¹⁰⁷ "Labour congress files suit challenging Michelin Bill," *The Globe and Mail*. May 9, 1985, p. 10.

A third factor on Michelin's side was its choice of plant locations. The company set up plants in underdeveloped areas. By adopting this strategy, Michelin realized several advantages over putting plants in developed, urban areas. One advantage is that the company became a big fish in a small pond; it had more power in its dealing with local and provincial governments. The company could ingratiate itself more easily into a small community than a larger one. The tax revenue it brought in and the economic shot in the arm it provided would be more appreciated in a rural area than an urban one. Writing about the Bridgewater plant, Cunningham reports that John Logan, the executive director of the Bridgewater Industrial Development Commission, felt Michelin had done a lot for Bridgewater and for the county.¹⁰⁸

A fourth advantage is that people who live in the area where a plant is built are often so grateful to the company for coming in and providing much needed jobs that they don't want to do something to displease the company, for fear of driving it away. In addition, most of the people hired by the company from these areas do not have any experience with unions and so would be less inclined to start one up or to listen to those who do wish to unionize the plant. Allister MacLeod mentioned to the *Globe and Mail* that the CLC was faced with this problem, stating, "Industrial unions are new to Bridgewater and the Waterville] area. The minute you talk union, they think strike, which is absolutely incorrect."¹⁰⁹ Given the above, it should not have been a big surprise when many Michelin workers resisted the union drives.

The magnitude of the resistance turned into a definite benefit for the company. A group of workers at the Bridgewater plant, under the leadership of Lewis Williams, a 28-year old utility worker, led a vigorous campaign against the certification drive. Williams became a spokesperson for workers who wanted to keep the plants union-free. Harris described Williams as possibly, "An even bigger obstacle to the CLC's plans than the controversial legalisation."¹¹⁰ Williams and his group organized several anti-union protests and circulated a petition opposing unionization. On March 16, 1985, Williams led a seventy-eight car anti-union protest parade from Michelin's Bridgewater plant to the local CLC office. The anti-unionists didn't like the idea of paying union dues and didn't feel that a union would do the workers any good.

¹⁰⁸ John Cunningham, "A Bustling Bridgewater," *The Atlantic Advocate* 75 (12) 1985, p. 26.

¹⁰⁹ "Labour congress files suit challenging Michelin Bill," *The Globe and Mail*. May 9, 1985, p. 10; Allister MacLeod quoted.

¹¹⁰ Harris, "Workers, law stymies bid to form union," p. 4.

Many Michelin workers felt that they didn't need a union because of a further advantage the company had – its wages and benefits package. This package was indeed a barrier to organizing the workers because, as Deborah Jones explains, “The company pays above average wages and has instituted a no lay-off policy.”¹¹¹ Poor wages and benefits are major reasons employees go on strike. If wages and benefits are of good quality, workers may feel ambivalent about forming a union. Allister MacLeod stated in the January 4th edition of the *Globe and Mail* that most Michelin workers were satisfied with their wages and benefits.¹¹²

The last thing Michelin had going for them was the distance between plants. Common sense should tell you that plants which are close together are easier to organize than plants which are far apart. The Michelin plants are approximately 240 kilometres apart. Thus it was difficult for any of the unions to coordinate their efforts. The Congress admitted this was a problem when MacLeod stated to Napier that he was considering asking for more manpower from CLC affiliates in order to ease the burden of organizing the workers in three plants that are located so far from each other.¹¹³

Critics from within the labour movement and its supporters point also to failures by the unions themselves. They are particularly critical of the efforts of the United Rubber Workers. In part, this criticism was directed at the international nature of the union; that is, the fact that it is based in the United States. *Labour's Side* charged that the URW campaign was half-hearted and full of blunders. It was “marked by an overt disrespect for the workers and ... demonstrated little genuine commitment.” For example, in its initial 1977 drive, the URW failed to secure an updated list of employees, which was needed to determine the 40% number, and it was content to sign the bare minimum, what *Labour's Side* called “a lazy-man's job all the way around.” In addition, the labour movement was too oriented to the business and governmental status quo, preferring to turn to the courts during any battle rather than organizing actual rank and file militancy.¹¹⁴

Michelin employee Norm Saulnier signed his first union card with the URW in 1975 and became a member of the union's Executive Board until he resigned in 1979. In August of the

¹¹¹ Deborah Jones, "Labour resumes the battle," *Maclean's* 99 (33) 1986, p. 13.

¹¹² “CLC plans organizing campaign at Nova Scotia Michelin plants,” *Globe and Mail*, 4 January 1985, p. 3; Allister MacLeod quoted.

¹¹³ Jo Ann Napier, "CLC trying to unionize Michelin workers," *The Chronicle-Herald*, February 6, 1985, p. 24.

¹¹⁴ “*Labour's Side* Replies,” Vol. 5 No. 5 pp. 11-12.

following year he left Michelin in the face of harassment by company officials for his union activities. Saulnier complained that the URW spent too much time and money in the courts rather than organizing more direct actions, and “the workers just got lost in the middle.” From his interview, we can get some insights into the campaign. According to Saulnier, the local workers had no control over the campaign or over the money being spent. URW organizer William Punnett said “I have the last say.” Employees and local activists were allowed, at best, to make suggestions. If the organizers didn’t like them, they were ignored. No local employees were invited to strategy meetings held by organizers. When the 1979 vote was lost through the government’s Michelin Bill, Saulnier said, Punnett “Didn’t even have the guts to come back to New Glasgow and say: ‘Well, we lost this time but we’ll get them next time.’” He went directly to vacation in Florida. In addition, the Nova Scotia Federation of Labour was of little help. President Gerald Yetman complained that it took too long to organize anything.¹¹⁵

Saulnier adds that local union members did “the best part of” the work getting cards signed. When the union finally pulled out of Nova Scotia, they took with them the list of people who had signed union cards and a list of employees at Michelin. These things should have been left in the local. We worked for it.... Now there is nothing left.... They just closed up the office, took everything – all the records – and took off for Ontario. We did all the work but the URW figured everything was their private property. If they weren’t going to succeed in organizing Michelin, they weren’t going to make it any easier for anybody else.”

Punnett says they went all-out to get cards signed. Saulnier complained that the organizers tried to “strong-arm” people and were so persistent in “going after them” to sign a card that they became “fed-up and ... too stubborn to say ‘yes.’” It is also interesting to note that Saulnier says that “a lot of workers didn’t want their wives or husbands to know that they signed cards. We told Punnett: ‘Don’t send any letters, or anything to these people’s houses.’” But before the vote in 1979, organizers phoned the homes of everyone on the list “and asked them for their support.” Again, this persistence angered potential supporters.¹¹⁶ Reading between the lines, however, attempting to keep union activities secret at home suggests that there would be disagreement about unionization. A union drive affects all family members, not just the employees, and dependent spouses may have been more prone to fear Michelin’s threats.

¹¹⁵ “A Worker Replies,” *Labour’s Side*, Vol. 5 No. 5 pp. 12-13.

¹¹⁶ “A Worker Replies,” pp. 12-13.

Above all, perhaps, the most effective propaganda came not from the unions but from Michelin. According to Surette, “company documents ... showed that essentially employees are graded according to loyalty to the company” and on “their anti-union feelings.” Union documents appear closely derived from James Dougherty’s treatise, *Union Free management and how to Keep It Free*.¹¹⁷ The trump card that Michelin barely needed to breathe in order to command attention was the fear that they would pull out of Nova Scotia in the face of unionization. In the short run, at least, it would be absurd to believe that Michelin would abandon their investment if it was still profitable, but this union argument did not carry enough weight among the families of Michelin employees. If not swayed directly by Michelin propaganda, attitudes in Nova Scotia also reflect the point of view of various media. The following section examines the question of bias in print media.

Media Treatment of the Unionization Drives

Gregor Bertram and Andrew Anningson

This section discusses the question of sources for studying unionization drives at Michelin and the question of bias. It involves relations between the labour movement, multi-national companies, and the Nova Scotia Government. This section discusses the coverage of the happenings at Michelin by the media whose interpretation of those events played a definite role in shaping the views and opinions of those directly involved as well as those who simply watched. From who’s point of view were the facts recorded, and how were they displayed?

Considerable information for this project came from pro-labour publications which were produced directly from the labour movement or its sympathizers. These publications included *Labour’s Side* produced by an independent labour support group in the province. Although factual in details, *Labour’s Side* was openly pro-militant labour and opposed to Michelin and the Nova Scotia Government. They also gave the problems of unionization at Michelin great priority. This was apparent both through the reading of the articles and their structural presentation. Many of the labour publications studied from early 1979 to 1986 gave the disputes involving Michelin front page coverage (eight publications in total). The articles were given

¹¹⁷ Surette, “Michelin Retreads Trade Union Act,” p. 2.

large headlines and eye-catching illustrations. This style presented the mood of the labour movement as being upset with the way Nova Scotian labour relations were being handled.

The bias against the government and company was evident in the content of the articles. The authors usually presented their views strictly in opposition to Michelin Corp. and the Government, for example, using the phrase, "Captains of industry and their hacks who hold government offices."¹¹⁸ The quotation refers to the people who run Michelin as captains, suggesting their power and elevated position in society. And the reference to the government officials as 'hacks' shows a great deal of resentment and distrust. This type of writing was typical of the articles which originated from the labour movement; however, they should not be condemned for this type of reporting because Michelin workers were being treated unfairly by Michelin and their rights were not even addressed by their government. Also, the declared purpose of these publications was to unite the workforce against their adversaries.

Newspapers, both local and national, were also an important source of information. These papers were found to be opposite in their bias. This was not an obvious display, as in the labour publication, because the papers attempted to follow the guise of objectivity. These publications included the *Halifax Chronicle-Herald*, *New Maritimes*, and Canada's self-proclaimed national newspaper, the *Globe and Mail*. We also researched a few articles from small town papers throughout the valley.

The larger papers showed their lack of sympathy for the workers through their neglect to mention any of the opinions of the labour movement. For example, the three unfair labour practice charges that the workers won against Michelin were entirely overshadowed by the government passing the Michelin Bill.¹¹⁹ The Michelin Bill may have been the larger issue, but the public may have seen what the workers were complaining about had they received information regarding the sources of their grievances. Although there were several articles which allowed the airing of the union/labour point of view, these were downplayed through their location and dull wording of head lines.¹²⁰ Throughout the period of time when the Bill was passed, the papers, especially the *Chronicle Herald* and twin *Mail-Star*, avoided almost completely the connection between the Michelin plants and the passing of the new labour

¹¹⁸ "The Michelin Bill: Who runs Nova Scotia?" p. 2.

¹¹⁹ "Anti-Labour News," p. 5.

¹²⁰ Ken Clare, "Michelin's Minions," *New Maritimes*, 5, May, 1987, p. 8.

legislation.¹²¹ Michelin also used the press effectively. For example, On December 21, 1983, it took out a full-page Christmas greetings advertisement in the *Kentville Advertiser*, with a map showing a graphic of the three plants, and featuring a gallery of smiling, line workers, all apparently happy to work at Michelin.

Labour's Side addressed the issue of the anti-union bias of the Halifax dailies in its pages, attributing the problem partly to the near monopoly of the *Chronicle-Herald* but, more importantly, to its close ties to big business. While the dailies were more blatantly anti-union in the past, for example, crusading against the strike by fishermen in Canso in 1970-71, in its unstinting support for Michelin, the papers were "smoother, less forthright." While giving coverage to both sides, through its "placement of articles, and the wording of headlines" the paper revealed its continuing bias.¹²² The best example of bias that effectively derailed the unionization of Michelin was the front-page treatment the *Chronicle-Herald* gave to anti-union business spokesman Alan Rugman's prediction that Michelin would leave Nova Scotia if the workers dared to unionize. The paper's disinterest in linking Michelin to the Bill quickly changed after the announcement of the new plant in Waterville, which can be shown through a statement from the editors, which reads as follows:

There can be no question of the benefits Michelin has already brought to this province. Its plants in Pictou and Lunenburg counties have encouraged massive economic change.... An air of encouragement, hope and excitement prevails across the province as a result of the expansion news.¹²³

This quote hardly seems to be non-biased, and it does not in any way reflect the feelings of many Nova Scotians who felt that basic union rights were more important than a few hundred jobs.

These are just some small examples of the treatment this situation of labour/management conflict received throughout the period which was studied. The information which went to the public was at best, quite muddled. Also, through researching this issue, the treatment which the media provided may have had strong implications on the outcome of the events which

¹²¹ Clare, "Michelin's Minions," p. 8.

¹²² "Anti-Labour News," pp. 5-6.

¹²³ "Anti-Labour News," p. 6.

surrounded the Michelin Bill. That is, the labour publications may have swayed many readers against the Bill but these readers were most likely to have already formulated negative opinions of Michelin and the Nova Scotia Government. On the other hand, the *Chronicle-Herald* and the *Mail-Star*, with a combined circulation of 125,000 in 1980, had a much larger audience. These were popular Nova Scotian papers of many people who were not necessarily involved with the labour movement.¹²⁴ As a result, the views which were propounded in these papers were probably held by most of the public.

In the final section below, the question of the origins of an anti-union attitude is taken inside the plant. The discussion that follows is based on an interview with a Michelin employee and gives some idea of the content and effectiveness of Michelin's paternal practices of industrial relations.

Michelin's Industrial Relations Paternalism

John Russell

This section utilizes some secondary data publications but primarily summarizes the results of an interview with a worker with hands-on experience at Michelin to provide an outline of the firm's industrial relations as far as these Nova Scotia plants are concerned, and focuses on the factors which affect the employees personally.

Paul Thompson describes the workplace as a social system established by the integration of technology and mediated by worker motivations.¹²⁵ Michelin can be viewed in these terms as technology is utilized by every employee in the plants and there are many encouraging worker incentives. There has been a no hiring/no lay-off policy in effect for years. When a new employee arrived at the plant, he began a rigorous three-day integration course. This course instructed the individual as to the operations of the plants and work procedures, and it demonstrated safety procedures such as how to lift without straining the back. Upon completion of this introduction, the employee usually began work performing a menial task such as working on the "racks." This involves placing bobbins of wire in place for the machinery.

¹²⁴ "Anti-Labour News," p. 6.

¹²⁵ Paul Thompson, *The Nature of Work*. London: The MacMillan Press Ltd., 1983.

The employees are informed of their promotion potential. In theory, any one of the approximately 4,000 employees who wishes to be plant manager can fill this position some day through hard, loyal work. Traditionally, the upper management has been comprised of Europeans, such as the French or the British. Between the two extremes of manager and menial jobs lies the corporate hierarchy. Under the manager are his support staff followed by the foremen from the various sections of the plant. Lastly are the plentiful plant workers who utilize the machinery to produce the finished product. These hierarchical divisions seem to be non-existent as the managers tour the plant on a regular basis and socialize with the workers.

The main focuses of the management philosophy are safety of the workers and quality of the product. To achieve these goals, the workers employ knowledge and skill from their training on the highly technological machinery in the workplace. To expand this knowledge, Michelin offers courses to all employees and encourages participation. As well, all jobs that are performed in the plant are outlined in a text, and it is expected that tasks will be carried out accurately according to this scheme. This step-by-step manual covers even the most insignificant aspect of a task in order to ensure safety and efficiency. Every employee, at one time or another, has participated in the manufacturing process and has made at least one tire. Thus, no matter where one stands on the corporate ladder, he or she has worked his way there and is aware of what occurs below. This, Michelin believes, creates a better manager.

Along with this education and experience to help the employee achieve his or her potential are the working conditions which are designed for comfort. The plants are clean, well-ventilated, well-illuminated and warm. Worker grievances are dealt with either by person-to-person or anonymously. If an employee has a complaint or a suggestion, he or she is free to approach a foreman. The foreman will correct the situation as appropriate. If the employee is still dissatisfied, he or she is encouraged to speak to upper level management to reach a solution. Disputes are settled quickly and employee input is always used in the decision-making process. If the employee prefers to remain unidentified, he or she has access to the Bib Line. This is an automated answering service set up by Michelin to record complaints or suggestions on how to enhance the work experience or increase efficiency.

The worker is very mobile in the company. According to Gordon Myers of McMaster University, permission for interregional transfers of employees optimizes their efficiency.¹²⁶ If a job opens in another part of the plant, or in another plant, and the employee is qualified to fill the position, he or she is free to apply. Furthermore, rotation of jobs within a plant is done by management periodically so as to eliminate employee boredom from performing the same task. Children of employees are hired on as full time workers during the summer.

Michelin is socially kind to its employees and provides financial aid. The medical benefits are extensive and the family of an employee enjoys full dental coverage. The employee has the opportunity to retire early with a full pension.¹²⁷ Michelin was the first company in Canada to offer such a plan. Holidays must be earned on most jobs, and Michelin is no exception. After one full year of service, the employee is entitled to two-weeks vacation. Every proceeding year of work earns the worker one extra day off. After a few years under this form of holiday accumulation, the ratio becomes one day for every two years worked. Three holidays are scheduled for everyone regardless of how long they have worked for Michelin; Remembrance Day, Good Friday and the twenty-fourth of May. These are essentially floater holidays in that they can be taken on any day of the year and not only on the prescribed day.

Michelin offers many fringe benefits to their staff. A building has been erected and sports facilities have been built for the companies' social club to enjoy. This policy encourages improved health and employee integration. After two-years work, each employee receives seven free tires. These are consequently replaced as they wear out and are continuously substituted throughout the employee's time at Michelin. Various tokens of appreciation are awarded periodically such as steak knives and clothing. The J Stores are popular benefits. These are service stations at the plant where the employee can have auto repairs done.

It is this corporate nut that trade unions in Canada have not managed to crack. Unionization may be a long way off if the plant is successful in maintaining its no-layoff policy and relatively high-wage and benefit practices. Competition and recessions are the wedges that force companies to degrade or eliminate their paternalistic policies with which they hope to buy

¹²⁶ Gordon M. Myers (1989), "Optimality, Free Mobility and the Regional Authority in a Federation," John Deutsch Institute for the Study of Economic Policy, 10 (June), 1989, pp. 1-20.

¹²⁷ "Michelin tries early retirement," *Chronicle-Herald*, 23 May 1991, p. B8.

loyalty. Time will tell which side of the story pans out in the last decade of the twentieth century and into the next.

Conclusion

Gregor Bertram and Andrew Anningson

The story of Michelin in Nova Scotia from 1970 to the late 1980s, if based entirely on the pro-labour sources used for this project, would appear to be something of a battle between slave and slave-driver. It would, however, be a near-sighted assessment of the situation to conclude that nothing positive came from the presence of one of the world's industrial leaders in the province. Michelin is clearly trying to run a business as efficiently and economically as possible while maintaining quality of both product and service. The workers want the best possible working situation, to be safe and secure both on the worksite and in the community, and to have a say in their work. The provincial government wants a stable economy without the threat of work stoppages and employee/employer disputes.

The "Michelin Bill," coming at the end of Michelin's first decade in Nova Scotia, is surely influenced by all these factors, though it is blatantly written to the tune of the company. It could, perhaps, be argued that such legislation protects industry from its workers. It certainly makes the possibility of a union organizing under its conditions a distant one. The media coverage of the happenings at Michelin in these years is an issue whose importance is perhaps hidden. It is through the media that opinions are formed, and depending on where emphasis is placed, consciously or not, the views people take on an issue can be influenced to a great degree.

Ultimately, the events at Michelin have shown the resolve of both the workers and the company to maintaining their interests. Whether there is a union or not to fight for the worker's cause, one would suppose that that cause would be a serious consideration for Michelin, which cannot achieve its goals if one of its most fundamental element, the workers themselves, are not, to some extent cared for.